Department of Health Annual Report and Accounts For the year ended 31 March 2021

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on

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PERFORMANCE REPORT

PERFORMANCE OVERVIEW

Purpose

The purpose of this Performance Overview is to provide information as a summary that provides sufficient information to understand the Department of Health (DoH or the Department), its purpose, the key risks to the achievement of its objectives and how it has performed during the year.

Introduction and Background

The Department presents its Annual Report and Accounts for the financial year ended 31 March 2021.

DoH 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 people in Northern Ireland.

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

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

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

The Department's strategic objectives reflect Ministerial priorities, those developed by the Executive as part of the New Decade New Approach (NDNA) and outcomes set by the Programme for Government (PfG). Work is currently ongoing to agree a new PfG outcomes framework, with the proposed key health-related outcome remaining substantially unchanged as: *"We all enjoy long, healthy, active lives"*. The health emergency, prompted by the COVID-19 pandemic, caused the Department to activate its Business Continuity Plan and the Executive to operate under Emergency Planning structures during the 2020-21 financial year. Whilst continuing to manage the response to the pandemic, the Department and its ALB's are now focussed on the rebuilding of HSC services, which is aligned with the key objectives above.

Strategic Priorities for Health

The Minister's overall aim and vision is to build a world-class health and social care service for the people of Northern Ireland. This includes a strong focus on transformation and rebuilding initiatives in order to improve the health and wellbeing of the people of Northern Ireland, drive up the quality of health and social care for patients, clients and carers, to improve outcomes, to safeguard the vulnerable, and to ensure that patients, clients and carers have the best possible experience in every aspect of their treatment, care and support. In addition to the impacts of the pandemic and in common with the other health systems across the UK, Northern Ireland continues to face serious and ongoing challenges with supply, recruitment and retention of staff. To tackle these challenges, the 'HSC Workforce Strategy 2026: Delivering for Our People' continues to set the agenda of action, which, when implemented, will support the workforce to deliver world class health and social care.

The Minister is also committed to ensuring the delivery of an effective Fire and Rescue Service across Northern Ireland, contributing to the safety and wellbeing of the community.

The principal service objectives for HSC organisations derive from this strategic focus and are set out in detail in the HSC Commissioning Plan Direction. Objectives for the NIFRS 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.

Further information on the governance structures of the Department, including the Board, the Departmental Audit and Risk Assurance Committee (DARAC), the oversight of ALBs and the role and responsibilities of Board and DARAC members is provided in the Governance Statement section of this annual report and accounts document.

Business Objectives and Performance

Details on a wide range of business objectives and activities are set out in this Performance Report. Given the scope of the work of the Department, a short opening synopsis of achievements and performance measures is not practicable. However, the information for specific business areas and key ALBs is provided below and confirms the performance measures used, alongside appropriate comparisons in respect of whether objectives were achieved or not. Objectives are aligned with PfG and the corresponding Outcomes Based Accountability (OBA) principles. The significant impacts of the pandemic on business objectives and services delivery is also described as necessary.

Risks

The Department maintains a Departmental Risk Register to record, monitor and report on the management of risk. This focuses on the principal risks to the Department's delivery of its statutory responsibilities and strategic objectives, including the agenda it sets for its ALBs. The Department strives for a 'hungry' risk appetite, but recognises the need for an 'open' risk appetite in those areas where the Department cannot afford to fail. The principal risks and summary mitigations are set out below and include the emerging risk in respect of potential local impacts of the UK having left the EU. The COVID-19 pandemic is not specifically listed, or categorised as a risk that might occur, but addressed as an issue/event that has already occurred and the existing risk profile incorporates the related risks and mitigations in respect of the ongoing response and recovery.

Principal Risk	Mitigation Summary
That available financial resources, including COVID-19 funding, are insufficient and are not deployed effectively to ensure that essential services are maintained; and that strategic objectives, including COVID-19 response and rebuilding, for HSC and Public Safety are progressed in the current year.	Budgetary challenges continue to impact the Department. There is ongoing engagement with DoF in respect of all aspects of the budget process and funding requirements. This is mirrored by corresponding engagement with ALBs in respect of their requirements and allocations. Additional Resource and Capital funding secured as a result of COVID-19.
That planning and prioritisation of financial resources, against the backdrop of COVID-19, for future years is not effective in ensuring that sufficient resources are available to maintain essential services and deliver the strategic objectives, including COVID-19 response and rebuilding, for HSC and Public Safety in future years.	Budgetary challenges continue to impact the Department. There is ongoing engagement with DoF in respect of all aspects of the budget process and funding requirements. This is mirrored by corresponding engagement with ALBs in respect of their requirements and allocations. Additional Resource and Capital funding secured as a result of COVID-19.
Departmental priorities are not met due to ineffective arrangements for the management, recruitment, engagement, deployment or development of Departmental staff.	The Department works collaboratively with NICS HR to secure the necessary resources for its business needs and uses analysis of HR management information, staff surveys, workforce planning and learning and development requirements to ensure staff are effectively managed and deployed to meet business priorities.
The requisite HSC workforce is not recruited, retained, trained or developed, with a consequent negative impact on service provision, due to: a lack of capacity and/or resources for effective workforce planning and development; and/or, prevailing employment market conditions for the healthcare sector.	Implementation of a Workforce Strategy covering all aspects of the HSC workforce, including retention and recruitment; opportunities for introducing new job roles; and upskilling initiatives. Learning from the pandemic is being analysed and incorporated as necessary.

Principal Risk	Mitigation Summary
There is an adverse effect on the demand for, and quality of, HSC Services due to the ineffective delivery of those PfG and associated outcomes and objectives for which the DoH is responsible.	Strategic objectives reflect Ministerial priorities, including NDNA and PfG outcomes. Work is currently ongoing to agree a new PfG outcomes framework. The proposed key health-related outcome remains substantially unchanged as: *"We all enjoy long, healthy, active lives"*. The Department continues to focus on delivery of this outcome, however, availability of funding will determine the pace at which the associated initiatives can proceed.
The health and social care sector may be unable to respond to the health and social care consequences of any emergency (including those for which the DoH is the Lead Government Department) due to inadequate planning and preparedness which could impact on the health and well-being of the population.	The Department and its ALBs maintain appropriate emergency planning and business continuity arrangements to enable response to emergencies. These arrangements have been deployed (and revised as necessary) in support of the NICS and NI Executive's response to COVID-19. Learning from the pandemic is being analysed and incorporated as necessary.
Services provided are not safe or of appropriate quality due to ineffective measures being in place for the adequate discharge of the Department's statutory responsibilities under the Health and Social Care (Reform) Act (Northern Ireland) 2009.	The quality and safety of services across the HSC is at the heart of the Department's policy agenda and underpinned by the Department's Quality 2020 (Q2020) strategy. It is also underpinned structurally by the roles and responsibilities specifically assigned to the Regulation and Quality Improvement Authority (RQIA) and the Patient and Client Council (PCC), alongside the necessary requirements for HSC bodies.
Failure to protect children, young people and adults at risk as a result of an ineffective planning and policy response.	The Department works to ensure that effective legislative, standards, planning and accountability frameworks are in place, underpinned by appropriate training and resources, to safeguard those most at risk and to promote their welfare. There are effective partnership arrangements in place and regular engagement with the HSCB and HSC Trusts.

Principal Risk	Mitigation Summary
Appropriate standards of probity and governance are not maintained due to ineffectual internal control and sponsorship of Arm's Length Bodies.	The Department fulfils the role and responsibilities of a Sponsor Department for its 17 ALBs as directed in Managing Public Money NI. A sponsorship handbook sets out the Department's approach, alongside the relevant details described in the respective Management Statement and Financial Memorandums for each ALB. Whilst a range of routine governance activities were paused in the period to allow Departmental and ALB staff to focus on the pandemic response and rebuilding, no significant issues of internal control have been identified to date. Routine governance activities are now being restarted, including the process to review draft governance statements, as part of the review of ALB financial statements.
The required level of transformation and rebuilding in the HSC is not delivered due to lack of commitment within the system, political and citizen buy-in, or a failure to effectively plan and manage change.	Health and Wellbeing 2026: Delivering Together set the strategic approach to transformation. Given the additional challenges arising from COVID-19 and the development of the Strategic Framework for Rebuilding, a further draft framework to rebuild HSC services, "*Building Better, Delivering Together*", has been developed. This aims to amalgamate these areas of work into one set of actions, which will support the rebuilding and transformation of services, whilst also taking account of the need to remain flexible in response to the ongoing demands of the pandemic.
Contractual arrangements for independent practitioners become impractical or financially unviable in a significant number of areas, leading to loss of services and increased pressure on other services.	The Department engages with all relevant sectors and their representative bodies to maintain appropriate continuation and geographic coverage of services as necessary. Availability of funding remains a significant determining factor in the Department's ability to meet the many competing demands of service providers.

Principal Risk	Mitigation Summary
Cyber security breach leads to loss of service, user data and/or prolonged loss of key services.	Arrangements are in place via NICS to protect the digital infrastructure of the Department and wider Civil Service from cyber-attack. Digital Health and Care Northern Ireland (DHCNI), ensures appropriate digital security measures are in place to protect the infrastructure and services within HSC. The Department continues to work closely with the National Cyber Security Centre (NCSC), and the NI Cyber Security Centre to enhance cyber security and compliance.
Failure to comply with the legislative requirements set out in the General Data Protection Regulation and DPA 2018 negatively impacts the health budget due to statutory fines, and damages Departmental reputation.	The Department complies with its statutory responsibilities, ensuring Information Asset Owners (IAOs) and staff remain aware of their data protection obligations, that processes and information safeguards remain up to date and that any potential breaches are managed in line with the legislation. The Department continues to monitor developments arising from the UK's exit from the EU, to ensure that required HSC and public safety information can continue to be exchanged with relevant authorities in the Republic of Ireland (RoI).
That Encompass and other major "ehealth" projects are not delivered on time, within budget, do not enable the transformational or rebuilding benefits to the extent they anticipate; or that the HSC is unable to manage the change and coordination between key projects effectively.	Digital Health and Care Northern Ireland (DHCNI) has been established to provide the strategic vision and direction for digital transformation in Health and Social Care. DHCNI's Enterprise Portfolio Management Office provides programme oversight for the delivery and coordination of digital transformation initiatives. The pandemic has created many challenges, but also created significant digital opportunities and accelerated the adoption of mobile applications, Cloud platforms, Agile delivery and new digital products.
Failure to adequately address the emerging requirements of having left the EU (including the Northern Ireland Protocol), in terms of medicines supply, licensing, regulation, data adequacy, mutual recognition of qualifications and cross-border healthcare.	A dedicated EU Exit team are managing a wide range of engagements with UK and RoI departments and agencies to ensure compliance with regulatory and legislative requirements arising from the UK's exit from the EU. This has included work with industry and DHSC in London to mitigate any risk to the NI medicines supply chain.

DoH Organisational Structure

The following table sets out the organisation structure of the Department, including Directors and Chief Professional Officers.

Permanent Secretary	Group	Group Head	Directorate
Permanent Secretary Richard Pengelly	**Social Services Group**	**Chief Social Work Officer** Sean Holland	**Deputy Chief Social Work Officer / Director Office of Social Services / Strategy Director (Social Work) –** Jackie McIlroy **Director of Family & Children's Policy -** Eilis McDaniel **Director of Disability & Older People -** Mark Lee **Director of Mental Health –** Peter Toogood
	Chief Digital Information Officer Group	**Chief Digital Information Officer** Dan West	**Director of Information Governance -** Vacant **Director of Information Analysis –** Dr Eugene Mooney
	Healthcare Policy Group	**Deputy Secretary Healthcare Policy Group** Jackie Johnston (to 1 April 2021) Jim Wilkinson (from 12 May 2021)	**Director of Workforce Policy –** Phil Rodgers **Director of Primary Care –** Chris Matthews **Director of Secondary Care –** Ryan Wilson **Director of Hospital Services Reform -** Alastair Campbell **Director of Regional Health Services Transformation -** Peter Jakobsen **Director of General Healthcare Policy -** Michael O'Neill

Permanent Secretary	Group	Group Head	Directorate
Permanent Secretary Richard Pengelly	**Chief Nursing Officer Group**	**Chief Nursing Officer** Charlotte McArdle	**Deputy CNO -** Linda Kelly **Interim Deputy CNO -** Heather Finlay **Chief Allied Health Professional –** Jenny Keane
	Chief Medical Officer Group	**Chief Medical Officer** Dr Michael McBride	**Deputy Chief Medical Officer –** Dr Lourda Geoghegan **Deputy Chief Medical Officer –** Dr Joanne McClean **Deputy Chief Medical Officer - Public Health -** Dr Naresh Chada **Chief Pharmaceutical Officer -** Cathy Harrison **Chief Dental Officer –** Michael Donaldson **Chief Environmental Health Officer -** Nigel McMahon **Director of Population Health –** Liz Redmond **Director of Quality Regulation and Improvement -** Andrew Dawson **Director of COVID-19 Response –** Kieran McAteer
	Resources & Corporate Management Group	**Deputy Secretary Resources & Corporate Management Group** Deborah McNeilly	**Director of Finance -** Brigitte Worth **Director of Investment - ** Preeta Miller **Director of Corporate Management -** La'Verne Montgomery

Permanent Secretary	Group	Group Head	Directorate
Permanent Secretary Richard Pengelly	**Transformation, Planning and Performance Group**	**Deputy Secretary Transformation, Planning and Performance Group** Sharon Gallagher	**Director of Transformation -** Ciara Dolan **Director of Organisational Change -** Martina Moore **Director of Performance Management -** Lisa McWilliams (HSCB)
	Patient and System Flow Project	**Deputy Secretary** Jackie Johnston	
	Communications	**Communications** David Gordon	**Director of Communications -** David Gordon

Non-Executive Directors

Based on their skills and experience, Non-Executive Directors (NEDs) provide support and guidance to the Departmental Board, as well as exercising an oversight and challenge function in terms of risk management, financial planning, monitoring of performance and the achievement of corporate objectives.

Whilst continuing to face ongoing budgetary challenges, EU Exit pressures and ever-rising demand for health and social care services, the Department and its ALBs have spent much of 2020-21 responding to the COVID-19 pandemic and initiating the rebuilding of services. Through necessity, much day-to-day work has been paused to allow significant staff redeployments and a focus on the pandemic response and rebuilding. This has also impacted on the normal work of the Board and DARAC, with meetings temporarily paused and Departmental arrangements tailored to meet the situation. In addition, the pandemic has required a move to home working for the majority of Departmental staff and the pressures created by this new way of working, alongside the increased workloads in responding and rebuilding have been unprecedented. Our two NED members recognise this most challenging period for the Department, its staff and for colleagues in the HSC. Members have remained engaged and supportive of the Department's ongoing response to the pandemic and of the programme of work underway to rebuild better.

Chief Digital Information Officer

The Chief Digital Information Officer (CDIO) heads Digital Health and Care Northern Ireland (DHCNI). DHCNI is led by the Department and is an amalgamation of the Health and Social Care Board's former eHealth and Care Directorate and the Public Health Agency's Centre for Connected Health and Social Care.

DHCNI sets the vision and strategy for Digital Transformation in Health and Social Care, directs and oversees the central budget for Digital investments and works in partnership with and commissions projects and services from the Business Services Organisation, generally the Information Technology Services Directorate. DHCNI also aims to bring together the disparate Digital functions across the six Trusts: collaborating to develop a region wide strategy; facilitating shared leadership and decision making; setting policies and standards for the Trust teams to follow; and providing services and support.

The CDIO is responsible for control and governance of the eHealth and Connected Health Capital and Revenue budgets; the timely allocation of budgets to other organisations and for any underspend on allocations he retains; monitoring role for all eHealth and Connected Health expenditure and to make best endeavours within the governance framework to ensure that all expenditure represents value for money.

In April 2020, as part of the wider Departmental and HSC efforts to address the impact of the pandemic, the Department's CDIO convened a "Digital Co-ordination Cell" (DCC), reporting to the departmental strategic decision making team, "Gold Command", to co-ordinate the digital support and enablement of the DoH & HSC response to preparations for the additional burden that COVID-19 was predicted to place on the HSC. Many of these were related to public health and operational considerations, alongside issues related to Data collation, storage and access (including governance) and use of appropriate technology.

Given that the COVID-19 pandemic was a rapidly developing and changing situation, the group identified the immediate priorities as:

- enabling home working for DoH & HSC staff members
- the development of a COVID-19 web presence for healthcare advice
- the development of a telephone helpline
- development of capability to carry out remote consultations

As the situation evolved, further rapid, innovative interventions were identified to help lessen the impact of the virus, resulting in the development of:

- The CovidCare App (symptom checker app providing immediate advice and links to trusted information on COVID-19).

- STOPCovidNI (an app to alert users if they have been in close contact with other users who have tested positive for COVID-19).

- Digital Self Trace (an automated system to enhance the contact tracing process operated by the PHA telephone Contact Tracing Centre).

- Vaccinations Management System (digital processes to manage the delivery of the COVID-19 vaccines).

- Data analytics platforms - such as the public facing COVID Dashboards - to assist in the analysis of data to produce information which could help the HSC and other public bodies to respond more effectively to the spread of the virus).

The CDIO continues to monitor the deployment of these tools and manage their transition to oversight by the appropriate service leads.

Research and Development (R&D) Strategy

In February 2016, the Department published its 10-year R&D Strategy '*Research for Better Health and Social Care'*, which indicated the following strategic priorities:

- To support research, researchers and the use of evidence from research to improve the quality of health and care and for better policy making;
- To compete successfully for R&D funding;
- To support all those who contribute to HSC by enhancing our research infrastructure; and;
- To increase the relevance of research to the priorities of the local population.

An implementation plan has been developed by the Research Division of the PHA to address the objectives of the strategy, and key actions have been initiated. Key achievements in 2020-21 were:

- The successful initiation of a series of cross-border research trials (the Cross-border Healthcare Intervention Trials in Ireland Network (CHITIN) program) supported by EU funding;
- The launch of the Health Data Research UK (HDR-UK) Centre in Belfast to support the use of large data sets in health; and
- Successful completion after extensive consultation of a comprehensive review of research infrastructure, and the development of proposals to revise infrastructure to improve researcher support where necessary.

Quality 2020

The Q2020 Strategy defines quality under three main headings of (i) Safety; (ii) Effectiveness; and (iii) Patient and Client Focus.

These three headings are supported by the following five Strategic Goals:

- Transforming the Culture - This means creating a new and dynamic culture that is even more willing to embrace change, innovation and new thinking.
- Strengthening the Workforce - It is vital that every effort is made to equip staff with the skills and knowledge they will require to deliver the highest quality.
- Measuring the Improvement - In order to confirm that improvement is taking place we will need more reliable and accurate means to measure, value and report on quality improvement and outcomes.

- Raising the Standards - Involving service users, carers and families in the development, monitoring and reviewing of standards.

- Integrating the Care - Integrated care should cross all sectoral and professional boundaries to benefit patients, clients and families.

A number of Q2020 Implementation Tasks continue to support these strategic goals, however, the response to COVID-19 and the impact this has had on frontline services has meant that some Q2020 tasks have not progressed at the same scale and pace during 2020-21.

HSC Quality Improvement (HSCQI) - a collective approach to quality improvement across health and social care

From 1 April 2019, HSCQI has provided a focus on coordinating regional support to quality improvement across HSC to build on what already exists by connecting improvement activity and people together to deliver regional improvement at scale. Three regional prototypes were identified and work progressed to nurture these projects to achieve Quality Improvement goals.

In April 2020 HSCQI were asked to prioritise developing a regional learning system focused on lessons learned from COVID-19 to date and three initial priority themes are to be focused on for regional progression.

HSCQI is supported by the HSCQI Alliance and reports to the Q2020 Steering Group.

Transformation / Rebuilding Better

Health and Wellbeing 2026: Delivering Together remains the Department's overarching strategy for delivering long term sustainability of services. The same strategic challenges - an ageing population, increasing demand, long and growing waiting lists, and workforce pressures – remain and indeed have been exacerbated by the ongoing pandemic, which has put additional strain on the Health and Social Care (HSC) system at every level.

Since 2018, investment of almost £300m non-recurrent transformation funding has enabled firm foundations to be laid, and despite planned growth in many existing initiatives curtailed due to the pandemic, progress to date in existing Transformation initiatives was protected in 2020-21. In many cases in fact, transformation initiatives supported the COVID-19 response in areas such as ambulatory and unscheduled care, in the primary care response, and in support for the care home workforce.

Indeed, many existing Transformation initiatives quickly morphed in response to the pandemic, delivering transformative services in new ways; through virtual consultations for dysphasia patients, and through online engagement and new technologies to manage cardiac rehabilitation services.

Examples of progress to date in transformation include, but are not limited to:

- Significant progress on the implementation of the new Diabetes Strategic Framework to support effective treatment and care for people living with diabetes.

- Progress on the implementation of plans to modernise and improve treatment and care for children and their families through existing Paediatric Strategies.

- Further development of the Day Case Elective Care Centre prototype, with a new centre for care established at Lagan Valley Hospital, as well as continued progress in the areas of day care cataracts and veins surgery.

- Progress on the development of a new model for commissioning services in Northern Ireland informed by population health model and based on clear outcomes.

- Further development of the Primary Care Multi-Disciplinary Model, with services now in place in all Trust areas across Northern Ireland and an enhanced focus on mental health services and support in response to the impact of the pandemic.

- Provision of extra nursing, midwifery, physiotherapy, radiotherapy and medical places.

- The development of primary care elective care services, with over 13,000 patients who would have been referred to secondary care, receiving their treatment in a primary care setting.

- Progress on the COVID-19 Urgent and Emergency Care Action Plan, No More Silos, including the continuation of important acute care at home services, and development of urgent care centres to ease the pressure on emergency departments.

Much progress has been made in continuing to transform services and this, combined with the learning and innovation emanating from the pandemic, and new work to rebuild services post-pandemic, will support the system to develop a plan for how vital services must be rebuilt better, in line with the commitments set out within Delivering Together.

Hospital Services Reform/Regional Health Services Transformation

The New Decade, New Approach Agreement stated that the NI Executive gave a commitment to deliver reforms set out in the, 'Systems, Not Structures: Changing Health & Social Care' and 'Health and Wellbeing 2026 - *Delivering Together*' reports. Launched in October 2016, 'Health and Wellbeing 2026 - *Delivering Together*', set out a 10 year roadmap for transforming how HSC services in Northern Ireland are planned and delivered. Delivering Together was the Department's response to the Expert Panel Report – 'Systems, Not Structures: Changing Health & Social Care' – that was led by Professor Bengoa and contained commitments to:

- Start a programme of clinically led service configuration reviews;
- Progress the modernisation and transformation of pathology services;
- Consult publicly on proposals to develop sustainable stroke services and to further improve the standard of treatment and care provided to stroke patients;
- Bring forward proposals for the location and service specification for Elective Care Centres and Assessment and Treatment Centres.

COVID-19 posed unprecedented challenges for the Health and Social Care System. As a consequence, progression on planned work on a range of service reviews was unfortunately and unavoidably paused.

The implications of managing within the current challenging financial position will severely restrict the ability to deliver and implement transformation plans designed to address the root causes of unacceptable waiting times across a range of high priority hospital services. Unacceptable waiting times have been exacerbated by the pandemic and will require significant investment to address. Additional investment and resources will be needed to support service improvement across other high priority/high demand services to deliver the strategic objectives in future years.

Stroke Services Review

Following a public consultation in 2019 on the proposals outlined in 'Reshaping Stroke Care: saving lives, reducing disability', a consultation analysis was completed. While this has informed discussion with the Minister, work on the reform of stroke services was paused in March 2020 in the context of pressures arising from COVID-19.

Urgent and Emergency Care

Work on a clinically led regional review of Urgent and Emergency care was significantly delayed due to the pressures arising from COVID-19. Preparation of an initial report, which will outline an analysis of the current challenges facing urgent and emergency care services. Exploration of some immediate and long term solutions is underway and scheduled for publication in early summer 2021. The learning from the review was used to develop a COVID-19 Urgent and Emergency Care action plan – No More Silos – and work is progressing well to implement the 10 key actions. It is anticipated that a full public consultation will take place over the summer 2021. This will consider the recommendations of the review, together with the learning from the implementation of No More Silos.

Cancer Strategy

The development of a new Northern Ireland Cancer Strategy is nearing completion, with a draft strategy document currently being prepared. The cancer strategy seeks to maximise the patient voice by fully involving "lived experience" cancer patients and experienced health professionals at all levels. It is anticipated that the full external consultation will take place over the summer.

Breast Cancer Assessment Services

Following a public consultation on 'Reshaping Breast Assessment Services', which closed on 30 August 2019, a consultation analysis report was completed to inform discussion with the Minister. Work on the review was paused in March 2020 in the context of the need to prioritise the response to the pandemic.

Review of Neurology Services

The Review of Neurology Services was paused in March 2020 in the context of pressures arising from COVID-19. It is hoped the Review will recommence in the near future.

Daycase Elective Care Centres (DECCs)

Two prototype day case elective care centres were established in December 2018 for the treatment of cataracts and veins, the performance of which continues to be closely monitored and evaluated in order to inform the development of a regional elective care centre model for appropriate day case procedures. In July 2020 the Minister outlined his plans to rebuild day procedures with a Day Procedure Centre hub in Lagan Valley Hospital. He also announced the establishment of a new Day Procedure Network. The Day Procedure Centre at Lagan Valley has provided much needed support to the region in response to the downturn in elective procedures during the pandemic.

Orthopaedics

The Department commenced work on a Regional review of Orthopaedics which seeks to introduce a new, streamlined end-to-end pathway for orthopaedic surgery. In July 2020, Minister announced that Musgrave Park Hospital and Altnagelvin Area Hospital will be designated hub sites for orthopaedic procedures. The rebuilding of orthopaedics at these sites following the first COVID-19 surge will be incremental, with a longer term aim to develop a region-wide network of orthopaedic practice, based on an alliance of the existing orthopaedic units.

Regional Obesity Management Service (ROMS)

The Department is currently exploring options to develop a ROMS in Northern Ireland and exploring options for a prototype. It is anticipated that proposals for the ROMS will be ready for public consultation at an appropriate time in the rebuilding process.

Pathology Services

A programme of Transformation in Pathology services is currently underway, led by the HSCB sponsored regional Pathology Network NI. HSC Pathology services were an integral part of the pandemic response here, responsible for delivering the HSC Pillar 1 SARS-CoV-2 testing in NI. Despite these challenges, with resource and efforts being diverted to the COVID-19 response, the Pathology transformation programme has continued to make progress throughout 20/21, addressing current service challenges and laying the groundwork for a wider programme of reform. The Department has committed to exploring options for a new single regional management structure for HSC Pathology Services and it is the intention to progress this in 2021/22.

Maternity and Neo-natal Services

The Department still intends to commission a clinically led regional review of Maternity and Neonatal services. Unfortunately the review had to be paused due to the challenges and disruption associated with COVID-19.

Rebuild

While HSC must maintain the ability to respond to COVID-19, there is also an urgent need to rebuild wider healthcare services, which have borne the brunt of efforts to control the virus. On 9 June 2020, a new Strategic Framework was launched aimed at rebuilding health and social care services, with the key aim of incrementally increasing HSC service capacity as quickly as possible across all programmes of care, within the prevailing COVID-19 conditions. The Rebuilding Strategic Framework underpins development of Trust rebuild plans, detailing how capacity can be increased in the context of COVID-19. A new Management Board for Rebuilding HSC Services has also been created to oversee the Rebuild work, broadly consisting of senior Departmental officials, Trust Chief Executives and other HSC leaders.

Surge Planning/Management

As mentioned above, the scale, severity and impact of COVID-19 has been like nothing experienced in living memory and required HSC to learn, adapt and take action in the most challenging circumstances. To manage this, the Department published a Surge Planning Strategic Framework and rapidly set up structures and processes in HSC, such as Gold Command, to take a strategic and joined up approach to all aspects of managing the pandemic, including areas such as track and trace, mass testing and the establishment of Nightingale hospitals at Belfast City Hospital and Whiteabbey Hospital.

The modelling group established by the CMO made it possible to track and monitor the trajectory of the pandemic and there was much learning drawn from each wave, meaning that recommendations could be put to the Executive regarding early action to introduce non-pharmaceutical interventions to contain the virus.

A new Command and Control Hub was established to operationally manage critical care on a regional basis and this Hub also managed respiratory services, again as a regional resource. The Critical Care Network for Northern Ireland (CCaNNI) played a central role in advising this Hub on the implementation of its critical care surge plan, which provided the ability to flex critical care capacity to an absolute maximum of 177 ICU beds across the region. The plan required Trusts to work collectively to ensure that critical care capacity was maximised, while making the most of available staffing resources. Within this overarching plan, decisions were taken on the need to transfer patients to the Belfast City Hospital Nightingale facility.

An additional Nightingale facility on the Whiteabbey Hospital site was commissioned by the Department as an intermediate care facility, providing up to 100 additional 'step down beds'. As the regional COVID-19 enhanced rehabilitation facility, Whiteabbey Nightingale treated a total of 145 patients from across all Trust areas, easing pressures on acute and ICU beds across the region.

PPE Supply

Early in the COVID-19 pandemic and as part of the DoH emergency response a PPE Supply Cell was established within the Department to provide strategic direction and oversight to the procurement and distribution of PPE to the health and social care sector in NI.

The PPE Supply Cell was responsible for:

- Leading discussions with the Business Services Organisation (BSO) Procurement and Logistics Service (PaLS) and Construction and Procurement Delivery (CPD) in Department of Finance to ensure procurement rules were being applied, particularly when the EU agreed emergency provision could be adopted for PPE procurement.

- On behalf of the Minister, and in support of BSO PaLS, handled a large volume of communication relating to PPE Supply. This included offers of assistance from companies, community groups, and individuals as well as more formal correspondence cases from politicians regionally and nationally. This was a significant aspect of the work in the first surge of the COVID-19 pandemic.

- Assessed management reporting from Silver Command and prepared management reports for Gold Command and Minister to ensure PPE supply and distribution was given priority.

- Worked with policy leads in ensuring all parts of primary, secondary and community care had sufficient access to PPE.

- Working with all nations of the UK to collaborate on PPE provision and as necessary contribute to the provision of Mutual Aid of PPE across the nations of the UK.

- Commissioned a rapid review audit of PPE distribution to highlight opportunities for improvement in the distribution process, which integrated free of charge PPE to the independent sector in NI. All recommendations, approved by the Minister, were implemented across the Department and the wider HSCNI during 2020-21.

- Worked closely with procurement officials and NI Executive colleagues to secure a major PPE order from a Chinese supplier.

- Facilitated and engaged with colleagues in BSO, CPD (DoF) and Invest NI to seek opportunities for local manufacture of fit for purpose PPE.

- In preparing for second and subsequent surges of the pandemic, to build on the strategic approaches and decisions relating to the first surge and place greater responsibility with BSO to manage PPE procurement and supply and to work to build 12 weeks rolling stock to support frontline needs. DoH also put in place a PPE liaison role to ensure Departmental and Ministerial access and support was readily available when needed.

Regional COVID-19 Vaccination Programme

The COVID-19 vaccination programme began on 8 December 2020, in line with the rest of the UK. The Northern Ireland model was designed to be pragmatic, agile and flexible. Due to the level of vaccine available initially, two main delivery models were deployed; this involved 7 large regional vaccination centres, operated by the 5 HSC Trusts and also the primary care led model, which saw vaccine being administered at 321 GP Practices spread right across Northern Ireland. Trusts also established mobile teams to administer the vaccine in all 483 care homes to residents and staff, while house bound patients were vaccinated by District Nurses working in partnership with GP Practices.

The implementation of the vaccination programme followed the prioritisation list as recommended by the Joint Committee on Vaccination and Immunisation (JCVI). JCVI set out 9 priority groups and advised that the first priorities for phase 1 of the COVID-19 vaccination programme should be the prevention of COVID-19 mortality and the protection of health and social care staff and systems.

The programme is entirely dependent on the supply of vaccine but by 2 June 2021 the programme had passed three landmarks, with the total number of vaccines administered by that point passing 1,700,000 doses, the number of first doses provided passed 1,000,000 whilst second doses moved beyond 675,000. By the end of March 2021 a large vaccination centre was established at the SSE Arena and 348 Community Pharmacy stores began to offer the vaccine to eligible cohorts across Northern Ireland.

The long term success of the programme depends on achieving high uptake rates in all sections of the adult community. As the programme continues to be rolled out in 2021-22, work will be undertaken to ensure any areas of low uptake rates are identified and targeted with additional support.

COVID-19 Test and Trace

The Department has had a significant focus on COVID-19 testing throughout the year.

Available Polymerase Chain Reaction (PCR) testing capacity has been scaled up from 40 tests per day in January 2020, to in excess of 15,000 per day in January 2021. Testing capacity continues to be flexible and can be increased in response to demand. In the early stages of the COVID-19 pandemic, testing was reserved for the highest priority areas including the most ill and vulnerable patients in hospitals, care home settings and for health care workers. However, access to testing has rapidly expanded and now everyone in Northern Ireland is eligible for a COVID-19 PCR test if they are showing symptoms of infection.

The Department's Expert Advisory Group (EAG) on Testing is responsible for overseeing implementation of the Northern Ireland Testing Strategy for COVID-19, including co-ordination of testing arrangements. Testing policy is kept under constant review by the EAG and priority groups for testing are extended in line with both the scale up in testing capacity, and also in line with emerging scientific and medical evidence.

Testing in Northern Ireland for people with symptoms of COVID-19 is currently delivered through two routes. Firstly, through the Health and Social Care laboratory network which is primarily used to test patients and healthcare workers. This is known as Pillar 1 of the testing programme. Secondly, testing is delivered through the National Testing Programme which has been established and is led by the Department of Health and Social Care (DHSC) in London and operates through collaborative working with the Department of Health and the Public Health Agency. This is Pillar 2 of the testing programme and comprises multiple delivery channels across Northern Ireland – including drive-through testing centres; permanent walk through testing centres; mobile testing units deployed as required in response to local need, and Home Test Kits which are available for people who are unable to attend a test site.

An extensive programme of targeted testing also continues as an additional mitigation to protect vulnerable populations in higher-risk settings, such as in hospitals, care homes and supported living settings. These testing arrangements are kept under active review by the Department.

The Department continues to be fully linked in to the national Population Testing Programme led by the Department for Health and Social Care in England, which is significantly increasing testing for COVID-19 of people across the UK who do not have any symptoms (or are asymptomatic). This testing programme continues to rapidly evolve and expand in Northern Ireland.

This testing is undertaken using new and emerging testing technologies, such as Lateral Flow Device (LFD) and LAMP testing (Loop-mediated Isothermal Amplification), which are validated at both national and local level before being deployed for use in Northern Ireland.

The Department is continuing with testing of asymptomatic people across a range of settings including testing of frontline healthcare workers, as well as testing in schools, special schools, universities and in care homes. The Department also continues with a significant expansion of asymptomatic testing using LFDs to deliver increased targeted testing for communities, private sector business and the public sector (including emergency services) across Northern Ireland.

The Department has also deployed a range of new testing technologies to support, where appropriate, the management of service delivery pressures within our HSC system.

The Department continues to support and enhance Northern Ireland's whole genome sequencing (WGS) capability and capacity. This work is strengthening our public health response to the pandemic in a number of ways - enhanced surveillance capacity to detect variants and to help understand the characteristics and spread of variant and mutation infections; to inform targeted public health assessment and action in the investigation and management of outbreaks; and to enable greater surveillance at population level. WGS also provides the capability to examine the potential importation of virus into Northern Ireland, which will be particularly important as international travel continues to recommence.

Contract Tracing Service

The key aim of the NI Contact Tracing Service is to slow the spread of the SARS-CoV-2 virus and to lessen its impact on HSC services in Northern Ireland, through preventing community transmission of the virus.

A Contact Tracing Oversight Board was established 1 May 2020 by the Chief Medical Officer to oversee the establishment and implementation of a Contact Tracing Service for Northern Ireland. The Service commenced in April 2020 with a pilot phase operated by the Public Health Agency (PHA). With effect from 18 May 2020 the NI Contact Tracing Service was expanded further with PHA staff contacting everyone who received a positive COVID-19 test result in order to provide them with advice and to identify and trace their respective close contacts.

The Contact Tracing Service involves a manual contact tracing function in addition to a number of innovative digital solutions including a digital self-trace platform, a texting service (HSC result and HSC tracing) and use of the StopCOVID NI App. These digital aspects significantly add to the overall operation of the Contact Tracing Service and help it to deliver key messages to contacts and cases in an efficient and timely way.

Enhanced contact tracing has added significantly to the intelligence available on individual clusters and outbreaks of COVID-19 and in particular in their early detection which helps inform appropriate early interventions by the PHA and other relevant partner organisations. Information on clusters and outbreaks is also published by PHA on a weekly basis.

In response to the emergence of new variants of concern and mutations of the SARS-CoV-2 virus, the Contact Tracing and Health Protection teams in the PHA have developed and deployed an end-to-end plan for their identification and management. This plan is supplemented where required by testing of wastewater samples which supports the investigation and management of variants, and helps inform the public health intervention and response. Wastewater testing is also expected to play an important role in monitoring overall viral activity.

The Contact Tracing Service is kept under continuous review to enhance the service provided and to ensure that it remains well positioned to deal with any increase in case numbers and with any challenges that are presented by the emergence of new variants.

The Contact Tracing Service remains at the core of the public health response to COVID-19 in Northern Ireland, and in this context contact tracing will continue to play a significant role in the weeks and months ahead.

Public Health Strategy

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

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

Making Life Better is a living document to be reviewed and updated on a rolling basis in line with Programme for Government (PfG) and budgetary periods. The mid-term review, which commenced in 2019-20, presents an opportunity to reflect on progress to date, reinforce the principles and ethos of Making Life Better in line with the draft Programme for Government, reinvigorate collaborative action, and to refocus on a smaller number of key priorities and actions for the second half of the framework's implementation that will add the most value. Unfortunately the review has had to be paused due re-prioritisation of work due to COVID-19.

Making Life Better is underpinned by a range of key policies and strategies covering areas such as obesity prevention, alcohol and drug misuse, mental health promotion, suicide prevention and tobacco use.

Alcohol and Drug Misuse

The final review of the New Strategic Direction for Alcohol and Drugs Misuse Phase 2 (NSD Phase 2) was published in 2019 and pre-consultation on the development of a new strategy closed in September 2019. As reflected in New Decade New Approach, the Executive is committed to publishing a new substance misuse strategy. In October 2020, the Department published a formal consultation on a new substance misuse strategy. This closed in February 2021, and work is now underway to analyse consultation response and co-produce a final strategy. It is anticipated that the new strategy will be finalised in the near future. Other challenges for 2021-22 will include further consideration to minimum unit pricing for alcohol, and further cross-departmental work to address substance misuse-related deaths.

Obesity

Work was undertaken to review the short term outcomes for the final three years of the framework. New outcomes were developed by stakeholders and delivery partners from the Obesity Prevention Steering Group and the Regional Obesity Prevention Implementation Group and other Departments and agencies – this was published in 2019. Work continues to expand the Active Travel programme in schools, update the Nutritional Standards for Schools, reformulate foods high in salt, sugar and fat and provide consumer advice on calories in food and drink. A Strategic Innovation Lab took place in October 2019; looking at new approaches to addressing childhood obesity and the revised short-term outcomes required to address obesity in the population, particularly reducing the inequality gap between the most and least deprived in society. Work in this area has slowed due to the current COVID-19 outbreak. However, plans are now in place to develop a new obesity prevention strategy to be in place by 2023, and this will be a major focus of work in 2021-22.

Mental Health and Suicide

The Protect Life 2 Suicide Prevention strategy is continuing to be implemented after its publication in September 2019 and new structures have been established to drive progress. This includes a new Executive Working Group on Mental Wellbeing, Resilience and Suicide Prevention. Amongst other programmes a Multi-Agency Triage Team and a Towards Zero Suicide initiative have continued to be key in supporting the strategy. Also an Emotional Health and Wellbeing Framework for school aged children was launched jointly with Department of Education in February 2021 and is now being implemented with PHA involvement.

Tobacco

Draft regulations to introduce age restrictions on the sale of e-cigarettes were brought to consultation during 2017-18 along with regulations aimed at banning smoking in cars when children are present. The Department has drafted regulations which are at an advanced stage, but have been delayed initially as a result of the Assembly absence and more recently due to resources being directed to the emergency COVID-19 response.

A mid-term review of the 10-year tobacco control strategy for Northern Ireland was completed in February 2020 which sets out recommendations for the remaining duration of the strategy. This was assisted by the Institute of Public Health in Ireland who provided a comprehensive evidence review and facilitated stakeholder engagement exercises. The review report sets out a number of recommendations for the remaining term of the strategy, however, implementation of the recommendations has been impacted by the ongoing public health crisis.

The Skin Cancer Prevention Strategy and Action Plan (2011-2021) was nearing the end of its lifespan. Work on implementation of the strategy had paused due to COVID-19 and the Minister has now approved its extension until 30 September 2022 to enable further progression of the mid-term review recommendations, to allow for evaluation of the impact of the strategy and consider the development of any replacement strategy.

The revised EU Tobacco Products Directive (TPD) came into force in all EU member states in May 2016. Products on sale in Northern Ireland must continue to comply with the TPD requirements following the end of the EU Exit implementation period on 31 December 2020. The Tobacco Products and Nicotine Inhaling Products (Amendment) (EU Exit) Regulations 2020 amend the provision in the 2019 regulations to reflect this compliance requirement. This includes continued use of the EU picture warnings. Manufacturers supplying products from NI to GB need to ensure that these products adhere to GB requirements.

Health Protection

Blood Donation

In June 2017 the committee for the Safety of Blood, Tissue and Organ Donation (SaBTO) published the Donor Selection Criteria Report, which set out a range of recommendations including some related to high risk behaviours. Previously, blood donation rules prevented people who engage in some sexual behaviours from giving blood for a 12-month period. SaBTO's recommendation was that the deferral period for these people should be reduced to three months. The purpose of the recommendation was to allow more people to donate blood without affecting the safety of the blood supply. These changes were agreed by the Health Minsters in England, Scotland and Wales and came into force in the rest of the UK in November 2017.

Shortly after becoming Minister of Health, Robin Swann considered these SaBTO recommendations in February 2020, and then decided to adopt them. The changes to blood donation deferral rules were announced in April 2020, bringing Northern Ireland into line with the rest of the UK. The policy came into effect from 1 June 2020 and all blood continues to be tested for blood borne infections.

In December 2020, Minister Swann announced further changes to blood donation deferral rules to allow more people to donate blood. The key recommendation was the introduction of individual behavioural based risk assessment that would allow some men who have sex with men (MSM) to donate blood if they have had one sexual partner who has been their partner for more than three months. This meant that MSM in longer-term partnerships would no longer be automatically deferred from donating blood, provided they had been with the same partner for the previous three months and met the revised medical criteria. The announcement was welcomed by LGBT charity The Rainbow Project, which described it as "*an incredibly significant and welcome announcement*".

The NI Blood Transfusion Service is working with the other UK blood services to make preparations and raise awareness with donors and potential donors about the changes. It is expected that these changes will come into effect in summer 2021.

Plasma for Fractionation

Along with the other nations, Northern Ireland has decided in principle to lift the ban on the use of UK sourced plasma for fractionation, for the purposes of making life-saving Immunoglobulin medicinal products, which will eventually be used to treat NHS patients. The policy change should improve the UK's security of supplies of these medicines in future, reducing reliance on imports from other countries and ensuring Northern Ireland patients will have improved access to treatments.

Screening Programmes

All screening programmes have inevitably been impacted by COVID-19. Despite this, the Quantitative Faecal Immunochemical Test (qFIT) was successfully introduced into the bowel cancer screening programme at the beginning of January 2021 and will be used to detect occult blood in faeces. The Smart4Hearing IT system went live on 1 March 2021 for newborn hearing screening. Recovery plans are being developed to reduce the delays and programmes are being continuously reviewed to ensure capacity is being maintained across the screening pathway.

Hepatitis C Elimination Action Plan

The World Health Organisation (WHO) has set out a commitment to eliminate Hepatitis B and Hepatitis C as major public health threats by 2030. NI aims to eliminate Hepatitis C as a public health threat by 2025. During the year, the Department and PHA drafted a Hepatitis C elimination action plan for Northern Ireland for 2021 to 2025. The plan was launched by the Minister in January 2021. A multi-agency Hepatitis C elimination oversight group, chaired by the Chief Medical Officer (CMO), has been established. This group approved the draft action plan.

The Public Health Act (Northern Ireland) 1967 schedule 1 includes Hepatitis A, Hepatitis B and 'Hepatitis unspecified: viral'. In 1989, the Hepatitis C virus was established as the main cause of unspecified viral hepatitis. Reliable tests for the Hepatitis C virus were developed during the 1990s, and following these developments, unspecified viral hepatitis was removed as a notifiable disease in the rest of the UK and in ROI, and replaced with Hepatitis C.

During the year, work commenced on a Statutory Instrument to make Hepatitis C a notifiable disease in NI. This would mean that medical practitioners will be required to share patient information with the Public Health Agency if they become aware, or have reasonable grounds for suspecting, that a person they are attending has Hepatitis C. This information will be vital in alerting the Public Health Agency to cases or suspected cases of Hepatitis C, to ensure that the Health and Social Care system can respond, for surveillance and tracking of the spread and epidemiology of the disease. This information will be important in achieving the WHO goal of Hepatitis C elimination by 2030.

2020-21 Flu Vaccination Programme

This year saw the roll out of the biggest influenza vaccination programme ever in Northern Ireland, with the aim of offering protection to as many eligible people as possible during the COVID-19 pandemic. This included the extension of the vaccination programme to 50-64 year olds and Year 8 secondary school children. Community Pharmacies also offered the flu vaccine to 50-64 year olds and HSC Workers free of charge. Despite the challenges of delivering a programme during the COVID-19 pandemic, including social distancing and school closures, we have achieved extremely impressive uptake rates and the most vaccine doses delivered during a flu season to date.

During the year, officials started work with colleagues in the HSC to update the management of the seasonal flu plan for 2021-22. The expanded flu vaccination programme of 2020-21 will continue in 2021-22 as part of our wider planning for winter, when we are likely to see both flu and COVID-19 in circulation. For winter 2021-22 we need to be prepared for higher levels of flu and the possibility that it could be a bad flu year, with more of the population susceptible to influenza given the low levels during 2020-21. The process to centrally purchase seasonal influenza vaccines for the 2021-22 season commenced in December 2020 and was complete by March 2021.

Emergency Preparedness and Response

Most emergencies in Northern Ireland (NI) are handled at local level with no direct involvement by central Government. However, where the scale or complexity of the incident is such that some degree of central Government co-ordination or support becomes necessary, the Department is responsible for the strategic response to HSC consequences of emergencies in NI. Specifically the Department is the Lead Government Department (LGD) for responding to the HSC consequences of emergencies from chemical, biological, radiological and nuclear (CBRN) incidents, the disruption of medical supply chains, human infectious diseases or mass casualty situations. Part of that LGD role also involves providing advice and guidance on health impacts to other Government Departments to support their response, and providing strategic support to the HSC sector in both planning and responding to emergencies. The Department also works with other multi-agency partners, such as local government, the three emergency services and other Government Departments on emergency preparedness and response, and participates in multi-agency testing and exercising as required.

The Department had activated its Emergency Operations Centre (EOC) to manage the NI response to the COVID-19 pandemic in January 2020 and continued to operate in this way until 10 August 2020. Volunteers from across the Department were used to staff the EOC, while Departmental liaison officers were also sent to the NI Hub which had been set up to coordinate the NI response. Emergency Planning Branch (EPB) led on the coordination of Situation Reports (SitReps) from Health Silver and to the Minister and the NI Hub, as well as coordinating actions between the Department’s Strategic Cell and Health Silver.

Following step-down of the Hub in June 2020, EPB engaged with other government departments and agencies on the pandemic response through the PSNI-led Strategic Coordination Centre meetings; PSNI/local government NI Emergency Planning Group meetings; and TEO-led C3 (Command, Control, Coordination) meetings. EPB also engaged regularly with Department of Health colleagues in the other UK countries. Approaching the End of Transition Period on 31 December, these fora took account of EU Exit and winter planning as well as COVID-19, collectively known as D20.

In October 2020, EPB took the learning from the first response to train a new cohort of staff appointed to run the Operations Centre as part of the Department’s newly established COVID Gold Command Group to manage the second wave of the pandemic.

As part of the COVID-19 response, EPB worked with Public Health England (PHE) and the other Devolved Administrations on emergency stockpile issues in relation to Personal Protective Equipment (PPE) and on procurement of consumables for the vaccination programme.

The UK wide Coronavirus Act came into effect on 25 March 2020 and is due to be sunset on 25 March 2022. The Act is an emergency measure to respond to and manage the effects of a coronavirus pandemic. The delegated powers in the Act are broad and not all of the powers for the Department have been 'switched on'. There is also provision to allow measures in the Act to be suspended and then revived if needed. Part 2 of the Act makes several arrangements to facilitate accountability and transparency over the use of the substantive Part 1 powers. This includes the obligation for the UK Government (UKG) to hold a six-monthly Parliamentary Review in which Parliament will vote to retain UK measures in the Act. EPB continues to work with the UKG and policy leads across the Department to ensure appropriate scrutiny and accountability are maintained and the emergency powers within the Act are flexible and proportionate and kept only for as long as necessary.

EPB acts as the Department's liaison for the Ministry of Defence and was involved in obtaining the assistance of the military in the transfer of patients from NI to GB for life-saving treatment, assisting HSC staff; and using MoD facilities to store PPE.

Going forward, the Department will build on lessons learned during the pandemic response to inform future emergency preparedness and planning.

Oral Health - Service Delivery

The COVID-19 pandemic has had a major impact on dental services across Northern Ireland in 2020-21. The provision of dental care carries a significant risk of coronavirus transmission and in 2020-21 it was necessary to take a range of steps to ensure that dental staff, patients and the general public were protected.

During April, May and June general dental practices were restricted to providing urgent dental care only and were not permitted to perform Aerosol Generating Procedures (AGPs). From July 2020, practices have been able to offer non-urgent dental care and provide AGPs. Activity levels seen in the general dental services (GDS) reflect the infection prevention and control (IPC) measures in place at the time. In April-June, treatment claims were approximately 6% of those seen prior to the pandemic. From July onwards, activity rose steadily, plateauing at approximately 40% of pre-pandemic activity in November 2020.

During April 2020, Urgent Dental Care Centres (UDCCs) were set up to provide cover for patients with dental emergencies who could not be seen in a practice. This service initially ran seven days a week across five locations in Northern Ireland and has since been scaled back to three locations, in which two run at weekends and the remaining one operates on a Tuesday and Thursday evening.

A financial support scheme (FSS) was introduced at the start of this year to help improve the financial sustainability of general dental practices who offer a health and social care service. The FSS provided an additional monthly payment to all eligible general dental practitioners (GDPs) based on their average gross activity (including patient contribution) from 2019-20. During 2020-21, an additional £15.8 million funding was approved to support GDPs both against the loss of earnings from their health and social care work and also in their increased costs incurred for PPE.

A £1.5 million revenue grant scheme was approved and launched in February 2021 to reimburse GDPs for costs made to practices to improve patient throughput, this included; upgrading or installing new ventilation systems in response to the pandemic. The main aim of this scheme was to increase the number of patients treated in line with the current IPC measures, thus improving overall access to the dental sector for patients in Northern Ireland at this very challenging time. Work is currently ongoing on how best to support and rebuild this sector during 2021-22.

As well as the general dental practices, the Trust dental services, which includes a range of specialist services such as paediatric dentistry and special needs dentistry, have also experienced significantly reduced activity levels during the pandemic. Individual Trusts have made internal arrangements to prioritise those dental patients most in need and there has also been considerable co-operation between Trusts to ensure that, at a regional level, available resources are targeted at the most urgent cases.

Towards the end of 2020-21 a working group to develop a new oral strategy for older adults was set up. This group will look at best practice from other jurisdictions, consider the local oral health of this cohort and provide recommendations on how to improve the oral health of older adults in Northern Ireland. This work is expected to conclude early in 2021-22.

Pharmacy Developments

Community Pharmacy funding

During 2020-21 there was very positive collaboration between the Department, HSCB and Community Pharmacy Northern Ireland to establish and deliver a commissioning plan for pharmacy services relevant to the COVID-19 pandemic. A financial envelope for community pharmacy services was confirmed to support delivery of the commissioning plan with an additional £23.8m invested in the sector. This enabled continuous access to core dispensing, repeat dispensing and adherence services and provided payments for staffing, business continuity, medicines deliveries and rotas. In addition the funding supported new and enhanced COVID services including emergency supply, living well, pharmacy first, palliative care and vaccination services.

Legislation

During 2020-21, progress was made on amendments relating to controlled-drug legislation in a number of areas. On 30 April 2020 amendments were made to the Misuse of Drugs Regulations (Northern Ireland) 2002 by The Misuse of Drugs (Amendment) Regulations (NI) 2020 to bring in certain flexibilities relating to the supply of controlled drugs in a pandemic situation. A further amendment to the Misuse of Drugs Regulations (Northern Ireland) 2002 came into operation on 24 June 2020 and provided for a specified cannabis-based medicine to be placed in Schedule 5 of the Regulations. Various amendments were made to the Human Medicines Regulations 2012 in order to facilitate the roll out of the COVID-19 vaccination programme and to support the UK's exit from the EU.

UK Exit from the EU

In 2020 a major area of focus continued to be planning and preparation for the end of the transition period (EOTP) on 31 December 2020. Substantial contingency planning was completed, including preparation for a no-deal EU Exit, with the main aim of maintaining access to supplies of medicines, vaccines, radiopharmaceuticals, clinical trials, medical devices, clinical consumables, non-clinical consumables, oxygen, blood, organs and tissues and shortages. Updated Department of Health EU Exit Operational Readiness Guidance was sent to all health and social care organisations including independent providers to ensure that the health and care system as a whole was prepared for the EOTP.

Since 1 January 2021 Departmental officials have been dealing with a range of medical supply and regulatory issues. The regulatory issues that are emerging relate to medicines licensing and are being worked through on a case by case basis with the MHRA.

The majority of supply issues related to trader readiness and involved delays of medicines and medical devices supplies to hospitals, community pharmacies and direct to patients. Most supply issues have been satisfactorily resolved at this stage. Issues were picked up through direct contact from individuals with the Department and from the HSC Situational Report (SitRep) process which considered reports from community pharmacies and Trusts. At UK level, ongoing supply chain surveillance occurs via the Medicines Shortage Response Group (MSRG) supported locally by the Northern Ireland Medicines Shortage Advisory Group (NIMSAG). Throughout recent months the Department has continued to engage proactively with stakeholders from the pharmaceutical industry, supply chain and the healthcare sector to support continuity of medical supplies.

It is anticipated that the full implementation of the Northern Ireland Protocol will have a major impact on medicines supplies in NI if unmitigated, and industry will have to make significant changes to medicines supply routes in order to handle additional importation and Falsified Medicines Directive requirements that come in to force at the end of the 12 month grace period on 1 January 2022. The Department is working collaboratively with industry, the Medicines & Healthcare products Regulatory Agency (MHRA) and Department of Health and Social Care England (DHSC) to seek long term solutions and develop contingency plans.

In particular, the Northern Ireland Protocol Programme Board has been set up by DHSC to work towards solutions for industry and to mitigate any risk to the Northern Ireland medicines supply chain. The Programme Board is attended fortnightly by DoH officials. The DHSC preparation plans include a multi-layered approach for medicines and medical products to help ensure continuity of supply. This includes ensuring industry is aware of the action they need to take and the possible mitigations to put in place.

Medicines Optimisation

During 2020-21 the HSC had a target to deliver further savings of at least £20m efficiencies in medicines costs through the Medicines Optimisation Regional Efficiency Programme. Savings of £12m have been successfully delivered. This has been achieved during a very challenging period, through collaborative working between senior finance and pharmacy officials across the HSC in designing an integrated efficiency programme to optimise the cost effective use of medicines across primary and secondary care.

The Northern Ireland Medicines Optimisation Quality Framework (MOQF) is now into its final year of implementation with advancements made in supporting better health outcomes for our population through the safe and more effective use of medicines.

Progress has included: compilation and formal launch in September 2020 of the DoH strategic response plan to the WHO's third Global Safety Challenge for Medication Safety, setting out high level commitments to inform a five year plan to improve safe practices with medicines and support a medication safety culture within our population; scoping and development of a small grant scheme to test small-scale innovative health projects for scale up through an innovation pipeline into wider clinical practice; and completion and publication in November 2020 of a workforce review for pharmacists and pharmacy staff, along with a co-produced implementation plan, which makes high level recommendations to inform HSC pharmacy workforce development needs for the next 10 years across all sectors.

During 2020-21 the formal recruitment phase for clinical pharmacists in GP surgeries concluded. Across Northern Ireland this is providing patients with enhanced access to pharmaceutical care as pharmacists join the increasingly multi-disciplinary workforce in general practice.

This year also saw the rollout of the first regionally commissioned flu vaccination service from over 350 community pharmacies across Northern Ireland. Over 16,000 individuals including health and social care workers accessed their annual flu vaccine at a community pharmacy convenient to them, as well as the expanded 50 to 64 year old cohort. The success of this service has underpinned the launch of the COVID-19 vaccination service from approximately 350 community pharmacies across Northern Ireland in March 2021, which offers an alternative convenient route to access COVID-19 vaccination in hard to reach areas.

Enforcement

The Department's Medicines Regulatory Group co-ordinated local operational activities in Northern Ireland in conjunction with the Organised Crime Task Force (OCTF) key stakeholder agencies including Police, Border Force and other national and international medicines regulators in relation to Operation Pangea XIII. Between 3 and 10 March 2020 Northern Ireland was one of over 100 countries to participate in Operation Pangea XIII, a global Interpol co-ordinated week long action aimed at disrupting the online supply of sub-standard and counterfeit medicines. Medicines worth over £100k on the black market were recovered in Northern Ireland during the Operation.

Medicinal cannabis

The Department continues to work alongside colleagues from the Home Office, Medicines and Healthcare products Regulatory Agency, Department of Health and Social Care and the devolved administrations to manage various issues, including licensing matters, relating to medicinal cannabis.

Temporary registration of pharmacists during the emergency period

Changes to the Pharmacy (Northern Ireland) Order 1976 were brought in through the Coronavirus Act 2020 to permit the temporary registration of pharmacists and temporary annotation of prescribing powers for pharmacists during the emergency period. The purpose of these changes was to ensure that additional pharmacists could be registered with the Pharmaceutical Society NI, on a temporary basis, to facilitate the provision of healthcare services to patients and the public during the emergency period.

General Practitioner (GP)-led Care

GP-led care is provided mainly from GP surgeries and from centres for Out of Hours (OOH) GP Services, drawing on multi-disciplinary teams of nurses and other specialists as well as GPs. Services provided by GP practices are underpinned by the General Medical Services Contract, variations to which are negotiated by the Department with GP representatives. The HSCB is responsible for managing the contracts for General Medical Services (GMS) and for OOH services.

Significant investment has been made in General Medical Services again in 2020-21. Having considered the recommendations of the Review Body on Doctors and Dentists Remuneration, which recommended a 2.8% increase in GP earnings after expenses, an investment of £5.928m was made through the GMS contract to uplift the earnings of GPs and their staff.

As a result of COVID-19 General Practice has found itself in a unique environment where it has risen to a very different set of challenges to those it has historically faced. Over the last 12 months General Practice has played a critical role in the management of the COVID-19 pandemic, whilst continuing to maintain the provision of GMS services to non-COVID patients.

A significant focus again in 2020-21 has been the rapid establishment of primary care COVID-19 centres across Northern Ireland as an urgent and immediate response to the challenges posed by the COVID-19 pandemic. These centres have ensured that primary care services could be maintained, by enabling patients who have COVID-19 symptoms to be treated separately from those patients who have other conditions which require assessment or treatment in primary care.

During 2020-21 there were over 170,000 COVID-19 related queries in General Practice across Northern Ireland. Over 39,000 of these patients were subsequently triaged and referred to Primary Care COVID-19 Centres and only 15% of the patients assessed at these centres were then referred to secondary care.

The ongoing roll-out of the Primary Care Multi-Disciplinary Team model envisaged in *'Health and Wellbeing 2026: Delivering Together'* has progressed further in year. This model is underpinned by a partnership between GP Federations (collectives of around 20 GP Practices) and HSC Trusts and is intended to see General Practice focusing on physical, mental and social wellbeing with a greater focus on upstream and early intervention and a greater volume of care led and coordinated by practices. To deliver this model a new multi-disciplinary team approach is being rolled out with practice based physiotherapists, social workers and mental health practitioners working alongside GPs, nurses and other practice staff. We are also investing in District Nursing and Health Visitor levels, reflecting the close partnership they have with practices. Data analysts are also being deployed to help identify opportunities for prevention and early intervention. We are investing in the training of these practice based teams and seeking to improve connections between hospital-based teams and GP practices. To help make this happen we have invested more than £2m into improving and extending GP premises.

Now supporting over 300 staff, the Primary MDT model is fully rolled out in Down GP Federation and well advanced in Derry/Londonderry, West Belfast, Newry & District, and Causeway areas. There is also a small footprint jointly introduced in early 2021 into the North Down and Ards areas. Overall, we believe this to be the most ambitious and advanced scheme for implementing Multi-Disciplinary Teams in primary care in the UK.

As part of our investment in nursing within General Practice, we now have Advanced Nurse Practitioners or General Practice Nurses in 9 GP Federation areas.

We continue to roll-out the Practice Based Pharmacist scheme, with every practice in Northern Ireland now having access to a pharmacist and 303 whole time equivalents – reflecting an annual cost of £17.2m. This scheme continues to deliver benefits through saved GP time, improved patient care and cost savings on prescriptions.

The Transformation Fund has enabled investment aimed at improving retention and recruitment of GPs and key staff – for instance through leadership training, a mentoring scheme and a retainer scheme. Funding has also been provided to GP Federations and an experienced team has been set up to support practices that are struggling.

To address the continued pressure on the GP OOH service, new ways of working, an increased skills mix of staff and Quality Improvement initiatives were undertaken by providers in conjunction with the HSCB.

Secondary Care

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

Despite being impacted by the response to the COVID-19 pandemic, Secondary Care made progress on a programme of new policy development, including:

- Further progressing work to implement the Department's Policy Statement on Promoting Organ Donation and Transplantation, including appointing a Northern Ireland Organ Donation Promotion Manager and establishing a Charity and Stakeholder Sub-group to the Organ Donation Steering Group. These worked collaboratively to develop a virtual series of events to mark Organ Donation Week in September 2020. In addition, an annual Organ Donation Promotion Workplan was developed for 2021/22

- Developing policy proposals for the introduction of an opt-out system for organ donation – the public consultation on the proposals ran from 11 December 2020 until 19 February 2021. Eight virtual engagements were held during the consultation period and a total of 1915 responses were received. The views expressed will inform the development of a draft Bill for consideration by the NI Assembly, subject to the approval of the Executive to introduce the draft Bill.

- Continuing progress on establishing the All-Island Congenital Heart Disease Network. In 2020 all new NI surgical cases were performed in Dublin, with the exception of patients who had their initial surgery carried out in GB and transplants. Access to critical care services for NI patients was extremely limited due to COVID-19 which expedited the planned transfer of complex surgical cases to Dublin and has resulted in all cardiac surgery in NI and ROI, now being performed on the island. The Network has been successful in delivering its initial work programme and is now ready to move forward with the next phase of establishing the Academic Partnership and Research Programme and is working to develop a business plan for the next 5 years.

- Establishing a clinically led Regional Scrutiny Committee which commenced operation on 9 June 2020 to implement the modernised Individual Funding Request (IFR) policy governing specialist drugs not routinely commissioned in Northern Ireland. The IFR Regional Scrutiny Committee ensures regional consistency of this sensitive and important decision making process.

- Securing members to convene a Project Board to consider options for implementing the New Decade New Approach commitment to provide three cycles of IVF to eligible women. Although the group was unable to meet in 2020-21 due to pressures associated with the pandemic; however, the first meeting took place on 27 April 2021.

Quality Regulation and Improvement

RQIA's Performance Activity Report is a key component of RQIA's performance framework and is based on the following six areas of RQIA's activity: Registration, Inspection, Enforcement, Review, Engagement and Managing RQIA's Resources. At the end of Quarter 4 (31 March 2021) 1,530 services were registered with RQIA of which 248 are Nursing Homes and 233 are Residential Care Homes. During the year to 31 March 2021 RQIA completed 633 inspections to care homes (Nursing and Residential).

RQIA's reduced footfall into care homes during Quarter 1 of 2020-2021 due to the Coronavirus Pandemic had a significant impact on its Out of Hours Inspections; there were 159 Out of Hours Inspections completed during this 2020-2021 year, compared with 283 in 2019-2020 year.

Contacts received and dealt with by RQIA Duty Inspectors, RQIA Aligned Inspectors and the RQIA Guidance Team (formerly known as the RQIA Services Support Team) are captured on the iConnect system as Concerns. During 2020-2021 Non-COVID-19 related contacts were 1,571, with COVID-19 related contacts received 2,030, making a total of 3,601 contacts received.

During 2020-2021, RQIA inspection teams have also proactively made calls to registered services in relation to providing advice and guidance in relation to topics relevant to COVID-19; for example workforce, PPE supply, medicines management and infection prevention control.

The HSCB Procedure for the Reporting and Follow up of Serious Adverse Incidents (2016) states that SAI's are required to be shared with RQIA. This requires RQIA to review SAIs and provide oversight in relation to how HSC Trusts and the HSCB exercise their duty of quality. This intelligence can be shared with other HSC organisations in order to identify opportunities for improvement and intelligence can be examined at HSC Trust level to identify where regulatory responses may be required. There were a total of 172 SAIs reviewed during 2020-2021.

From 1 April 2020 to 31 March 2021 RQIA received 259 media requests from print, broadcast and online outlets. This compared with 150 requests during 2019-2020, representing a 73% increase in media enquiries over the course of the year. 100% of media requests were responded to within the deadlines agreed between RQIA and the requestor. RQIA also dealt with 85 Freedom of Information/Subject Access Requests during 2020-2021 compared to 23 in 2019-2020.

The COVID-19 pandemic has presented significant challenges during the 2020-21 year. From March to July 2020 RQIA balanced its role as a regulator with the provision of support to health and social care services during the first wave of the pandemic. During this time a number of key staff were transferred to other organisations to support the regional response to the pandemic. This impacted on RQIA's ability to deliver its Business Plan targets for 2020-21, as did the Departmental direction to shift its focus from regulatory activity to a range of support functions.

Following the appointment of an interim Board and an interim Chief Executive, RQIA developed its Transition Plan, which described what it would achieve during the period October 2020 to March 2021.

The RQIA Transition Plan 2020-2021 has 13 Actions and 50 Key Deliverables. Three actions, in relation to Performance Framework, Initial COVID-19 Surge and Internal Governance Arrangements, have been completed with eleven key deliverables closed. The remaining ten actions have been moved to the RQIA Management Plan for 2021-22. Seventeen key deliverables against these remaining ten actions have been closed in the 2020-21 year with the remaining twenty two key deliverables reported as being on track for completion.

COVID-19 also presented significant challenges in respect of how hospital care is planned and delivered. In response to public concerns around infection prevention and control in hospitals, RQIA conducted inspections at 11 acute hospitals (two in each of the following Trusts: NHSCT, SEHSCT, WHSCT, SHSCT and three in the BHSCT) and two independent hospitals (Ulster Independent Clinic and Kingsbridge Private Hospital). These inspections took place between 23 September 2020 and 01 December 2020. RQIA published its key findings and emerging learning from these inspections on the 22 December 2020.

The current RQIA Review Programme is nearing completion. Review of GP out of Hours Services report was published in April 2021; The Review of Serious Adverse Incidents in Northern Ireland report is due be published June 2021; and the Review of Services for Vulnerable Persons Detained in Northern Ireland Prisons report is due be published July 2021.

In relation to RQIA Neurology Work Programme, the Review of the governance of outpatient services in the Belfast Health and Social Care Trust with a particular focus on neurology services and other high volume specialties published in February 2020; The Review of governance arrangements in Independent (Private) Hospitals and Hospices in Northern Ireland report is due to be published May 2020; and the Expert Review of Records of Patients of Dr Watt who died 2008-18 is still ongoing.

The review of The HPSS (Quality, Improvement and Regulation) (NI) Order 2003 and associated regulatory policy, including proposed amendments to The Regulation and Improvement Authority (Fees and Frequency of Inspections) Regulations 2005 was paused during 2020-21 due the prioritisation of work in response to COVID-19.

The Inquiry into Hyponatraemia-Related Deaths (IHRD) report also made significant recommendations in relation to Quality and the remit of RQIA. The Department has established a comprehensive programme with nine main workstreams to progress these recommendations.

From the outset the programme has taken a co-production approach to the implementation of the recommendations. This means that the workstreams consist of over 200 members from a variety of backgrounds, including: service users and carers; HSC staff, representatives from third sector organisations, Non-Executive Directors; and DoH staff among others. This will mean that recommendations, and proposals for their implementation, will have been robustly challenged and scrutinised. A programme wide engagement strategy, training strategy and assurance framework have also been developed. This framework will provide assurance that recommendations have been implemented effectively on a sustained basis – only then will a recommendation be signed off as having been implemented.

A number of recommendations will require public engagement and consultation, as well as ministerial approval and/or legislation, while others will have resource and training implications. As some of these recommendations will require primary and secondary legislation for implementation, full implementation of all recommendations will take several years.

In March 2020, all IHRD programme meetings were suspended due to the COVID-19 pandemic. This decision was taken to allow both Department and Trust staff to focus on work relating to COVID-19 and ensure the safety of the service users and carers who are integral to the programme.

The system's response to this report has undoubtedly and regrettably been hampered by the COVID-19 pandemic. The Department anticipates a significant acceleration of the implementation of the IHRD recommendations when the COVID-related pressures on the Department and HSC system subside.

Nursing, Midwifery and Allied Health Professions (AHPs)

Over the course of the last year the Nursing, Midwifery and Allied Health Professional Directorate has provided professional advice and strategic leadership for the professions and wider system in response to the pandemic, maximising the workforce impact through partnership working across disciplines and focussing on the health and wellbeing of the workforce. Our work included providing professional advice into setting policy guidance for the management of the COVID-19 contingency response, working with our colleagues and stakeholders across the UK and ROI whilst maintaining safe and effective service provision and advocating for sustainable new models of care and ways of working in the future.
The directorate moved to business continuity early last year and focussed on managing the crisis posed by the pandemic; some key areas of work included:

PPE email oversight and public support: Reacting to this widespread concern, on Friday 17 April, Minister established a dedicated email box to allow concerned members of staff across the Health & Social Care workforce to raise issues of concern over the supply, quality and usage of PPE. The mailbox managed by the NMAHP Directorate received over 100 pieces of correspondence. This confirmed the need for a single point of contact for those with concerns over the availability and suitability of PPE to be able to seek information and advice. In addition, the issues raised via the email box provided an oversight of the key issues arising in order to ensure learning across the range of organisations across the HSC and Independent sector.

Rapid Learning Initiative (RLI) into COVID-19 Transmission into and within care homes: On request of the Minister, the CNO team led on a Rapid Learning Initiative into the learning from the transmission of COVID-19 into and within Care Homes during the first surge of the pandemic to identify recommendations that could be used to mitigate the impact of a second surge and to protect residents and those providing their care. The initiative adopted a collaborative approach between the Department's officials with relevant policy responsibility, HSC organisations, the PHA, RQIA, the Independent care home Sector, residents and their families. The 24 recommendations coming from the RLI were approved and incorporated as actions in the Adult Surge Action Plan.

Visiting Guidance in response to the Pandemic: During the COVID-19 pandemic, it was necessary to introduce significant restrictions to usual visiting arrangements in order to reduce the risk of the transmission of coronavirus. The NMAHP team led on the development of the Regional Principles for Visiting Guidance, which applied to all health care settings in Northern Ireland. These were produced and updated at intervals throughout the year, introducing restrictions broadly aligned to the UK-wide Alert levels, based on the best scientific advice available at any given time. The NMAHP team managed over 1,000 pieces of correspondence in respect of visiting queries/issues, providing clarity and liaising with the wider HSC and independent sector to seek solutions and share learning. Moreover, through a co-production approach the team developed a care partner approach to support care home residents impacted by the restricted access to those who were important in maintaining health and wellbeing. The team have also co-produced a pathway for enhanced visiting arrangements for the future.

Develop an Enhanced Clinical Care Framework for Residents in Care Homes across Northern Ireland: In June 2020, Minister commissioned the CNO to lead on the development of a new framework for enhancing clinical care for residents in care homes, working in partnership with the Independent Sector. The aim of the project is to ensure that people who live in care homes are supported to lead the best life possible and that their right to access equitable healthcare provision is fully observed. The work is progressing with a completion date for the current project of March 2022. The outcome framework include developing optimal clinical pathways that are integrated across the community, primary, independent and hospital sectors with the benefit of a stronger clinical model, and a robust partnership approach post COVID-19. The Project is also aligned to two of the ten Key work streams under the No More Silos initiative, which aims to develop an enhanced range of safer and more effective elective and unscheduled care services.

Nursing and Midwifery Task Group: The Nursing and Midwifery Task Group (NMTG) was established with the express aim of maximising the nursing and midwifery contribution to improving health outcomes and developing a road map to achieving world class nursing and midwifery services over the next 10-15 years.

The Nursing and Midwifery Task Group (NMTG) Report with Recommendations was launched by Minister in March 2020.

Due to contingency arrangements and the prioritisation of the pandemic response, implementation plans to formally progress the recommendations has been delayed. However, progress has been made on some recommendations, through existing work streams and plans have commenced for implementation of the Nursing and Midwifery Task group recommendations. This will involve the development of a new nursing and midwifery strategy in line with Delivering Together 2026 priorities and covering the three main strategic themes of the NMTG Report. This work will inform the direction of much of the work of the directorate over the next year.

Safe Staffing: The Northern Ireland Executive committed in January 2020 to provide additional funding of £5-10m in 2020-21 towards safe staffing increasing to £60m over the next five years. This commitment to address safe staffing was key to suspending the Agenda for Change industrial dispute.
Safe staffing funding will support implementation of the *Delivering Care: Nurse Staffing in Northern Ireland* policy framework, which sets the direction for formulating safe staffing for nursing and midwifery.

£5m was included in the Budget 2020-21 settlement for safe staffing levels, and was invested in mental health nursing, district nursing and emergency care nursing.

The Executive has agreed to allocate a further £20m safe staffing allocation for 2021-22. This investment will progress further implementation of *Delivering Care* aligned to the workforce stabilisation theme within the Nursing and Midwifery Task Group Report.

Promoting and Enabling Partnership Working: In *'Health and* Wellbeing *2026: Delivering Together'*, partnership working was identified as key to the delivery of HSC transformation. The Department works in partnership with the Trusts, the Patient Client Council and the Public Health Agency to promote and enable partnership working using the principals of co-production. Work has included building supportive infrastructure, and providing training and additional support to service users and carers to enable them to participate at strategic level.

The Online User Feedback System: The system, called Care Opinion was launched in Northern Ireland on 3 August 2020. It enables patients/clients, carers, families to share experiences of health and social care services. Care Opinion will capture statistically robust patient/client feedback across the HSC sector which will be used to improve services.

Patient Experience Survey: Due to the COVID-19 pandemic, the decision was taken to cancel the planned 2019 Day Case Patient Experience Survey.

Nursing and Midwifery Workforce

Delivering Care

Further progression of the *Delivering Care: Nurse Staffing in Northern Ireland* policy framework has continued, albeit at a slower pace due to the focus on pandemic response. The Delivering Care policy supports the provision of safe, high quality care through determining staffing ranges for the nursing and midwifery workforce and is an important enabler for building the capacity of the nursing and midwifery professions to improve outcomes for our population. Delivering Care has progressed to 11 work phases with a refresh being undertaken of some of the earlier completed phases reflecting a population health approach and creating career structures that maximise the nursing and midwifery contribution.

Stabilisation of the workforce to ensure delivery of safe and effective care is a key strategic theme of the NMTG Report. Securing funding to implement the remaining phases of Delivering Care is a key recommendation supported by an Executive commitment to address safe staffing over the next five years and bring forward work to set out the case for safe staffing legislation.

The number of pre-registration nursing and midwifery places continued to increase, rising to an all-time high of 1,325 places commissioned in 2020-21. This delivers on the first 300 additional places of the New Decade New Approach commitment of 900 places over 3 years.

Mental Health Nursing Review

A review of the role and function of mental health nursing has now been completed and the findings are due to be published later in 2021. The findings of this review have informed the development of a new Future Mental Health Nurse curriculum and the development of a new Advanced Nurse Practitioner Mental Health MSc Programme commissioned in September 2020. In addition, Delivering Care Phases 5 A and B for nurse staffing for acute and community mental health care has been completed. Implementation will strengthen the number of senior nurse decision makers on each shift with a view to improving the range and scope of therapeutic care to people who require inpatient care.

Learning Disability

A review of Learning Disability Nursing is currently being undertaken and is due to complete later this year. In addition, work has commenced through the Delivering Care programme on developing safe and effective nurse staffing for all learning disability services.

Nursing and Midwifery Education and Training

Education and training remains a high priority for the nursing and midwifery professions, as it is essential to underpin the delivery of evidence based high quality care. Education, training and development is also fundamental to building the capacity and capability of the workforce and the successful delivery of Departmental strategies including the NMTG recommendations, the Rebuild Framework, Workforce Strategy and Delivering Together 2026.

During 2020 the nursing and midwifery post registration education budget was increased from £7.3m to £10m delivering on a Ministerial commitment in the agreement that suspended industrial action. This has enhanced education and development opportunities for nurses and midwives through the commissioning process with education providers. The range of programmes included; Specialist Nursing Practice, Prescribing, Return to Practice, Advanced Nurse Practitioner programmes, midwifery PhDs and leadership development programmes.

During 2020, additional funding to support education of nurses in the care home sector and in Primary Care was secured, enabling a range of education programmes to be commissioned to support delivery of care in the independent sector. Education commissioning continues to be progressed successfully and programmes prioritised and aligned to service need.

Advanced Nurse Practitioners (ANP)

The development of Advanced Nursing Practice expanded during 2020 with the development and commissioning of a fifth ANP pathway for mental health nurses. Completion of the ANP MSc Programme enables nurses to practice autonomously at an advanced level, working alongside GPs, Consultants and other health professionals to provide person centered care and improve outcomes for the population.

Nursing Masters Programme

The Department commissioned the development of a new postgraduate nursing Masters Programme for newly qualified graduate nurses in 2019-20. This innovative two year MSc programme, delivered by Ulster University combines academic learning with a rotational clinical experience across the HSC and independent sectors, building leadership capacity and developing the workforce. This project to test and deliver a prototype of a 2-year Rotation Post Registration MSc level Nurse Development Programme commenced in September 2019 with the aim of supporting nursing workforce stability and retention, and develop future nursing leaders who can deliver transformational change and improve outcomes for patients and service users. Students are due to complete by September 2021. The project supports the strategic transformation agenda outlined in *'Health and* Wellbeing *2026: Delivering* Together' and aligns with the recommendations within the NMTG Report.

The CNO, as part of the 2020 Nightingale Challenge Northern Ireland (a global initiative that asks health employers around the world to provide leadership and development training for a group of young nurses and midwives during 2020, the International Year of the Nurse and the Midwife), commissioned the Nurses and Midwives Global Leadership Development Programme. The aim of the programme is to develop young nurses and midwives leadership, policy-making, quality improvement and partnership working skills, in-line with the principles of both the global campaign Nursing Now and Nursing Now Northern Ireland, and in doing so build a cadre of strong, politically astute young nursing and midwifery leaders well positioned to play a full part in strengthening nursing and midwifery in Northern Ireland and beyond. This will include developing their knowledge and skills from an evidence-based perspective, including the role of nurses and midwives in the delivery of transformational change aligned with *'Health and Wellbeing 2026: Delivering Together'*.

Future Nurse Future Midwife

This major programme of regional work is implementing ambitious new nursing and midwifery education standards mandated by the professional regulator the Nursing and Midwifery Council (NMC). The new standards and associated proficiencies will shape the future of nursing and midwifery, providing nurses and midwives with the knowledge and skills to deliver excellent care now and into the future to complement the strategic transformation direction. The Department's Programme Board provides oversight of the regional implementation work which Northern Ireland Practice & Education Council for Nursing and Midwifery (NIPEC) is leading.

Progress through 2020 enabled the project to meet its objectives during the pandemic. A comprehensive partnership approach, involving the HSC, independent sector, education providers, professional bodies and the UK regulator ensured the successful implementation of the Future Nurse standards from September 2020. Work continues to embed the standards and roll out implementation across all sectors. Work continues through the Midwifery Expert Reference Group (MERG) to ensure readiness to implement the Future Midwife standards from September 2021. Emergency standards introduced by the NMC in 2020 supported programme continuity, protected student learning and provided flexibility during the pandemic response.

Healthy Child Healthy Future (HCHF)

Healthy Child, Healthy Future (HCHF), is a framework for the Universal Child Health Promotion Programme in Northern Ireland, from pregnancy to 19 years, published by the then DHSSPS in 2010. It is a public health programme, which offers every family information and guidance to support parenting, and make healthy choices, which enables children and their families to achieve optimum health and wellbeing. Health visitors and school nurses are the key health professionals responsible for the delivery of 'Healthy Child, Healthy Future'. HCHF policy requires to be reviewed and updated to take account of the evidence detailed in "Health for all Children" Fifth edition. This work has been delayed due to responding to and managing COVID-19 and will commence in the coming months.

Development of an Intermediate Care Framework and establishment of an Intermediate Care Network

Work to develop "Intermediate Care – A Regionalised framework" was endorsed by RMB in December 2020. The work will seek to build on the Northern Ireland experience and learning from participation in the National Audit of Intermediate care. The core aim is to improve outcomes for patients who receive intermediate care services to ensure that people are supported to lead the best life possible. This will be through ensuring we have equitable provision across Northern Ireland which includes the Care Home sector. These services will be responsive, efficient and effective in supporting hospital admission avoidance, patient flow through timely discharge, ensuring that any potential future COVID surges and core business can be dealt with effectively. Key deliverables will be streamlined processes and structures – 'A One Model Approach' to provide safe, effective and person centred intermediate care, aligning with No More Silos and adoption of NICE guidance for Intermediate care and reablement.

AHP Workforce Reviews

Under plans to restructure and rebuild services post COVID-19 we need to ensure an AHP workforce fit to meet the future demands of the HSC. A series of uni-professional workforce reviews have been undertaken across all 13 AHP professions. Some reviews have been completed and others are nearing completion.

An implementation plan has been developed to take forward the recommendations in each review. These include increasing the numbers of DoH undergraduate commissioned places to address the demands for advanced practice (an AHP Advanced Practitioner Framework was launched in 2019) and to address HSC predicted demand for AHPs. Other recommendations include seeking an increase to the AHP postgraduate education budget and to support advanced, consultant and specialist practice.

AHP roles in Transformation/Restructuring

As the demands of an aging demography with a range of long term conditions and co-morbidities increases and the roll out of the transformation agenda goes ahead, AHP have had increasingly key roles to play across the HSC.

AHPs skill, expertise and leadership have become increasingly more important as the rebuilding and restructuring of HSC services moves forward post COVID-19. Particularly in strengthening community services, preventing hospital admission, transforming elective outpatient service and in establishing urgent care centre services. AHPs as integral parts of multi-disciplinary and interagency teams are ensuring best outcomes for the population of Northern Ireland.

AHP roles during COVID-19

During the first surge of COVID-19 AHPs were essential to the respiratory and nutritional management of patients in critical care. They also supported families and children with special education needs, provided resilience and support to care homes, to patients in their own homes and in continuing vital services such as imaging, pre hospital paramedic care and the delivery of radiotherapy treatments.

Housing and Health Liaison Officer

This post was filled in March 2021, the post holder will take forward a range of work including:

- Working with the Department for Communities to reform the Joint Housing Adaptations Steering Group
- Carrying out a Regional Review of Assistive Technology Services (Community Equipment)
- Development of an Inclusive Design Guide for people with disabilities
- Reviewing/Reformatting and Relaunching the Adaptations Design Communications Toolkit
- Supporting the Reform of Adult Social Care
- Development of a Housing and Health Strategy in collaboration with Department for Communities (DfC)

Children with Special Educational Needs

In 2016 the Public Health Agency (PHA) developed a Regional framework on Review of AHP support for Children with a Statement of Special Educational Needs (SEN). The aim of the review was the establishment of a standardised regional model working to improve the service for these young people to be achieved through collaborative, multi-disciplinary and integrated working. Since the development of the framework the department in conjunction with the PHA has been working with all key stakeholders to implement the actions in the framework.

AHP Education and Training

Education and training remains a high priority for AHPs, as it is essential to underpin the delivery of evidence based high quality care. It is also fundamental to the successful delivery of Departmental strategies, including the Rebuild Framework, Workforce Strategy and Delivering Together 2026.

AHP Post registration education and training continues to focus on commissioning programmes to skill and support the development of AHP staff across the HSC to progress to advanced practice roles. In partnership with Ulster University and the Clinical Education Centre, achievement of the Post Graduate Certificate in Education (PGCE) is developing local clinical educators who will support the future delivery of education for the AHP workforce in Northern Ireland. The range of programmes commissioned in 2020-21 include PG Certificate in Medicines Management, Research Evidence in Health Science and Modern Cancer Care Management.

District Nursing

A District Nursing Framework 2018-2026; 24 Hour District Nursing Care No Matter Where You Live was published 2018. The Regional District Nursing Framework Implementation Group oversees the implementation of the District Nursing Framework.

A number of sub-groups support the implementation of the District Nursing Framework. These sub-groups are: -

- Neighbourhood District Nursing;
- Key Performance Indicators;
- Education, Workforce and Succession Planning;
- Information and IT; and
- Safe caseloads.

Neighbourhood District Nursing Prototype

This is being delivered in each of the Health and Social Care Trusts to a population of approximately 10,000. The aim is to improve safety, quality and experience by developing a 'one team' approach, provided by a Neighbourhood District Nursing team 24 hours a day within a designated community and aligned to the GP Practice, with the ethos of home being the best and first place of care.

The principles underpinning this programme are:

- Person centred care - Putting the person at the centre of holistic care;

- Building relationships with people to make informed decisions about their own care, which promotes wellbeing and independence with active involvement of family, neighbours and the wider community, where appropriate;

- Everyone will facilitate person-centred care at the point of delivery;

- Small teams that are GP aligned within a geographical location; and

- Supportive management structures that enable professional autonomy.

AHP Strategic Framework

The Chief AHP Officer (CAHPO) has commissioned the HSC Leadership Centre to produce a new AHP Strategy. A first draft has been received by the department for consideration. A document highlighting the roles of the Creative therapies is also being developed.

UK AHP Public Health Strategy

The strategy is a UK wide public health framework. DoH and PHA were key stakeholders involved in its development. AHPs play a major role within the public health arena, educating and training patient's awareness of self-management and lifestyle changes.

The framework highlighted the strategic drivers in each of the UK countries, in NI's case "Making Life Better 2013-2023" and highlighting the essential roles that AHPs have to play in delivering its outcomes. These are set out as a range of goals including developing the workforce and demonstrating impacts and are being implemented locally and nationally through implementation groups. CAHPO has recently sought an update from PHA on the implementation work.

AHP Prescribing

Independent prescribing legislation for podiatrists and physiotherapists came into operation in January 2015. In January 2016, independent prescribing for therapeutic radiographers and supplementary prescribing for dietitians was approved. Amendments were made to independent prescribing legislation to reflect these changes in secondary care. In early 2018 Paramedics gained independent prescribing rights. At the same time, exemptions for orthoptists were also agreed. Work continues on proposals for further roll outs to other professional groupings. Further local legislation changes are being progressed to support this national work.

Nursing Now Northern Ireland

Nursing Now is a global campaign which aims to raise the status and profile of nursing. Nursing Now seeks to empower nurses and midwives to take their place at tackling 21st century health challenges which will contribute to the United Nations Sustainable Development Goals. These goals are:

- Improving health
- Promoting Gender equality
- Strengthening Economies

Public Health is a priority for the Nursing Now Northern Ireland campaign, which is taking forward the Nursing and Midwifery event for the International Year of the Nurse and the Midwife 2021.

Family and Children's Policy

Adoption

Public consultation on a draft Adoption and Children Bill concluded in April 2017. The Bill is principally intended to modernise the legal framework for adoption in Northern Ireland and place children's welfare at the centre of the adoption decision-making process. The substance of the Bill relates to adoption, although the Bill also contains provisions which amend wider children's legislation. The Bill has now been finalised and Executive agreement is now being sought to introduce the Bill in the Assembly in the current mandate.

New Core Grant Scheme

Ministerial agreement to move to an open call application process for core grant funding from 2022-23 has been secured. All organisations in the community and voluntary sector will be able to apply to the scheme when open. Applications will be assessed against criteria which will reflect key Departmental priorities and objectives.

Sexual Exploitation of Children and Young People

The Department has continued to work on implementation of a small number of outstanding recommendations made for the HSC (Department, HSCB or HSC Trusts) by the 2014 Marshall Report of the Inquiry into Child Sexual Exploitation (CSE) in Northern Ireland. This includes a consultation on information sharing for child protection purposes which was developed in part in response to one of the Inquiry recommendations. The draft guidance issued for consultation May-August 2019. The ongoing programme of reform of children's services - for example the Adverse Childhood Experiences programme being overseen by the Safeguarding Board for Northern Ireland (SBNI) and the roll out of the Signs of Safety programme across the region, continues to draw on learning from the Marshall report and the Thematic Review conducted by the SBNI in 2015 into the 22 cases of children suspected to have been the victims of sexual exploitation.

In 2019 the Safeguarding Board for Northern Ireland (SBNI) commissioned an independent report on how its agencies are effectively responding to and managing Child Sexual Exploitation (CSE). It is now leading on the implementation (through its CSE sub-group) of the report recommendations published in July 2020. The Department has also asked the SBNI to include overlapping recommendations from a separate report published by Criminal Justice Inspection Northern Ireland (CJINI) in June 2020 into how the criminal justice system deals with CSE in the SBNI action plan developed to take this work forward. The SBNI has also been asked to give consideration to finding a way to assess the extent to which CSE is being successfully addressed, suggesting that identifying and attributing outcomes against actions might be one way to do this.

Child Protection Senior Officials Group (CPSOG)

The CPSOG was established in September 2018 to address cross-cutting child protection issues which require cross-departmental input and coordination. This group is a key mechanism for the identification of issues which impact or have the potential to impact positively or negatively on the protection of children in Northern Ireland and which require a shared response. The CPSOG meets on a quarterly basis and is chaired by the Chief Social Work Officer with senior representation from DoJ, DE, DfC and DoF. CPSOG originated from a group set up to oversee implementation of the Marshall report in 2014. Members of the group collectively agree how these issues should be addressed, by whom and the timescales for delivery.

A Strategy for Looked After Children

Work continued with the Department of Education on finalising the new Strategy specific to looked after children and care-experienced young people.

Following Executive approval, the Strategy was published 19 February 2021 alongside two children's versions, one designed for older children and teenagers and the other aimed at younger children. The aim of the Strategy is to improve the wellbeing of looked after children and young people and children and young people on the edge of being looked after to help them achieve their full potential in line with their peers. In addition to implementation, the focus for 2021-22 will be on establishing monitoring and reporting arrangements which ensure the effective participation of care-experienced children and young people and other stakeholders and which align with the reporting mechanisms for the Executive's Children and Young People's Strategy and the new Programme for Government.

Mother and Baby Homes and Magdalene Laundries

An independently chaired Inter-Departmental Working Group (IDWG) was established in 2016 to take forward work on Mother and Baby Homes, Magdalene Laundries and historical clerical child abuse which fell outside the terms of reference of the Historical Institutional Abuse Inquiry. The IDWG's membership includes representatives from the DoH, DoJ, DE, DfE, DfC, DSO and TEO. As recommended by the IDWG and agreed by the Executive, in January 2021, along with the publication of the research report on the operation of Mother and Baby Homes and Magdalene Laundries, the First Minister announced an independent investigation into Mother and Baby Institutions and Magdalene Laundries. The independent investigation will be shaped by victims and survivors of these institutions. This will be done by way of a co-design process facilitated by a team of experts (Truth Recovery Design Panel) over a six month period. This panel will deliver recommendations/terms of reference for an independent investigation and a preferred option for the independent investigation to the Executive via the IDWG.

Family and Parenting Support Strategy

Work to finalise the content of the Strategy, including actions, was paused in March 2020 in order to focus on the Department's response to COVID-19. Work has now resumed, and there will be an opportunity for the final document to reflect the impact of the pandemic for families across Northern Ireland. The draft Strategy currently identifies four key outcomes:

1. Confident, competent, positive parenting;

2. Resilient, stable and strong families where relationships are positive, healthy and nurturing;

3. A society and culture which values and supports the role of parents and recognises the importance of strong families; and

4. Support that meets the particular needs of families experiencing greater challenges.

Online Safety Strategy

The Department of Health, on behalf of the Executive, published an Online Safety Strategy and Action Plan for Northern Ireland 9 February 2021 (Safer Internet Day).

The aim of the strategy is that all children and young people enjoy the educational, social and economic benefits of the online world, and that they are empowered to do this safely, knowledgably and without fear. A three year action plan, starting in 2021-22 has been agreed and funding has been secured.

Regional Specialist Children's Services

In January 2017, the Department, in collaboration with DoJ, commissioned a HSCB-led review of regional specialist children's facilities. The review aimed to look holistically at the provision offered by the facilities and the relationship between them.

The review report was published in December 2018. It made 11 recommendations in total, with the primary recommendation being the introduction of an integrated Care and Justice Campus for Northern Ireland, comprising the current Secure Care and Juvenile Justice Centres. A joint DoH/DoJ Programme Team was established to implement the recommendations in the review, working closely with colleagues in the HSC and in the Juvenile Justice sector. The Programme Team undertook a public consultation exercise on proposals for the service design model, options for ownership and an operating model of the Campus. The consultation launched on 21 October 2020 and ran until 15 January 2021. A total of 73 responses were received, from a wide range of individuals and organisations. These have been analysed and policy proposals have been further developed to take account of the consultation. With Executive approval, delivery of the Campus is intended to commence in 2021 with the aim of full implementation by December 2022. The goal of this work is to provide young people in secure accommodation with a more consistent model of care, focused on meeting their needs and improving their opportunities and longer-term outcomes.

Mental Health, Disability and Older People

Mental Health Action Plan

Following commitments in New Decade New Approach, a co-produced Mental Health Action Plan was published containing 38 actions, including the creation of a 10 year Mental Health Strategy. The Action Plan was intended to create a common direction and focus for mental health services in Northern Ireland, in preparation for the new mental health strategy, while also delivering key and essential improvements to service delivery in the short and medium term. Important ongoing work such as the establishment of a Regional Trauma Network was reflected in the plan, while funding was announced in January 2021 for specialist Perinatal Mental Health Services. The Action Plan also included as an Annex our COVID-19 Mental Health Response Plan, which focusses on seven strategic themes that have been identified to respond to the impact of the pandemic on the population in Northern Ireland and sets out key actions being taken under each theme. Measures have included amendments to the Mental Health (NI) Order 1986 to ensure continued ability of HSC Trusts to provide safe and effective mental health services, even during times of extreme workforce pressure due to COVID-19.

Mental Health Strategy

A draft ten year Mental Health Strategy has been co-produced and was published for consultation 21 December 2020. The consultation closed 26 March 2021, with work underway to assess the responses to the draft strategy and finalise the document. The draft strategy recognises the huge challenge for society posed by mental ill health and sets out 29 actions across three themes to help address this challenge. A number of ongoing reviews will feed into the final strategy document, including work on eating disorders, transitions and restraint and seclusion.

Mental Health Champion

Professor Siobhan O'Neill, Professor of Mental Health Sciences at Ulster University was appointed as interim Mental Health Champion for Northern Ireland in June 2020. An office of the Mental Health Champion has been created, with a small team to support the role. A competition to make a substantive appointment to the role for at least 3 years was launched in March 2021, with the expectation the Champion will be in place by September 2021.

Children's Commissioner's Report 'Still Waiting'

The Northern Ireland Commissioner for Children and Young People (NICCY) published 'Still Waiting – A Rights Based Review of Mental Health Services and Support for Children and Young People in Northern Ireland' on 27 September 2018. The report made 50 recommendations covering a range of aspects of mental health services and support for children and young people, based on evidence provided to NICCY by young people with experience of the services.

"Still Waiting" - Action Plan

On 10 October 2019 the Department of Health published a draft Action Plan in response to NICCY's "Still Waiting" report. This Plan included a series of actions aimed at addressing the report recommendations, such as, full implementation of the Child and Adolescent Mental Health Services (CAMHS) care pathway and more mental health support in schools.

Work is ongoing to oversee and monitor the progress of the action plan through the Interdepartmental Programme Board, which meets on a bi-monthly basis. Regular meetings also take place between NICCY and the Department of Health to discuss progress.

The Department is currently working with CAMHS and relevant stakeholders to review the action plan and ensure it takes into account new developments, such as the impact of the COVID-19 pandemic and development of the new 10 year mental health strategy. A Children and Young People's Emotional Health and Wellbeing in Education Framework was jointly launched with the Department for Education in February.

Mental Capacity Act

In 2019, the Department took the decision, in conjunction with the Department of Justice, to commence the first phase of the Mental Capacity Act, for the purpose of the Deprivation of Liberty Safeguards (DoLS), 1 October 2019; this was subsequently postponed until 2 December 2019 to allow Trusts to be in a better position to implement the new DoLS. It was intended that this would be implemented over a period of 12 months and at the end of this period section 269 of the Act would come into force creating a statutory offence of unlawful detention and, with it, the potential for compensation for those who have been unlawfully detained. Due to COVID-19 the implementation period was extended in November 2020 for 6 months until 31 May 2021.

The Coronavirus Act 2020 made a number of temporary amendments to the Act which relaxed some of the requirements of Deprivation of Liberty Safeguards during the Coronavirus emergency, to ensure that persons can still be deprived of liberty during the pandemic crisis when staff availability may be significantly reduced. These have now been revoked.

Stopping Domestic and Sexual Violence and Abuse Strategy 2016

This seven year Strategy was published jointly by DoH and DoJ in March 2016. Its vision is to have a society in which domestic and sexual violence is not tolerated in any form, effective tailored preventative and responsive services are provided, all victims are supported, and perpetrators are held to account. Delivery Groups continue to meet quarterly and good progress is being made in delivering the Strategy's 20 priorities. A Year 5 Action Plan was published in April 2020. A number of new areas of work were also taken forward in response to COVID-19. Our priority has been to ensure that essential services continue to operate effectively and remain fully available during the pandemic. A progress update for Year 5 and a new action plan for Year 6 are due to be published in the near future. The Department also published a review and updated versions of the 'Leaving Prostitution, A Strategy for Help and Support' and its Programme of Assistance and Support in May 2019, as required under section 19 of the Human Trafficking and Exploitation (Criminal Justice and Support for Victims) Act (NI) 2015. The Department is required to review the Strategy every three years and work is ongoing to inform the next review cycle.

Care Homes and Supported Living

In response to COVID-19, the Department has provided detailed guidance to both the Care Home and Supported Living Sectors. In relation to the Supported Living sector we have worked closely with DfC and the Housing Executive to provide a coordinated programme of support.

Where needed, PPE has been provided to both Care Homes and Supported Living providers without charge. In addition, substantial financial support packages have been put in place with up to £45m made available for Care Homes, alongside an income guarantee. HSC Trust staff have been deployed to independent sector Care Homes to help support them, along with the provision of expert advice and support from RQIA, PHA and Trust teams.

Domiciliary Care

During 2020-21 ongoing work on transformation was paused while a package of support was put in place to help the sector respond to COVID-19. Guidance was put in place, access provided to PPE where necessary and a fund of up to £5m was provided to allow Domiciliary Care providers to claim for additional costs incurred due to COVID-19. Additional funding was also made available to support HSC Trusts to bring in additional staff to work in domiciliary care.

Adult Social Care Covid-19 costs

Recognising the additional costs facing the wider adult social care and mental health sector, beyond the specific funding set out above for care homes, supported living and domiciliary care, a further fund of up to £5.2m was set up for independent sector providers of Trust commissioned Adult Social Care services, to allow claims for additional costs incurred due to COVID-19, between 1 April 2020 and 31 March 2021. The scheme allowed providers to claim for areas such as increased PPE and cleaning costs, IT, additional staff costs, and management overheads.

Self-Directed Support

During 2020-21 the Department produced guidance on the use of Direct Payments during the pandemic. The guidance introduced additional flexibility in how a Direct Payment could be used. In addition, £400k was allocated to the HSCB to support the HSC Trusts in implementing the guidance and provide for the potential of greater demands for Direct Payments, while some services to service users and their families were reduced.

Continuing Healthcare

Following the public consultation on Continuing Healthcare - “Introducing a Transparent and Fair System” in 2017, the Consultation Analysis Report was published by the Department on 11 February 2021. The preferred option which emerged from the consultation was to introduce a single eligibility criteria question for Continuing Healthcare. The new policy of a single eligibility criteria question became effective from 11 February 2021, and work is ongoing to produce guidance to support the new policy.

Unpaid Carers

The Department engaged with the HSC, carers' representative organisations and with carers throughout the pandemic period to better understand the needs of carers and to ensure that those needs were being addressed by the HSC Trusts. This resulted in several initiatives to support carers during the COVID period, such as comprehensive and regularly updated advice being made available on the Department's website; the provision of a Carer's ID Card to assist with in-store shopping, exercise and travel during lockdowns; additional funding to extend the operating hours of Carers NI's advice line; and a system put in place to facilitate carers getting access to the COVID-19 vaccine.

Interim Autism Strategy

The Department of Health has a legislative responsibility under the Autism Act (NI) 2011 to prepare a cross-departmental autism strategy every seven years. Whilst preparations were at an advanced stage to prepare a fully co-produced autism strategy for implementation in 2021, work on this was significantly constrained as a result of COVID-19. However, in recognition of increasing waiting lists for autism assessment and the challenges which were experienced by autistic people, their families and carers throughout the pandemic, Minister took the decision to publish an Autism – Interim Strategy to set out key priorities for the years 2021 and 2022, which had been identified through extensive stakeholder engagement. Minister also gave a commitment that work would commence on a longer term autism strategy later in the year for implementation in 2023. In preparation for this the Department has established an Autism Forum, comprised of community and voluntary sector group representation and people with lived experience. The role of this Forum will be to inform priorities and assist in the co-production of a longer term autism strategy.

Learning Disability and Muckamore Abbey Hospital

Following the SAI Level 3 review of allegations of abuse of inpatients by staff at Muckamore Abbey Hospital, work commenced to implement the Muckamore Abbey Hospital HSC Action Plan, which was established to deliver on the review's recommendations continued in 2020-21. While meetings of the Muckamore Departmental Assurance Group which oversees the implementation of the Action Plan were paused temporarily, due to the implications of the pandemic, meetings resumed in June 2020, and the Group met on six occasions. Good progress has been made on delivering the actions in the plan, with 21 of the plan's 54 actions rated as completed.

Building on the SAI Review findings, the independent review of the Leadership and Governance arrangements at Muckamore Abbey Hospital, which was commissioned by the Public Health Agency and the HSCB on behalf of the Department, published its report on 5 August 2020. The review critically examined the effectiveness of the leadership, management and governance arrangements at the hospital in the five year period preceding the Adult Safeguarding allegations which came to light in August 2017, and made 12 recommendations, all of which have been accepted. These recommendations have been added to the HSC Action Plan and implementation of these are also monitored by the Muckamore Departmental Assurance Group.

In September 2020, Minister announced his intention to establish a public inquiry into the events at Muckamore Abbey Hospital under the Inquiries Act 2005. Engagement sessions, facilitated by the Patient and Client Council (PCC) and attended by the Department's MAH Public Inquiry Sponsor Team, were hosted by the Minister during December 2020. During January and February 2021 the PCC also met patients, former patients and families in order to seek their opinions on the scope of the Inquiry, its Chair and the Terms of Reference. The PCC's report from the engagement sessions has been submitted to Minister and work is currently underway to establish this Inquiry.

The regional independent review of acute care for people with learning disabilities initiated under the transformation programme to consider future options for both inpatient and community (including forensic) provision in Northern Ireland has been completed. The findings from this review are informing work which is being taken forward to develop a consistent regional model of Community Based Assessment and Treatment for individuals with a learning disability who present with challenging behaviour, Autism Spectrum Disorder (ASD) and/or forensic needs. This review was an expedited work stream of the wider Transformation project to develop a new co-produced regional model for Learning Disability services. This new Learning Disability Service Model, 'We Matter' is currently being finalised.

Adult Safeguarding

Following serious care failings at Dunmurry Manor Care Home and Muckamore Abbey Hospital, both the Commissioner for Older People and the CPEA Independent Review brought forward recommendations for legislative reform in the area of Adult Safeguarding. On 10 September 2020, Minister announced that a Bill would be brought forward to make lasting improvements in adult safeguarding and to bring Northern Ireland in line with other parts of the UK. Accordingly, the Department recently undertook a consultation on proposals to develop an Adult Protection Bill, based on the recommendations from the Commissioner for Older People's Report and the CPEA Independent Review. The consultation launched on 17 December 2020 and closed on 8 April 2021. The Department is now analysing responses in advance of developing primary legislation to be introduced early in the next mandate.

Physical and Sensory Disability Strategy and Action Plan 2012-18

The Strategy and its Action Plan were extended on three consecutive occasions since their original end date of 2015, to enable more progress to be made on implementing the various actions contained within the plan. The Strategy ended in September 2018. Significant progress was made in implementing the various strands of the action plan through close collaborative working and co-production with the statutory, voluntary and community sectors and importantly with input from service users. In considering how best to deal with those few remaining legacy actions from the action plan and any new/emerging issues and having discussed the way forward post the strategy with the various sector representatives and service user representatives, the Department has agreed to take forward work to set up a Regional Disability Forum for those with a physical, sensory, or communication difficulty. Due to the pandemic, work to establish the forum was paused – however this work has recently resumed. In addition, the legacy actions from the Physical and Sensory Disability Strategy will also be considered by the Regional Sensory Group, whose work was also paused due to the pandemic.

Independent Living Fund (ILF)

The UK ILF closed 30 June 2015 and with effect from 1 July 2015, new arrangements were put in place for the future support of ILF recipients in Northern Ireland. There are currently 414 recipients of ILF awards in Northern Ireland. On behalf of the Department, and with the agreement of the Scottish Government, ILF awards are disbursed using the ILF Scotland infrastructure to those recipients in Northern Ireland who have severe and/or complex disabilities with intensive care needs. The award is used to pay either for care agency staff, or for the recipient to employ their own personal assistant. This additional support enables those ILF recipients to exercise choice and control and live independently in the community rather than in residential care. In 2020-21, all award payments were made on time with 100% accuracy and no complaints were received. The Department provides £7.236m of funding to ILF per annum and in 2020-2021 provided an additional £177k to address additional pressures faced by recipients due to COVID-19.

Family Fund

The Family Fund (FF) offers a wide range of goods and services, which may be focused on directly supporting the needs of the child with a disability, but are equally aimed at improving the overall lot of the family adversely affected by a disability. The FF carried out a survey in December 2020, which shows that in Northern Ireland, 46% of families have seen their household income reduce over the past year, whilst 93% saw an increase in their household costs as a result of the pandemic. Northern Ireland has the highest percentage of childhood disability in the UK at 5.5%. FF received £1.572M in funding for 2020-21 from the Department. However due to increased demand for services as a result of the pandemic, FF expended their funding allocation for 2020-21 in mid-December 2020. The Department provided additional funding to FF (£480k to cover the period from Mid-December 2020 to 31 March 2021) to enable them to provide support through grants for an additional 1,300 applications from families who continued to struggle with the challenges placed on them because of the ongoing pandemic.

Review of Regional Gender Identity Service

The Department asked the HSCB to review Gender Identity services in Northern Ireland. A Gender Identity Pathway Review Group was established and met for the first time in September 2019. The work of the Gender Identity Pathway Review Group was, however, paused due to COVID-19. It has now resumed its work and it is expected that the Review Group will, by September 2021, submit a report that will include options and recommendations for a new service model for consideration by the Department. The Review Group has recently established a Service User Liaison Panel to assist the group in taking forward its work. The panel comprises 21 service users.

Remote Sign Language Interpreting Service

A temporary remote sign language interpreting service was established as a novel measure and urgent response to COVID-19 related needs of the Deaf community in April 2020. It is funded by the Department with a contribution from DfC and managed by the Social Care Directorate of the HSCB. The service enables the Deaf community and health and social care professionals to overcome barriers to effective and safe communication associated with telephone-only access and other social distancing/infection control measures. Importantly, the service enables Deaf service users to access public health information, thereby minimizing risks to their own and the wider public's health.

Office of Social Services (OSS)

Improving & Safeguarding Social Wellbeing – A Strategy for Social Work

Significant progress has continued to be made in implementing the Improving and Safeguarding Social Wellbeing Strategy (2012-2022).

The investment in Quality Improvement (QI) learning supported by the social work strategy, together with the development of the regional QI programme for social work, has significantly enhanced the capacity of social workers to lead quality improvement and innovation. Leadership is central to ensuring opportunities for quality improvement and since 2016 we have supported social workers and people with lived experience to co-produce improvements in practice and service delivery using recognised QI tools and methods.

A draft Leadership Framework for Social Work has been developed and this informed this year's programme for the **Stronger Together - Social Work Leadership Programme:** This is an accredited training programme for senior managers within the social work profession, which is delivered by the HSC Leadership Centre. It seeks to develop the strategic leadership skills and knowledge which will be needed by senior managers in future years. The Stronger Together programme has been delivered for the last four years with managers from a range of social work settings and organisations and continued during 2020-21 through the use of video communications.

Work on a revised Regional supervision policy is at an advanced stage, however due to COVID-19, plans for a wider consultation were postponed. In the meantime a revised draft supervision policy has been made available to inform alternative arrangements for supervision during the pandemic.

Collaboration and Co-production - Social Work Strategy (SWS)

A Senior Leadership Network (Social Work) involving senior leaders of social work in all of the key statutory partner organisations continues to go from strength to strength. This provides a forum to share good practice and for regional collaboration. Maintaining communication across the leadership group was particularly helpful during the pandemic. Local Engagement Partnerships (LEPs) which were set up in 2017 continue to thrive and are operational in each Trust area involving social workers, people with lived experience and partner providers. Three of the LEPs are co-chaired and focused on co-production as their improvement priority. Although contact was reduced due to the pandemic, many of the LEPs continued to meet, although virtually, and organised a joint event with the Leadership Network in early April 2021 -"NISWLN & Local Engagement Partnerships Present: A Year in Relationships"

An evaluation framework to monitor and evaluate the impact of strategy implementation against four high level outcomes for social work has been developed. Work is continuing to pilot the outcomes based accountability approach against the outcome framework in respect of the workforce.

A social wellbeing framework, which articulates the purpose of social work in improving social well-being, was published in June 2017 and a social wellbeing tool based on this framework has been developed by social workers and people with lived experience. This has been piloted and work is continuing in developing an electronic solution.

Plans are at an advanced stage to launch a social work/social wellbeing survey (10,000 voices) which will obtain qualitative and quantitative feedback on people's experience of social workers and impact on their social wellbeing. Due to COVID-19, a planned launch for March 2021 was put back to autumn 2021.

Social Work Workforce Review

In partnership with colleagues in Workforce policy, a social work workforce review is nearing completion with a view to being published in summer 2021.

A Learning and Improvement Strategy

This Strategy for Social Workers and Social Care Workers (2019-2027) was published in December 2018. It aims to support the development of a learning culture, in which staff are expected to continuously improve their practice to better meet people's needs and to ensure that we have a highly skilled and motivated workforce that can innovate and adapt to new ways of working.

OSS Training Support Programme

This contributes towards the cost of improving the knowledge, skills and qualification profile of the social care workforce in smaller, voluntary and community organisations in Northern Ireland. Funding is provided to applicant organisations which demonstrate that their employees are eligible to undertake work-related training, which results in formal qualifications.

Social Work & Community Development Approaches

This is an accredited post-qualifying programme for social workers, delivered at UUJ. It is targeted at social workers who have been qualified for at least two years and who wish to apply community development approaches to their practice. The programme has been commissioned by OSS to support primary care social workers and community social workers develop creative solutions to complex challenges and bring about positive social change in individuals and in communities.

Oversight of HSCB's Delegation of Statutory Functions

In the context of the Department's Assurance and Accountability Framework, the Office of Social Services continued to provide analysis and commentary upon HSCB's Overview report of HSC Trusts' performance in respect of the Statutory Functions the HSCB has delegated to the HSC Trusts. However these processes were delayed this year as the requirement for Trust reports was deferred until the autumn 2020 and the usual accountability meetings were postponed in recognition of the Trusts response to the pandemic. This area of work will be reviewed considering restructuring of HSC arrangements in 2021-22.

Modernising Regulation Policy

The OSS has sponsorship responsibility for the Northern Ireland Social Care Council who have delegated responsibility for the compulsory registration and regulation of the social work and social care workforce(s), with over 50,000 registrants on the Social Care Council's Register since completion of the roll out of registration. This continues to be the largest workforce in the HSC in Northern Ireland. The Landscape Review has been completed in line with good governance principles and the recommendations made have been reviewed this year and are being prioritised, considering the wider landscape of reform, recovery and rebuild.

During the pandemic, the Social Care Council developed an emergency register and worked with other partners across the HSC to streamline the process for registration for new employees joining the workforce at this time.

Provision of professional social work advice to formulation of legislation, regulations and policy

Social Services Officers are all professionally qualified social workers with extensive experience in their specific areas of practice. Social Services Officers provide professional advice to Policy colleagues to assist with the formulation, implementation and oversight of legislation, regulations and social care policy. They assist and ensure that the outworking of legislation, regulations and policy complies with the highest professional standards, is evidence informed and meets best practice standards.

Equine Strategy/Equine Therapy

The OSS has continued to work in close partnership with the Department of Agriculture, Environment and Rural Affairs (DAERA), in support of DAERA's lead role on developing an Equine Strategy for Northern Ireland, which includes three key elements for progression: Economy; Education and Health. Our specific interest is in the Health element and this year focused on gathering evidence and commissioning an evidence review to identify provision of equine therapy in the HSC Trusts and to identify lessons learnt. The results of the review will be used to develop an Action Plan upon which to build further in 2021-22, working in partnership with Trusts and health and social services professionals. Equine therapy can benefit service users in physical, learning and/or mental health, and across the spectrum of children's and adult services. We also will represent the Department on the wider cross-departmental structure established by DAERA to build further on this approach in 2021-22, working on the principle of co-production, co-design and partnership with stakeholders in the public, independent and voluntary and community sectors.

Loneliness and Social Isolation

As the issue of Loneliness and Social Isolation has received increased prominence in recent years, it was agreed that a DoH/HSC scoping exercise, to identify how the issue is being addressed within existing policies, strategies and programmes, would be helpful to inform how the Department and HSC could take this issue forward in the context of health and wellbeing. It is anticipated that the first phase of this exercise will be completed in 2021-22 and the findings will inform decisions on how to address these important issues in the context of health and wellbeing and in partnership with other organisations.

Supporting Practice in the Social Work and Social Care Sector

The Reflections series, developed in 2018, aims to support social workers in their practice and is designed to provoke thought and stimulate a conversation on key practice issues with and within the social work community in Northern Ireland**.** The first Reflection was an Anti-Poverty Framework for social workers which was published in July 2018, followed by good practice guidance on "strengths based practice", one on homelessness and another on mental health social work.

A Coproduction Reflections Group, established in January 2020, includes professionals and people with lived experience, who will write a reflections on learning about coproduction in social work for the DoH Series. The group have continued to meet virtually during the pandemic and are aiming to publish their reflections by autumn 2021. A further reflection on family support is planned.

Primary Care Social Work

To support the development of multi-disciplinary teams in Primary care, a new role for social workers in GP practices has been developed. These teams are intended to deliver the vision set out in *'Health and* Wellbeing *2026: Delivering* Together' of an increased emphasis on a holistic model of health and wellbeing, which includes physical, mental and social wellbeing with a greater focus on prevention and early intervention. In 2020-2021, the social workers had a particular focus on providing outreach to the GP populations and supporting vulnerable people who were shielding or experienced difficulties during the pandemic.

Reform of Adult Social Care

In response to “Power to People”, implementation work formally commenced in January 2018, when the Project Board (chaired by SRO Sean Holland) was established to agree the strategic direction of the Reform Project and agreed an outline work plan. The Project Board comprises 36 members from across the system, including Departmental Policy Leads, representatives from other Departments, NISCC, RQIA, Trade Unions, HSCB and Trusts, service users and carers and the independent and voluntary sector. An Independent Expert Carer’s Panel and a Service User Panel have been established, but were stood down until early 2021 due to the Department’s ongoing response to the pandemic.

In response to COVID-19 pandemic surge planning, the Department temporarily stood down the work of the Reform of Adult Social Care Project Support Team. Work has now resumed, with the intention of developing proposals for Minister’s consideration in summer 2021.

Social Care Workforce Strategy

The Reform of Adult Social Care Team have worked to progress a Social Care Strategy, which is a vehicle for driving continued and standardised improvements in developing the social care workforce and setting out the Departments strategic objectives, vision and commitment to do so. This strategy aims to build pride and professionalism across the social care system. It will promote and foster the real sense of a strong and vibrant social care community in Northern Ireland and strengthen supports for social care workers, while directly improving services.

The Social Care Strategy has begun work to develop a standardised skills and competency framework for social care to inform a cohesive approach to workforce development across the HSC and Independent Sector. The Strategy will progress the development of a number of work strands scoped in 2020-21 and raise the profile of the social care workforce with a media campaign. The strategy has also commenced the scoping of a social care awards scheme to recognise excellence in social care provision. Direct training awards have been allocated to support care workers gain social care qualifications in line with Department training priorities. The Social Care Council have been commissioned to progress elements of the Strategy.

My Home Life Programme

In partnership with Ulster University, the Department, through the Reform of Adult Care Programme, has funded and supported a cohort of Care Home managers through the My Home Life Leadership programme.

My Home Life (MHL) is a development programme that aims to promote quality of life and to deliver positive change in care homes for older people. The MHL programme was specifically designed to meet the unique needs of care home managers by supporting them to improve quality of life for residents, relatives and staff. The Programme helps leaders in care settings to negotiate the complex, and often conflicting, emotional stresses of their work, while helping them to gather perspective, seek solutions and protect themselves from the very real risk of ‘burnout’. The programme’s central function is pivotal to the delivery of a quality service in care homes, providing leadership support of care home managers, who can inspire and support social care staff in care homes, while responding to the needs of an increasingly frail population.

Establishing a Degree in Social Work programme with the Open University NI

With the support of OSS, the Open University in NI began a process to seek approval from the NI Social Care Council to design and deliver the BA (Hons) Degree in Social Work in 2019. The Social Care Council subsequently approved the OUNI Degree programme in May 2020, In the autumn of 2020, as part of the wider DoH policy intention to; improve and strengthen the training and career progression opportunities for adult social care workers, the decision was taken to commission 15 places on the Open University's Degree in Social Work in NI.

Applications from social care workers were sought from the HSC Trusts and voluntary/ independent sector care providers in October 2020. The first cohort of students began the OUNI Degree in Social Work programme in November 2020.

The OUNI Degree in Social Work provides;

- A pathway to professional social work training for well-experienced, motivated and more mature adult social care workers who may otherwise find it difficult to undertake full-time study;

- An opportunity for employers to improve career progression pathways and succession planning from within their existing social care workforce;

- Work-based, flexible and fully supported learning, which includes the development of individual study plans for students who need to build self-confidence in their academic ability;

- A fully accessible curriculum with all learning materials available to students when and where they want to access them.

The newly-established OU Degree in Social Work programme is intended to be an ongoing opportunity for social care workers in the statutory and independent sectors who wish to pursue relevant career progression and professional qualification.

Approved Social Work (ASW) Quality Standards

OSS has reviewed the existing ASW standards and is in the process of consulting with stakeholders on draft new standards.

Mental Health Social Work Workforce Planning

OSS has initiated a project to review the existing social work workforce in HSCT mental health services and make recommendations for future workforce planning. This work will help inform the overall workforce planning necessary for the Mental Health Strategy.

Domiciliary Care Rapid Review

OSS led on a rapid review of the experience in domiciliary care during the pandemic. This was a multi-agency review with input from service users, carers, staff, trade unions and both private and public sector providers. It was published in November 2020 and the recommendations are now being implemented.

COVID and Inequality

OSS worked in partnership with NISCC, the Belfast Trust and the Ulster University to deliver a webinar series for social workers to support them in their understanding and responses to the impact of the pandemic on those who were disproportionately affected.

OSS also partnered with the Money and Pensions Advice Service, to run a number of webinars on Money Guidance and Social Work. This project was designed to support social workers with anti-poverty practice, particularly in response to COVID related poverty.

Prison Healthcare

The Owers Report on Prison Reform (2011) contained a series of recommendations for the reform of prisons in Northern Ireland, ten of which specifically relate to prisoner healthcare. An 'Improving Health within Criminal Justice' joint strategy and action plan was published by DoJ and DoH in June 2019.

A dedicated Strategy Implementation Group has been created to deliver on the strategy Action Plan, across each of its' seven strategic priorities. The Department is committed to improving access, integration and continuation of healthcare within a criminal justice setting; the aim to improve the health of the criminal justice population, to make detention safer and to reduce the risk of recidivism. In July 2020 the Department and DoJ jointly commissioned RQIA to complete a review of the provision of services for vulnerable persons detained in Northern Ireland. This review, supported by an agreed Terms of Reference, commenced in October 2020 and is expected to complete in July 2021.

PERFORMANCE ANALYSIS

HSC, NIAS AND NIFRS PERFORMANCE

HSC Performance

The COVID-19 pandemic has had a significant impact on services, requiring a substantial effort right across the HSC and beyond to reprioritise and refocus resources and to ensure the most urgent and time critical patients (both COVID and non-COVID) could receive the care they needed. A number of the key challenges and also some examples of the key achievements, in terms of making a positive impact on the care, health and wellbeing of service users are highlighted below.

Elective Care

Due to the need to respond to the COVID-19 pandemic, the Ministerial priorities set out in the 2019-20 Commissioning Plan Direction (CPD) were rolled forward to 2020-21, including the following targets for elective care:

- 50% of patients should be waiting no longer than 9 weeks for an outpatient appointment and no patient waits longer than 52 weeks;

- 75% of patients should wait no longer than 9 weeks for a diagnostic test and no patient waits longer than 26 weeks; and,

- 55% of patients should wait no longer than 13 weeks for inpatient/day case treatment and no patient waits longer than 52 weeks.

Waiting times were unacceptable before COVID-19 and regrettably they have deteriorated further over the last year. Many more people are waiting far in excess of the Ministerial target waiting times and are suffering in pain and discomfort while they wait to be seen/treated.

At 31 March 2021:

- 16% of patients were waiting less than nine weeks for a first outpatient appointment, compared to 21% at the end of March 2020; 281,074 patients were waiting longer than nine weeks compared to 242,864 at the end of March 2020; and, 189,723 were waiting more than 52 weeks, up from 117,066. In addition, at the end of March 2021, 11,281 patients were waiting longer than nine weeks for a first outpatient at a cataracts Day Procedure Centre and, of these, 7,504 were waiting longer than 52 weeks.

- 48% of patients were waiting less than nine weeks for a diagnostic test compared to 46% at the end of March 2020; 55,638 patients were waiting longer than nine weeks compared to 58,639 at the end of March 2020; and, 33,808 were waiting more than 26 weeks, up from 28,130. While regionally the number of people waiting more than 26 weeks has increased compared with last year, the waiting time position has improved in-year for 9/26 weeks from a high of 92,491 (9 weeks) and 54,577 (26 weeks) in May and September 2020 respectively.

- 17% of patients were waiting less than 13 weeks for inpatient or day case treatment compared to 29% at the end of March 2020; 92,690 patients were waiting longer than 13 weeks compared to 66,872 at the end of March 2020; and, 68,309 were waiting more than 52 weeks, up from 30,696. In addition, 3,332 were waiting longer than 13 weeks for a cataract (2,463) or varicose vein (869) procedure at a DPC at the end of March 2021 and, of these, 2,255 (1,533 (cataract) and 722 (varicose veins)) were waiting longer than a year.

- Further information on waiting time statistics is published on the DoH website at https://www.health-ni.gov.uk/topics/doh-statistics-and-research/hospital-waiting-times-statistics

Some of the efforts made to address the many challenges are detailed below:

- In January 2021, Minister established a Regional Prioritisation Oversight Group to ensure that all available capacity (both within the HSC and Independent Sector) is prioritised for cancer and time critical cases across specialties and Trust boundaries on an equitable basis.

- The HSCB secured theatre capacity during 2020-21 from the three local Independent Sector (IS) hospitals to treat the most urgent and time critical patients (i.e. those with confirmed or suspected cancer). These arrangements allowed many thousands of patients to be treated by HSC consultants in the private healthcare facilities. During the period 1 April 2020 to 28 March 2021 more than 5,000 patients had their procedures undertaken.

- In addition, the HSC secured capacity from a number of other IS healthcare providers both within NI and in the Republic of Ireland. Furthermore, a number of private healthcare providers provided in-sourcing services whereby privately recruited teams of clinicians treated HSC patients using available HSC infrastructure.

- The Modernising Radiology Clinical Network (MRCN) worked collaboratively to develop a Regional Imaging Rebuilding plan to address imaging backlogs during the pandemic and improve access to investigations across the region. This has led to reductions in waiting times and in variation across Trust areas for red flag, urgent, planned and routine patients.

- As we emerge from the latest surge of the pandemic, the focus of the HSC is on resetting all elective services in an environment that is safe for both staff and patients. This is likely to be a gradual process with a direct link to the scale and speed of de-escalation of ICU and the managed return of theatre and surgical staff.

- In line with the approach in the Department's Rebuilding Health and Social Care Services: Strategic Framework at; https://www.health-ni.gov.uk/sites/default/files/publications/health/rebuilding-hsc.pdf (June, 2020), HSC Trusts have developed a series of Rebuild plans setting out how routine activity would be restarted in the wake of each surge of the pandemic.

- By way of example of the efforts of staff, from 1 October to 31 December 2020, Trusts had committed to delivering 228,500 outpatient consultations; 114,100 diagnostic tests; and, 13,800 inpatient or day case treatments. In fact, they delivered 264,600 assessments; 142,600 diagnostics; and 17,300 treatments.

- Trust Rebuild Plans for the period April to June 2021 set out how routine activity will be restarted in the wake of the most recent surge and outline their plans for green pathways and green sites to separate planned, routine and emergency services and maximise theatre capacity.

Minister announced in the Assembly in April 2021 that he intends to publish an Elective Care Framework to set out both the immediate and longer term actions and recurrent funding requirements needed to tackle our waiting lists.

Unscheduled Care

Prior to COVID-19, there was clear evidence that urgent and emergency care services in NI were under increasing pressure. The impact of COVID-19 and the focus on infection prevention and social distancing has further highlighted the critical need for change.

During 2020-21, 65% of patients were either treated and discharged home, or admitted, within four hours of their arrival at an Emergency Department (ED) (target: 95%) which is unchanged from 2019-20 and 38,482 patients waited longer than 12 hours compared to 45,442 during 2019-20.

While there was no deterioration in 4-hour performance compared to 2019-20 and a reduction in the number of patients who waited longer than 12 hours, this needs to be viewed in the context of a 26.6% reduction in ED attendances likely due, in the main, to pandemic related concerns.

Moving forward, working beyond traditional boundaries is essential in the delivery of safe, sustainable, high quality care during these unprecedented times and beyond. In October 2020, Minister published the COVID-19 Urgent and Emergency Care Plan, 'No More Silos' at https://www.health-ni.gov.uk/NoMoreSilos setting out 10 key actions to ensure that Urgent and Emergency Care Services across primary and secondary care can be maintained and improved in an environment that is safe for patients and for staff.

The actions relate to two main areas: how the general public access urgent or emergency care or treatment when they need it; and how older people and others who need support will be offered treatment and care in the community to avoid admission to, or long delays in hospital.

Two examples of progress include:

- Phone First - a new telephone triage system 'Phone First' introduced initially in the Causeway Hospital, Coleraine in November 2020 and subsequently rolled out across Northern, Southern and Western Trust areas. It provides clinical advice and signposting to anyone considering travelling to an ED with an urgent but not life threatening condition. From 1 December 2020 to 23 April 2021 the service received 15,074 calls of which approximately 58% were given a booked slot to attend an ED or an Emergency Nurse Practitioner; and over 20% discharged with advice or back to the care of their GP. This helped patients get quicker access to the right care, saved time and also helped to minimise the risk of the spread of COVID-19.

- Belfast Trust's Urgent Care Centre (UCC) was established on the site of their Royal ED. The Centre operates 7 days per week, from 8am-10pm providing an effective triage service for patients presenting with urgent and emergency care needs. Early outcomes include a 45% conversion of self-presenting patients being transferred to ED, with the remaining 55% being allocated to a scheduled urgent assessment stream (usually within 2 hours), or discharged from the UCC (20%).

In terms of the longer term approach, the publication of the report outlining the findings and recommendations of the review of Urgent and Emergency Care was significantly delayed by the pandemic. However, it is anticipated that this will be published shortly. Once published, the Department will conduct a full public consultation.

Cancer Services

During 2020-21, all urgent breast cancer referrals should be seen within 14 days; at least 98% of patients diagnosed with cancer should receive their first definitive treatment within 31 days of a decision to treat; and at least 95% of patients urgently referred with a suspected cancer should begin their first definitive treatment within 62 days.

The COVID-19 pandemic has undoubtedly had a devastating impact on cancer services, with the long waiting times causing worry and concern for many patients and families.

The latest surge saw unprecedented levels of COVID-19 admissions and ICU beds significantly impacted, and a reduction in diagnostic and operating capacity across all Trusts; leading to an inevitable impact on cancer services and a worsening of waiting times.

- Regionally, during 2020-21, 71% of urgent breast cancer referrals were seen within 14 days compared to 86% in 2019-20 (target: 100%). Northern HSC Trust continued to experience demand and capacity issues which impacted on its 14-day performance (33%). 14-day performance also fell below the 100% target in the South Eastern (81%), Southern (68%) and Western Trusts (87%).

- Over the year, 93% of people received their first definitive treatment within 31 days (target: 98%) which is unchanged from the 2019-20 (93%) position. While 62-day performance regionally in 2020-21 (53%) has improved compared to 2019-20 (51%), this is likely due to the reduction in referrals (-11%) as a result of pandemic-related concerns leading to patients being reluctant to attend their GP or hospital.

Through the RPOG process established earlier in the year, the HSCB continues to work with clinicians in HSC Trusts to prioritise the care needs of patients referred into the HSC, and also to ensure that all available capacity is utilised as effectively and equitably as possible across the region.

Recognising the devastating impact on Cancer services during the pandemic, a Cancer Services Rebuilding Cell was set up in June 2020. This oversaw the resumption of cancer screening, diagnosis and treatment in clinically safe environments as quickly as possible, and aimed to protect these services as much as possible throughout the pandemic, taking into account existing capacity constraints and the ongoing threat of COVID-19. The Department is currently finalising a Cancer Recovery Plan, as part of ‘Building Back; Rebuilding Better’, to redress the disruption to cancer services caused by the pandemic.

Hip Fractures Standard

By March 2021, 95% of patients, where clinically appropriate, wait no longer than 48 hours for inpatient treatment for hip fractures.

Regionally during 2020-21, 90% of patients, where clinically appropriate, received inpatient treatment for hip fractures within 48 hours. This is an improvement on the previous year (78%).

Commencement of AHP Treatment Standard

By March 2021, no patient should wait longer than 13 weeks from referral to commencement of treatment by an AHP.

Regionally at the end of March 2021, 35,271 patients were waiting longer than 13 weeks from referral to commencement of AHP treatment. This is a deterioration on the end of March 2020 position, when 18,803 patients were waiting longer than 13 weeks.

In response to the impact of the pandemic, AHP services have adapted to ensure the continuation of high quality care, with AHP services rapidly embracing new ways of working, including enhanced utilisation of technology and telemedicine approaches to accommodate the provision of care, whilst reducing the risk of transmission. Face to face patient contact has been maintained for urgent patients and those with highest clinical need.

During 2021-22 the Allied Health Professions Heads of Service will lead on the re-configuration and resetting of AHP Services. The PHA continues to work with Trusts to review the current service provision model to identify areas to improve capacity, deliver new ways of working and to manage the anticipated long COVID surge as a result of the pandemic, monitoring closely the impact on waiting times.

Patient Discharges

During 2020-21, ensure that 99% of all learning disability and mental health discharges take place within seven days of the patient being assessed as medically fit for discharge, with no discharge taking more than 28 days.

Performance data for 2020-21 is not currently available.

From April 2020, 90% of complex discharges from an acute hospital take place within 48 hours, with no complex discharge taking more than seven days; and all non-complex discharges from an acute hospital taking place within six hours.

Regionally, performance has improved with 80% of complex discharges taking place within 48 hours during 2020-21 compared to 77% in 2019-20. The number of complex discharges taking more than seven days to complete reduced from 2,064 in 2019-20 to 1,272 in 2020-21.

With respect to non-complex discharges, 89% took place within six hours compared to 93% in 2019-20.

Mental Health Services

By March 2021, no patient waits longer than nine weeks to access child and adolescent mental health services (CAMHS); nine weeks to access adult mental health services; nine weeks to access dementia services; and 13 weeks to access psychological therapies.

Regionally, the maximum waiting time targets for mental health services have not been achieved. Similar to elective and unscheduled care, mental health services were negatively impacted by COVID-19.

Due to delays in the submission of Trust data, provisional figures indicate that at the end of March 2021, 381 patients were waiting more than nine weeks to access CAMHS, 1,077 patients waiting more than nine weeks to access adult mental health services, 1,801patients were waiting longer than nine weeks for dementia services and, 3,841 patients were waiting longer than 13 weeks for psychological therapies.

Mental health services continue to face considerable pressures as a result of the pandemic. It is anticipated that the impact on the population of the prolonged lock down will have a significant impact on demand over the next year. Community mental health services are reporting increasing levels of low level anxiety and depression. A similar positon is reflected in our younger population, with referrals to CAMHS continuing to increase. It is expected that these pressures will continue.
The public consultation on the draft Mental Health Strategy 2021 – 2031 closed 26 March 2021 and responses are currently being considered by the Department.

Northern Ireland Ambulance Service (NIAS) Performance

On 12 November 2019, NIAS moved to an evidence-based response model to prioritise calls, in line with the rest of the UK. The current targets that NIAS are monitoring and reporting against have not yet been agreed and added to the Commissioning Plan Direction for Ministerial consideration.

From 1 April 2020 to 31 March 2021 NIAS aimed to respond to Category 1 (immediate life threatening) calls in an average time of 8 minutes and at least 9 out of 10 times within 15 minutes. During this period the average time for category 1 responses was 10 minutes 20 seconds, with 9 out of 10 responded to in 20 minutes 17 seconds.

This has improved in comparison to the previous figures from 12 November 2019 to 31 March 2020 when the average time for category 1 responses was 11 minutes 12 seconds, with 9 out of 10 responded to in 21 minutes 28 seconds. Although it should be noted that the process for reporting against this target was in development, so these are indicative figures only.

Increasing demand for emergency ambulance services has placed considerable pressure on NIAS to deliver against targets and pressure across the HSC system has had a knock on effect on ambulance handover times at emergency departments Following an extensive demand and capacity review the Trust is planning to implement a new Clinical Response Model (CRM) similar to those introduced elsewhere in the UK in recent years. The code sets and standards for the new CRM, which aim to provide a more clinically appropriate ambulance response by better targeting the right resources (clinical skills and vehicle type) to the right patients were successfully introduced on 12 November 2019. However, while response times to immediately life threatening calls have been improving, NIAS will not be able to meet the target times for lower priority calls until the increased staffing levels, changes to ambulance deployment and service improvements, which were the other key recommendations of the demand and capacity review, are in place.

The approval process for the Clinical Response Model (CRM) has now progressed to the Outline Business Case stage, however further progression of the CRM Programme will be dependent on value for money and affordability.

In addition to the revised CRM, as part of NIAS' programme of reform and modernisation, the Trust is continuing to develop its Appropriate Care Pathways which provide access to a range of services to offer alternatives to bringing patients to an Emergency Department through treatment in the community or offering an alternative destination. Key Action 8 of the Department's Urgent and Emergency Care Action Plan - 'No More Silos' is also seeking to establish ambulance arrival and handover zones to address the delays associated with ambulances being unable to hand over patients on arrival at ED. Work is also ongoing to address the issue of frequent callers

NIFRS Performance

During 2020-21, NIFRS received a total of 33,163 emergency calls for help to its Regional Control Centre (a 0.8% increase compared to 2019-20). Fire crews responded to a total of 22,390 emergency incidents across Northern Ireland (a 0.7% increase compared to 2019-20).

Firefighters attended 2,510 major fires rescuing 39 people. The number of accidental dwelling fires decreased by 2.7% from 782 in 2019-20 to 761 in 2020-21. A total of eight people lost their lives as a result of accidental dwelling fires compared to three people who died in 2019-20.

NIFRS, through its 'People at Risk' strategy, specifically targeted prevention work at those people considered to be at greatest risk - those aged 50 or older; or anyone with impaired mobility.

During 2020-21, firefighters carried out 3,039 free home fire safety checks and fitted 3,025 smoke alarms. Through the People at Risk Strategy 2,284 activities were completed reaching an audience of 26,926. These activities included leaflet drops, talks, events and exhibitions.

Through other engagement in relation to fire safety in the home 2,746 activities were completed, including leaflet drops, youth engagement, safety team, events/exhibitions and talks, reaching an audience of 9,556.

During 2017-18, NIFRS introduced the Strategically Targeted Areas of Risk (STAR) initiative. Between 2017 and 2020, NIFRS targeted over 44,000 homes through this programme to provide fire safety advice and offer a free home fire safety check to people at risk. The revised strategy, which was due to commence in April 2020, was impacted as a result of the COVID-19 pandemic. As an interim measure to address COVID-19 related restrictions, NIFRS completed a Fire Safety Postal Campaign, specifically targeted at 15,937 households identified through the STAR initiative and completed a number of interventions virtually.

In addition to this, NIFRS has worked collaboratively with specific partner agencies involved in the distribution of provisions to households through their Food Bank project. This collaboration has enabled NIFRS to distribute additional Fire Safety advice to 18,500 households.

During 2020-21, NIFRS attended a total of 5,176 Secondary Fires, an increase of 25.5% on 2019-20; 1,913 of these were gorse incidents. Fire crews also attended 528 road traffic collisions (RTCs), a 28.4% decrease in RTCs attended compared to 2019-20.

NIFRS also supported our Northern Ireland Ambulance Service colleagues during the height of the COVID-19 pandemic. NIFRS personnel jointly delivered 18 operational shifts riding on ambulances.

During 2020-21, NIFRS carried out 522 Fire Safety Audits in non-residential premises under the Fire Safety Legislation. One Enforcement Notice was issued to a premise not compliant with the required fire safety standards.

During 2020-21, NIFRS maintained 112 live partnerships across the voluntary and statutory sector and continued to work alongside partner agencies to ensure a coordinated response to serious widespread flooding and gorse fire incidents.

During 2020-21, due to the COVID-19 pandemic, NIFRS volunteering programme was temporarily suspended with no new volunteers recruited. Currently, NIFRS has 30 active volunteers registered across four locations – Londonderry, Cookstown, Coleraine and Downpatrick.

During 2020-21, NIFRS continued to apply its risk methodology to effectively inform the service delivery model and allocation of resources commensurate with levels of risk across Northern Ireland.

Future Performance

Key targets for future performance will be a matter for agreement with the Minister. They will be focused on ensuring achievement of strategic objectives in line with available resources.

Financial Performance

2020-21 Financial Performance

The Department of Finance (DoF) is responsible for management of the NI Executive Budget process in line with a budgetary framework set by Treasury.

The total amount a department spends is referred to as the Total Managed Expenditure (TME); which is split into:

- Annually Managed Expenditure (AME); and
- Departmental Expenditure Limit (DEL).

Treasury, and in turn DoF, do not set firm AME budgets. They are volatile or demand-led in a way that departments cannot control. The Department monitors AME forecasts closely and this facilitates reporting to DoF, who in turn report to Treasury.

As DEL budgets are understood and controllable, Treasury sets firm limits for DEL budgets for Whitehall departments and Devolved Administrations at each Spending Review. The NI Executive, based on advice from the Finance Minister, will in turn agree a local Budget that will set DEL controls for Executive departments.

DEL budgets are classified into resource and capital.

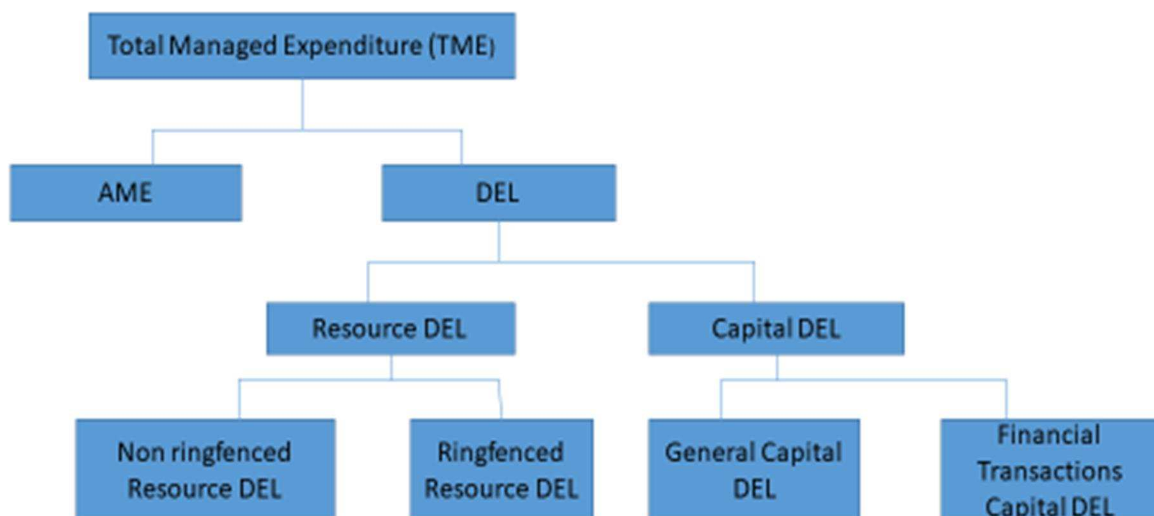
- Resource budgets are further split into non-ringfenced resource that pays for programme delivery and departmental running costs, and separately ringfenced resource that covers non-cash charges for depreciation and impairment of assets.
- Capital DEL is split into 'financial transactions' for loans given or shares purchased and 'general capital' for spending on all other assets or investments.

The information contained within budgetary controls does not currently read directly to financial information presented in Financial Statements due to a number of misalignments. It is intended that the Executive's Review of Financial Process will help address these differences and improve transparency.

Further detail on the Budgeting Framework can be found in the Consolidated Budgeting Guidance published by Treasury.

https://www.gov.uk/government/publications/consolidated-budgeting-guidance-2021-to-2022.

Budget Structure



Budgetary Performance

The Department continued to face unprecedented financial challenges during 2020-21, as the pandemic had a significant impact on mainstream activities which included dealing with the challenges and constraints on staff resource and infrastructure within the healthcare system. Throughout the year, the Department sought to manage a range of unfunded pressures, working closely with all Departmental ALBs. Breakeven was achieved largely due to a reduction in mainstream costs associated with the downturn in activity as a result of Covid-19.

The Department continues to reply heavily on non-recurrent funding, for example the level of emergency response funding received by the Department for Covid 19 was in excess of £1 billion.

Details of the Department's performance against Budgetary Control totals is set out in the table below.

	Final Plan 2020-21	Provisional Outturn 2020-21	Underspend / (Overspend)
	£'000	£'000	£'000
Resource DEL	7,314,455	7,320,727	-6,272
Including:			
• Non-ringfenced	7,161,094	7,168,902	-7,808
• Ringfenced D/I	153,361	151,825	1,536
Capital DEL	358,196	354,889	3,307
Total DEL	**7,672,651**	**7,675,616**	**-2,965**
AME	143,518	216,872	-73,354
Including:			
• AME Resource	93,968	159,479	-65,511
• AME Ringfenced D/I	49,550	57,393	-7,843
Total Managed Expenditure	**7,816,169**	**7,892,488**	**-76,319**

Explanation of Variances

Resource DEL Budget overspend

- The Department reported an overall resource overspend against final budget of £6.27m (-0.09%) This reflects an overspend of £11.14m (-1.13%) in relation to COVID-19 funding; an underspend of £3.33mm against the mainstream cash resource budget (0.05%) and £1.54m of a non-cash underspend (1.0% of final non-cash budget). The overspend was authorised by DoF and has enabled additional funding to be carried forward into 2021-22 to assist with the Covid-19 response.

- The Ringfenced Depreciation/Impairment provisional underspend reflects lower than anticipated depreciation costs across Trusts, following the application of LPS updated property valuations.

Capital DEL Budget underspend

- The capital underspend relates to construction works which were significantly impacted by the pandemic as well as delays in obtaining materials, estimated costs of equipment costing less due to order quantities and delivery issues associated with Brexit which delayed progress on a number of schemes.

AME Budget overspends

The key components of the AME Budget overspends are as follows:

- The AME Resource budget overspend has arisen as a result both of an increase in the number of clinical negligence cases reported by the Trusts and a partial reflection of the revised discount rate in a number of cases.

- The AME Resource D/I budget overspend is as a result of a late valuation of a new building that is being brought into use in WHSCT. When an impairment arises on initial revaluation the budgeting rules allow it to be charged to AME rather than DEL.

- As noted above it is recognised that AME budgets are volatile and demand led and are difficult to control. As the overspend is outside the Estimates boundary it is not therefore considered to be a breach of budgetary controls.

COVID-19 Expenditure

The Department's main strategic focus in 2020/21 has been to respond to the Covid 19 pandemic. Resource spend has been incurred in achieving these objectives as follows:

COVID-19 Expenditure Category	Amount £'000
Staff Costs	203,601
PPE Stock	187,543
Other Response Costs	609,296
TOTAL	**1,000,440**

In addition to the Covid spend outlined above it is estimated that just over £70m of mainstream revenue funding has been used to fund Covid activity. The basis for this estimation focussed on key areas such as bed days in ward used to treat Covid patients. Due to the nature of the provision of health and social care services it has not been possible to fully separate cost relating to Covid from mainstream spending. It is not therefore possible to provide an accurate figure in this regard.

In 2019-20 the Department incurred Costs of £20.2m relating to the provision of support for HSC Trusts, Community Pharmacy, Business Services Organisation and the supply of drugs and equipment. This spend was funded through the reallocation of existing revenue budgets.

EU Exit Expenditure

In 2020-21 the Department incurred approximately £460k in respect of EU Transition of which £300k was ring-fenced, these costs do not include costs which may have been incurred outside of the core Department.

In 2019-20 the Department incurred expenditure of £2,544k, of which £744k was incurred directly bv the Department on continuity of supply contingency costs and £1,800k by HSCB.

Outturn Against Estimates

The net resource outturn for the year is £6,501m, which is within the voted total Estimate cover by some £212m (3.16%). An analysis of the net resource outturn is as follows:

	£'000
Grant in Aid to HSC Bodies	5,443,452
Family Health Services (gross)	1,068,432
Income (including Health Service contributions £564m)	(603,712)
Hospital and Paramedic Services	161,166
Social Care Services	77,281
Public Health Services	89,235
Other direct expenditure	150,635
Annually Managed Expenditure and notional costs	10,589
Grant in Aid to NIFRS and other Fire Services expenditure	104,305
Total	**6,501,383**

A detailed analysis of Outturn detail by Estimate line can be found within note 1 of the Statement of Outturn against Assembly Supply (SOAS).

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets

A reconciliation of the Department's resource expenditure between estimates, accounts and budgets is provided within the table below:

	2020-21 £'000	2019-20 £'000
Net Resource Requirement	**6,501,383**	**5,567,958**
Consolidated Fund Extra Receipts (CFER's)	(100)	(104)
Net Operating Cost	**6,501,283**	**5,567,854**
Adjustments to remove:		
Capital Grant	(6,559)	(13,111)
Research and Development expenditure	(4,146)	(17)
Voted income outside the budget	558,046	563,935
Voted resource expenditure outside the budget	(5,551,995)	(4,887,699)
Adjustments to include:		
Resource Consumption of NDPBs	6,040,970	5,228,979
Total Budget Outturn *of which*	**7,537,599**	**6,459,941**
Departmental Expenditure Limits (DEL)	7,320,727	6,142,671
Annually Managed Expenditure (AME)	216,872	317,270

HSC Capital Investment

The Capital Departmental Expenditure Limit (DEL) budget available for 2020-21 amounted to £358,196k, against a provisional expenditure of £354,889k. In line with Departmental policy, the current investment programme focuses on the enhancement of the estate to support the Department's service delivery and reform objectives by:

- Major upgrading of acute services to facilitate more effective hospital services;
- Investment in mental health and learning disability facilities;
- Providing more treatment and care closer to where people live and work;
- Investment in emergency services, ICT and technology;
- Estate upgrading to address key infrastructural risks;
- Investment in Research and Development; and
- The response to COVID-19.

The 2nd Nightingale at Whiteabbey project was completed in 2020-21.

The following projects remain ongoing as at 31 March 2021:

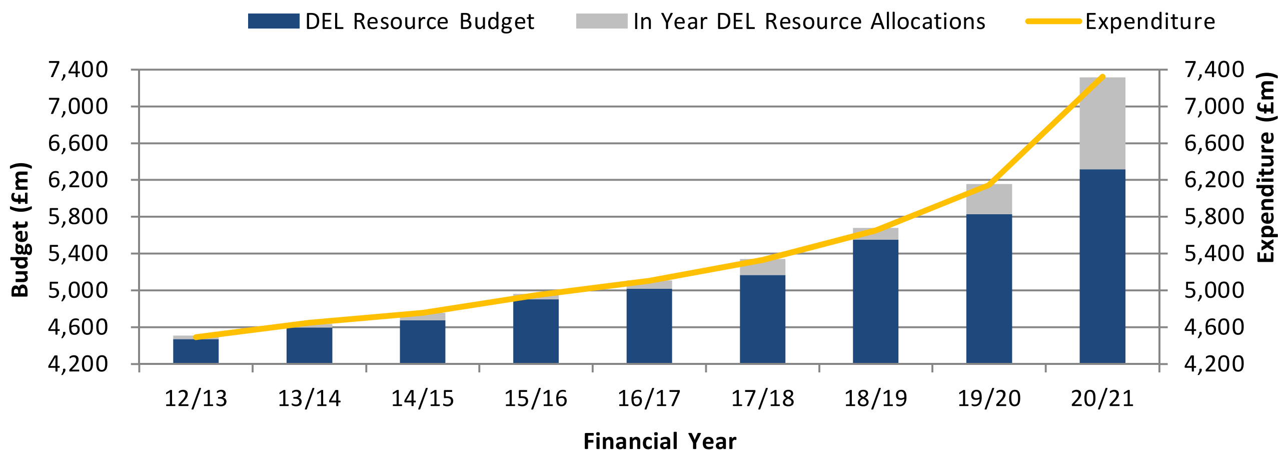
- Acute Services block Ulster Phase B
- Royal Group of Hospitals Energy Centre
- RVH Maternity New Build
- RVH Children's Hospital
- New Mental Health Inpatient Unit at Antrim Area Hospital
- Altnagelvin 5.1 – North Block Ward Accommodation/Treatment Wing
- Additional CT Scanner at Craigavon Area Hospital
- Phase 2 NIFRS Learning and Development Centre at Desertcreat

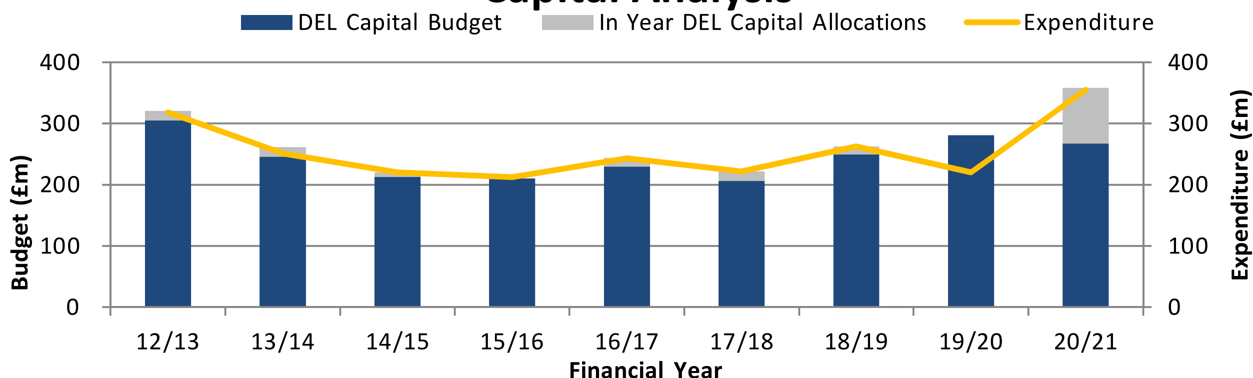
In addition, investment was provided for the following key areas:

- £8.1m in the Northern Ireland Fire and Rescue Service for fleet, equipment and estate;
- £4.7m in the Northern Ireland Ambulance Service for fleet, estate, equipment and COVID response;
- £149.6m in information technology which includes funding for the COVID response;
- £12.8m in research and development;
- £5.0m in GP Practices; and
- £1.8m to support the Transformation of services.

The level of 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. Where financial guarantees, indemnities or letters of comfort are in existence in relation to HSC capital investment, these are disclosed within note 16.1 to the accounts.

Long Term Expenditure Trend Analysis





Whilst the Department's resource allocation has increased each year, these uplifts have not been sufficient to fund inflationary cost pressures, demography pressures from an increasing and ageing population and the cost pressures associated with new treatments and patient expectation and therefore represent real terms decreases.

Across the budget period 2012-13 to date, the Department has also received additional in year non-recurrent Resource funding, through monitoring round processes. However, in order to maximise health outcomes for the population of Northern Ireland it is strategically important that there is not an over reliance on non-recurrent funding sources but recurrent stability.

The Department is facing an extremely challenging financial outlook for 2021-22 as the budget settlement which was announced by the Finance Minister on 1 April 2021 only provides additional recurrent funding to cover the Agenda for Change (AfC) pay increase in 2021-22. While this will enable pay parity with England to continue in 2021-22 and honours the previous commitment made by the Executive in January 2020 the budget settlement is not adequate to meet the rising demand and the growing needs of our ageing population and will not provide a basis for the sustainable rebuild of our health service.

Included in the budget settlement was **£380m** of non-recurrent funding for COVID-19 to cover the costs of a vaccine, ongoing operational response and rebuilding of services. It was also confirmed that a further **£50m** will be made available in year to meet pressures in this regard. The Department is continuing to monitor the adequacy of the funding for the ongoing operational response to COVID-19 with the potential that further requirements may be identified in-year as the response to the pandemic continues to evolve.

While the COVID-19 Rebuild funding has the potential to mitigate some of our funding pressures, one off funding cannot be effectively deployed in rebuilding services as this requires us to make multiyear commitments to training places, and to appoint people to permanent posts in order to attract and retain staff. Similarly, the budget settlement will not allow us to undertake a transformation programme with any level of ambition. Such a programme requires significant investment to enable us to make the transition needed to a more sustainable service.

We require major investment on a sustained basis to rebuild our struggling services and reduce waiting times. In particular, increasing the capacity of our elective care system, whether in house or in the independent sector, requires a recurrent funding commitment to enable us to invest in the staff and infrastructure required to start to make progress. Unfortunately the funding available within our budget allocation just does not allow us to make any significant headway into this issue, which was already estimated to cost **£750m-£1bn** before the impact of the pandemic is taken into account.

For capital the 2021-22 budget settlement represents a 10% increase in the opening budget position from 2020-21 and whilst this is a positive outcome that will enable the Department to meet the existing contractual and inescapable priorities, this one year settlement limits the Department's ability to commence projects that will continue beyond the current financial year.

The ability to transform and rebuild our services following COVID-19, to ensure a safe environment for staff and patients, is directly linked to the level of capital resources available to the Department. The key issue of any capital investment programme is the affordability of schemes in future years and without additional investment the Department will not be able to commit to any significant new health investment projects for example in mental health, emergency departments and theatre capacity, emergency services, diagnostic equipment, and primary and community care facilities.

The Department's Legislative Programme

Any Departmental programme of legislation is subject to the agreement of its Minister, to agreement by the Executive and, where necessary, prioritisation by the Executive. Restoration of the Executive in January 2020, followed by business continuity arrangements in response to the pandemic and a closing 2017-22 mandate, have resulted in a reduced capacity to progress all proposed legislative intentions; with an Executive level determination anticipated on the setting of the legislative work programme for the remaining mandate. The reform of the Health and Social Care Bill completed Stage 2 on 16 March 2021 and is currently with Health Committee for scrutiny. The Department is also aiming to progress two additional Bills and potentially a Legislative Consent Motion, subject to capacity and scheduling advice, and Executive agreement. The Bill is expected to complete its passage through the Assembly and secure Royal Assent before the end of the 2021-22 year.

Equality and Human Rights

The Department complies with equality and human rights obligations as set out in Section 75 of the Northern Ireland Act 1998 and the Human Rights Act 1998 and is committed to promoting equality of opportunity, regard to the desirability of promoting good relations and human rights.

The Department's Equality Scheme sets out how the Department proposes to fulfil the Section 75 statutory duties. Respect for human rights is central to the work of the Department and its ALBs and we comply with the statutory duty to respect, protect and fulfil people's human rights when developing and delivering government policy and services.

Environment and Sustainability

During 2020-21 the Department continued to demonstrate, both in the carrying out of its functions and in maintaining a policy environment, due regard to its Statutory Duty for sustainable development. The Department continues to lead on the sustainable development of the health and social care sector through maintaining a policy environment that is working to transform the delivery of services, in line with the *'Health and* Wellbeing *2026: Delivering* Together' strategy. The necessary Departmental work in response to the COVID-19 pandemic has limited opportunities for developing work in this area.

Continuing areas of work highlighting sustainable practice include:

- The Department continues to comply with NICS contracted waste disposal and recycling services and promotes waste minimization and management through encouraging staff to "Reduce, Reuse, Recycle";
- The Department continues to be represented on the Future Generations Group and Cross Departmental sub committees on Adaption and Mitigation, assisting in the development of the NI adaption programme to address the identified risks of climate change and in the development of cross-departmental actions to mitigate against climate change;
- The Department continues to engage with the Strategic Investment Board (SIB) regarding the support of the energy management strategy for the public sector in Northern Ireland. The Department ensures HSC Trusts and it's ALBs detailed energy returns are completed and submitted to SIB in support of this work; and
- In the scrutiny and approval of business cases for capital expenditure, the Department has ensured that due regard to Sustainable Development is being explored within each business case.

New areas of work include:

- The Department has engaged with a UK working group on the development of processes for the reprocessing of reusable PPE within the health care sector, to help facilitate a transition from single use items where appropriate as a more sustainable option.

- The Department is engaging with UK colleagues and inputting to the development of Net Zero Carbon guidance for the health sector and new guidance on the safe and sustainable management of healthcare waste.

In 2021-22, the Department will continue to carry out its functions while providing due regard to its duty for Sustainable Development.

As required under section 3 of the Rural Needs Act (NI) 2016 the Rural Needs Annual Monitoring Report, included below, records the activities undertaken by the Department which are subject to section 1(1) of the Act. The Report details how the Department has had due regard to rural needs when developing, adopting, implementing or revising a policy, strategy or plan or when designing or delivering a public service. As required under the Act, this information will be submitted to DAERA for publication and laying before the Assembly.

Rural Needs Annual Monitoring Report 2020-21

Description of the activity undertaken by the public authority which is subject to section 1(1) of the Rural Needs Act (NI) 2016	The rural policy area(s) which the activity relates to	Describe how the public authority has had due regard to rural needs when developing, adopting, implementing or revising the policy, strategy or plan or when designing or delivering the public service
Revising a policy, strategy or plan Consultation on proposed amendments to the pharmaceutical service regulations (NI) 1997	Health or Social Care	The proposed changes have been subject to an initial screening and it is not expected that implementation of this policy will present any specific or differential rural impacts. This preliminary decision is subject to change following analysis of feedback received during this consultation.
Implementing a policy, strategy or plan Cross-Departmental Actions for Vulnerable Children and Young People during the COVID-19 Pandemic Period	Health or Social Care	No reference to Rural Needs
Developing a policy, strategy or plan Temporary Amendment of the Health and Social Care Framework document for the period June 2020 to May 2022	Health or Social Care	The temporary amendments to the HSC Framework Document should benefit all citizens who use Health and Social Care Services by enabling the health and social care system to maximise service activity in the context of managing the ongoing COVID-19 pandemic. Given the complexity and scale of those challenges, it is more important than ever that our health and social care system be given clear direction and that decisions be taken quickly in a fluid and changing environment. The revisions to the Framework will affect all service users in a similar manner.
Implementing a policy, strategy or plan Consultation on Establishment of a Regional Care and Justice Campus	Health or Social Care	The proposals to establish a Regional Care and Justice Campus will impact on a very small cohort of children, with a variety of complex needs. Rurality has not been identified as a significant contributory factor in the needs of these young people, and it is unlikely that proposals will impact significantly on people in rural areas any more than on those living in urban areas.

Description of the activity undertaken by the public authority which is subject to section 1(1) of the Rural Needs Act (NI) 2016	The rural policy area(s) which the activity relates to	Describe how the public authority has had due regard to rural needs when developing, adopting, implementing or revising the policy, strategy or plan or when designing or delivering the public service
Developing a policy, strategy or plan Consultation on the New Substance Use Strategy	Health or Social Care	Following consideration of all relevant factors in relation to the delivery of services to the potential target group, it has been concluded that due regard has been considered in the development of this strategy consultation document and that it will not impact on the rural needs of the people in Northern Ireland.
Revising a policy, strategy or plan Proposals to change the current system of consent for organ donation in Northern Ireland.	Health or Social Care	The revised policy will not impact on rural areas any more than on urban areas. No issues were identified. As this screening relates to the consultation at this stage, should any impacts be identified, they will be considered going forward.
Developing a policy, strategy or plan Consultation on proposals to introduce an Adult Protection Bill in Northern Ireland.	Health or Social Care	Where necessary, policy adjustments might be made to reflect rural needs and in particular to ensure that as far as possible public services are accessible on a fair basis to the rural community. Throughout the consultation process, careful consideration will be given to the needs of rural communities.
Developing a policy, strategy or plan Consultation on the Draft Mental Health Strategy	Health or Social Care	The recommendations proposed and subsequent actions under consideration here are not likely to provide any negative impact as they have been designed in consultation with stakeholders from rural settings. The Mental Health Strategy 2021-2031 will not impact rural areas in any different ways than urban areas. As the Strategy will impact on all mental health services which are delivered on an equal basis of need, rural impact has been considered but determined as none. Where rural/urban issues are at stake, further Rural Impact Assessment screenings will be completed.

Description of the activity undertaken by the public authority which is subject to section 1(1) of the Rural Needs Act (NI) 2016	**The rural policy area(s) which the activity relates to**	**Describe how the public authority has had due regard to rural needs when developing, adopting, implementing or revising the policy, strategy or plan or when designing or delivering the public service**
Developing a policy, strategy or plan Draft Budget Outcome Consultation	Health or Social Care	The Department is committed to ensuring that it fulfils its rural proofing duties and ensures rural needs are appropriately taken into account. Once a final budget has been agreed spending areas will assess whether policies, strategies and plans that are to be taken forward have a differential impact on rural areas, and where appropriate, make adjustments to take account of particular rural circumstances.

Copies of all consultations published can be found at: https://www.health-ni.gov.uk/consultations

The majority of National Institute for Health and Care Excellence NICE guidance is of a technical nature and is not regarded as falling within the scope of the Rural Needs Act. However the following Clinical Guidance does fall within the scope of the Act and has been subject to assessment. RIAs were completed in each case, however, endorsement, implementation, monitoring and assurance of NICE Clinical Guidelines in Northern Ireland apply to all HSC organisations in both urban and rural areas. DoH considered the Department's role on each specific issue and confirmed that the social and economic needs of people in rural areas is the responsibility of HSC organisations, under the statutory duty of quality as specified in Article 34 of the HPSS (Quality, Improvement and Regulation) (NI) Order 2003, to put in place the necessary systems, which should include adequate and comprehensive dissemination, as part of their clinical and social care governance arrangements, for implementing NICE guidance.
NICE Clinical Guideline NG124 - Specialist neonatal respiratory care for babies born preterm
NICE Clinical Guideline NG125 - Surgical site infections: prevention and treatment (updates and replaces CG74)
NICE Clinical Guideline NG126 - Ectopic pregnancy and miscarriage: diagnosis and initial management (updates and replaces CG154)
NICE Clinical Guideline NG127 - Suspected neurological conditions: recognition and referral
NICE Clinical Guideline NG128 - Stroke and transient ischaemic attack in over 16s: diagnosis and initial management (updates and replaces CG68)
NICE Clinical Guideline NG129 - Crohn's disease: management (updates and replaces CG152)
NICE Clinical Guideline NG130 - Ulcerative colitis: management (updates and replaces CG166)
NICE Clinical Guideline NG131 - Prostate cancer: diagnosis and management (updates and replaces CG175)
NICE Clinical Guideline NG132 - Hyperparathyroidism (primary): diagnosis, assessment and initial management
NICE Clinical Guideline NG133 - Hypertension in pregnancy: diagnosis and management (updates and replaces CG107)
NICE Clinical Guideline NG134 - Depression in children and young people: identification and management (updates and replaces CG28)
NICE Clinical Guideline NG136 - Hypertension in adults: diagnosis and management (updates and replaces CG127 & partially updates NG28)
NICE Clinical Guideline NG137 - Twin and triplet pregnancy (updates and replaces CG129 & partially updates CG132)
NICE Clinical Guideline NG142 - End of life care for adults: service delivery
NICE Clinical Guideline NG143 - Fever in under 5s: assessment and initial management (updates and replaces CG160)
NICE Clinical Guideline NG144 - Cannabis-based medicinal products
NICE Clinical Guideline NG145 - Thyroid disease: assessment and management
NICE Clinical Guideline NG147 - Diverticular disease: diagnosis and management
NICE Clinical Guideline NG148 - Acute kidney injury: prevention, detection and management (updates and replaces CG169)
NICE Public Health Guideline NG102 - Community pharmacies: promoting health and wellbeing
NICE Clinical Guideline NG103 - Flu vaccination: increasing uptake
NICE Public Health Guideline NG135 - Alcohol interventions in secondary and further education

Asset Management

A key requirement for the Department in 2020-21 was to continue to implement the actions contained in the Executive approved Asset Management Strategy, aimed at improving asset management processes with the objectives of reducing the net cost of service delivery through the efficient use of public assets and promoting effective asset management processes that unlock value.

Property initiatives in this area included:

1. Application of DoH property policy and guidance;
2. Effective management of DoH owned property assets;
3. Delivering DoH annual disposal target;
4. Population of the NICS-wide centralised Property Information Mapping System (e-PIMS);
5. Development and population of a Government Asset Register;
6. Collaborating with DoF on the Belfast Optimisation Project;
7. Identification and release of surplus health lands to be considered for public housing;
8. Completion and publication of the annual State of the Estate Report;
9. Review of ALB Property Asset Management Plans (PAMP) for inclusion in the DoH PAMP driving change improvement, optimising space utilisation, targeting estate risk and reducing costs; and
10. Completion of the Department's annual PAMP which covers a five year planning period and is both retrospective in relation to 2018-19 and forward looking to 2023-24.

The following achievements were identified:

- £927k capital receipts generated through underused and vacant property disposal;
- Five leases terminated saving approximately £137k per annum; and
- Improvement in administrative space utilisation figures showing DoH average per Full Time Equivalent (FTE) is 9.82m^2 and average per workstation is 8.52m^2 compared with the NICS wide average of 28.31m^2 and 19.08m^2 respectively.

The current level of funding available represents the greatest risk to the continued, effective management of the DoH estate. Spend on essential estate maintenance continues at absolute minimal levels resulting in an estimated £538m of high risk backlog maintenance. DoH has identified an additional £25m of General Capital funding for 2021-22 to target estate risk and reduce the high risk backlog maintenance liability.

Health and Safety

The Department discharges its responsibilities under the Health and Safety at Work (NI) Order 1978, the Management of Health and Safety at Work Regulations (NI) 2000 and other relevant legislation, to ensure measures are in place for the health, safety and welfare of all its employees. All staff are kept up-to-date with the latest developments in health and safety standards. Following the outbreak of COVID-19, a detailed health and safety risk assessment of the workplace was carried out and additional measures put in place for the safety of staff and customers. The position is kept under constant review and maintained in line with current COVID-19 guidance and restrictions. Guidance and information has been issued to staff and up to date information is permanently on display on the DoH Intranet detailing important H&S changes to manage COVID-19 in Castle Buildings.

Compliance with all other health and safety standards in the workplace is assessed through an ongoing audit programme. With the majority of staff working from home, an overall health and safety audit of all DoH areas in Castle Buildings is being carried out. In view of the reduced number of staff currently on site, the routine interviews with H&S volunteers, existing staff and new entrants will not form part of this particular audit. The audit is focussing primarily on scrutinising current H&S guidance (risk assessments, fire safety provision and accident policy); inspection of the office environment and safety measures in place; and the provision of H&S training.

During the pandemic the procedures for management of Fire Warden support have been enhanced to achieve sufficient cover for the building during the low occupancy. In addition, the annual NICS online Fire Awareness training was rolled out to all staff in August 2020.

During 2020-21, 46 staff (including secondees) completed the Department's Health and Safety Induction Training for new entrants.

There was one accident/near miss during 2020-21, which was not serious in nature and there were 24 specialist assessments carried out, including: ergonomic assessments; environmental issues, and home working.

Learning and Development

The Department supported a wide range of development opportunities for staff during 2020-21. Generic training was provided by the Centre for Applied Learning (CAL) and business specific training was provided by a range of external providers and healthcare specialists. Staff also had access to a range of ad hoc leadership opportunities. In addition, a range of e-learning training packages were available during 2020-21 and mandatory training was provided for staff in:

- Display Screen Equipment Awareness;
- Fire Safety Awareness;
- Health & Safety for All Staff;
- Health & Safety for Managers; and
- Anti-fraud awareness.

Equal Opportunities / Disability

The Department is represented on the Disability at Work Network and continues to publicise and support disability work placements, where appropriate. The Departmental Diversity and Dignity Action Team continue to recommend and endorse actions and initiatives for the future. The Departmental e-publication "The Pulse" regularly features articles in support of physical, mental and emotional health and well-being. The support group for staff with caring responsibilities for a child with a disability continues to meet quarterly. The department's "Workplace Buddies" initiative continues to offer support to staff, when requested.

NICSHR continues to offer a NICS Mediation Service. It is coordinated by staff in Employee Relations, with volunteer mediators drawn from all Departments, who have successfully completed a professional mediation qualification. There is a dedicated telephone helpline (028 9047 5768) and e-mail account daw.mediation@finance-ni.gov.uk for staff to discuss any concerns or obtain more information about mediation.

Harassment Contact Officers training which covers both the legislative provisions of equality legislation as well as practical skills to equip HCOs deal with DAW issues informally is available through the CAL "Links" desktop icon.

Employee Engagement

The DoH staff engagement programme '*Deliver Together*' aims to engage our people, create a great place to work, improve performance and deliver results. During 2020-21, due to the pandemic, the majority of staff were working from home and therefore there were limitations in relation to "face to face" engagement. Instead, the approach has been more pragmatic with the Deliver Together Team keeping in touch and updating staff on a range of areas via the weekly updates and the quarterly Pulse e-zine. There were virtual "coffee and chat" sessions with senior staff, run for new entrants to the Department, in October 2020 and February 2021.

All staff have access to the Welfare Support Service, the Inspire wellbeing service, NICS Well 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.

Staff

The Department employs around 520 staff (FTE). The Department is committed to supporting the development and management of its staff so that they can effectively contribute to the achievement of Departmental and personal objectives. With the exception of health and safety at work, responsibility for HR policies is a centralised function for the NI Civil Service, delivered by the Department of Finance's NICSHR – further information on NICS-wide policies in relation to HR-related matters are as contained within the Remuneration Report.

During the 2020-21 year the Department initiated Business Continuity arrangements to redirect staff resources to deal with the COVID-19 pandemic.

Across the Departments ALBs, The Northern Ireland Fire and Rescue Service employs some 2,000 people and around 83,450 people work in the Health and Social Care sector (including 'bank/as and when required' staff). The HSC staffing figure has increased in 2020 due to the inclusion of additional available workforce from the HSC Workforce appeal and students in response to the COVID-19 pandemic.

Performance Management

The Department continues to work towards improving performance management compliance in order to meet the NICS target of 90% of all End of Year Reviews to be completed by 30 April each year. 28.4% of End of Year Reviews were completed by 30 April 2021. Although disappointing, it is acknowledged that this position has been impacted by the continuing pressures experienced by DOH staff due to the COVID-19 pandemic.

The Senior Leadership across the Department continue to encourage line managers to ensure completion. This requires commitment for all involved that timely completion of performance management processes becomes part of routine practice. The End of Year Review is an opportunity for managers to provide meaningful feedback to their direct reports to help improve their performance, identify areas for development and recognise their contribution to the organisation throughout the year.

Complaints

The Department is committed to providing the highest standard of service to all its customers and aims to get things right first time. The Department received four formal complaints during 2020-21, one of which was subsequently withdrawn. If a complaint against the Department is received, any lessons will be shared with staff to increase awareness and improve the standard of service.

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

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

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

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

- **Formal Procedures – follow up process –** Any follow up to initial complaints should be in writing to the Department's Complaints Officer, providing full details of any complaint and reasons for continuing dissatisfaction. The Complaints Officer will ask a Senior Officer to review the matter and respond within 20 working days of receiving the complaint. If a full reply cannot be given within this timescale, details will be advised as appropriate.

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

The NICS Top Management Complaints Procedure has been introduced by the Department of Finance. The procedure details the process to be followed by external stakeholders and members of the general public (external complainants) who wish to raise a complaint against a member of top management in the NICS and its Agencies. Top management is defined as the Head of the Civil Service, Permanent Secretary and Grade 3 or equivalent levels. The Department received one complaint relating to Top Management in 2020-21.

Mr R Pengelly
Accounting Officer
07 July 2021

ACCOUNTABILITY REPORT

1. Corporate Governance Report

The purpose of the Corporate Governance Report is to explain the make-up of the DoH, its governance structures and how they support the achievement of the DoH's objectives. The Corporate Governance Report is comprised of:

a) Directors' Report
b) Statement of Accounting Officer's Responsibilities
c) Governance Statement

2. Remuneration and Staff Report

The remuneration and staff report sets out the DoH remuneration policy for its directors, reports on how that policy has been implemented and sets out the amounts awarded to its directors and those senior staff key to the organisation's accountability.

3. Accountability and Audit Report

The Accountability and Audit report brings together key accountability documents and is comprised of:

a) Statement of Outturn against Assembly Supply (SOAS) and supporting notes
b) Other Assembly Accountability Disclosures
c) Certificate and Report of the Comptroller and Auditor General

CORPORATE GOVERNANCE REPORT

Directors' Report

The Department of Health (DoH or the Department) presents its Annual Report and Accounts for the financial year ended 31 March 2021.

Management

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

Minister

Mr Robin Swann was appointed as Minister of Health on 11 January 2020 and served as Minister for the remainder of the 2019-20 financial year and the 2020-21 financial year.

Permanent Head of the Department

Mr R Pengelly was appointed as the Permanent Secretary for the Department on 1 July 2014.

Management Board

Membership of the Departmental Management Board during 2020-21 is outlined below:

Mr. R Pengelly	Permanent Secretary (Chair)
Mr. S Holland	Deputy Secretary, Social Care Policy Group
Prof. C McArdle	Chief Nursing Officer (seconded to the Department from the South Eastern HSC Trust)
Dr. M McBride	Chief Medical Officer (seconded to the Department from the Belfast HSC Trust)
Mrs. D McNeilly	Deputy Secretary, Resource and Corporate Management Group
Mr. J Johnston	Deputy Secretary, Healthcare Policy Group
Mrs. S Gallagher	Deputy Secretary, Transformation Planning and Performance
Mrs. N Lloyd	Director of Finance, Resource and Corporate Management Group (until 10 July 2020)
Miss B Worth	Director of Finance, Resource and Corporate Management Group (from 13 July 2020)
Mr. D West	Chief Digital Information Officer
Mr. F Caddy	Independent Non–Executive Director
Mr. M Little	Independent Non–Executive Director

Departmental Accounting Boundary

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

- DoH 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.

Budget Position and Authority

The Assembly passed the Budget Act (Northern Ireland) 2021 in March 2021 which authorised the cash and use of resources for all departments and their ALBs for the 2020-21 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2021 also authorised a Vote on Account to authorise departments' access to cash and use of resources for the early months of the 2021-22 financial year. This will be followed by the 2021-22 Main Estimates and the associated Budget (No. 2) Bill before the summer recess which will authorise the cash and resource balance to complete for the remainder of 2021-22 based on the Executive's 2021-22 Final Budget,

Additional detail on the planned use of resources in 2020-21 is set out in the Department's Estimate which is included in the Spring Supplementary Estimates published by the Department of Finance at https://www.finance-ni.gov.uk/topics/finance/main-and-supplementary-estimates

Financial Review

Overall total expenditure by the Department on all services amounted to £6,501m (£5,568m in 2019-20) against Estimate cover of £6,713m (£5,847m in 2019-20). A detailed review is contained within the Performance Report. The financial results of the Department are set out within the financial statements herein.

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 2020-21 accounts.

Payments to Suppliers

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

Unless otherwise stated in the contract, payment is due within 30 days of the receipt of goods or services or within 30 days of the presentation of a valid invoice, whichever is later. Monthly reviews are conducted to measure how promptly the Core Department pays its bills. During 2020-21, on average 96.1% of invoices were paid on time.

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 2020-21, on average 91.7% of the Core Department's invoices were paid within 10 days. 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 2021-22, the Department will strive to both maintain and build upon the performance achieved in 2020-21.

The Department's performance on the Prompt payment table both in terms of paying invoices within 10 days and 30 days can be viewed on the Account NI website at https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/NICS%20Prompt%20Payment%20Table%202020-2021_2.pdf .

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) 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 also 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. Further details can be found at note 20 of the financial statements.

Register of Interests

The Department maintains and publishes a DoH Register of Interests at https://www.health-ni.gov.uk/publications/departmental-board-register-interests-0 . This register details any interests which the individual considers may conflict with their management or oversight responsibilities as Board members. Members are required to declare any conflicts of interest that might arise at each Board meeting, or in the course of their work. Any conflicts arising are reflected in the minutes of the meeting and managed to ensure full transparency and appropriate action.

Audit

The accounts and supporting notes relating to the Department's activities for the year ended 31 March 2021 have been audited by the Comptroller and Auditor General. The Certificate and Report of the Comptroller and Auditor General is included on pages 160-164. The notional cost of the audit for the year ended 31 March 2021, which pertained solely to audit services, was £90k; this includes the audit fee for the Superannuation Scheme Resource Account.

Statement on disclosure of audit information

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

Authorised for Issue

The accounts were authorised for issue on 9th July 2021 by the Departmental Accounting Officer, Mr R Pengelly.

STATEMENT OF PRINCIPAL ACCOUNTING OFFICER'S RESPONSIBILITIES

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

The Accounts are prepared on an accruals basis must give a true and fair view of the state of affairs at 31 March 2021 and the net resource outturn, the application of resources, changes in taxpayers' equity and cash flows for the financial year then ended; *and*

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, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by the Health and Social Care Board and Public Health Agency;
- Ensure that the Department has in place appropriate and reliable systems and procedures to carry out the consolidation process;
- 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;
- Prepare the accounts on a going-concern basis; *and*
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

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

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

In 2015 the then Health Minister announced his intention to close the HSCB and Minister Swann subsequently reaffirmed this decision in 2020. The absence of a legislature delayed the closure and whilst preparatory work is now underway to progress, the HSCB continues as constituted. The HSCB's financial statements consolidated herein have therefore been prepared on a going concern basis.

As the Accounting Officer, 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 Department of Health's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

GOVERNANCE STATEMENT

Introduction

This statement is given in respect of the Departmental Resource Accounts for 2020-21. 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 Department of Health (DoH). The Board of the Department is accountable for internal control. 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 public funds and Departmental assets in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland (MPMNI).

The Department's strategic objectives have been updated to reflect Ministerial priorities and those developed by the NI Executive as part of the New Decade New Approach (NDNA) since the restoration of the NI Assembly in January 2020. However, the COVID-19 pandemic caused the Department to activate its Business Continuity Plan and the Executive to operate under Emergency Planning structures during most of the 2020-21 financial year.

The following statement, whilst primarily focusing on the Department, incorporates issues within its ALBs which deliver services directly to the public. The ALBs use their own governance structures developed in line with MPMNI, Departmental and other requirements and guidance. Each ALB publishes its own individual Governance Statement within their published annual report and accounts. ALB Boards have corporate responsibility for ensuring that their respective organisations fulfil their statutory responsibilities and the aims and objectives set by the 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 NI 2013

The Department applies the principles of good practice outlined in the Code. As required, the Department maintains and publishes a Register of Interests at https://www.health-ni.gov.uk/publications/departmental-board-register-interests-0. This register details any interests which the individual considers may conflict with their management or oversight responsibilities as Board members. Members are required to declare any conflicts of interest that might arise at each Board meeting, or in the course of their work. Any conflicts arising are reflected in the minutes of the meeting and managed to ensure full transparency and appropriate action. There have been no instances of reportable non-compliance for the period. Additionally, and to support compliance with Section 6 of the Civil Service (Special Advisers) Act (Northern Ireland) 2013, a Declaration of Interest form is completed by the Minister's Special Adviser (SpAd) and provided to DoF for publication on the Open Data NI website. The SpAd confirmed no relevant interests for 2020-21.

The Department complies with the Northern Ireland Civil Service HR Policy 6.01 Standards of Conduct in terms of declaration and management of interests for all staff and for the transparency of processes to be applied to any potential employment for civil service staff (including SpAds) after leaving the NI Civil Service. During 2020-21, there have been no applications made via DOF to the department in line with NICS policy.

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 include providing advice on the allocation of Departmental resources and the setting of appropriate financial and non-financial performance targets for ALBs.

On 23 March 2020, in response to the COVID-19 outbreak, the Department's Business Continuity Plan (BCP) was activated, pausing all normal governance and sponsorship business. There was a gradual reintroduction of these arrangements, but not a full reversion to normal business during summer 2020. However, Top Management Group (TMG) agreed on 21 September 2020 to reactivate the Department's Business Continuity Plan in full, to respond to a second surge of COVID-19 which remained the position for the remainder of the 2020-21 year. I have however agreed a pragmatic set of proposals for end of year processes 2020-21 and the intention to restart and rebuild governance activities in 2021-22.

The Departmental Board

The Board represents the collective and strategic leadership within the Department, in conjunction with the experience and contribution of two Non-Executive Directors (NEDs).

Given the impact of the pandemic and the need to redeploy Departmental resources to focus on the COVID response, five scheduled Board meetings in the period were cancelled. Key business was conducted via correspondence where necessary, or through the emergency structures put in place to coordinate the response. These structures ensured the effective direction of Departmental business and necessary maintenance of appropriate governance oversight in the circumstances.

The membership of the Board and attendance for the meeting that was able to proceed 14 August 2020 is set out in the table below.

Executive Board Members (EBM) 2020-21		No. of Meetings Attended
Mr. R Pengelly	Permanent Secretary and Chair	1/1
Dr. M McBride	Chief Medical Officer	0/1
Mr. S Holland	Deputy Secretary, Social Services Policy Group	1/1
Prof. C McArdle	Chief Nursing Officer	1/1
Mrs. D McNeilly	Deputy Secretary, Resource and Corporate Management Group	0/1
Mr. J Johnston	Deputy Secretary, Health Care Policy Group	1/1
Mrs. S Gallagher	Deputy Secretary, Transformation Planning and Performance (from 28 September 2020 also Chief Executive HSCB)	0/1
Mrs. N Lloyd	Director of Finance, Resource and Corporate Management Group (to 10 July 2020)	N/A
Miss. B Worth	Director of Finance, Resource and Corporate Management Group (from 13 July 2020)	1/1
Mr. D West	Chief Digital Information Officer	0/1
Non-Executive Directors (NED) 2020-21		**No. of Meetings Attended**
Mr. M Little	Non-Executive Director	1/1
Mr. F Caddy	Non-Executive Director	1/1

Management Information

The Board reviews regular reports and updates to enable performance against Departmental objectives to be scrutinised and challenged where necessary. These reports and formats are kept under review to enable them to identify and respond to emerging issues. The requirements of ALB Governance within the Department have evolved to ensure that the accountability review process is appropriately balanced in terms of governance and performance.

Quality of Information

The Board receives a range of management information about matters such as Finance, Human Resources, the Departmental Business Plan, the Departmental Risk Register and the governance and performance of ALBs, to assist in discharging its role. Regular formal reviews of the operation of the Board include the quality of information provided. In addition, Board members, collectively and individually, keep the range and quality of reported information under continuous review and seek enhancements as necessary to support the Board and its committees.

Departmental Audit and Risk Assurance Committee (DARAC)

DARAC Members 2020-21		No. of Meetings Attended
Mr. M Little	NED and Chair of DARAC	2/2
Mr. F Caddy	NED and DARAC Member	2/2
Ms. C Archbold	Deputy Departmental Solicitor, Department of Finance – External Member	2/2
Mr. S McMurray	Director of Finance, Department for the Economy – External Member (retired 26 June 2020)	N/A
Mr. C Woods	Director of Corporate Governance – Department for the Economy – External Member (from 1 November 2020)	N/A

The DARAC is a Committee of the Board and usually meets a minimum of four times per year, with additional topic-focused meetings held as necessary. Given the impact of the pandemic, three scheduled DARAC meetings in the period were cancelled, with two proceeding on 8 July and 16 September 2020. Key business was conducted via correspondence where necessary.

DARAC comprises four members, each of whom is independent of Departmental management. In line with their terms of appointment, each member's function is to provide external advice, expertise and scrutiny. Independent external member, Stephen McMurray, retired from the NICS and DARAC in June 2020 and was subsequently replaced by Colin Woods. Officials invited to attend DARAC meetings include the Departmental Accounting Officer, the Deputy Secretary, Resource and Corporate Management Group, the Director of Finance, Resource and Corporate Management Group, the Head of Internal Audit (HIA) and officials from the Northern Ireland Audit Office (NIAO).

The DARAC gives detailed attention to internal governance issues, including the quality of risk management and corporate governance within the Department. DARAC also considers any HSC-wide issues or any other issues with the Department that affect my role as the Department's Accounting Officer. Systems for responding to recommendations made by authoritative external bodies are also examined. The DARAC advises the Board and me as Accounting Officer on its conclusions and recommendations with regard to identified governance weaknesses.

DARAC – Responsibilities and Performance

In line with best practice set out in the HM Treasury Audit and Risk Assurance Committee Handbook and the Department of Finance (DoF) Audit and Risk Assurance Committee Handbook (NI), the Chair of DARAC sets an agreed core programme of work for each of its meetings, which includes:

- the quality of strategic processes for risk management, governance and internal control and how these are reflected in the Governance Statement;
- the planned activity and results of both Internal and External Audit;
- the quality of the process for preparation of the annual accounts and annual report;
- the adequacy of management response to internal and external audit recommendations; and
- anti-fraud policies, whistleblowing processes, including arrangements for special investigations.

The Department provides regular reports to DARAC on risk management and assurance in the Department and issues arising in its ALBs. In addition, DARAC considers and comments on individual issues of internal governance and their implications for wider governance arrangements. DARAC also plays a key role in providing advice on the quality of risk management and assurance within the Department.

The DARAC conducts a self-assessment according to guidelines issued by the National Audit Office on a regular basis. The findings of the self-assessment are presented for action as appropriate. In addition, the Chair of the DARAC delivers an annual report to both the Board and the DARAC and also reports to the Board on any significant governance or internal control issue.

The DARAC has also considered the Departmental Resource Accounts (DRA) and HSC Pension Scheme Accounts for 2020-21 and on the basis of the evidence presented, has recommended both to the Departmental Accounting Officer for approval.

Top Management Group

As Accounting Officer, I am supported by my Top Management Group (TMG), which is drawn from the EBMs, with other officials in attendance as required. It provides a forum for the consideration and endorsement of corporate business and the handling of emerging issues.

Departmental Framework for Business Planning, Risk Management and Assurance

Business planning and risk management is at the heart of governance arrangements to ensure that statutory obligations and Ministerial priorities are properly reflected in the management of business at all levels within the Department. The Framework for Business Planning, Risk Management and Assurance provides a clear and common understanding of business planning, risk management and assurance processes in the Department, along with associated guidance.

I require formal written assurances from Directors, signed off by EBMs, about the proper operation of business planning, risk management and controls within their business areas. I have been provided with those written assurances for the 12 month period ending 31 March 2021 and am content that effective arrangements and controls have been in place, despite the unprecedented impacts of the pandemic on departmental colleagues and our ALBs.

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 draft PfG and NDNA. 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.

The Board is the custodian of the Departmental Business Plan's affordability and deliverability. In normal circumstances, progress against the Departmental Business Plan is addressed at Board meetings and includes updates against each of the targets in the fiscal year. With the impact of the pandemic and the cancellation of a number of Board meetings, this regular ongoing review was not undertaken, as objectives were focussed on managing the immediate response and then subsequently on those to rebuild HSC services.

EBMs ensure that the Directorates under their control have appropriate business plans and associated risk registers in place. Linkages between plans at Departmental and Directorate level are clearly identified. Similarly, there is 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. Whilst these processes have all been impacted and in many cases paused or interrupted due to the pandemic, the principles and approach have continued to be applied to the range of interim measures used in planning and managing the COVID response.

Risk Management

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

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

Directorate business plans must be directly linked to the delivery of the Departmental Business Plan. Similarly there must be a clear connection at all levels between objectives and associated risks. Formal processes exist to escalate objectives and associated risks from Directorate to Departmental level. Additionally, risk monitoring and management processes within the ALBs are monitored by the Department through separate processes, as highlighted in the "Governance and Accountability within DoH ALBs" section below. As explained above, whilst normal reporting processes have been interrupted due to the pandemic, the important principles and approach have continued to be applied. TMG have taken the lead in ensuring appropriate oversight of risk management and review of any emerging risks.

The overall system of internal governance is designed to help manage risk rather than to eliminate it and controls must at all times be commensurate and proportionate with the nature of the risk. The system of internal governance is based on an ongoing process to identify and prioritise the risks to the discharge of the Department's statutory responsibilities, including the delivery of its strategic objectives. The system also determines the controls and analyses the risks in terms of their impact and likelihood of realisation in conjunction with the controls.

The system of internal governance has been in place in the Department for the year ending 31 March 2021 and continues up to the date of approval of the Annual Report and Accounts. This accords with DoF guidance.

Information Risk

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

- The Assistant Departmental Security Officer (ADSO) regularly reviews Departmental information to ensure that it is appropriately protected;
- A Senior Information Risk Owner (SIRO) and Information Asset Owners (IAOs) are in place to reduce the risk to personal information within the Department;
- A Data Protection Officer (DPO) provides independent advice and guidance regarding the processing and protection of personal information in line with the UK General Data Protection Regulation (UK GDPR) and Data Protection Act 2018 (DPA);
- The updated Information Asset Register solution, rolled out during 2019-20, has enhanced monitoring and management of such assets;
- Annual assurance from IAOs regarding the personal information assets they manage;
- IAOs are aware of their responsibilities to ensure information is securely stored, access-controlled and disposed of appropriately; and
- Established data incident and breach management procedures and reporting are in place.

An Information Management Assurance Checklist (IMAC) process is in place to provide required HSC Information Governance (IG) Assurances.

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

During 2020-21 the Department continued to monitor preparations for the UK exit from the EU on 31 December 2020, to ensure that the required health, social care and public safety information could continue to be exchanged with authorities in the Republic of Ireland. No issues were detected during the reporting period.

Staffing arrangements within the Department were significantly disrupted due to re-organisation and redeployment in response to the COVID-19 pandemic. The regular mandatory awareness training on information governance issues and risks continued to be available to Departmental staff. However training opportunities were not always taken up. This will be addressed in the next reporting period. Information Management Branch did regularly remind staff and the Top Management Group of the need to make arrangements to capture the Official Record and discharge legislative obligations.

The disruption also impacted on regular physical security checks (although remote monitoring of the correct use of the Electronic Document and Records Management system continued), and the update of the Information Asset Register/Information Asset Owners' assurance returns. This will be addressed during the next reporting period.

Ten data incidents were recorded in the Department although no data loss was involved. In each case appropriate mitigations were put in place. No reportable Information Commissioner's Office (ICO) breaches occurred in 2020-21.

Cyber Security

IT Assist, within the DoF Enterprise Shared Services (ESS) Division, is responsible for the provision of IT services, including Cyber security environments, to all NICS Core Departments. To provide assurance to Departmental organisations using ESS, the services provided by IT Assist, and other ESS bodies (RecordsNI, HR Connect, Account NI & NI Direct), have been accredited by the NICS Risk and Information Assurance Council as meeting NICS security policy and suitable for secure controlled access to external organisations. IT Assist services also has annual compliance certification to the Public Service Network for interconnectivity to GB Public Sector Organisations.

The HSC Cyber Security Programme continued to be deployed across the HSC and planning to move from a programme basis to a "business as usual" operation with appropriate governance is underway. The Cyber Security Incident Plan has been used on a number of occasions in response to emerging threats.

The Department continues to work closely with the National Cyber Security Centre (NCSC), and the NI Cyber Security Centre to enhance cyber security and compliance with the Network Information Systems Regulations across the HSC.

Fraud

The Department takes a zero tolerance approach to fraud in order to protect and support our key public services. We have put in place an Anti-Fraud Policy and Fraud Response Plan to outline our approach to tackling fraud, define staff responsibilities and the actions to be taken in the event of suspected or perpetrated fraud, whether originating internally or externally to the organisation. The Department promotes fraud awareness, co-ordinates investigations in conjunction with the Business Services Organisation (BSO) Counter Fraud Services (CFS) team and provides advice to personnel on fraud reporting arrangements. All staff are provided with mandatory fraud awareness training in support of the Anti-Fraud Policy and Fraud Response Plan, which are kept under review and updated as appropriate. Department officials attend and participate in the NICS Fraud Forum, which is a best practice advisory group consisting of representatives from all NICS Departments.

Governance and Accountability within DoH ALBs

Governance and Accountability can be considered under the following headings:

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

ALB Assurance and Accountability

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

The Sponsor Branch Handbook sets out the Department's approach to sponsorship of its ALBs and ensures, as far as possible, that there is consistency of approach and proportionality of application. The guidance and arrangements described within the handbook reflect the responsibilities placed on the Department, under MPMNI, for the sponsorship of ALBs operating under its control.

The handbook details the roles and responsibilities of all Departmental staff, including EBMs and Sponsor Branches, in addition to describing the format and structure of the biannual accountability process. Through its Sponsor Branches, the Department engages directly with each ALB, commensurate with the level of assessed risk. ALB risks can either be escalated in the Department, through the ALB accountability review process, or highlighted to the Department through the other formal and informal interactions that the Sponsor Branches, EBMs and professional staff maintain with ALBs.

Although departmental governance and sponsorship activity was largely paused during 2020-21, ALB governance statements and BSO Head of Internal Audit annual opinion on individual DoH ALBs has provided a level of assurance.

Departmental Assurance

The Department receives much of its assurance through an ongoing process of monitoring of each ALB's Corporate Governance, Use of Resources and the Delivery and Quality of Services. In addition to regular monitoring information derived primarily from management information systems, the Department periodically tests the assurance provided by ALBs by initiating external reviews, audits, inquiries, ad-hoc and self-assessment exercises which are designed to sample aspects of the governance arrangements and performance of each ALB. This monitoring is based on assessing the operation and performance of ALBs against standards, guidance and targets; statutory and licensing requirements and Departmental policy and strategy.

COVID-19 Pandemic

The World Health Organisation (WHO) declared the outbreak of Coronavirus disease (COVID-19) a pandemic on 11 March 2020. Following which, the Department and its ALBs immediately enacted emergency response plans across the NI Health sector. There followed a UK-wide coordinated approach, guided by the scientific and medical advice from respective Chief Medical Officers and Chief Scientific Advisers and informed by the emergent evidence nationally and internationally. Evidence-based UK-wide policies and guidelines continue to be carefully followed in conjunction with the Public Health Agency (PHA) issuing local guidelines and ensuring readily accessible and continually updated advice. The pandemic has had extensive impact on the health of the population, all health services and the way business is conducted across the public sector. Protecting the population, particularly the most vulnerable, ensuring that health and social care services were not overwhelmed, saving lives through mitigating the impact of the pandemic and patient and staff safety has remained at the forefront throughout health's emergency response. This has required a number of measures to urgently repurpose and temporarily reconfigure the provision of services, and to identify additional capacity including the need to ensure availability of appropriate Personal Protective Equipment (PPE). Financial measures have been put in place by the NI Executive to tackle the response to COVID-19 and the Department has obtained essential financial support from this package of measures to assist in the ongoing fight against COVID-19.

Contingency arrangements have been in operation, including the establishment of an Emergency Operations Centre (EOC) within the Department in January 2020, to support HSC colleagues' frontline response to the pandemic. The EOC was stood down in August 2020. Given the wide ranging impact and the need to react immediately to changing healthcare needs, this has had an effect on the ability to conduct routine Departmental business, with a need to curtail non-urgent healthcare activity in order to re-direct resources to deal with the pandemic. There have been substantial resourcing impacts across the Department and ALBs to scale up the response to ensure adequate staff resourcing to meet increasing demands, which included calling on volunteers, retired medical staff and medical students to rally together to strive to enable an optimum response to the pandemic.

Social distancing measures were implemented in line with The Health Protection (Coronavirus, Restrictions) (Northern Ireland) Regulations 2020 and the health sector played an important part in ensuring the NI population were aware of the need to adhere to the measures to reduce risk of transmission. The actions of the health sector throughout the continued response to the pandemic are based on the ongoing assessment of three key criteria: the most up-to-date scientific evidence; the ability of the health service to cope; and the wider impacts on our health, society and the economy. Across healthcare, leading on the testing of COVID-19 in NI has and continues to be a key priority, with testing centres being set up across the country, including mobile testing. The Department's Expert Advisory Group (EAG) has overseen the strategic approach to testing in NI. The Minister of Health is a member of the Ministerial Testing Taskforce, chaired by the Secretary of State for Health, and so NI is fully engaged with the strategy for testing at a national level. NI testing capacity has also been increased through Health's facilitation of the UK Coronavirus National Testing Programme. Northern Ireland Contact Tracing Service began contact tracing all confirmed cases of COVID-19 on 18 May 2020. Volunteers have been recruited and redeployed across the health sector and the team is being scaled up to strive to ensure that every conceivable effort is made to continue to limit transmission as lockdown measures across the region are eased.

The Department has prepared a COVID-19 Test, Trace and Protect Strategy which sets out the public health approach to minimising COVID-19 transmission in the community in Northern Ireland. The Chief Medical Officer (CMO) has established a Strategic Oversight Board for the NI COVID-19 strategy which will bring all of the key elements together – namely testing, contact tracing, information and advice, and support - working together with colleagues across the HSC to endeavour to maintain community transmission at a low level and respond to clusters of infection localised in NI. The early outcome is more favourable than the modelling of the reasonable worst case scenario and the Department and HSC are no longer in emergency response mode, some areas have been able to be stood down in recent times, although there is a need to continue to remain vigilant and in a state of operational readiness to react should a resurgence occur.

From the onset of the Covid-19 pandemic the Department established a PPE Supply Cell as part of its focused pandemic response and emergency measures. This Cell led on all DoH related activities for PPE procurement, supply and distribution. The Cell supported the Minister in handling a large volume of communication from businesses, individuals, volunteers and community groups who wanted to support the provision of PPE for the NI health service. Additionally the Cell led on a securing a large PPE order from a Chinese supplier which supported PPE provision at critical stages in Surge 1 of the pandemic. The Cell also led on the provision of reporting to Gold Command, senior officials and Minister on progress with PPE provision. In addition the Cell facilitated discussions and work with BSO, CPD and Invest NI to seek out opportunities for manufacture of PPE in NI to introduce greater resilience to the supply chains for PPE provision. Policy decisions were taken to ensure that independent sector providers and other primary care providers were able to access PPE and an infrastructure was established in all Trusts to facilitate free of charge PPE from health estates to the independent sector. To identify any improvements to the whole PPE distribution system, the Cell commissioned a rapid review audit and all recommendations from this, approved by the Minister, were implemented within 2020-21.

Statutory Duty of Quality

The HPSS (Quality, Improvement and Regulation) (NI) Order 2003 places a statutory duty of quality on those HSC organisations which are responsible for the delivery of health and social care i.e. HSC Trusts, the HSCB and PHA.

The RQIA provides independent assurance to the Minister on compliance with this Statutory Duty, via the Department. This is achieved by conducting a rolling programme of planned clinical and social care governance and thematic reviews across a range of subject areas in HSC organisations. There are also unannounced inspections of services as part of this review programme. The reviews are conducted as part of the RQIA's ongoing independent assessment of quality, safety and availability of HSC services or may be commissioned by the Department.

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

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

Service Frameworks

The Department, through the HSCB and PHA developed a set of Service Frameworks for key areas of HSC which set out, at a high level, the type of service that patients and users should expect, in addition to outlining Northern Ireland standards and supporting actions - linked to recognised good practice guidance. The Frameworks promoted and secured better integration of service delivery along the pathway of care from prevention of disease / ill health through diagnosis / treatment, to rehabilitation and end of life care. These Frameworks were used by HSC organisations in the commissioning, planning and delivery of services. Six Frameworks were launched:

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

All the Frameworks have now reached the end of their life cycle. The Department had commissioned RQIA to undertake a review of the Service Framework programme to determine the future need for and format of these frameworks, but due to competing priorities, this review has been postponed and, as a result, the programme has been paused. However, the Department has requested that standards not completely achieved continue to be worked on by the Health and Social Care Trusts in collaboration with the Service Framework lead to address the deficiencies identified.

Regularity, Propriety and Value for Money of Expenditure

The Department has a well-established process to ensure the regularity, propriety and value for money of expenditure including obtaining the necessary approvals from the DoF when required by delegated authority arrangements. The Department has extended these delegated authority arrangements to its ALBs. The Department requires that the principles of appraisal should be applied with proportionate effort to every proposal for spending or saving public money, or proportionate changes in the use of public sector resources.

The Department carries out a regular test drilling exercise for below delegated expenditure and post project evaluations annually, the results of which are reported to the DARAC, the Board and to the DoF. When a delegated authority is exceeded Departmental approval for the expenditure proposal is required.

There are a number of standard conditions of Departmental approval, one of which requires all ALBs to inform the Department immediately should they wish to implement a project on a basis other than that approved. This is to ensure proposed changes do not alter the Department's view of the value for money position of a project.

Sources of Independent Assurance

The Department obtains independent assurance from the following sources:

- Departmental Internal Audit;
- NIAO; and
- BSO Internal Audit.

Departmental Internal Audit

The Department utilises an internal audit function which operates to defined standards and whose work is informed by an analysis of risk to which the Department is exposed and annual audit plans are based on this analysis.

The Department's Head of Internal Audit (HIA) reports directly to the Departmental Accounting Officer and attends and provides reports to the DARAC. As such, the HIA therefore plays a crucial role in the review of the effectiveness of risk management, control and governance by:

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

Internal Audit provides an annual formal opinion on the overall adequacy and effectiveness of the Department's framework of governance, risk management and control. The HIA has been unable to provide an overall opinion for 2020-21 for the reasons set out below.

- The Internal Audit activity was paused during the period.
- Previous Internal Audit opinions provided may not be reliable as the full impact of COVID-19 is not fully known and control frameworks may have changed significantly.
- The HIA is unable to rely on the department's sponsorship and governance arrangements which were paused during the year.

It is recognised that 2020-21 has been an exceptional year due to COVID-19 and that this impacted on the provision of the internal audit service as the department activated its Business Continuity Plan.

During 2020-21 Internal Audit provided an overall 'limited' opinion to the Families Matter Strategy as there was no evidence of how this Strategy had been progressed, implemented, monitored and reported on after 2011. They also provided an overall 'limited' opinion on the governance oversight by the Department over the monitoring of the implementation of recommendations arising from reviews conducted by RQIA. Internal Audit were unable to follow-up on previous audits which received overall 'limited' opinions - these included the reviews of Clinical Excellence Awards; Prison Healthcare; and HSC and NIFRS Pension Schemes. Follow-up of all these will be considered within the 2021-22 Audit Plan which is due to be developed in the latter part of the year.

The Department also relies on the Head of Internal (HIA), DoF to provide an inter-departmental annual report on all shared services it provides to other Departments. The annual report for 2020-21 was provided to all Permanent Secretaries on 2 June 2021.

NIAO

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

The NIAO also seeks to promote better value for money through highlighting and demonstrating ways in which improvements could be made to realise financial savings or reduce costs; safeguard against the risk of fraud, irregularity and impropriety; attain improvements in service provision and support and enhance management, administrative and organisational processes. A representative of the NIAO attends the DARAC meetings at which corporate governance and risk management matters are considered.

The NIAO published two reports during the 2020-21 reporting year covering Addiction Services and Workforce Planning for Nurses and Midwives. The NIAO are continuing work on their Mental Health Services report with plans to publish the results of this review later in the 2021-22 financial year. The work of the NIAO has been impacted by the Department's response to the Coronavirus pandemic across Northern Ireland.

The Addiction Services report contained 10 recommendations and it highlighted a number of key issues and challenges including the impact of polydrug use, the misuse of prescription only medicines, the increasing complexity of cases, the demand on substance misuse services and the need to get better at capturing data and outcomes from treatment services. The Department will continue working with the HSC to implement the associated actions. It is also building the recommendations, as appropriate, into the new substance misuse strategy which issued for public consultation in October 2020.

The Workforce Planning report included 12 recommendations covering a number of strategic areas across the nursing and midwives professional cohorts. These recommendations require the Department to continue planning and investing in a professional workforce to enable the service to be able to manage demand in the future. The Department's response to NIAO recommendations has also been impacted by the need to focus on pandemic response.

BSO Internal Audit

BSO Internal Audit is a centralised service which provides internal audits and specialist advice and guidance to Boards within HSC organisations and Departmental ALBs, including the Northern Ireland Fire and Rescue Service (NIFRS). The Department reviews the BSO HIA's mid and end-year independent opinions, on the adequacy and effectiveness of each of the ALB's system of internal control, together with any recommendations for improvement. The Department notes that the Northern Ireland Ambulance Service Trust (NIAS) and the RQIA received an overall 'limited' audit opinion for 2020-21 and will continue to monitor the steps being taken to address the areas of weakness identified.

Transformation / Rebuilding

The approach for transforming health and social care over the next 10 years *'Health and Wellbeing 2026: Delivering Together'* was published in October 2016. It remains the roadmap for health and social care transformation. With investment of almost £300m over three years, the process of transformation has supported the stabilisation of services in terms of tackling waiting lists, and has laid important cornerstones in services - such as acute care at home and ambulatory care - which have become integral to the effective running of the system.

Governance arrangements to provide strategic oversight for the management and implementation of the change agenda were in place until 9 June 2020 when the Strategic Framework for Rebuilding HSC Services was published, in response to the COVID-19 pandemic. As a consequence, a new Rebuilding Management Board was established which paused the work of the Transformation Implementation Group to create space for work on Rebuilding.

During 2020-2021, a Transformation Operational Group (TOG) chaired by the DoH Director of Transformation, with representation across the HSC, worked at an operational level to progress the transformation programme. This was stood-down in March 2021, replaced by an Oversight Group for Sustainability which has membership from right across the HSC, and has been established to ensure that those successful transformation initiatives, supporting the rebuild of services, become financially sustainable in the long term.

The Transformation Advisory Board is in place to support and advise the Minister on the approach to Transformation in the context of broader strategic factors and considerations.

The Rebuild Management Board which is scheduled to meet weekly gives consideration to key strategic Transformation decisions, in the context of rebuilding, for further consideration and decisions by the Minister.

In relation to the closure of the HSCB, an Oversight Board, which I chair, has been leading this work since 2018. Membership includes the Chief Executives of the HSCB, BSO and PHA and several DoH Deputy Secretaries, meetings are held monthly. A future Governance Steering Group was established in December 2020 led by the HSCB Migration Project Director, membership includes key stakeholders from the organisations affected. The focus of the Group is to provide clarity on future governance and accountability arrangements and how the differing organisations will interact within the new operating model. The Governance Steering Group is directly accountable to the Oversight Board.

Temporary Changes to the HSC Framework Document - Rebuilding Management Board

In response to the impact of COVID-19, the Minister launched the Rebuilding Strategic Framework[1] on 9 June 2020, with the key aim of incrementally increasing HSC service capacity as quickly as possible across all programmes of care, within the prevailing conditions.
The Rebuilding Strategic Framework underpins the development of HSC Trusts rebuilding plans, which detail how capacity can be increased in the context of the pandemic.

Also, a Memorandum to the HSC Framework Document was published in June 2020. This set out temporary changes for a period of two years (to be kept under review), to facilitate the optimum implementation of the Rebuilding Strategic Framework. The HSC Framework Document was published by the Department in September 2011 to meet the statutory requirement placed upon it by the Health and Social Care (Reform) Act (NI) 2009. The Framework Document describes the roles and functions of the various HSC bodies and the systems that govern their relationships with each other and the Department.

This Memorandum to the HSC Framework Document included the establishment of a Rebuilding Management Board (RMB), to oversee the implementation and operation of the Rebuilding Strategic Framework. The aim of RMB is to maximise service activity within the context of managing the ongoing COVID-19 situation; embedding innovation and transformation; incorporating the Encompass programme; prioritising services; developing contingencies; and planning for the future.

RMB is chaired by me and includes senior representation from the Department, all HSC Trusts, PHA, HSCB and BSO. Reporting directly to the Minister, the RMB is to be in place for an initial period of two years, which commenced in June 2020. Key functions of the RMB include:

- Providing oversight and direction to the Health and Social Care Board (HSCB), the Public Health Agency (PHA), the Health and Social Care Trusts and the Business Services Organisation (BSO) on the implementation of the Minister's priorities as reflected in the Strategic Framework for Rebuilding HSC Services, including a clear articulation of performance measures and targets;

- Ensuring there is a system wide focus on managing the ongoing COVID-19 situation, developing contingencies, implementing change and planning for the future;

- Having oversight of both COVID-19 and non-COVID-19 activity, including the various cells which are active during surge periods, i.e. the Gold/Silver/Bronze emergency planning structure;

- Ensuring that in implementing the Rebuilding Framework, transformation continues in an integrated way, including embedding innovations that have emerged during the pandemic;

- Providing challenge and rigour in the decision making process; and

- Ensuring the principles of co-production are embedded.

[1] https://www.health-ni.gov.uk/publications/rebuilding-hsc-services

The Department undertook a sounding exercise and subsequently a public consultation on the HSC Framework Memorandum and establishment of the RMB. The consultation document and consultation analysis report are both available on the Department's website[2].

UK Exit from the EU

In 2020 a major area of focus continued to be planning and preparation for the end of the transition period (EOTP) on 31 December 2020. Substantial contingency planning was completed, including preparation for a no-deal EU Exit, with the main aim of maintaining access to supplies of medicines, vaccines, radiopharmaceuticals, clinical trials, medical devices, clinical consumables, non-clinical consumables, oxygen, blood, organs and tissues and shortages. Updated Department of Health EU Exit Operational Readiness Guidance was sent to all health and social care organisations including independent providers to ensure that the health and care system as a whole was prepared for the EOTP.

Since 1 January 2021 Departmental officials have been dealing with a range of medical supply and regulatory issues. The regulatory issues that are emerging relate to medicines licensing and are being worked through on a case by case basis with the MHRA.

The majority of supply issues related to trader readiness and involved delays of medicines and medical devices supplies to hospitals, community pharmacies and direct to patients. Most supply issues have been satisfactorily resolved at this stage. Issues were picked up through direct contact from individuals with the Department and from the HSC Situational Report (SitRep) process which considered reports from community pharmacies and Trusts. At UK level, ongoing supply chain surveillance occurs via the Medicines Shortage Response Group (MSRG) supported locally by the Northern Ireland Medicines Shortage Advisory Group (NIMSAG). Throughout recent months the Department has continued to engage proactively with stakeholders from the pharmaceutical industry, supply chain and the healthcare sector to support continuity of medical supplies.

It is anticipated that the full implementation of the Northern Ireland Protocol will have a major impact on medicines supplies in NI if unmitigated, and industry will have to make significant changes to medicines supply routes in order to handle additional importation and Falsified Medicines Directive requirements that come in to force at the end of the 12 month grace period on 1 January 2022. The Department is working collaboratively with industry, the Medicines & Healthcare products Regulatory Agency (MHRA) and Department of Health and Social Care England (DHSC) to seek long term solutions and develop contingency plans.

In particular, the Northern Ireland Protocol Programme Board has been set up by DHSC to work towards solutions for industry and to mitigate any risk to the Northern Ireland medicines supply chain. The Programme Board is attended fortnightly by DoH officials. The DHSC preparation plans include a multi-layered approach for medicines and medical products to help ensure continuity of supply. This includes ensuring industry is aware of the action they need to take and the possible mitigations to put in place.

[2] https://www.health-ni.gov.uk/consultations/HSCframework
https://www.health-ni.gov.uk/publications/rebuilding-hsc-services

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 is informed by the work of the Department's Internal Audit and the EBMs within the Department, who have responsibility for the development and maintenance of the internal framework, and comments made by the external auditors in their management letter and other reports. I have been advised by the DARAC on the implications of my review of the effectiveness of the system of internal control and plans to address any identified weaknesses.

Internal Governance Divergences

Prior Year Issues

Governance matters arising in prior years which have now been addressed and no longer represent reportable governance divergences for the Department in 2020-21:

Paediatric Congenital Cardiac Surgery (PCCS)

The PCCS service is provided by the Belfast HSC Trust on a regional basis.

The All Island Congenital Heart Disease (CHD) Network, comprising clinicians, commissioners and patient representatives, and overseen by the Northern Ireland and Republic of Ireland Health Departments, was established in April 2015 to progress the implementation of a series of recommendations made by the expert International Working Group and jointly accepted by the two Health Ministers in 2014. A joint announcement setting out the long-term plan including funding for the Network was subsequently made in July 2016 by the Health Ministers.

A Service Level Agreement (SLA) is in place with Children's Health Ireland (CHI), Crumlin for children from NI to access surgery and catheterisation procedures in the most appropriate location to meet their clinical needs. Currently, all new NI surgical cases (urgent, emergency and elective) has now transferred to CHI, Crumlin, with the exception of patients who have had their initial surgery carried out in GB and transplants.

SLAs with Evelina and Birmingham Children's Hospitals continue to provide continuity of service and to ensure the safety and quality of services for existing patients and transplants.

This is no longer a risk and can be closed.

Institute of Public Health in Ireland (IPH)

In 2019 the IPH lease for its Belfast premises was declared by DoF to be irregular expenditure and DoF had informed the C&AG. No further financial control issues have been identified in 2020-21, therefore this issue is now closed. Further to this, Departments of Health in both jurisdictions are working together to introduce new streamlined governance arrangements for IPH.

A number of the governance matters arising in prior years are still considered to represent internal governance divergences for 2020-21. These include:

Underpayment of Employers Superannuation Contributions

During February 2017 it was brought to the attention of the BSO Payroll Shared Services Centre, by one of the HSC bodies, that there was a potential error in how the HRPTS system was calculating employers' superannuation contributions during periods of sickness and ordinary and stretch maternity leave. This error in the specification of the system dates back to the introduction of HRPTS which went 'live' in BSO in December 2012 and was rolled out throughout HSC on a phased basis thereafter.

Subsequent significant investigations resulted in the identification of a material regional liability in respect of underpayments of these contributions dating back to the introduction of the new HRPTS system in each individual HSC body. All HSC employers made payments on account of estimated liability to the Pension Scheme in 2017-18 and 2018-19. The mechanism to correct the system was implemented in 2019-20. While the system solution does not address the requirement in full, sufficient additional manual processes have been implemented to obtain regional agreement that the immediate control issue has been addressed.

An additional system fix was implemented in March 2021 however there is one aspect that still needs addressed with regards to how payroll process sick adjustments for those on virtual rota when they are on half pay. This predominantly affects fortnightly staff as they are mostly held on zero hour contracts in the system. A further system change is anticipated to remedy this in the next 3-6 months.

Financial Performance 2020-21

The Assembly passed the Budget Act (Northern Ireland) 2020 in March 2020 which authorised a Vote on Account to ensure departments' access to cash and use of resources for the early months of the 2020-21 financial year. While it would be normal for this to be followed by the 2020-21 Main Estimates and the associated Budget (No. 2) Bill before the summer recess, the COVID-19 emergency and the unprecedented level of allocations which the Executive has agreed in response, has necessitated that the Budget (No. 2) Bill instead authorised a further Vote on Account to ensure departments have access to the cash and resources through to the end of October 2020 when the Main Estimates were brought to the Assembly and authorised.

The Department continued to face unprecedented financial challenges during 2020-21, as the pandemic had a significant impact on mainstream activities which included dealing with the challenges and constraints on staff resource and infrastructure within the healthcare system. Throughout the year, the Department sought to manage a range of unfunded pressures, working closely with all Departmental ALBs. Breakeven was achieved largely due to a reduction in mainstream costs associated with the downturn in activity as a result of Covid-19.

2021-22

Unfortunately, looking ahead to 2021-22 the additional funding the Department has received over and above its baseline has largely been non-recurrent. Whilst additional funding of £495.2m was received as part of the Final Budget settlement, only some £52.1m of this was recurrent, resulting in a recurrent budget increase of less than 1%. This means that the Department is in the position of funding a significant amount of recurrent spending from non-recurrent budgets. At this stage it is estimated that in excess of £400m will need to be secured in 2022-23 to fund existing services, plus an allowance for pay and price inflation. This is before increases required to fund demographic growth, or to address other demand-related issues such as growing waiting lists have been considered.

The 2021-22 budget position will continue to require careful monitoring to ensure that breakeven can be secured, although again it is expected that the difficulties faced by HSC organisations in securing savings will continue to be partially offset by a downturn in mainstream activity as was the case in 2020-21.

Whilst the Department's Statement of Financial Position is in a net asset position, of the seventeen ALBs, eight are in a net liability position, being that their liabilities exceed their assets as at 31 March 2021. These HSC bodies have prepared their 2020-21 annual accounts as a going concern as it is anticipated that DoH funding will continue for the foreseeable future.

Neurology Services Belfast HSC Trust

In February 2017 the Belfast HSC Trust alerted the Department to concerns regarding the quality of care provided by an individual consultant, potentially affecting the diagnosis and treatment/care of his patients past and present. The Belfast HSC Trust placed limits on the consultant's practice from June 2017 and commissioned the Royal College of Physicians (RCP) to undertake a review of a sample of the consultant's patients. The RCP recommended that the consultant's patients should be reviewed to consider whether their diagnosis is secure; that a proper management structure is in place; and that prescribing is appropriate.

A report analysing the review of the patients under the active care of the consultant was published in December 2019. The findings from the second phase of the recall were published in April 2021 and a further and final recall was announced.

The Department directed the RQIA to undertake a Review of Governance of outpatient services in the Belfast HSC Trust with a specific focus on Neurology. The final report from this review was published in February 2020. The Department has also directed RQIA to undertake an expert review of the records of patients who have died over the past ten years and to include those who died before this if there is a concern. This review has commenced and the conclusions of the first cohort will be complete towards the end of the summer of 2021.

The Department will continue to keep the position on the response to the issues arising from the consultant's care of treatment under continuous review.

The Department has also established an Independent Inquiry to consider how concerns about the consultant (including complaints) were communicated and responded to by all of those involved and how the recall exercise has been handled.

Independent Neurology Inquiry

The Independent Neurology Inquiry was established by me in May 2018, during the period when no Health Minister was in post. Its work has formed part of a series of actions in response to the recall of neurology patients by the Belfast Trust. In December 2020 the Minister converted the Inquiry to a Statutory Inquiry, under the Inquiries Act 2005. The Inquiry continues to focus on governance; it is not assessing the competence of Dr Michael Watt or the treatment of patients.

The Inquiry Panel comprises Mr Brett Lockhart QC, an experienced senior barrister, and Professor Hugo Mascie-Taylor as co-panellist, a qualified Doctor with significant experience in clinical governance.

The Inquiry paused face-to-face engagement during the pandemic; however, remote engagement has worked well and written evidence continues to be received as part of its public engagement. There are a number of other reviews and investigations ongoing and relating to either Neurology Services or arising out of the same circumstances which led to the Inquiry being commissioned. Whilst some of the reviews and investigations may overlap with the work of the Inquiry, and some of their outcomes may be of interest to the work of this Inquiry at a later stage, the work of the Inquiry is distinct from, and independent of, the other reviews.

The Inquiry has made significant progress to date and is at a critical stage in the delivery of its Terms of Reference. The Inquiry Panel is determined to produce a meaningful report which addresses all relevant issues, and in doing so it is necessary to adequately investigate all lines of enquiry. The Inquiry is mindful of the processes involved in producing a final report, to include the importance of an adequate process which provides individuals an opportunity to comment on any potential criticisms.

Inquiry into Hyponatraemia-Related Deaths

The public Inquiry into Hyponatraemia-related Deaths (IHRD) was established in November 2004. It was set up against the background of concern and publicity about the treatment in local hospitals of three children who had died in circumstances where Hyponatraemia had caused or was a major factor in their deaths. The investigation of the deaths of a further two children were included into the Inquiry's work in 2005. The Inquiry completed its public hearings during 2013-14 and the Chair, Mr. Justice O'Hara, published his report in January 2018. The report included 96 recommendations, the vast majority of which fall to the Department and HSC Bodies. The inquiry recommendations have wide ranging implications for the provision of HSC services across Northern Ireland – covering governance, Departmental policy, requirements for new statutory provisions and the operation of front line services. They affect multiple Agencies and a number of recommendations may impact on other Departments.

The recommendations are designed to both strengthen patient safety and to improve public confidence in health and social care services. The Department has established an IHRD implementation programme comprising an overarching programme management group overseeing nine work-streams chaired by a range of individuals from the Department, the HSC and outside of the HSC. These work-streams are charged with the implementation of IHRD recommendations. The overall programme is being managed through a formal programme management process and the programme is ultimately accountable to me as the Senior Responsible Officer.

From the outset the programme has taken a co-production approach to the implementation of the recommendations. This means that the work-streams consist of over 200 members from a variety of backgrounds, including: service users and carers, HSC staff, representatives from third sector organisations, Non-Executive Directors, and DoH staff among others. This will mean that recommendations, and proposals for their implementation, will have been robustly challenged and scrutinised. A programme wide engagement strategy, training strategy and assurance framework have also been developed. This framework will provide assurance that recommendations have been implemented effectively on a sustained basis – only then will a recommendation be signed off as having been implemented.

A number of recommendations will require public engagement and consultation, as well as ministerial approval and/or legislation, while others will have resource and training implications. As some of these recommendations will require primary and secondary legislation for implementation, full implementation of all recommendations will take several years.

In March 2020, all IHRD programme meetings were suspended due to the COVID-19 pandemic. This decision was taken to allow both Department and Trust staff to focus on work relating to COVID-19 and ensure the safety of the service users and carers who are integral to the programme.

The system's response to this report has undoubtedly and regrettably been hampered by the COVID-19 pandemic. A public consultation on the introduction of a statutory duty of candour was launched on 12 April 2021 and will close on 2 August 2021. The Department anticipates a significant acceleration of the implementation of the IHRD recommendations when the COVID-related pressures on the Department and HSC system subside.

Dunmurry Manor Care Home

The Commissioner for Older People for Northern Ireland (COPNI) published, in June 2018, their investigation into care failures at Dunmurry Manor Care Home. The report, Home Truths, sets out COPNI's findings following his investigation setting out areas where they found care fell short of the regulatory standards and making some 59 recommendations for reform. The report covers a wide range of areas including, inter alia: safeguarding, medicines management, care quality and governance.

Under Schedule 2(4) of the Commissioner for Older People Act (Northern Ireland) 2011, each named Relevant Authority (The Department, the RQIA and four Health Trusts (Belfast, Northern, Southern and South Eastern) were each required to respond to the Commissioner by 1 October 2018. A combined response from the HSC on the COPNI Report was issued on 28 September 2018. Queries were received from the Commissioner and following further engagement, the Commissioner announced he had concluded his investigation on 29 January 2020.

The Department has set up a process to oversee the continued implementation of the agreed recommendations. Progress on this work has, however, been delayed by the response to COVID-19.

The Follow up Review into Care at Dunmurry Manor Care Home is near completion. The Review (undertaken by CPEA Ltd) has been commissioned to provide the DoH and the wider HSC system with an independent analysis and insight into how the whole system responded to the issues at Dunmurry Manor Care Home. Ultimately this will enable the Department to understand if failings were the result of flaws in systems, their operation, or a combination of both and to identify learning for future improvements. In progressing the review, £474,500 incurred prior to 2020-21 and £145,000 incurred in 2020-21 has yet to receive DoF approval. The Department is currently seeking to secure appropriate authorisation.

The first report from CPEA on Adult Safeguarding was published on 10 September 2020. The substantial and extensive report immediately led to major change, with announcement of new oversight mechanisms for adult safeguarding and new legislation. The Department recently undertook a consultation on proposals to develop an Adult Protection Bill, based on the recommendations from the Commissioner for Older People's Report and the CPEA Independent Review. The consultation launched on 17 December and closed on 8 April. The Department is now analysing responses in advance of developing primary legislation to be introduced early in the next mandate.

The finalisation of the Dunmurry Manor Care Home review has been impacted by COVID-19 but the Department is expecting the work to be completed by the end of July 2021.

Childcare: Unallocated Cases

The Department continues to receive monthly information in relation to unallocated cases (waiting lists of cases requiring assignment to a social worker). There was a 37% decrease in the numbers of children awaiting social worker allocation for over 20 days from 804 on 31 March 2020 to 504 on 28 February 2021. This may be due in part to further investment (£4.6m) in Family Intervention Teams in 2020-21.

However, between April 2020 and March 2021 there was an increase in referrals to Health & Social Care Trusts with over 34,000 referrals made to children's social services between April 2020 and March 2021. The increase in referrals is likely to be associated with pressures on families directly linked to the pandemic. It is expected that referral numbers will continue to grow as the full impact of the pandemic becomes clear. We will continue to monitor unallocated case numbers through 2021-22.

In addition, a number of initiatives are ongoing to mitigate pressures on children's social services, including rolling out the Signs of Safety approach to case management. A social work workforce review is also nearing completion.

Elective Care

As in 2019-20, during 2020-21, each of the three Ministerial elective care standards, namely, that 50% of patients should wait no longer than nine weeks for an outpatient appointment and no one more than 52 weeks; that 75% of patients should wait no longer than nine weeks for a diagnostic test and no one more than 26 weeks; and that 55% of patients should wait no longer than 13 weeks for admission for treatment and no one more than 52 weeks, have not been achieved.

Pre COVID-19 there was already a significant shortfall in the capacity of the Health and Social Care Service (HSC) in Northern Ireland to meet the demand for elective care services and this was reflected in the unacceptably long waiting times. The spread of COVID-19 has caused serious disruption to our Health and Social Care system and elective care activity has reduced due to the need to redeploy staff to address rising unscheduled demand.

The immediate focus of the HSC is on rebuilding services in an environment that is safe for both patients and staff. Trusts have published rebuild plans setting out how they will incrementally increase and maximise HSC service capacity as quickly as possible across all programmes of care, including Elective Care, within the prevailing COVID-19 conditions and existing financial constraints. An elective care framework will shortly be published setting out both the immediate and longer term actions and funding requirements needed to tackle waiting lists. Multi-year funding, both recurrent to close the capacity gap and non-recurrent to address the backlog, will be required over and above what is needed to deliver core services.

Unscheduled Care

The position on HSC Trust performance against the 4 hour and 12 hour waiting time targets for Emergency Departments (EDs) remains a cause for concern. The most recent annual statistics cover the 2019/20 financial year. While the number of attendances has fallen slightly to 814,273 in 2019-20 from 822,847 in 2018-19, this may be partially explained by the drop in attendances at EDs during March 2020, due to pandemic-related concerns. The performance against the 4 hour and 12 hour target has also fallen. 69.9% of patients were seen within 4 hours in 2018-19, this dropped to 65.1% in 2019-20 - falling well short of the expectation that 95% of patients should be either discharged or admitted within 4 hours of arrival at an ED. Similarly, the number of patients waiting longer than 12 hours in ED increased overall to 5.6% of patients in 2019-20 as compared with 3.1% of patients in 2018-19. The pressures are in part due to the ongoing increase in the number of older, sicker people with more complex needs attending EDs.

Under the Transformation Agenda, following a population health needs assessment, the Department has been undertaking a clinically led Review of Urgent and Emergency Care services across Northern Ireland. Whilst the timeline for the completion of the review has been interrupted by the Department's handling of the response to the COVID-19 pandemic, some of the early proposals emerging from the work of the review team formed the 10 Key Actions in the Department's Urgent and Emergency Care Action Plan: No More Silos. These actions seek to maintain and improve urgent and emergency care services in the prevailing context of COVID-19.

While COVID-19 saw attendances as ED drop in comparison to previous years, the requirement to maintain dual COVID/non-COVID ED streams has placed considerable pressure on the system. There is also growing evidence that unacceptably long waiting times for elective care are translating into increased numbers of patients presenting to General Practice and hospitals with advanced acute needs.

NIAS Internal Control System

For the year ended 31 March 2019, BSO, as internal audit for NIAS, provided an overall limited assurance on the adequacy and effectiveness of NIAS's framework of governance, risk management and control. In the 2018-19 Governance Statement the Chief Executive stated "Further to considering the accountability framework within the Trust, I have taken into consideration the limited assurance provided by the Head of Internal Audit. I have sought assurance from the Senior Executive Management Team (SEMT), that where significant findings have identified weaknesses in established controls, that appropriate mitigations and actions plans are in place to address audit recommendations and improve internal controls. I am therefore content that NIAS has operated a sound system of internal governance during the period 2018-19". The Permanent Secretary formally recorded these concerns in his letter of 30 October 2019, to the NIAS Chief Executive who replied on 11 November 2019, providing assurance that NIAS was addressing the issues raised.

For the year ended 31 March 2020, BSO again provided an overall limited audit opinion whilst acknowledging progress made by NIAS. The Head of Internal Audit reported: "Overall for the year ended 31 March 2020, I can provide limited assurance on the adequacy and effectiveness of the organisation's framework of governance, risk management and control. Whilst providing limited assurance in 2019-20, I acknowledge that the framework of governance, risk management, and control is improving within NIAS. The leadership team in NIAS are aware of the organisation's significant issues and are taking ongoing action to address them. Whilst providing limited assurance, Internal Audit recognise Management's continued focus and progress made on the implementation of outstanding Internal Audit recommendations".

For the year ended 31 March 2021, the BSO Head of Internal Audit once again has provided limited assurance on the adequacy and effectiveness of the NIAS framework of governance, risk management and control, while acknowledging that improvements are continuing and that if these efforts are sustained and planned outcomes achieved, the Trust should move to a satisfactory assurance position. With the impact of Covid-19, the Trust did not achieve the planned progress in implementing audit recommendations during 2020-21 and the reasons for providing Limited assurance in 2019-20 therefore largely remain in 2020-21. The Head of Internal Audit acknowledges that majority of audit assignments conducted in 2020-21 provided satisfactory assurance.

In the 2020/21 Governance Statement, the NIAS Chief Executive has stated "Further to considering the accountability framework within the Trust, I have taken into consideration the limited assurance provided by the Head of Internal Audit. I have sought assurance from the Senior Management Team (SMT), that where significant findings have identified weaknesses in established controls, that appropriate mitigations and actions plans are in place to address audit recommendations and improve internal controls. In addition, the Trust is taking pro-active steps to identify any other potential control issues and will address these and strengthen the organisations accountability framework. On this basis, I am content with the operation of this improved system of internal governance during the period 2020-21".

In 2021/22, the Department will continue to oversee progress through its NIAS sponsorship role as part of the departmental accountability process.

Healthy Child, Healthy Future Programme

Healthy Child, Healthy Future is a public health programme that offers every family with children a programme of screening, immunisations, developmental reviews and information and guidance to support parenting and healthy choices so that children and families achieve their optimum health and wellbeing. Health Visitors (HVs) and school nurses are key health professionals responsible for the delivery of Healthy Child, Healthy Future. '*Health and Wellbeing 2026 Delivering Together'* has committed to fully implementing the programme. The programme has not being implemented fully due to the significant pressures that Health Visitors and School Nurses are under to deliver a range of competing priorities and public health challenges which include infant and child mental health issues, domestic violence and safeguarding. This has been further impacted upon by managing and responding to COVID-19. Some staff have been redeployed into areas where there has been critical workforce challenges e.g. COVID-19 Vaccination centres and ICU. The school nursing service has been impacted due to school closures. As a consequence children may not be getting the best start in life, and may not meet their developmental milestones and may be adversely impacted on due to COVID-19. To resolve this, the following actions have been taken:

- The PHA are working with HSC Trusts and developing a COVID-19 Specialist Community Public Health Nursing Recovery Plan;

- The PHA are working with HSC Trusts and developing a Regional Rebuild and Action Plan to ensure the full delivery of the universal Healthy Child, Healthy Future programme;

- Recognising that there are workforce issues, an interim milestone has been set to prioritise the two year health review and the antenatal contact for first time mums;

- Delivering Care, (the DoH policy for safe staffing), Phase 4 Health Visiting is a core part of the Enhanced Multi-Disciplinary Teams in Primary Care;
- The DoH and Department of Education (DE) are working in partnership on Giving Every Child the Best Start in Life; and

- The Early Intervention Transformation Programme projects, Getting Ready for Baby and Getting Ready for Toddler, aim to equip parents with the skills needed to give their child the best start in life.

Trusts' Break-Even Position

Throughout 2020-21 Trusts have worked closely with the Department and HSCB as part of the regional financial planning process. Covid-19 pressures meant there has been little opportunity for Trusts to focus on and progress any recurrent savings, cost reductions or other measures. However, a significant level of slippage occurred across the HSC and it was therefore possible to achieve a breakeven position across the system.

To manage pressures resulting from the impact of the pandemic, Trusts received additional funding in relation to costs incurred as a result of Covid-19.

All Trusts have achieved a breakeven position for 2020-21 with the exception of the Western HSC Trust (WHSCT).

Following a number of years of budgetary challenges at WHSCT, the Department approved a three year financial recovery plan for the period 2019-20 through to 2021-22 with the expectation that the Trust will achieve recurrent financial balance going into the 2022-23 year. The programme which has been put in place, through which the Western Trust will achieve financial sustainability is called 'Working Together … Delivering Value'. As part of this process, the Department agreed that the Trust would have an authorised overspend of £15m for 2020-21 and the Trust has remained within this agreed control total.

The Department will continue to work with HSCB, Trusts and DoF to ensure savings plans are delivered and additional resources are secured as necessary.

North/South Bodies – Safefood (formerly Food Safety Promotion Board)

In the absence of a Health Minister until 11 January 2020, it was not possible to secure North South Ministerial Council (NSMC) approval of the 2017-2019 Business Plans for Safefood. While arrangements have been made with DoF to ensure legality of payments in 2017-2020, in the absence of business plans, expenditure will be irregular until the NSMC approves each of these Business Plans.

Learning Disability – Muckamore Abbey Hospital

Following an allegation of abuse of an inpatient by staff at Muckamore Abbey Hospital in August 2017, it subsequently emerged that CCTV footage existed of the incident in question. Viewing of the footage revealed further concerns about practice more generally in the hospital, and as a result the Belfast HSC Trust commissioned an independent Level 3 Serious Adverse Incident (SAI) review into safeguarding at the hospital which commenced in January 2018.

Alongside this independent review, the Belfast HSC Trust also initiated its own disciplinary and adult safeguarding investigations, and continues to cooperate fully with the ongoing police investigation into the allegations. An internal review of management oversight arrangements in Muckamore was also undertaken by the Belfast HSC Trust with a focus on ensuring the safety and wellbeing of patients in the hospital.

The SAI Review team completed their report, entitled 'A Review of Safeguarding at Muckamore Abbey Hospital – A Way to Go' in December 2018 and made a series of recommendations for the future. A HSC Action Plan was formulated in response to those recommendations.

In response to the report, I apologised to the families of patients in Muckamore, and fully endorsed the view of the Review Team that no one should have to call Muckamore their home in future, when there are better options for their care. I also made clear my expectation that the resettlement process would be completed by December 2019, and the issue of delayed discharges from the hospital addressed as a top priority. Although progress has been made, the target has not been met. The resettlement programme was paused due to the current COVID-19 pandemic but has since been restarted. Plans are in place for the resettlement of a number of patients from Muckamore Abbey Hospital during 2021-2022 but this will still leave a number of patients awaiting resettlement.

A regional independent review of acute care for people with learning disabilities initiated under the Health Transformation programme to consider future options for both inpatient and community (including forensic) provision in Northern Ireland has been completed. The findings from this review are informing work which is being taken forward to develop a consistent regional model of Community Based Assessment and Treatment for individuals with a learning disability who present with challenging behaviour, Autism Spectrum Disorder (ASD) and/or forensic needs. This review was an expedited work stream of a wider Transformation project to develop a new co-produced regional model for Learning Disability services. This new Learning Disability Service Model, 'We Matter' was presented to the Department in February.

The Muckamore Departmental Assurance Group was established to monitor the HSC response to delivering on the Muckamore Abbey Hospital HSC Action Plan and to date twelve meetings have been held. It is co-chaired by the Chief Social Services Officer and the Chief Nursing Officer and includes membership from representatives of patients' families. The purpose of the group is to provide assurance that the services being delivered at Muckamore continue to be safe, effective, human rights compliant and that the lessons learned from the Level 3 Serious Adverse Incident Review Report are put into practice consistently on a regional basis by monitoring progress against delivery of the actions and recommendations in the HSC Action Plan.

Building on the SAI Review, an independent review of the Leadership and Governance Arrangements at Muckamore Abbey Hospital by Belfast Trust was commissioned by the Public Health Agency and the Health and Social Care Board on behalf of the Department; the report of this review was published on 5 August 2020. This review critically examined the effectiveness of the leadership, management and governance arrangements at the hospital in the five year period preceding the Adult Safeguarding allegations which came to light in August 2017 and any other relevant governance issues subsequently identified. The panel made 12 recommendations, all of which have been accepted; these have been added to the HSC Action Plan and are also monitored by the Muckamore Departmental Assurance Group.

In September 2020, the Health Minister announced a public inquiry into the events at Muckamore under the Inquiries Act 2005. Work is currently underway to establish this Inquiry.

Northern Ireland Fire and Rescue Service (NIFRS) Internal Control System

BSO as internal audit for NIFRS, provided an overall 'Satisfactory' audit opinion for the 2020-21 financial year. This opinion follows a 'Limited' audit opinion for the 2019-20 year. The 2019-20 audit opinion was on the basis of the volume and nature of limited assurance opinions in 2019-20 audits and the significant findings in the specific independent review conducted by Internal Audit during that year.

Internal Audit concluded as at 31 March 2021, that 18 out of 26 (70%) recommendations drawn from the 2019-20 independent review relating to issues around management effectiveness, governance, culture and probity had been adequately addressed. NIFRS had 1 limited assurance Internal Audit opinion across a total of 9 audits conducted in the 2020-21 year. Internal Audit continue to recognise Management's sustained focus and progress made on the implementation of outstanding Internal Audit recommendations.

An independent financial control review of NIFRS was conducted by Paul Cummings in March/April 2021 following concerns noted in 2019-20. The report was shared with the Department in May 2021. NIFRS are considering the report recommendations.

Throughout 2020-21 NIFRS made progress on addressing control issues raised in 2019-20. The Department continued to support and challenge NIFRS through its sponsorship role (Public Safety Unit) to seek resolution of these issues during 2020-21.

Family & Children's Policy: Separated and Unaccompanied Asylum Seeking Children (S/UASC)

Work has continued throughout the year in response to ongoing pressures and capacity issues in relation to service provision for S/UASC arriving in Northern Ireland.

A joint Department of Health and Health and Social Board Task and Finish Group has taken forward the development of proposals for a new regional model of service that will seek to effectively meet the needs of current and future S/UASC children arriving and living in NI and deliver equity of care and an improved pathway of care and wellbeing outcomes for S/UASC in the longer term. This has involved early engagement with key stakeholders, including children and young people with lived experience of arriving in NI as S/UASC, which has informed the development of proposals. Subject to Ministerial approval, it is intended undertake a targeted consultation on the proposals in May 2021 and funding has been secured for 2021-22 for a regional social work service which will be a core component of the new service model.

In addition, the Home Office is working on a Plan to disperse children from some parts of South East England to other parts of the UK, including NI, in order to relieve the pressure on those local authorities which receive the majority of children on the basis of geography.

Infected Blood Inquiry

The UK-wide public Inquiry to examine the circumstances in which men, women and children treated by the NHS in the UK were given contaminated blood and blood products continued during 2020-21. Chaired by Sir Brian Langstaff, the Inquiry heard presentations and evidence from witnesses including Lord David Owen, haemophilia clinicians and the medical ethics expert group, as well as evidence relating to the financial Trusts and Schemes. During the final week in March 2021, the Inquiry heard evidence relating to the Belfast Haemophilia Centre. Oral evidence sessions are due to re-commence in May 2021, with evidence to be heard from Government witnesses including the Minister and Director of Population Health.

The Department has responded to several enquiries from the Inquiry, including requests for records held by the Department deemed to be potentially relevant to the Inquiry and provision of written statements from senior officials and the Minister. In addition to records already provided to the Inquiry, the Department worked closely during summer 2020 with PRONI and DSO to proactively identify and disclose any additional records which may be relevant to the Inquiry, in the interests of openness and transparency.

The Infected Blood Inquiry's terms of reference include investigating the nature and adequacy of the existing financial support schemes across the UK. Northern Ireland had parity with the English scheme in most respects until England, in response to representations from the Chairman of the Infected Blood Inquiry about severe hardships experienced by people who have been infected or otherwise affected, announced on 30 April 2019, the eve of the London hearings of the Infected Blood Inquiry, significant increases to its regular payments. This increase in payments by the English scheme resulted in an unintended, unforeseen and sudden disparity with Northern Ireland. Since April 2019, the four UK nations have been working to achieve greater parity across the UK schemes.

In January 2020, the Minister stated his intention to take a three phase approach to reviewing the NI Scheme and Phase 1 addressed the immediate difference that accrued in 2019-20 between the rates paid to Northern Ireland scheme beneficiaries when compared with those in England. The second phase of the review is ongoing and is addressing other aspects of the scheme.

As a first step in phase 2, on 31 July 2020 the Minister issued a formal Ministerial Direction instructing a permanent uplift to payments to infected beneficiaries in Northern Ireland in line with the rates paid in England, with payments to be backdated to April 2020 and rising annually in line with CPI. Income top-up payments to infected beneficiaries discontinued from 1 September 2020, as a result of the increase in annual support. During autumn 2020, a survey of all Scheme beneficiaries was conducted, seeking feedback on areas such as annual support for infected and non-infected bereaved beneficiaries, discretionary support, income top-ups, enhanced support for Hepatitis C Stage 1 beneficiaries and psychological support. The findings of the survey, which had a response rate of 55.4%, were published on 1 March 2021.

On 1 March 2021 Minister introduced annual financial support for non-infected bereaved spouses and partners on the Scheme. This followed consideration of the findings of the survey and comparison with the other UK Schemes. The payments are 75% of the rate the beneficiary's infected spouse or partner was in receipt of at the time of death, or would have been in receipt of had they been on the Scheme. The payments, representing a Departmental funding commitment of around £400,000 annually, range from £14,079 to £33,561 per year and will be backdated to April 2020, rising annually with inflation. As a result of this newly introduced annual financial support, income top-ups for non-infected bereaved spouses and partners will cease from April 2021.

On 25 March 2021, the Paymaster General announced plans to bring the four UK schemes into broader parity and as a result of a four nations agreement, Minister decided to introduce improvements to annual financial support for non-infected bereaved spouses and partners and lump sum payments, as well as a commitment to introduce enhanced financial support for Hepatitis C (Stage 1) at the same payment levels as in England, as soon as a system for assessment can be put into operation. Minister announced these reforms in a written ministerial statement to the Northern Ireland Assembly on 25 March 2021. The Schemes in the other Devolved Administrations are to be similarly adapted to achieve greater parity in terms of financial support to those infected and/or affected across the UK.

The Paymaster General also announced on 25 March 2021 that an independent reviewer is to be appointed by the Cabinet Office to carry out a study looking at options for a framework for compensation, and to report back with recommendations before the Infected Blood Inquiry reports.

A third phase of reform of the scheme will be required to address recommendations from the UK-wide Infected Blood Inquiry, which is expected to deliver its report in 2022.

RQIA Board resignation

In mid-June 2020, the acting Chair and eight members of RQIA's Board resigned with immediate effect. These resignations left a total of 11 vacancies, the full complement of Board membership. On 18 June the Minister of Health appointed Christine Collins MBE as interim Chair of RQIA.

On 23 June, the Minister announced an independent review to examine the circumstances of these resignations. This was conducted by David Nicholl, On Board Training and Consultancy Ltd. The final report has been received.

Minister met with the review team on 21 December 2020 to discuss the findings and recommendations. Minister will now consider the next steps. The findings from the report will be available after Minister has issued his response. The Department will keep matters under review and will address any agreed actions or recommendations arising from the independent review.

On 14 August 2020 two Department of Health SCS officials were temporarily appointed to the RQIA Board as interim Non-Executive Members to 31 October 2020. On 30 October six interim NEMs were appointed to the RQIA Board. The Department has kept the Commissioner of Public Appointments NI (CPANI) updated on all developments in relation to the RQIA Board.

The competition to fill the positon of Chair of RQIA, on a permanent basis, is scheduled to launch in September 2021 with an appointment commencement date scheduled for March 2022.

The competition to fill the positons of 10 Non Executive Members (5 x Lay; 1 x Finance/Business; 1 x Legal; 1 x Medical; 1 x Nursing & 1 x Social Care) of RQIA, on a permanent basis, is scheduled to launch in April 2022 with an appointment commencement date scheduled for October 2022.

Due process is being followed and an appropriate conclusion is anticipated in the near future.

New Issues for 2020-21

New Decade New Approach Commitment – the Executive will provide 3 funded cycles of IVF treatment

The Executive's New Decade New Approach agreement committed to the provision of three publicly-funded cycles of IVF; an increase from the current provision of one publicly-funded cycle in NI. There is considerable interest in the progress of this commitment both from politicians and the public, and there is full cross-party support for its implementation. It will, however, require significant funding. The required annual estimate is £8.1m and is likely to include a capital requirement in addition to revenue funding as the Regional Fertility Centre, which delivers this service and is based in the Belfast Trust, does not have sufficient accommodation to deliver any further cycles. For 2021-22, £1million has been allocated as the details have not yet been worked out or an implementation date agreed so the full amount will not be required.

Although the Minister of Health announced in early 2020 that he was establishing a Project Board to take forward the implementation of this commitment, progress was unfortunately delayed due to the outbreak and ongoing surges of the COVID-19 pandemic. Membership of the Board was confirmed, but due to the need for Health and Social Care staff to redeploy to other areas of the health service, to work on the COVID-19 response, it was not possible for the Project Board to convene in 2020-21.

As a result of the de-escalation of the COVID-19 response following the surge in the latter half of 2020/early 2021, the first meeting of the Project Board took place on 27 April 21. However, until the Project Board is able to complete its report, which will include a scoping of potential delivery options and a fuller estimate of the funding requirement, and that funding –for the chosen option - has been secured, it is not possible to provide an implementation date. It will also take some time to recover the waiting lists, which have grown during the Covid-19 pandemic.

Urology Public Inquiry

On 24 November 2020 Minister announced his intention to establish a statutory public inquiry in relation to serious concerns about the clinical practice of a urology consultant retired from the Southern HSC Trust in 2020 after being employed for 28 years.

The announcement of the Public Inquiry followed the identification of potential patient safety concerns in the summer of 2020. These potential concerns related to delays to surgery for patients who were under the care of the consultant urologist. The Trust became aware that 2 out of 10 patients listed for surgery under the care of this consultant were not recorded on the hospital's Patient Administration System at that time.

As a result of these potential patient safety concerns, the Southern Trust conducted an initial lookback exercise in relation to the consultant's work, to ascertain if there were other areas of potential concern. This initial lookback, which considered cases over a 18 month period of the consultant's work in the Southern Trust (from 1 January 2019 – 30th June 2020), concentrated on whether patients had a stent inserted during a particular procedure and if this stent had been removed within the clinically recommended timeframe.

The initial lookback identified concerns with 46 cases within a total of 147 patients who had the particular procedure and were listed as being under the care of the consultant during the period addressed by the initial lookback exercise.

Areas of concern were identified relating to elective and emergency activity; radiology, pathology and cytology results; patients whose cases where considered in Multidisciplinary Team Meetings; oncology and in relation to the safe prescribing of an anti-androgen drug, outside of established NICE guidance in the management of prostate cancer.

A total of 2,327 patients have been identified under the consultant's care, within the timeframe from 1 January 2019 until 30 June 2020.

As a result of the Trust internal review to date, 9 cases have been identified that meet the threshold for a Serious Adverse Incident (SAI) review.

As a result of the patient safety concerns the Trust has taken the following actions:

- Immediate restrictions were put in place by the Trust preventing the consultant from undertaking clinical work within the Trust and denying him access to or the ability to process patient information;

- Discussions with the General Medical Council (GMC) employer liaison service were conducted and as a result the consultant received an interim suspension of professional registration on the 15 December 2020;

- The Royal College of Surgeons Invited Review Service have been engaged to conduct an assurance review regarding the consultant's practice;

- The Trust established an Internal Review Group to assess the further findings of the initial lookback exercise and to explore the potential need for a further lookback exercise in the context of the concerns emerging;

- The Trust has engaged via the Royal College of Surgeons and British Association of Urologist Surgeons external subject matter expertise support to assist with reviewing of patient records and case reviews; and

- The Trust is liaising fortnightly with the HSCB and Department to coordinate review and lookback elements to ensure ongoing patient safety.

The consultant also had a significant amount of private practice. Much of this was carried out in private domestic premises, therefore sitting outside of the regulatory framework which requires registration and external assurance of facilities in the Independent Sector in which clinicians may undertake private practice. Many of these patients may be unknown to the Southern Trust or the wider HSC system. The Trust is working with the HSCB and Department to identify these patients and offer support and further care where appropriate.

The Urology Assurance Group, which I chair, is managing the issues arising and actively considering investigatory approaches given the seriousness of the findings to date.

It is intended for the Public Inquiry to be established as soon as possible and in line with the Cabinet Office best practice guidance on Government inquiries. The Inquiry Chair, Ms Christine Smith QC, was appointed in March 2021 and the next steps include the agreement of the Inquiry Terms of Reference and the appointment of further panel members.

Ministerial Directions

There have been 12 Ministerial Directions issued in 2020-21. These have been approved by DOF and are detailed in the table below.

The directions are mainly related to financial support/payments due to the COVID-19 pandemic and the necessity for the majority of the directions was the requirement for immediate action and response outwith normal timescales.

Date	Subject
August 2020	Infected Blood Payment Scheme
December 2020	Reimbursement of lost Wages to Health Care Workers due to strike action for the period November 2019 to January 2020
January 2021	Bonus scheme of up to £500 for Health and Social Care Staff
January 2021	A Special Recognition Payment to Healthcare Students
February 2021	Bonus scheme of up to £500 for Health and Social Care Agency Staff
February 2021	COVID - Additional Financial Support to DoH Core Grant Funded Organisations 2020-21
February 2021	Payment of £1 million to support to the provision of Helicopter Emergency Medical Service (HEMS)
March 2021	Establish a grant scheme to support carers
March 2021	One off payment to HSC Charitable Trust Funds
March 2021	Establish a Grant Scheme to support Mental Health Services
March 2021	Establish a Grant Scheme to support Cancer Services
March 2021	Issue a payment to Hospices in 2020-21

Irregular Payments

The Department of Finance Supply team issued two irregular expenditure notifications during the financial year 2020/21:

Nightingale Facility

The Department sought retrospective DoF approval for expenditure of £126,000 incurred as a result of the appointment of external consultants to support the Department to carry out an urgent assessment of learning from UK and other jurisdictions and to make recommendations on the type and scale of Second Wave Nightingale facility needed for Northern Ireland. The level of expenditure exceeds DoH delegated limit of £75,000 for this type of expenditure and DoF approval was not sought or obtained prior to the appointment of the external consultants.

DoF Supply concluded that it is not clear that value for money was satisfactorily demonstrated as the business case was not completed prior to the appointment of the external consultants, CPD advice was not sought until after their appointment, there was no evidence of Ministerial or Accounting Officer approval being obtained prior to the appointment and SIB/BCS were not consulted as a potential alternative option.

RQIA Board Resignation Review

The Department sought retrospective approval for expenditure of £120,000 incurred as a result of the appointment of an external consultant to undertake a review into the circumstances leading to the resignations of a number RQIA Board members in June 2020. Again, the level of expenditure exceeds DoH delegated limit of £75,000 for this type of expenditure and DoF approval was not sought or obtained prior to the appointment of the external consultants.

DoF Supply concluded that it is not clear that value for money was satisfactorily demonstrated as the business case was not completed prior to the appointment of the external consultants and CPD advice was not sought until after the appointment was made. Supply were also concerned that the Department could not indicate that steps were taken to ensure that there was no recurrence of consultancy expenditure breaches, having recently having sought retrospective approval for the Nightingale Facility assignment as described above.

In order to address this issue, a note was circulated to Departmental staff on the 5 October 2020 reiterating the importance that all proposals receive the necessary internal approvals, including where appropriate Ministerial, Accounting Officer or DoF Supply approval prior to commencing work or engaging a supplier, and reminding them of the seriousness of unapproved or irregular expenditure.

REMUNERATION AND STAFF REPORT

Remuneration Report

The purpose of this remuneration and staff report is to set out the Department of Health's remuneration policy for directors, report on how that policy has been implemented and set out the amounts awarded to directors. In addition this report provides details on remuneration and staff which is key to accountability.

Remuneration Policy

The pay remit for the Northern Ireland (NI) public sector, including senior civil servants (SCS), is approved by the Minister of Finance. The Minister has set the 2020-21 NI public sector pay policy (September 2020) in line with the overarching HMT parameters. Annual NICS pay awards are made in the context of the wider public sector pay policy. The pay award for NICS staff, including SCS, for 2020-21 has been finalised but not yet paid.

The pay of SCS is based on a system of pay scales for each SCS grade containing a number of pay points from minima to maxima, allowing progression towards the maxima based on performance.

Service Contracts

The Civil Service Commissioners (NI) Order 1999 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Code published by the Civil Service Commissioners for Northern Ireland specifies the circumstances when appointments may be made otherwise.

Unless otherwise stated, the officials covered by this report hold appointments that 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 for Northern Ireland can be found at www.nicscommissioners.org.

Remuneration and pension entitlements

The following sections provide details of the remuneration and pension interests of the Minister and most senior management (i.e. Board Members) of the department.

Remuneration and pension entitlements – Ministers [Audited]

Single total figure of remuneration

Ministers	Salary (£)		Benefits in kind (to nearest £100)		Pension Benefits* (to nearest £1000)		Total (to nearest £1000)	
	2020-21	2019-20	**2020-21**	2019-20	**2020-21**	2019-20	**2020-21**	2019-20
Mr R Swann (from 11 January 2020)	38,000	8,478 (38,000 full year equivalent)	-	-	13,000	3,000	51,000	11,000

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

Remuneration and pension entitlements – Officials [Audited]

Single total figure of remuneration

Officials	Salary (£'000)		Benefits in kind (to nearest £100)		Pension Benefits* (to nearest £1000)		Total (£'000)	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Mr R Pengelly *Permanent Secretary*	130-135	125-130	-	-	93	70	225-230	195-200
Mr S Holland *Deputy Secretary, Social Care Policy Group*	100-105	95-100	-	-	43	32	145-150	130-135
Prof C McArdle *Chief Nursing Officer* (Note 1)	90-95	90-95	-	-	17	(3)	110-115	90-95
Dr M McBride *Chief Medical Officer* (Note 2)	225-230	220-225	-	-	(5)	(17)	220-225	200-205
Mrs D McNeilly *Deputy Secretary, Resource and Corporate Management Group*	100-105	95-100	-	-	65	49	165-170	145-150
Mr J Johnston *Deputy Secretary, Healthcare Policy Group*	100-105	90-95	-	-	62	37	160-165	125-130
Mrs N Lloyd *Finance Director* (left 10 July 2020)	20-25 (full year equivalent 75-80)	70-75	-	-	18	34	35-40 (full year equivalent 90-95	105-110
Miss B Worth *Finance Director* (from 13 July 2020)	55-60 (full year equivalent 75-80)	-	-	-	16	-	70-75 (full year equivalent 90-95)	
Mrs S Gallagher *Deputy Secretary, Transformation Planning and Performance* (Note 3)	90-95	90-95	-	-	61	55	150-155	145-150
Mr D West *Chief Digital Information Officer* (Note 4)	135-140	125-130 (135-140 full year equivalent)	-	-	14	13 (14 full year equivalent)	150-155	135-140 (150 – 155 full year equivalent)
Mr M Little *Independent Non-Executive Board Member* (Note 5)	0-5	5-10	-	-	0	-		5–10
Mr F Caddy *Independent Non-Executive Board Member* (Note 6)	0-5	5-10	-	-	0	-		5-10

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

Notes to the table of senior management remuneration

1) Professor C McArdle is seconded to the Department from the South Eastern HSC Trust and took up post in April 2013.

2) Dr McBride returned from Belfast HSC Trust on 8 February 2017 to resume full time secondment in Department of Health.

3) In addition to being the Deputy Secretary Transformation, Planning & Performance Group and a Departmental Board member, Mrs S Gallagher was appointed Interim Chief Executive HSCB/Deputy Secretary (Designate), Health Service Operations Group with effect from 28 September 2020. She is paid by the Department of Health.

4) Dan West was appointed on a 2 year contract commencing 7 May 2019.

Non-Executive Directors are remunerated based on the number of Board meetings they attend and related work carried out. Details of the Independent Non-Executive Director members of the Board employment contracts are as follows:

5) Mr M Little was appointed as an Independent Non-Executive Director on 1 October 2017 for a three year period. This appointment has been extended for a further 2 years.

6) Mr F Caddy was appointed as an Independent Non-Executive Director on 1 October 2017 for a three year period. This appointment has been extended for a further 1 year.

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 severance or ex gratia payments.

The Department of Health was under the direction and control of Mr Robin Swann during the financial year. His salary and allowances were paid by the Northern Ireland Assembly and have been included as a notional cost in these accounts. These amounts do not include costs relating to the Minister's role as MLA/MP/MEP which are disclosed in the appropriate legislature accounts.

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 2020-21.

Pay Multiples [Audited]

	2020-21	2019-20
Band of Highest Paid Director's Total Remuneration* (£'000)	225-230	220-225
Median Total Remuneration* (£)	38,017	37,272
Ratio	6.0	6.0

**Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions, and the cash equivalent transfer value of pensions.*

The banded remuneration of the highest-paid director in DoH in the financial year 2020-21 was £225,000 - £230,000 (2019-20 £220,000 - £225,000). This was 6.0 times (2019-20: 6.0) the median remuneration of the workforce which was £38,017 (2019-20: £37,272).

In 2020-21 no employee (2019-20: nil) received remuneration in excess of the highest paid director.

Remuneration ranged from £19k to £229k in 2020-21 (2019-20: £18k to £223k).

Pension Entitlements – Ministers

Ministers Pension Benefits	Accrued pension at pension age as at 31/3/21	Real increase in pension at pension age	CETV at 31/3/21	CETV at 31/3/20	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Mr R Swann	0-5	0-2.5	29	19	6

Ministerial pensions

Pension benefits for Ministers are provided by the Assembly Members' Pension Scheme (Northern Ireland) 2016 (AMPS). In 2011, the Assembly passed the Assembly Members (Independent Financial Review and Standards) Act (Northern Ireland) 2011 establishing a Panel to make determinations in relation to the salaries, allowances and pensions payable to members of the Northern Ireland Assembly. In April 2016 the Independent Financial Review Panel issued The Assembly Members (Pensions) Determination (Northern Ireland) 2016 which introduced a Career Average Revalued Earnings scheme for new and existing members. The scheme is named Assembly Members' Pension Scheme (Northern Ireland) 2016. Assembly Members aged 55 or over on 1 April 2015 and in continuous service between 1 April 2015 and 6 May 2016 will retain their Final Salary pension arrangements under transitional protection until 6 May 2021. The McCloud judgement found that the transitional protection offered to members of the Judiciary and Firefighters Schemes when their schemes were reformed was discriminatory on grounds of age. In light of this decision, the government has agreed to provide remedy to eligible members across the main public sector schemes. This judgement could have an impact on Members who missed out on the Transitional Protection policy in the Assembly Members' Pension Scheme because of their age but the applicability and approach to the McCloud judgement in this scheme is still under consideration.

As Ministers are Members of the Legislative Assembly they also accrue an MLA's pension under the AMPS (details of which are not included in this report). Pension benefits for Ministers under transitional protection arrangements are provided on a "contribution factor" basis which takes account of service as a Minister. The contribution factor is the relationship between salary as a Minister and salary as a Member for each year of service as a Minister. Pension benefits as a Minister are based on the accrual rate (1/50th or 1/40th) multiplied by the cumulative contribution factors and the relevant final salary as a Member. Pension benefits for all other Ministers are provided on a career average (CARE) basis.

Benefits for Ministers are payable at the same time as MLAs' benefits become payable under the AMPS. Pensions are increased annually in line with changes in the Consumer Prices Index. Ministers pay contributions of either 9% 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 14.4% of the Ministerial salary.

The accrued pension quoted is the pension the Minister is entitled to receive when they reach normal pension age for their section of the Scheme. Ministers under transitional protection arrangements may retire at age 65. Ministers in the CARE scheme have a pension age aligned to their State Pension Age.

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 office holder service, not just their current appointment as a Minister. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) Regulations 1996 (as amended) and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The 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 valuation factors for the start and end of the period.

Pension Entitlements – Officials [Audited]

Officials	Accrued pension at pension age as at 31/3/21 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/3/21	CETV at 31/3/20	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Mr R Pengelly *Permanent Secretary*	65-70 plus lump sum 145-150	2.5-5 plus lump sum 5-7.5	1,223	1,115	66	-
Mr S Holland *Deputy Secretary, Social Care Policy Group*	25-30	2.5 - 5	550	485	43	-
Prof C McArdle *Chief Nursing Officer*	30-35 plus lump sum 95-100	0-2.5 plus lump sum 0-2.5	722	683	19	-
Dr M McBride *Chief Medical Officer*	85-90 plus lump sum of 265-270	0-2.5 plus lump sum of 2.5-5	2,138	2,027	26	-
Mrs D McNeilly *Deputy Secretary, Resource and Corporate Management Group*	45-50 plus lump sum 100-105	2.5-5 plus lump sum 2.5-5	912	828	48	-
Mr J Johnston *Deputy Secretary, Healthcare Policy Group*	50-55 plus lump sum 160-165	2.5-5 plus lump sum 7.5-10	1,231	1,184	61	-
Mrs N Lloyd *Finance Director* (to 10 July 2020)	20-25	0-2.5	297	276	11	-
Miss Brigitte Worth *Finance Director* (from 13 July 2020)	25-30	0-2.5	364	341	4	-
Mrs S Gallagher *Deputy Secretary, Transformation Planning and Performance* (appointed 1 June 2018)	40-45 plus lump sum 95-100	2.5-5 plus lump sum 2.5-5	785	715	41	-
Mr D West* *Chief Digital Information Officer* (appointed 7 May 2019)	-	-	-	-	-	14,000

******As this Board member is on secondment from Strategic Investment Board (SIB) during the financial year this contribution to a defined contribution partnership pension account is arranged through SIB with the pension provider and not through the NICS Pension Scheme.*
The Department have been recharged for the in-year amount for the duration of the secondment which commenced on 7 May 2019.

Non-Executive members pension details

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

Northern Ireland Civil Service (NICS) Pension Schemes

Pension benefits are provided through the Northern Ireland Civil Service pension schemes which are administered by Civil Service Pensions (CSP).

The alpha pension scheme was introduced for new entrants from 1 April 2015. The alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of existing members of the classic, premium, classic plus and nuvos pension arrangements also moved to alpha from that date. Members who on 1 April 2012 were within 10 years of their normal pension age did not move to alpha and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age. Alpha is 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 accrual rate is 2.32%.

Discrimination identified by the courts in the way that the 2015 pension reforms were introduced must be removed by the Department of Finance. It is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period. The different pension benefits relates to the different schemes e.g. classic, alpha etc. and is not the monetary benefits received. This is known as the 'McCloud Remedy' and will impact many aspects of the Civil Service Pensions schemes including the scheme valuation outcomes. Further information on this will be included in the NICS pension scheme accounts which are available at https://www.finance-ni.gov.uk/publications/dof-resource-accounts.

Currently new entrants joining can choose between membership of alpha or joining a 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

New entrants joining on or after 30 July 2007 were eligible for membership of the nuvos arrangement or they could have opted for a partnership pension account. Nuvos is also a CARE arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current accrual rate is 2.3%.

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). From April 2011, pensions payable under classic, premium, and classic plus are reviewed annually in line with changes in the cost of living. New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining the partnership pension account.

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 8% and 14.75% (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 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

Active members of the pension scheme will receive an Annual Benefit Statement. The accrued pension quoted is the pension the member is entitled to receive when they reach their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Scheme Pension age is 60 for members of **classic, premium**, and **classic plus** and 65 for members of **nuvos**. The normal scheme pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension schemes can be found at the website www.finance-ni.gov.uk/civilservicepensions-ni.

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2020 was 0.5% and HM Treasury has announced that public service pensions will be increased accordingly from April 2021.

Employee contribution rates for all members for the period covering 1 April 2021 – 31 March 2022 are as follows:

Scheme Year 1 April 2021 to 31 March 2022

Annualised Rate of Pensionable Earnings (Salary Bands)		Contribution rates (All members)
From	**To**	**From 01 April 2021 to 31 March 2022**
£0	£24,199.99	4.6%
£24,200.00	£55,799.99	5.45%
£55,800.00	£153,299.99	7.35%
£153,300.00 and above		8.05%

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 NICS pension 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 2015 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.

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. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

Compensation for loss of office

No compensation was paid for loss of office in 2020-21.

Staff Report

Number of senior civil service staff (or equivalent) by band

The number of staff serving in the grades 1 to 5 or equivalent representing the senior civil servants as at 31 March 2021 is shown below. These include senior civil service staff who are Departmental Board members.

	Core Department
Pay Band*	**Number of SCS staff (or equivalent)**
£70,000 - £75,000	13
£75,000 - £80,000	9
£80,000 - £85,000	2
£85,000 - £90,000	-
£90,000 - £95,000	1
£95,000 - £100,000	2
£100,000 - £105,000	1
£105,000 - £110,000	-
£110,000 - £115,000	-
£115,000 - £120,000	-
£120,000 - £125,000	-
£125,000 - £130,000	-
£130,000 - £135,000	1
Total	**29**

* Based on full year equivalent, excluding 2020-21 pay award which is agreed but not yet paid.

Staff Costs [Audited]:

	2020-21				2019-20
	Permanently employed staff*	**Others**	**Ministers**	**Total**	Total
	£000	**£000**	**£000**	**£000**	£000
Wages and salaries	61,657	7,224	38	68,919	57,819
Social security costs	6,393	698	5	7,096	6,052
Other pension costs	13,845	1,342	5	15,192	13,234
Subtotal	**81,895**	**9,264**	**48**	**91,207**	77,105
Less recoveries in respect of outward secondments	(443)	-	-	(443)	(452)
Total net costs**	**81,452**	**9,264**	**48**	**90,764**	76,653

Of which:

	Charged to Administration £000	**Charged to Programme £000**	**Total £000**
Core Department	28,894	2,989	31,883
HSCB and PHA	-	58,881	58,881
Total	**28,894**	**61,870**	**90,764**

*The 2020-21 figures include the cost of the Department's Special Adviser who was paid in the pay band £60k to £65k (2019-20, pro-rata from commencement on 11 January 2020 in the pay band £60-£65k).

**No staff costs have been charged to capital.

The Northern Ireland Civil Service main pension schemes are unfunded multi-employer defined benefit schemes but DoH is unable to identify its share of the underlying assets and liabilities.

The Public Service Pensions Act (NI) 2014 provides the legal framework for regular actuarial valuations of the public service pension schemes to measure the costs of the benefits being provided. These valuations inform the future contribution rates to be paid into the schemes by employers every four years following the scheme valuation. The Act also provides for the establishment of an employer cost cap mechanism to ensure that the costs of the pension schemes remain sustainable in future.

The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2016 scheme valuation was completed by GAD in March 2019. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2019 to 31 March 2023.

The 2016 Scheme Valuation requires adjustment as a result of the 'McCloud remedy'. The Department of Finance have also commissioned a consultation in relation to the Cost Cap Valuation which will close on 25 June 2021. By taking into account the increased value of public service pensions, as a result of the 'McCloud remedy', scheme cost control valuation outcomes will show greater costs than otherwise would have been expected. On completion of the consultation the 2016 Valuation will be completed and the final cost cap results will be determined.

For 2020-21, employers' contributions of £5.9m were payable to the NICS pension arrangements (2019-20, £5m) at one of three rates in the range 28.7% to 34.2% of pensionable pay, based on salary bands

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £14,222 (2019-20, £12,129) were paid to one or more of the panel of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2019-20, 8% to 14.75%) of pensionable pay.

The partnership pension account offers the member the opportunity of having a 'free' pension. The employer will pay the age-related contribution and if the member does contribute, the employer will pay an additional amount to match member contributions up to 3% of pensionable earnings.

Employer contributions of £1k, 0.5% (2019-20: £nil, 0.5%) of pensionable pay, were payable to the NICS Pension schemes to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the **partnership** pension providers at the reporting period date were £nil. Contributions prepaid at that date were £nil

One person (2019-20: two people) from the core Department retired early on ill health grounds; the total additional accrued pension liabilities amounted to £8k borne by NICS pension scheme (2019-20: £nil). HSCB had one ill health retirement at cost of £3k borne by the HSC Pension Scheme (2019-20: nil) and PHA had nil ill health retirements (2019-20: nil).

Average number of persons employed (Audited)

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 accounts.

					2020-21 Number	2019-20 Number
Activity	**Permanently employed staff**	**Others**	**Ministers**	**Special Advisers**	**Total**	Total
Health & Social Care Board	474	33	-	-	507	494
Public Health Agency	452	55	-	-	507	344
Administration	460	57	1	1	519	485
Programme	-	11	-	-	11	12
less outward seconded staff	(14)	-	-	-	(14)	(12)
Total	**1,372**	**156**	**1**	**1**	**1,530**	1,323
Of which:						
Core Department	454	68	1	1	**524**	491
HSCB and PHA	918	88	-	-	**1,006**	832

Core Staff numbers include 68 Whole Time Equivalent (WTE) staff seconded in to the Department and 6 (WTE) staff seconded out from the Department to other bodies.

Reporting of Civil Service and other compensation schemes - exit packages (Audited)

Comparative data for 2019-20 is shown in brackets within the table below.

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	Core	Consolidated	Core	Consolidated	Core	Consolidated
<£10,000	- (-)	- (-)	- (2)	-(2)	- (2)	-(2)
£10,000- £25,000	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
£25,001-£50,000	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
£50,001- £100,000	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
£100,001- £150,000	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
£150,001- £200,000	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
£200,001-£250,000	- (-)	- (-)	- (-)	-(1)	- (-)	- (1)
Total number of exit packages	- (-)	- (-)	- (2)	-(3)	- (2)	- (3)
Total resource cost/£000	- (-)	- (-)	- (0)	- (212)	- (0)	- (212)

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

The table above shows the total cost of exit packages agreed and accounted for in 2020-21 and 2019-20. Nil exit costs were paid in 2020-21, the year of departure (2019-20: £212k). Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme, Ill health retirement costs are met my the pension scheme and are not included in the table.

Staff Composition

The following table details the breakdown of staff gender on a headcount basis within DoH as at 31 March 2021:

	Male	Female	Total
Board Members	7	4	11
Senior Civil Service (Grade 5+, excluding Board members)	12	11	23
All other DoH	210	303	513
Total	**229**	**318**	**547**

Sickness Absence Data

The Department had an overall sickness absence rate of 10.9 days lost per employee in 2019/20. Annual sickness absence figures can be found in the *"Sickness Absence in the Northern Ireland Civil Service 2020/21"* report at https://www.nisra.gov.uk/statistics/ni-civil-service-human-resource-statistics/sickness-absence-statistics Figures for the 2020/21 financial year will be published on 29 June 2021.

Staff Turnover Percentage

The Department of Health Staff Turnover percentage (the number of people that have left the Department but have moved within the NICS) for 2020/21 is 6.9%, and the general turnover percentage (the people who have left the Department and have not gone elsewhere in the NICS) is 4.2%. This has been calculated by NICS HR based on the Cabinet Office Guidance on calculations for Turnover in the Civil Service.

Employment, training and advancement of disabled persons

The Northern Ireland Civil Service applies the recruitment principles as set out in the Recruitment Code of the Civil Service Commissioners for Northern Ireland, appointing candidates based on merit through fair and open competition. Recruitment and selection training, which includes raising awareness of unconscious bias, is offered to all members of NICS recruitment panels. Unconscious bias training is available to all staff.

To maintain and promote a diverse and inclusive workforce, the NICS has policies in place to support adjustments to the working environment required by disabled persons.

The NICS has a wide and active network of Diversity Champions and one of its' Deputy Secretaries is the NICS Diversity Lead for Disability. The NICS has a Disability Working Group and is a lead partner with Employers for Disability Northern Ireland. During 2020-21 the NICS established a Disability Staff Network. This Network plays a key role in promoting disability equality and inclusion across the NICS.

The NICS is committed to working towards creating a truly inclusive workplace where all colleagues feel valued. The NICS promotes a number of schemes for disabled people, including a Work Experience Scheme for People with Disabilities.

Other Employee Matters

The 2018-21 NICS People Strategy http://drupdocs.intranet.nigov.net/nics/NICSHR/nics-people-strategy-2018-21.PDF sets out the shared view of the people priorities across the NICS under the following themes:

- A well-led NICS
- High performing NICS
- Outcomes-focused NICS
- An inclusive NICS in which diversity is truly valued – a great place to work.

Equality, Diversity and Inclusion

In the NICS, we are committed to building an inclusive workplace culture where diversity is truly valued at all levels, where you are valued for who you are and where you can bring your true self to work. We want to make use of all the talent that exists across the NICS to ensure we are a well-led, high performing, outcome-focused Service and a Service that is a great place to work.

The NICS People Strategy includes a range of actions that will help accelerate our ambition of a truly inclusive NICS, which reflects the society we serve.

As a key element of the People Strategy, our ambitious diversity and inclusion programme of work is delivered through the implementation of an annual NICS Diversity Action Plan, and overseen by the leadership of the NICS Board, the NICS Diversity Champions Network, Departmental Diversity Champions and Thematic Diversity Champions, NICS colleague networks and NICSHR, as well as through partnership working with stakeholder organisations.

The NICS Diversity Action Plan sets out our priorities for action by diversity and inclusion theme, cross-cutting priorities, departmental priorities and includes supporting plans on communications and outreach.

Equality is a cornerstone consideration in the development and review of all HR policies which determine how staff are recruited and appointed, their terms and conditions, how they are managed and developed, assessed, recognised and rewarded. The NICS' commitment to equality of opportunity is outlined in its Equality, Diversity and Inclusion Policy at https://www.finance-ni.gov.uk/articles/equal-opportunities-information-candidates.

As part of the NICS' efforts to ensure equality of opportunity, the NICS continually conducts comprehensive reviews into the composition of its workforce and recruitment activity, publishing a wide range of NICS human resource statistics at https://www.nisra.gov.uk/statistics/government/ni-civil-service-human-resource-statistics .

The annual "Equality Statistics for the Northern Ireland Civil Service" reports work force composition and trends over time and, where appropriate, makes comparisons with the wider labour market and the Civil Service in Great Britain.

The NICS continues to meet its statutory obligations under the Fair Employment & Treatment (NI) Order 1998, which includes submission of an annual Fair Employment Monitoring Return and a tri-annual Article 55 Review to the Equality Commission for NI (ECNI), both of which assess the composition of the NICS workforce and the composition of applicants and appointees. In addition, the NICS conducts a similar formal review of the gender profile of its workforce. The finding are published in the NICS Article 55 and Gender Reviews at https://www.finance-ni.gov.uk/publications/article-55-reviews .

The NICS uses the findings of all the equality monitoring and analysis to inform its programme of targeted outreach activity to address any areas of under-representation.

As a public authority, the NICS has due regard to the need to promote equality of opportunity and regard to the desirability of promoting good relations across a range of categories outlined in the Section 75 of the Northern Ireland Act 1998 in carrying out its functions. Further information on the department's equality scheme is available at https://www.health-ni.gov.uk/doh-equality .

Staff Engagement

The 2020 NICS People Survey was conducted by NISRA across the nine NICS ministerial Departments as well as the Public Prosecution Service and the Health & Safety Executive for NI. All staff working in these organisations were invited to take part in the survey. For DoH there were 513 (2019-20: 497) staff invited to complete the survey, of which 286 (2019-20: 334) participated, a response rate of 54.2% (2019-20: 67%). The Employee Engagement Index (EEI) is the weighted average of the responses to the five employee engagement questions, and it ranges from 0% to 100%. DoH responses indicated an Employee Engagement Index of 64% (2019-20: 62%), compared to the NICS average of 57% (2019-20: 51%). The full survey can be accessed at https://www.finance-ni.gov.uk/publications/nics-people-survey-results .

Staff Redeployment relating to Covid-19 and EU Exit

	Grade	Long – Term Loan	Short – Term Loan
Covid			
Redeployed out	Grade 7	-	1
Redeployed in	Grade 7	3	3
	DP	1	-
	SO	1	1
EU Exit			
Redeployed in	Grade 7	-	1
	Deputy Principal	-	1

The average duration of staff redeployed out of the Department due to Covid-19 was 1 month and for those redeployed into the Department due to Covid-19 was 7 months. The average duration of staff redeployed into the Department for EU Exit was 2 months. The cost of staff redeployed out of the Department (to nearest £000) due to Covid-19 was £9k administration costs and redeployed in due to Covid-19 was £288k programme costs. The cost of redeployments into the Department for EU Exit was £27k programme costs.

Learning & Development

The NICS recognises the importance of having skilled and engaged employees and continues to invest in learning and development. Development and delivery of generic staff training is centralised in NICSHR[1]. Training is delivered using a variety of learning delivery channels (including on-line, webinars), providing flexible access to learning. Coherent learning pathways are aligned to both corporate need and the NICS Competency Framework. Talent management is a key theme of the NICS People Strategy and this year the focus was on improving the quality of the development conversation between managers and staff, with the introduction of a talent management toolkit. The NICS offers a wide range of career development opportunities through mentoring, secondment and interchange opportunities, elective transfers, temporary promotion, job rotation and job shadowing.

[1] NICSHR is the NICS' centralised human resources function. It falls under the responsibility of the Department of Finance

Employee Consultation and Trade Union Relationships

The Department of Finance is responsible for the NICS Industrial Relations Policy. NICSHR, consults on HR policy with all recognised Trade Unions and local departmental arrangements are in place to enable consultation on matters specific to a department or individual business area.

Off-Payroll Engagements

Table 1: Temporary off-payroll worker engagements as at 31 March 2021.

	Core department	Agencies
Number of existing engagements as of 31 March 2021	2	-
Of which have:		
Existed for less than one year at time of reporting	1	-
Existed for between one and two years at time of reporting	-	-
Existed for between two and three years at time of reporting*	1	-

*The 'Off Payroll engagement which existed for between two and three years relates to a three year contract where support is engaged on an ad hoc basis. During 2020/21 5 days work was engaged using this contract.

Table 2: All temporary off-payroll workers engaged at any point during the year ended 31 March 2021.

	Core department	Agencies
Number of off-payroll workers engaged during the year ended 31 March 2021	**2**	-
Of which:		
Number determined as out-of-scope of IR35	**2**	-
Number determined as in-scope of IR35	-	-
Number of engagements reassessed for compliance or assurance purposes during the year	-	-
Of which:		
Number of engagements that saw a change to IR35 status following review	-	-
Number of engagements where the status was disputed under provisions in the off-payroll legislation	-	-
Of which:		
Number *of engagements that saw a change to IR35 status following review*	-	-

There were nil off –payroll engagements for HSCB and PHA in 2020-21.

External Consultancy Expenditure

External consultancy incurred by the Core Department in 2020-21 was £208k. The HSCB incurred £99k on external consultancy. The PHA did not incur any expenditure on external consultancy in 2020-21.

AUDIT AND ACCOUNTABILITY REPORT

Statement of Outturn against Assembly Supply (Audited)

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires the Department of Health to prepare a Statement of Outturn against Assembly Supply (SOAS) and supporting notes.

The SOAS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly.

The SOAS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision for resource and cash (drawn primarily from the Consolidated Fund), that the Assembly gives statutory authority for entities to utilise. The Estimate details Supply and is voted on by the Assembly at the start of the financial year and is then normally revised by a Supplementary Estimate at the end of the financial year. It is the final Estimate, normally the Spring Supplementary Estimate, which forms the basis of the SOAS.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SOAS mirrors the Supply Estimates to enable comparability between what the Assembly approves and the final outturn. The Supply Estimates are voted by the Assembly and published on the DoF website.

The supporting notes detail the following: Outturn detailed by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of outturn to net operating expenditure in the SoCNE, to tie the SOAS to the financial statements (note 2); a reconciliation of net resource outturn to net cash requirement (note 3); an analysis of income payable to the Consolidated Fund (note 4); a reconciliation of income recorded within the Statement of Comprehensive Net Expenditure to operating income payable to the Consolidated Fund (note 5); and detail on non-operating income – excess Accruing Resources (note 6).

The SOAS and Estimates are compiled against the budgeting framework, which is similar to, but different to, IFRS. An understanding of the budgeting framework and an explanation of key terms is provided in the financial performance section of the performance report. Further information on the Public Spending Framework and the reasons why budgeting rules are different to IFRS can also be found in chapter 1 of the Consolidated Budgeting Guidance, available on gov.uk.

The SOAS provides a detailed view of financial performance, in a form that is voted on and recognised by the Assembly. The financial review, in the Performance Report, provides a summarised discussion of outturn against estimate and functions as an introduction to the SOAS disclosures.

Notes 1 to 22 form part of these accounts

Summary tables – mirror Part II and III of the Estimates

Summary table, 2020-21, all figures presented in £000

		Outturn			Estimate			Outturn vs Estimate, saving/ (excess)	
Type of spend	**Note**	**Gross Expenditure**	**Accruing Resources**	**Net Total**	**Gross Expenditure**	**Accruing Resources**	**Net Total**	**Net Total**	Prior Year Outturn Total, 2019-20
Request for Resources A	**SOAS 1**	7,105,095	603,712	6,501,383	7,321,398	608,183	6,713,215	211,832	5,567,958
Total Resources	**SOAS 2**	7,105,095	603,712	6,501,383	7,321,398	608,183	6,713,215	211,832	5,567,958
Non-operating Accruing Resources				176			1,121	945	138

Request for Resources A: Providing high quality health, social care, fire-fighting, rescue and fire safety services and promoting good health and wellbeing.

Net Cash Requirement 2020-21, all figures presented in £000

Item	**Note**	**Outturn**	**Estimate**	**Outturn vs Estimate, saving/ (excess)**	Prior Year Outturn Total, 2019-20
Net Cash Requirement	**SOAS 3**	**6,605,259**	**6,867,127**	**261,868**	5,548,910

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 2020-21 £000		**Outturn 2020-21 £000**	
	Note	**Income**	***Receipts***	**Income**	***Receipts***
Total amount payable to the Consolidated Fund	**SOAS 4**	-	-	**100**	***86***

Notes 1 – 22 form part of these accounts

Notes to the Statement of Outturn against Assembly Supply 2020-21 (£000)

This note mirrors Part II of the Estimates: (Revised) Subhead Detail and Resource to Cash Reconciliation

SOAS note 1. Outturn detail, by Estimate line

	Resource Outturn						Estimate				
Type of spend	**Admin**	**Other Current**	**Grants**	**Gross Resource Expenditure**	**Accruing Resources**	**Net Total**	**Net Total**	***Virements**	**Net total including virements**	**Outturn vs Estimate, (inc virements), saving/ (excess)**	Prior year outturn Total, - 2019-20
Request for Resources A:											
Departmental expenditure in DEL											
A1.	958	156,894	3,314	161,166	(21,257)	139,909	168,172	(27,925)	140,247	28,263	109,098
A2.	3,156	60,702	13,423	77,281	(8,862)	68,419	69,789	-	69,789	1,370	56,816
A3.	649	346,382	7,360	354,391	(814)	353,577	326,082	27,495	353,577	(27,495)	313,331
A4.	988	548,363	-	549,351	(20)	549,331	540,990	8,341	549,331	(8,341)	493,402
A5.	118	138,173	-	138,291	(6,461)	131,830	127,022	4,808	131,830	(4,808)	105,958
A6.	89	26,310	-	26,399	-	26,399	25,751	648	26,399	(648)	22,783
A7.	23,943	126,315	-	150,258	(3,483)	146,775	194,315	(17,815)	176,500	47,540	64,655
A8.	1,718	78,927	8,590	89,235	(4,769)	84,466	89,187	400	89,587	4,721	73,869
A9.	219	158	-	377	-	377	464	-	464	87	314
Annually Managed Expenditure (AME)											
A10.	-	5,533	-	5,533	-	5,533	1,500	4,033	5,533	(4,033)	3,641
A11.	-	818	-	818	-	818	803	15	818	(15)	327
Non-budget											
A12.	-	-	-	-	(558,046)	(558,046)	(558,894)	-	(558,894)	(848)	(563,935)
A13.	-	-	5,332,694	5,332,694	-	5,332,694	5,460,022	(65)	5,459,957	127,328	4,706,585
A14.	-	-	65,000	65,000	-	65,000	109,593	-	109,593	44,593	34,939
A15.	-	-	420	420	-	420	355	65	420	(65)	280
A16.	-	-	4,503	4,503	-	4,503	4,530	-	4,530	27	4,577
A17.	-	-	24,441	24,441	-	24,441	25,336	-	25,336	895	19,282
A18.	-	-	1,588	1,588	-	1,588	1,635	-	1,635	47	2,130
A19.	-	-	3,481	3,481	-	3,481	3,835	-	3,835	354	2,899
A20.	-	-	2,064	2,064	-	2,064	2,192	-	2,192	128	1,578
A21.	-	-	6,804	6,804	-	6,804	7,156	-	7,156	352	6,775
A22.	-	-	2,035	2,035	-	2,035	2,059	-	2,059	24	2,057
A23.	-	-	422	422	-	422	422	-	422	-	422
A24.	-	-	94,396	94,396	-	94,396	96,110	(320)	95,790	1,714	94,198
A25.	-	-	9,909	9,909	-	9,909	9,589	320	9,909	(320)	7,483
A26.	4,162	76	-	4,238	-	4,238	5,200	-	5,200	962	4,494
Total	36,000	1,488,651	5,580,444	7,105,095	(603,712)	6,501,383	6,713,215	-	6,713,215	211,832	5,567,958
Resource Outturn	**36,000**	**1,488,651**	**5,580,444**	**7,105,095**	**(603,712)**	**6,501,383**	**6,713,215**	**-**	**6,713,215**	**211,832**	**5,567,958**

*Virements are the reallocation of provision in the Estimates that do not require Assembly authority (because the Assembly does not vote to that level of detail and delegates to DoF). Further information on virements are provided in the Supply Estimates in Northern Ireland Guidance Manual, available on the DoF website.

The Outturn vs Estimate column is based on the total including virements. The Estimate total before virements have been made is included so that users can reconcile this Estimate back to the Estimates approved by the Assembly.

Notes 1 to 22 form part of these accounts

The net resource outturn for the year is £6,501m which is within the voted total Estimate cover by some £212m (3%) for Request for Resources A. This is primarily in relation to less drawdown from Trusts than was forecast at the time of the Spring Supplementary Estimates.

Detailed explanations of the variances are given in the Financial Performance section of the Performance Report.

Key to Request for Resources and Functions

Request for Resources A:
Providing high quality health, social care, fire-fighting, rescue and fire safety services and promoting good health and wellbeing.

Departmental expenditure in DEL

A1. Hospital, Paramedic and Ambulance Services
A2. Social Care Services
A3. Family Health Service – General Medical Services
A4. Family Health Service -Pharmaceutical Services
A5. Family Health Service – Dental Services
A6. Family Health Service -Ophthalmic Services
A7. Health Support Services
A8. Public Health Services
A9. Public Safety

Annually Managed Expenditure (AME)

A10. Provisions
A11. Social Care Depreciation and Impairments

Non-Budget

A12. Health Service Contributions
A13. Health and Social Care Trusts
A14. Business Services Organisation
A15. Northern Ireland Blood Transfusion Service
A16. Northern Ireland Guardian Ad Litem Agency
A17. Northern Ireland Medical and Dental Training Agency
A18. Northern Ireland Practice and Education Council for Nursing and Midwifery
A19. Northern Ireland Social Care Council
A20. Patient and Client Council
A21. Regulation and Quality Improvement Authority
A22. Food Safety Promotion Board
A23. Institute of Public Health in Ireland
A24. Northern Ireland Fire and Rescue Service
A25. Northern Ireland Fire and Rescue Service – Firefighters Pension Schemes
A26. Notional Charges

Notes 1 to 22 form part of these accounts

SOAS note 2. Reconciliation of outturn to net operating expenditure

Item	Note	Outturn	Supply Estimate	Outturn compared with Estimate	Prior year Outturn total 2019-20
Net resource outturn	SOAS 1	6,501,383	6,713,215	211,832	5,567,958
Prior period adjustments		-	-	-	-
Non-supply income (CFERs)	SOAS 4	(100)	-	100	(104)
Net Operating Expenditure in Consolidated Statement of Comprehensive Net Expenditure	**SoCNE**	**6,501,283**	**6,713,215**	**211,932**	5,567,854

As noted in the introduction to the SOAS above, outturn and the Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this note reconciles the resource outturn to net operating expenditure, linking the SOAS to the financial statements.

SOAS note 3. Reconciliation of net resource outturn to net cash requirement

This note mirrors Part II of the Estimates: Resource to Cash Reconciliation.

Item	Note	Outturn total	Estimate	Outturn vs Estimate, saving/(excess)
Resource Outturn	SOAS 1	**6,501,383**	**6,713,215**	211,832
Capital Items				
Capital	6, 7, 10	10,840	15,995	5,155
Non-Operating Accruing Resources	6, 7, 10	(176)	(1,121)	(945)
Net Capital		**10,664**	**14,874**	**4,210**
Accruals to cash adjustments				
Depreciation, amortisation and impairment	3,4	(6,606)	(7,626)	(1,020)
New provisions, and adjustments to previous provisions	3, 4, 15	(5,533)	(1,500)	4,033
Notional charges	3,4	(7,935)	(5,200)	2,735
Movement in working capital	13, 14	110,718	150,000	39,282
Use of Provision	15	2,568	3,364	796
Total Accruals to Cash Adjustment		**93,212**	**139,038**	**45,826**
Net Cash Requirement		**6,605,259**	**6,867,127**	**261,868**

Notes 1 to 22 form part of these accounts

As noted in the introduction to the SOAS above, outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. This reconciliation bridges the resource outturn to the net cash requirement.

SOAS note 4. Analysis of income payable to the Consolidated Fund

This note mirrors Part III of the Estimates: Extra Receipts Payable to the Consolidated Fund.

In addition to income retained by the Department, the following income is payable to the Consolidated Fund (cash receipts being shown in italics).

Item	Note	Forecast 2020-21		Outturn 2020-21	
		Income	***Receipts***	**Income**	***Receipts***
Operating income and receipts not classified as Accruing Resources		-	-	100	*86*
Non-Operating income & receipts – excess Accruing Resources	SOAS 6	-	-	-	-
Total amount payable to the Consolidated Fund		-	-	100	*86*

SOAS note 5. Reconciliation of income recorded within the Statement of Comprehensive Net Expenditure to operating income payable to Consolidated Fund

Item	Note	**2020-21 £000**	2019-20 £000
Operating income	5	603,812	628,983
Income authorised to be Accruing Resources		(603,712)	(628,879)
Operating income payable to the Consolidated Fund	SOAS 4	100	104

SOAS note 6. Non-operating income - Excess Accruing Resources

Item	**2020-21 £000**	2019-20 £000
Principal repayments of voted loans	-	-
Proceeds on disposal of property, plant & equipment	-	-
Non-operating income - excess Accruing Resources	-	-

Notes 1 to 22 form part of these accounts

Other Assembly Accountability Disclosures

The following sections are subject to audit

Losses and Special Payments

Classifications are as defined by Managing Public Money NI and applicable to the consolidated accounts.

Losses Statement for Core Department, HSC Board and PHA

Losses statement	2020-21		2019-20	
	Core Department	Consolidated*	Core Department	Consolidated
Total number of losses**	**1**	**2**	1	8
Total value of losses (£000)	**1,718**	**1,721**	1,801	1,813

Individual losses over £250,000	2020-21		2019-20	
	Core Department £000	Consolidated £000	Core Department £000	Consolidated £000
Administrative write-offs – National Insurance Fund**	**1,718**	**1,718**	1,796	1,796

Special Payments made by Core Department, HSC Board and PHA

Special payments	2020-21		2019-20	
	Core Department	Consolidated	Core Department	Consolidated
Total number of special payments	**4**	**8**	37	45
Total value of special payments (£000)	**141**	**272**	986	1,393

*In addition to consolidated losses detailed above, the HSC Board establish an estimate of the total annual potential loss due to fraud and error in provision of their family practitioner services. The Counter Fraud and Probity Service within Business Services Organisation, on behalf of HSCB, checks patient exemption entitlement by means of sampling technique. The best estimate available for patient exemption fraud in 2020-21 is £1.8m (2019-20: £3.9m).

**The majority of waivers and remissions in relation to National Insurance contributions are reported in the Northern Ireland National Insurance Fund account but an NHS proportion (approximately 20% of the NI total) is attributed to the health programme. The number of cases of NI Fund Losses (Administrative write off) are not disclosed as the National Audit Office, who audit the NI Fund accounts, 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 and case numbers are no longer available for reporting.

Other payments - Gifts

Gifts	2020-21		2019-20	
	Core Department	**Consolidated**	Core Department	Consolidated
Total number Gifts	**5**	**5**	-	-
Total value of Gifts (£000)	**15,000**	**15,000**	-	-

Individual gifts over £250,000	2020-21		2019-20	
	Core Department	**Consolidated**	Core Department	Consolidated
	£000	**£000**	**£000**	**£000**
Charitable Trust Fund donations	**15,000**	**15,000**	-	-

Remote Contingent Liabilities

In addition to contingent liabilities reported within the meaning of IAS37, the Department also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. As at 31 March 2021, the Department have the following remote contingent liabilities:

Inquiry Panel membership

It is normal practice for a Department commissioning an inquiry 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. The possibility of payment being made under these indemnities is assessed as remote and the potential liability has been assessed as zero.

Non-Executive Directors

Under the Department's ordinary business practices, on appointment non-executive directors are provided with an indemnity whereby provided they have acted honestly, reasonably and in good faith, the Department will indemnify against any personal civil liability which is incurred in the execution or purported execution of each non-executive director's Board functions. The likelihood of transfer of economic benefit in settlement is assessed as remote and thus the potential liability is zero.

This accountability report is approved and signed:

Mr R Pengelly
Accounting Officer
07 July 2021

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

Opinion on financial statements

I certify that I have audited the financial statements of the Department of Health for the year ended 31 March 2021 under the Government Resources and Accounts Act (Northern Ireland) 2001. The financial statements comprise: the Consolidated Statements of Financial Position; Cash Flows; Changes in Taxpayers' Equity; Comprehensive Net Expenditure; and the related notes, including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

I have also audited the Statement of Outturn against Assembly Supply, and the related notes, and the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Department’s affairs as at 31 March 2021 and of its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2021 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.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law and Practice Note 10 ‘Audit of Financial Statements of Public Sector Entities in the United Kingdom’. My responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of this certificate.

My staff and I are independent of the Department of Health in accordance with the ethical requirements of the Financial Reporting Council’s Revised Ethical Standard 2019, and have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, I have concluded that Department of Health's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Department of Health's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in that report as having been audited, and my audit certificate. The Accounting Officer is responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Finance directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Department of Health and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

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 parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; 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 the Department of Finance's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free form material misstatement, whether due to fraud or error;
- assessing the Department of Health's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by Department of Health will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001.

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

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Department of Health through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance directions issued thereunder;
- making enquires of management and those charged with governance on Department of Health's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;

- completing risk assessment procedures to assess the susceptibility of Department of Health's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition and, posting of unusual journals;

- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;

- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;

- communicating with component auditors to request identification of any instances of non-compliance with laws and regulations that could give rise to a material misstatement of the group financial statements;

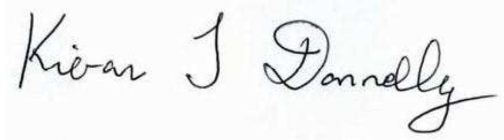
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;

- addressing the risk of fraud as a result of management override of controls by:
    - performing analytical procedures to identify unusual or unexpected relationships or movements;
    - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
    - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
    - investigating significant or unusual transactions made outside of the normal course of business; and
- applying tailored risk factors to datasets of financial transactions and related records to identify potential anomalies and irregularities for detailed audit testing.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

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

My detailed observations are included in my report attached to the financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
1 Bradford Court
Belfast
BT8 6RB

9 July 2021

Financial Statements

Consolidated Statement of Comprehensive Net Expenditure for the year ended 31 March 2021

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

		2020-21		2019-20	
		Core Department	**Consolidated**	Core Department	Consolidated
	Note	**£000**	**£000**	£000	£000
Revenue from contracts with customers	5	(208)	(37,710)	(196)	(55,547)
Other operating income	5	(563,986)	(566,082)	(571,755)	(573,395)
Total Operating income		**(564,194)**	**(603,792)**	(571,951)	(628,942)
Staff costs	3,4	31,998	91,207	26,802	77,105
Purchase of goods and services	3,4	5,602,826	6,849,571	4,929,243	6,057,341
Depreciation, amortisation and impairment charges	3,4	2,998	6,606	1,701	4,825
Provision expense	3,4	(77)	5,533	32	3,641
Other operating expenditure	3,4	141,147	152,178	42,843	53,924
Total operating expenditure		**5,778,892**	**7,105,095**	5,000,621	6,196,836
Finance income	5	(7)	(20)	(27)	(41)
Finance expense	3,4	-	-	1	1
Net expenditure for the year		**5,214,691**	**6,501,283**	4,428,644	5,567,854
Other comprehensive net expenditure					
Items that will not be reclassified to net operating expenditure:					
Net (gain)/loss on revaluation of Property, Plant and Equipment	6	(1)	(2)	(211)	(3,821)
Net (gain)/loss on revaluation of Intangible Assets		(1)	(1)	(1)	(2)
Items that may be reclassified to net operating costs:					
Net (gain)/loss on revaluation of investments		-	-	-	-
Comprehensive net expenditure for the year		**5,214,689**	**6,501,280**	4,428,432	5,564,031

Notes 1 to 22 form part of these accounts

Consolidated Statement of Financial Position as at 31 March 2021

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

		31 March 2021		31 March 2020	
	Note	**Core Department £000**	**Consolidated £000**	Core Department £000	Consolidated £000
Non-current assets					
Property, plant and equipment	6	43,045	64,115	47,653	68,408
Intangible assets	7	37	7,222	46	2,510
Financial assets	10	2,009,000	2,009,213	2,009,000	2,009,644
Total non-current assets		**2,052,082**	**2,080,550**	2,056,699	2,080,562
Current Assets					
Assets classified as held for sale	6	-	-	-	-
Inventories	11	-	-	-	-
Trade and other receivables	13	207,729	225,230	15,532	21,801
Other current assets	13	68	129	84	124
Financial assets	10	-	494	-	117
Cash and cash equivalents	12	-	1,392	-	2,130
Total current assets		**207,797**	**227,245**	15,616	24,172
Total assets		**2,259,879**	**2,307,795**	2,072,315	2,104,734
Current liabilities					
Trade and other payables	14	126,817	309,108	38,236	221,965
Provisions	15	403	4,250	520	3,234
Total current liabilities		**127,220**	**313,358**	38,756	225,199
Total assets less current liabilities		**2,132,659**	**1,994,437**	2,033,559	1,879,535
Non-current liabilities					
Provisions	15	498	33,533	584	31,584
Total non-current liabilities		**498**	**33,533**	584	31,584
Total assets less total liabilities		**2,132,161**	**1,960,904**	2,032,975	1,847,951
Taxpayers' equity & other reserves:					
General Fund		2,114,620	1,930,892	2,014,940	1,817,446
Revaluation Reserve		17,541	30,012	18,035	30,505
Total equity		**2,132,161**	**1,960,904**	2,032,975	1,847,951

Mr R Pengelly
Accounting Officer
07 July 2021

Notes 1 to 22 form part of these accounts

Consolidated Statement of Cash Flows for the year ended 31 March 2021

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

	Note	**2020-21 £000**	2019-20 £000
Cash flows from operating activities			
Net operating expenditure	SoCNE	(6,501,283)	(5,567,854)
Adjustments for non-cash transactions	3,4,5	20,089	18,352
(Increase)/decrease in trade & other receivables	13	(203,434)	(898)
less movements in receivables relating to items not passing through the Statement of Comprehensive Net Expenditure			
Supply amounts due from the consolidated fund	13	28,813	(4,824)
(Increase)/Decrease in Inventories	11	-	-
(Decrease)/Increase in trade & other payables (adjusted for bank overdraft)	14	57,450	21,737
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	14	(323)	693
Movements in payables relating to purchase of intangibles	14	(2,588)	57
Non cash adjustments to working capital		-	(4,411)
Supply amounts due to the consolidated fund	14	6,435	(5,972)
Movements in payables relating to CFER items	14	4	3
Use of provisions	15	(2,568)	(3,596)
Net cash outflow from operating activities		(6,597,405)	(5,546,713)
Cash flows from investing activities			
Purchase of property, plant & equipment	6,14	(4,902)	(6,678)
Purchase of intangible assets	7,14	(3,027)	(809)
FTC loans issued to GPs	10	-	(43)
Proceeds of disposal of property, plant and equipment		39	-
FTC loans repaid by GPs	10	121	118
Net cash outflow from investing activities		(7,769)	(7,412)
Cash flows from financing activities			
From the Consolidated Fund (Supply) - current year		6,570,012	5,550,934
From the Consolidated Fund (Supply) - prior year		-	4,411
Settlement of excess sums from 2016/17		4,835	-
Net financing		6,574,847	5,555,345
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for payments to the Consolidated Fund		**(30,327)**	1,220
Payments of amounts due to the Consolidated Fund		(104)	(107)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		**(30,431)**	1,113
Cash and cash equivalents at the beginning of the period	12	**1,673**	560
Cash and cash equivalents at the end of the period	12	**(28,758)**	1,673

Notes 1 to 22 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2021

This statement shows the movement in the year on the different reserves held by the Department of Health, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The General Fund represents the total assets less liabilities of a department, to the extent that the total is not represented by other reserves and financing items.

	Note	General Fund £000	Revaluation Reserve £000	Taxpayers' Equity £000
Balances at 31 March 2019		1,837,331	30,123	1,867,454
Changes in taxpayers' equity for 2019-20				
Net assembly funding		5,550,934	-	5,550,934
Settlement of prior year trade payable/(trade receivable)		4,411	-	4,411
Supply (payable)/receivable adjustment		(6,435)	-	(6,435)
CFERs repayable to Consolidated Fund		(104)	-	(104)
Net Assembly Funding		5,548,806	-	5,548,806
Comprehensive Net Expenditure for the Year		(5,567,854)	3,823	(5,564,031)
Non-Cash Adjustments:				
Auditor's remuneration	3, 4	154	-	154
Other	3, 4	4,340	-	4,340
Non cash adjustment to working capital		(8,772)	-	(8,772)
Movements in Reserves:				
Transfer of Asset ownership		-	-	-
Other reserves movements including transfers		3,441	(3,441)	-
Balances at 31 March 2020		1,817,446	30,505	1,847,951
Changes in taxpayers' equity for 2020-21				
Net assembly funding		6,570,012	-	6,570,012
Settlement of prior year trade payable/(trade receivable)		6,435	-	6,435
Settlement of excess sums from 2016/17		4,835		4,835
Supply (payable)/receivable adjustment		28,813		28,813
CFERs repayable to Consolidated Fund		(100)	-	(100)
Net Assembly Funding		6,609,995	-	6,609,995
Comprehensive Net Expenditure for the Year		(6,501,283)	3	(6,501,280)
Non-Cash Adjustments:				
Auditor's remuneration	3, 4	166	-	166
Other	3, 4	4,072	-	4,072
Movements in Reserves:				
Transfer of Asset ownership		-	-	-
Other reserves movements including transfers		496	(496)	-
Balances at 31 March 2021		1,930,892	30,012	1,960,904

Notes 1 to 22 form part of these accounts

Core Statement of Changes in Taxpayers' Equity for the year ended 31 March 2021

	Note	General Fund £000	Revaluation Reserve £000	Taxpayers' Equity £000
Balances at 31 March 2019		2,026,053	21,264	2,047,317
Changes in taxpayers' equity for 2019-20				
Net assembly funding		4,420,571	-	4,420,571
Settlement of prior year trade payable/(trade receivable)		4,411	-	4,411
Supply (payable)/receivable adjustment		(6,435)	-	(6,435)
CFERs repayable to Consolidated Fund		(104)	-	(104)
Net Assembly Funding		4,418,443	-	4,418,443
Comprehensive Expenditure for the Year		(4,428,644)	212	(4,428,432)
Non-Cash Adjustments:				
Auditor's remuneration	3,4	79	-	79
Other	3,4	4,340	-	4,340
Non cash adjustment to working capital		(8,772)	-	(8,772)
Movements in Reserves:				
Transfer of Asset ownership		-	-	-
Other reserves movements including transfers		3,441	(3,441)	-
Balances at 31 March 2020		2,014,940	18,035	2,032,975
Changes in taxpayers' equity for 2020-21				
Net assembly funding		5,269,730	-	5,269,730
Settlement of prior year trade payable/(trade receivable)		6,435	-	6,435
Settlement of excess sums from 2016/17		4,835	-	4,835
Supply (payable)/receivable adjustment		28,813	-	28,813
CFERs repayable to Consolidated Fund		(100)	-	(100)
Net Assembly Funding		5,309,713	-	5,309,713
Comprehensive Expenditure for the Year		(5,214,691)	2	(5,214,689)
Non-Cash Adjustments:				
Auditor's remuneration	3,4	90	-	90
Other	3,4	4,072	-	4,072
Non cash adjustment to working capital				
Movements in Reserves:				
Transfer of Asset ownership		-	-	-
Other reserves movements including transfers		496	(496)	-
Balances at 31 March 2021		2,114,620	17,541	2,132,161

Notes 1 to 22 form part of these accounts

Notes to the Departmental Resource Accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2020-21 Government Financial Reporting Manual (FReM) issued by the Department of Finance. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Department of Health for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Department are described below. They have been applied consistently in dealing with items considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires the department to prepare one additional primary statement, The Statement of Outturn against Assembly Supply and supporting notes show outturn against Estimate in terms of the net resource requirement and the net cash requirement.

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 and certain financial assets and liabilities.

1.2. Currency and Rounding

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

1.3. Basis of Consolidation

These accounts comprise a consolidation of the Core Department and those entities which fall within the departmental boundary as defined in the FReM, interpreted for Northern Ireland. Transactions between entities included in the consolidation are eliminated.

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

1.4. Property, Plant and Equipment and Intangible Assets

Property, plant and equipment assets comprise Land, Buildings, Dwellings, Transport Equipment, Plant & Machinery, Information Technology, Furniture & Fittings and 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 a 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.

Assets 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. They are carried at cost, less any impairment loss. Assets under construction are revalued and depreciation commences when they are brought into use.

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 comprise IT, 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, less any impairment loss. This year, indices at the end of December 2020 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 was last carried out as at 31 January 2020, by Land and Property Services with the next review due by 31 January 2025.

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.

1.5. 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	25 – 60 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 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.

1.6. 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.

1.7. Impairments

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

If there has been an impairment loss 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.

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

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

1.8. 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 shown as an increased expense.

1.9. Non-Current Assets Held for Sale

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

1.10. Stockpile Goods

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

These stocks consist mainly of drugs and protective clothing and are regarded as the minimum levels necessary to provide an emergency response. In accordance with FReM, these minimum levels are treated as Property, Plant and Equipment (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.

1.11. Investments

The only Interest Bearing Debt (IBD) remaining is in relation to the Northern Ireland Ambulance Service (NIAS) 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 Department in respect of NIAS is no longer legally classed as a debt repayable to the Department.

The Public Dividend Capital (PDC) of the Trusts is held in the name of the Secretary of State. The Trusts are not required to make a dividend payment in respect of PDC. 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 line with public sector interpretation and DoF NI-specific guidance, in the Statement of Financial Position at historical cost.

1.12. Inventories and Work in Progress

Inventories are valued at the lower of cost and Net Realisable Value (NRV) and are included exclusive of VAT.

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

1.13. Research and Development

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

1.14. Income

Income is classified between Revenue from Contracts and Other Operating Income as assessed necessary in line with departmental activity, under the requirements of IFRS 15 and as applicable to the public sector. Judgement is exercised in order to determine whether the five essential criteria within the scope of IFRS 15 are met in order to define income as a contract.

Income relates directly to the activities of the Department and is recognised on an accruals basis when, and to the extent that a performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Where the criteria to determine whether a contract is in existence is not met, income is classified as Other Operating Income within the Statement of Comprehensive Net Expenditure and is recognised when the right to receive payment is established. Income is stated net of VAT.

The Department is in receipt of the Northern Ireland share of NHS National Insurance contributions. The Department accounts for this as income rather than as financing through the General Fund - this is a departure from FReM which has been authorised by the Department of Finance.

1.15. 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.

1.16. 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. IFRS 9 requires consideration of the expected credit loss model on financial assets. The measurement of the loss allowance depends upon the Department's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument, where judged necessary.

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, HSC Board 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 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.

1.17. 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.

1.18. Grants Payable

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

1.19. Provisions

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

The Department does not reflect 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.

1.20. Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, the department discloses for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the 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 the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

1.21. Change to Estimation Technique

As a result of uncertainties inherent in all business activities, many items in financial statements cannot be measured with precision but can only be estimated. Where estimates have been required in order to prepare these financial statements in conformity with FReM, management have used judgements based on the latest available, reliable information.

Management continually review estimates to take account of any changes in the circumstances on which the estimate was based or as a result of new information or more experience.

1.22. Value Added Tax

Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets.

1.23. Administration and Programme Expenditure

The Consolidated Statement of Comprehensive Net Expenditure is analysed between administration and programme expenditure. The classification of expenditure 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.

Administration costs reflect the costs of running the Core Department.

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 PHA which are consolidated into the Departmental account are both treated as programme costs.

1.24. 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 are covered by the Principal Civil Service Pension Scheme (PCSPS) (NI). The defined benefit schemes are unfunded. 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(NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS(NI). In respect of the defined contribution schemes, the Department recognises the contributions payable for the year.

The HSC Board and PHA participate in the HSC Pension Scheme, which is administered by the Business Services Organisation. 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 HSC Pension Scheme.

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

As per the requirements of IAS 19 and IAS 26, as amended by FReM, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the statement of financial position date and updates it to reflect current conditions.

1.25. Impact of implementation of ESA 2010 on research and development expenditure

Following the introduction of the 2010 European System of Accounts (ESA10), and the change in budgeting treatment (from the revenue budget to the capital budget) of research and development (R&D) expenditure additional disclosures are included in the notes to the accounts. This treatment was implemented from 2016-17.

1.26. Accounting Standards issued not included in 2020-21 FReM

The International Accounting Standards Board have issued the following new standards but which are either not yet effective or adopted. Under IAS 8 there is a requirement to disclose these standards together with an assessment of their initial impact on application.

IFRS 16 *Leases*:

IFRS 16 *Leases* replaces IAS 17 *Leases* and is effective with EU adoption from 1 January 2019. In line with the requirements of the FReM, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022. Due to the practical expedient advised by HM Treasury on initial application, management have assessed that there will be minimal impact on application to the Department's consolidated financial statements.

IFRS 17 *Insurance Contracts:*

IFRS 17 *Insurance Contracts* will replace IFRS 4 *Insurance Contracts* and is effective for accounting periods beginning on or after 1 January 2023. In line with the requirements of the FReM, IFRS 17 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2023. Management currently assess that there will be minimal impact on application to the Department's consolidated financial statements.

IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements*, IFRS 12 *Disclosure of Interests in Other Entities*:

The IASB 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 were effective with EU adoption from 1 January 2014.

Accounting boundary IFRS are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury.

A similar review in NI, which will bring NI departments under the same adaptation, has been carried out and the resulting recommendations were agreed by the Executive in December 2016. With effect from 2022-23, the accounting boundary for departments will change and there will also be an impact on departments around the disclosure requirements under IFRS 12. ALBs apply IFRS in full and their consolidation boundary may change as a result of the new Standards.

2. Statement of Operating Costs by Operating Segment

The Operating segments are:

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

	2020-21		
	Gross Expenditure £000	Income £000	Net Expenditure £000
Funded Bodies			
Health & Social Care Board	1,242,419	(39,662)	1,202,757
Public Health Agency	84,273	(4,046)	80,227
Business Services Organisation	65,000	-	65,000
Patient Client Council	2,064	-	2,064
NI Practice & Education Council for Nursing & Midwifery	1,588	-	1,588
NI Social Care Council	3,481	-	3,481
Health and Social Care Regulation and Quality Improvement Authority	6,804	-	6,804
NI Medical & Dental Training Agency	24,441	-	24,441
NI Guardian Ad Litem Agency	4,503	-	4,503
NI Fire & Rescue Service	104,305	-	104,305
Health and Social Care Trusts	5,332,694	-	5,332,694
Centrally Managed			
Administration	36,000	(215)	35,785
Programme	190,917	(559,889)	(368,972)
Depreciation / Impairments	6,606	-	6,606
Total	**7,105,095**	**(603,812)**	**6,501,283**

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

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

	2019-20		
	Gross Expenditure £000	**Income £000**	**Net Expenditure £000**
Funded Bodies			
Health & Social Care Board	1,119,816	(56,852)	1,062,964
Public Health Agency	76,548	(3,426)	73,122
Business Services Organisation	34,939	-	34,939
Patient Client Council	1,578	-	1,578
NI Practice & Education Council for Nursing & Midwifery	2,130	-	2,130
NI Social Care Council	2,899	-	2,899
Health and Social Care Regulation and Quality Improvement Authority	6,776	-	6,776
NI Medical & Dental Training Agency	19,282	-	19,282
NI Guardian Ad Litem Agency	4,577	-	4,577
NI Fire & Rescue Service	101,681	-	101,681
Health and Social Care Trusts	4,706,585	-	4,706,585
Centrally Managed			
Administration	30,546	(223)	30,323
Programme	84,655	(568,482)	(483,827)
Depreciation / Impairments	4,825	-	4,825
Total	**6,196,837**	**(628,983)**	**5,567,854**

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

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

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

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

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

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

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

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

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

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

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

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

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

2.1 Reconciliation between Operating Segments and CSoFP

	2020-21		
	Total assets £000	**Total liabilities £000**	**Net assets less liabilities £000**
Funded Bodies			
Health & Social Care Board	43,114	(204,583)	(161,469)
Public Health Agency	5,763	(15,551)	(9,788)
Business Services Organisation	-	-	-
Patient Client Council	-	-	-
NI Practice & Education Council for Nursing & Midwifery	-	-	-
NI Social Care Council	-	-	-
Health and Social Care Regulation and Quality	-	-	-
Improvement Authority	-	-	-
NI Medical & Dental Training Agency	-	-	-
NI Guardian Ad Litem Agency	-	-	-
NI Fire & Rescue Service	-	-	-
Health and Social Care Trusts	-	-	-
Centrally Managed	2,258,918	(126,757)	2,132,161
Total	2,307,795	(346,891)	1,960,904

	2019-20		
	Total assets £000	**Total liabilities £000**	**Net assets less liabilities £000**
Funded Bodies			
Health & Social Care Board	29,024	(207,110)	(178,086)
Public Health Agency	3,944	(10,882)	(6,938)
Business Services Organisation	-	-	-
Patient Client Council	-	-	-
NI Practice & Education Council for Nursing & Midwifery	-	-	-
NI Social Care Council	-	-	-
Health and Social Care Regulation and Quality	-	-	-
Improvement Authority	-	-	-
NI Medical & Dental Training Agency	-	-	-
NI Guardian Ad Litem Agency	-	-	-
NI Fire & Rescue Service	-	-	-
Health and Social Care Trusts	-	-	-
Centrally Managed	2,071,766	(38,791)	2,032,975
Total	2,104,734	(256,783)	1,847,951

3. Other Administration Expenditure

	Note	2020-21		2019-20	
		Core Department	**Consolidated**	Core Department	Consolidated
		£000	**£000**	£000	£000
Staff costs[1]:					
Wages and salaries		20,781	20,509	16,485	16,308
Social security costs		2,199	2,167	1,695	1,677
Other pension costs		6,029	5,970	4,798	4,766
Rentals under operating leases		12	12	6	6
Interest charges		-	-	1	1
PFI and other service concession arrangements service charges		-	-	-	-
Research and development expenditure		-	-	-	-
Purchase of goods and services		3,228	3,228	3,382	3,380
		32,249	**31,886**	26,367	26,138
Non-Cash Items					
Depreciation		-	-	1	1
Amortisation		-	-	-	-
(Profit)/loss on disposal of property, plant and equipment		-	-	-	-
(Profit)/loss on disposal of intangibles		-	-	-	-
Auditors' remuneration and expenses [2]		90	90	79	79
Increase/decrease in provisions (Provision provided for in year less any release)	15	-	-	-	-
Borrowing costs (unwinding of discount) on provisions	15	-	-	-	-
Accommodation costs		1,995	1,995	2,160	2,160
Other indirect charges and services		2,029	2,029	2,170	2,170
Total Non-Cash Items		**4,114**	**4,114**	4,410	4,410
Total		**36,363**	**36,000**	30,777	30,548

[1] Further analysis of staff costs is located in the Accountability Section.

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

4. Programme Expenditure

	Note	2020-21		2019-20	
		Core Department	**Consolidated**	Core Department	Consolidated
		£000	**£000**	£000	£000
Staff costs[1]:					
Wages and salaries		2,291	48,409	2,821	41,511
Social security costs		184	4,929	256	4,375
Other pension costs		514	9,223	747	8,468
Rentals under operating leases		7	157	38	140
Interest charges		-	-	-	-
PFI and other service concession arrangements service charges		-	-	-	-
Research and development expenditure		3	10,792	-	10,884
Purchase of goods and services[2]		5,599,598	6,846,343	4,925,861	6,053,961
Other Grants and Disbursements		137,011	137,011	38,390	38,390
		5,739,608	**7,056,864**	4,968,113	6,157,729
Non-Cash Items					
Depreciation		229	3,020	239	2,670
Amortisation		10	894	2	715
(Profit)/loss on disposal of property, plant and equipment		-	16	-	20
Auditors' remuneration and expenses		-	76	-	75
Increase/(decrease) in provisions (Provision provided for in year less any release)	15	(77)	5,776	32	3,884
Borrowing costs (unwinding of discount) on provisions	15	-	(243)	-	(243)
Permanent diminution in value		2,759	2,692	1,459	1,439
		2,921	**12,231**	1,732	8,560
Total		**5,742,529**	**7,069,095**	4,969,845	6,166,289

[1] Further analysis of staff costs is located in the Accountability Section

[2] This figure incorporates Grant in Aid paid to the HSC as a means of supporting health care provision.

5. Income

5.1 Revenue from contracts with customers

	2020-21		2019-20	
	Core Department	**Consolidated**	Core Department	Consolidated
	£000	**£000**	£000	£000
Income from customers	93	4,147	77	3,768
Income from other departments	115	27,055	119	25,717
Family Health Service receipts	-	6,508	-	26,062
Interest receivable and other similar income	7	20	27	41
Total revenue from contracts with customers	**215**	**37,730**	223	55,588

5.2 Other operating income

	2020-21		2019-20	
	Core Department	**Consolidated**	Core Department	Consolidated
	£000	**£000**	£000	£000
EU income	2,912	2,912	2,892	2,892
Miscellaneous Grants and Disbursements	-	-	-	-
Health & Social Services Grants and Disbursements*	561,074	563,170	568,863	570,503
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total other operating income	**563,986**	**566,082**	571,755	573,395

*Health & Social Services Grants and Disbursements include National Insurance contributions received of £558m (2019-20: £564m).

6. Property, plant and equipment 2020-21

6.1 Consolidated Property, plant and equipment 2020-21

	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 2020	37,004	12,792	470	20,252	11,316	21	259	82,114
Additions	-	324	-	2,564	2,312	-	25	5,225
Disposals	(39)	(3)	-	(2,213)	-	-	-	(2,255)
Transfers	(500)	(500)	-	226	(2,921)	-	-	(3,695)
Impairments transferred to Revaluation Reserve	-	-	-	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-	(2,759)	-	-	(2,759)
Reclassifications	-	-	-	-	-	-	-	-
Indexation	-	-	-	(1)	-	-	2	1
Revaluations	-	-	-	-	-	-	-	-
At 31 March 2021	**36,465**	**12,613**	**470**	**20,828**	**7,948**	**21**	**286**	**78,631**
Depreciation								
At 01 April 2020	-	225	2	13,109	164	21	185	13,706
Charged in year	-	698	20	2,292	-	-	10	3,020
Disposals	-	(3)	-	(2,197)	-	-	-	(2,200)
Transfers	-	(17)	-	8	-	-	-	(9)
Impairments transferred to Revaluation Reserve	-	-	-	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Indexation	-	-	-	(1)	-	-	-	(1)
Revaluations	-	-	-	-	-	-	-	-
At 31 March 2021	**-**	**903**	**22**	**13,211**	**164**	**21**	**195**	**14,516**
Carrying amount at 31 March 2021	**36,465**	**11,710**	**448**	**7,617**	**7,784**	**-**	**91**	**64,115**
Carrying amount at 31 March 2020	37,004	12,567	468	7,143	11,152	-	74	68,408
Asset financing:								
Owned	36,465	11,710	448	7,617	7,784	-	91	64,115
Finance leases	-	-	-	-	-	-	-	-
On-balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-
Carrying amount at 31 March 2021	**36,465**	**11,710**	**448**	**7,617**	**7,784**	**-**	**91**	**64,115**
Of the total:								
Department	32,415	2,334	448	-	7,784	-	64	43,045
Agencies	4,050	9,376	-	7,617	-	-	27	21,070
Carrying amount at 31 March 2021	**36,465**	**11,710**	**448**	**7,617**	**7,784**	**-**	**91**	**64,115**

6.2 Consolidated Property, plant and equipment 2019-20

	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 2019	49,588	13,452	467	19,212	9,859	21	275	92,874
Additions	-	119	-	2,880	3,002	-	(16)	5,985
Disposals	-	(1)	-	(1,692)	-	-	-	(1,693)
Transfers	-	-	-	(150)	-	-	-	(150)
Impairments transferred to Revaluation Reserve	(54)	(444)	-	-	-	-	-	(498)
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	(873)	(575)	-	-	(1,545)	-	-	(2,993)
Reclassifications	210	141	-	-	-	-	-	351
Indexation	-	9	-	2	-	-	-	11
Revaluations	(11,867)	91	3	-	-	-	-	(11,773)
At 31 March 2020	**37,004**	**12,792**	**470**	**20,252**	**11,316**	**21**	**259**	**82,114**
Depreciation								
At 01 April 2019	12,940	4,023	198	12,710	128	21	177	30,197
Charged in year	-	544	13	2,070	36	-	8	2,671
Disposals	-	(1)	-	(1,672)	-	-	-	(1,673)
Transfers	-	-	-	-	-	-	-	-
Impairments transferred to Revaluation Reserve	-	(352)	-	-	-	-	-	(352)
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	(1,118)	(416)	-	-	-	-	-	(1,534)
Reclassifications	115	11	-	-	-	-	-	126
Indexation	-	5	-	1	-	-	-	6
Revaluations	(11,937)	(3,589)	(209)	-	-	-	-	(15,735)
At 31 March 2020	**-**	**225**	**2**	**13,109**	**164**	**21**	**185**	**13,706**
Carrying amount at 31 March 2020	**37,004**	**12,567**	**468**	**7,143**	**11,152**	**-**	**74**	**68,408**
Carrying amount at 31 March 2019	36,648	9,429	269	6,502	9,731	-	98	62,677
Asset financing:								
Owned	37,004	12,567	468	7,143	11,152	-	74	68,408
Finance leases	-	-	-	-	-	-	-	-
On-balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-
Carrying amount at 31 March 2020	**37,004**	**12,567**	**468**	**7,143**	**11,152**	**-**	**74**	**68,408**
Of the total:								
Department	32,954	3,024	468	-	11,152	-	55	47,653
Agencies	4,050	9,543	-	7,143	-	-	19	20,755
Carrying amount at 31 March 2020	**37,004**	**12,567**	**468**	**7,143**	**11,152**	**-**	**74**	**68,408**

Valuation of Land and Buildings

RICS, IFRS, IVS & HM Treasury compliant asset revaluation of land and buildings for financial reporting purposes are undertaken by Land and Property Services (LPS) at least once in every five year period. Figures are then restated annually, between revaluations, using indices provided by LPS. The last asset revaluation was carried out on 31 January 2020. LPS have confirmed that, provided the relevant Indexation Categories supplied for the Effective Period 1 April 2020 to 31 March 2021 have been appropriately applied to the corresponding relevant asset classifications, as at 31 March 2021, then the restated 31 January 2020 land and building valuation figures remain appropriate at 31 March 2021.

As a result of the recent and ongoing COVID-19 pandemic events, and in line with current RICS guidance, LPS have advised that market evidence gathered as part of the recent 5-yearly valuation has attached to it, due to the worldwide impact of the pandemic, an increased level of subjectivity in terms of informing opinions of value. For the avoidance of doubt, this does not mean that figures cannot be relied upon, rather, the declaration of material uncertainty ensures transparency and provides further insight as to the market context under which valuation opinion has been prepared. Whilst at this stage there is no evidence of impairment as at year-end, the future impact of COVID-19 on land and building values cannot yet be accurately assessed therefore, the need for further future valuations will remain under consideration, subject to resources.

6.3 Assets Classified as Held for Sale

	Land		**Buildings**		**Total**	
	31 March 2021	31 March 2020	**31 March 2021**	31 March 2020	**31 March 2021**	31 March 2020
	£000	£000	**£000**	£000	**£000**	£000
Opening Balance at 1 April	-	846	-	4,751	-	5,597
AHFS Reclassifications from/(to) Non-current assets	-	(846)	-	(4,751)	-	(5,597)
Disposals of carrying value	-	-	-	-	-	-
Impairments	-	-	-	-	-	-
Closing Balance at 31 March	-	-	-	-	-	-

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 2021, there were no land and buildings assets (2019-20: Nil) held by Core Department which were classified as held for resale with a fair value of £Nil (2019-20: Nil).

7. Intangible Assets

7.1 Consolidated Intangible Assets 2020-21

	Information Technology	Software Licences	Development expenditure	Payments on account & Assets under construction	Total
	£000	£000	£000	£000	£000
Cost or Valuation					
At 01 April 2020	5,829	2,654	92	614	9,189
Additions	4,747	406	-	462	5,615
Disposals	(99)	(63)	-	-	(162)
Transfers	60	-	-	(70)	(10)
Indexation	-	-	1	-	1
Impairments transferred to Revaluation Reserve	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-	-
Revaluations	-	-	-	-	-
At 31 March 2021	**10,537**	**2,997**	**93**	**1,006**	**14,633**
Amortisation					
At 01 April 2020	4,918	1,715	46	-	6,679
Charged in year	527	357	10	-	894
Disposals	(99)	(63)	-	-	(162)
Transfers	-	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-	-
Impairments transferred to Consolidated	-	-	-	-	-
Statement of Comprehensive Net Expenditure	-	-	-	-	-
Revaluations	-	-	-	-	-
At 31 March 2021	**5,346**	**2,009**	**56**	**-**	**7,411**
Carrying amount at 31 March 2021	**5,191**	**988**	**37**	**1,006**	**7,222**
Carrying amount at 31 March 2020	911	939	46	614	2,510
Asset financing:					
Owned	5,191	988	37	1,006	7,222
Finance leased	-	-	-	-	-
Carrying amount at 31 March 2021	**5,191**	**988**	**37**	**1,006**	**7,222**
Of the total:					
Department	-	-	37	-	37
Agencies	5,191	988	-	1,006	7,185
Carrying amount at 31 March 2021	5,191	988	37	1,006	7,222

7. Intangible Assets

7.2 Consolidated Intangible Assets 2019-20

	Information Technology	Software Licences	Development expenditure	Payments on account & Assets under construction	Total
	£000	£000	£000	£000	£000
Cost or Valuation					
At 01 April 2019	5,788	2,437	44	49	8,318
Additions	72	218	47	415	752
Disposals	(32)	(1)	-	-	(33)
Transfers	-	-	-	150	150
Indexation	1	-	1	-	2
Impairments transferred to Revaluation Reserve	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-	-
Revaluations	-	-	-	-	-
At 31 March 2020	**5,829**	**2,654**	**92**	**614**	**9,189**
Amortisation					
At 01 April 2019	4,510	1,443	44	-	5,997
Charged in year	440	273	2	-	715
Disposals	(32)	(1)	-	-	(33)
Transfers	-	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-	-
Revaluations	-	-	-	-	-
At 31 March 2020	**4,918**	**1,715**	**46**	**-**	**6,679**
Carrying amount at 31 March 2020	**911**	**939**	**46**	**614**	**2,510**
Carrying amount at 31 March 2019	1,278	994	-	49	2,321
Asset financing:					
Owned	911	939	46	614	2,510
Finance leased	-	-	-	-	-
Carrying amount at 31 March 2020	**911**	**939**	**46**	**614**	**2,510**
Of the total:					
Department	-	-	46	-	46
Agencies	911	939	-	614	2,464
Carrying amount at 31 March 2020	911	939	46	614	2,510

8. Impairments

	2020-21	2019-20
	£000	£000
Impairment charged to Statement of Comprehensive Net Expenditure within Net Expenditure	2,692	1,439
Impairment charged to Statement of Comprehensive Net Expenditure as Other Comprehensive Expenditure	-	-
Total Impairment	**2,692**	1,439

9. 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.

10. Investments and loans in other public sector bodies

	2020-21			2019-20		
	Investments in Trusts	**Financial Transactions Capital**	**Total**	Investments in Trusts	Financial Transactions Capital	Total
	£000	**£000**	**£000**	£000	£000	£000
Balance at 1 April	2,009,000	761	2,009,761	2,009,000	816	2,009,816
Additions	-	-	-	-	43	43
Disposals	-	-	-	-	-	-
Repayments and redemptions	-	(121)	(121)	-	(118)	(118)
Interest capitalised	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Impairments	-	67	67	-	20	20
Balance at 31 March	**2,009,000**	**707**	**2,009,707**	2,009,000	761	2,009,761

The above investments are held by the Core Department and represent the Department's original investment in the 6 Health and Social Care Trusts as formulated during 2009 and representing the then net value of the Trusts Statement of Financial Position. In line with NI-specific treatment within the FReM, investments in public bodies are carried at historical cost, less any impairment.

The Financial Transactions Capital (FTC) investments are held by the HSCB and represent the GP Infrastructure Loans Scheme. FTC under the scheme is in the form of loans to GPs to undertake premises developments and improvements for HSC purposes. These assets have been initially recognised at fair value in the Statement of Financial Position.

11. Inventories

	31 March 2021		31 March 2020	
	Core Department £000	**Consolidated £000**	Core Department £000	Consolidated £000
Inventories	-	-	-	-

12. Cash and cash equivalents

	2020-21		2019-20	
	Core Department £000	**Consolidated £000**	Core Department £000	Consolidated £000
Balance at 1 April	(457)	1,673	(760)	560
Net change in cash and cash equivalent balances	(29,693)	(30,431)	303	1,113
Balance at 31 March	**(30,150)**	**(28,758)**	(457)	1,673
The following balances at 31 March are held at:				
Government Banking Service	-	-	-	-
Commercial banks and cash in hand	(30,150)	(28,758)	(457)	1,673
Short term investments	-	-	-	-
Balance at 31 March	**(30,150)**	**(28,758)**	(457)	1,673

The consolidated 'Cash and Cash Equivalent' balance in the Statement of Financial Position reflects the HSCB and PHA bank balances of £1,392k (2019-20: £2,130k). As the Core bank balance at 31 March 2021 was overdrawn by £30,150k (2019-20: £457k) this has been reflected in Trade Payables in the Statement of Financial Position.

12.1 Reconciliation of Liabilities arising from financing activities

The Department’s source of financing is from the Consolidated Fund. Any asset or liability arising from the Consolidated Fund is settled with the Department of Finance on an annual basis and so the year end asset or liability is shown in the appropriate note.

13. Trade receivables, financial and other assets

	2020-21		2019-20	
	Core Department	**Consolidated**	Core Department	Consolidated
	£000	**£000**	£000	£000
Amounts falling due within one year:				
VAT	886	2,682	254	1,083
Trade receivables	3,301	14,623	3,641	6,190
Deposits and advances	-	259	-	282
Other receivables	174,729	178,853	11,637	14,246
Amounts due from the Consolidated Fund in respect of supply	28,813	28,813	-	-
Current Trade and Other Receivables	**207,729**	**225,230**	15,532	21,801
Prepayments	68	129	84	124
Accrued income	-	-	-	-
Other Current Assets	**68**	**129**	84	124
Total amounts falling due within one year	**207,797**	**225,359**	15,616	21,925
Included within Other Receivables is that which will be due to the Consolidated fund once the debts are collected	45	45	31	31

14. Trade payables, financial and other liabilities

	2020-21		2019-20	
	Core Department	**Consolidated**	Core Department	Consolidated
	£000	**£000**	£000	£000
Amounts falling due within one year:				
Bank overdraft	30,150	30,150	457	457
Other taxation and social security	-	1,142	-	1,397
Trade revenue payables	250	71,248	362	66,218
Trade capital payables – property plant & equipment	-	365	-	42
Trade capital payables - intangibles	-	3,155	-	567
Other payables	62	19,187	59	16,319
Government grants payable	92	92	66	66
Accruals	95,894	182,691	30,386	129,373
Deferred income	269	978	367	987
Amounts issued from the Consolidated Fund for supply but not spent at year end	-	-	6,435	6,435
Other amounts due to the Consolidated Fund	-	-	-	-
Consolidated Fund extra receipts due to be paid to the Consolidated Fund:				
received	55	55	73	73
receivable	45	45	31	31
Total Payables falling due within one year	**126,817**	**309,108**	38,236	221,965

15. Provisions for Liabilities and Charges

15.1 Core Provisions for liabilities and charges 2020-21

	2020-21			2019-20		
Core	**Clinical Negligence £000**	**Other £000**	**Total £000**	Clinical Negligence £000	Other £000	Total £000
Balance at 1 April	**-**	1,104	1,104	**-**	2,211	2,211
Provided in the year	-	23	23	-	32	32
Provisions not required written back	-	(100)	(100)	-	-	-
Provisions utilised in the year	-	(126)	(126)	-	(1,139)	(1,139)
Borrowing costs (unwinding of discounts)	-	-	-	-	-	-
Balance at 31 March	**-**	**901**	**901**	**-**	1,104	1,104

Analysis of expected timing of discounted flows

	2020-21			2019-20		
Core	**Clinical Negligence £000**	**Other £000**	**Total £000**	Clinical Negligence £000	Other £000	Total £000
Not later than one year	-	403	403	-	520	520
Later than one year and not later than five years	-	142	142	-	240	240
Later than five years	-	356	356	-	344	344
Balance at 31 March	**-**	**901**	**901**	-	1,104	1,104

15.2 Consolidated Provisions for liabilities and charges 2020-21

	2020-21			2019-20		
Consolidated	**Clinical Negligence £000**	**Other £000**	**Total £000**	Clinical Negligence £000	Other £000	Total £000
Balance at 1 April	21,711	13,107	34,818	21,986	12,787	34,773
Provided in the year	2,768	3,324	6,092	2,119	2,230	4,349
Provisions not required written back	(65)	(251)	(316)	(271)	(194)	(465)
Provisions utilised in the year	(935)	(1,633)	(2,568)	(1,852)	(1,744)	(3,596)
Borrowing costs (unwinding of discounts)	(300)	57	(243)	(271)	28	(243)
Balance at 31 March	**23,179**	**14,604**	**37,783**	21,711	13,107	34,818

Analysis of expected timing of discounted flows

	2020-21			2019-20		
Consolidated	**Clinical Negligence £000**	**Other £000**	**Total £000**	Clinical Negligence £000	Other £000	Total £000
Not later than one year	2,457	1,793	4,250	2,037	1,197	3,234
Later than one year and not later than five years	3,976	2,144	6,120	3,179	2,376	5,555
Later than five years	16,746	10,667	27,413	16,495	9,534	26,029
Balance at 31 March	**23,179**	**14,604**	**37,783**	21,711	13,107	34,818

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

Other - Legal

The one material legal claim against the Department continues into 2020-21. A provision has been set up in respect of potential legal and compensatory claims arising from a UK-wide initiative. £0.3m represents Northern Ireland's share under the Barnett formula as at 31 March 2021.

DoH has provided for a lifetime personal injury award of £0.3m (2019-20: £0.3m). The full amount of this provision is shared jointly with the Department for Communities.

Other - Hepatitis C Compensation Scheme

This provision was set up in 2004, following a decision in 2003 by the Secretary of State for Health and Health Ministers of the Devolved Administrations to introduce a UK-wide scheme to make ex-gratia payments to certain persons who had been infected with Hepatitis C virus from blood products received through NHS treatment. This became known as the Skipton Fund. Provision was made for Hepatitis C first and second stage lump sum payments and also from March 2011 for the additional financial measures introduced across the UK following a DH (L)-led expert team review for patients infected with contaminated blood.

It was announced by the government in 2017 that, following further financial reform, the existing charities providing financial support to individuals infected with, or otherwise affected by, Human Immunodeficiency Virus (HIV) and/or Hepatitis C Virus (HCV), through contaminated blood, tissue or blood products provided during National Health Service (NHS) treatment were to close and each UK country would have sole responsibility for its own beneficiaries. This included the Skipton Fund.

The Department of Health in NI directed the Regional Business Services Organisation (BSO) to administer the payments for beneficiaries in Northern Ireland and the Infected Blood Payment Scheme for Northern Ireland was subsequently established. The Northern Ireland scheme has been operational from November 2017.

One-off lump sum payments continue to be paid for those diagnosed with HIV or Hepatitis C, when they first join the scheme and there is a one-off bereavement lump sum provided to eligible widows/widowers. In addition, the provision is used to make discretionary payments, being one-off grants to provide additional, time-limited financial support to beneficiaries and their families in financial hardship in order to address immediate needs.

The provision is £0.3m at 31 March 2021.

16. Contingent liabilities

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

Clinical Negligence Claims

The HSC Board has contingent liabilities of £242k (2019-20: £222k) representing clinical negligence incidents. The Department are in direct receipt of litigation from a small number of patients which may result in a financial outflow however at this stage it is not possible to determine the timing or financial impact, if any. Other litigation 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 15.

Contingent liabilities held by the HSC Trusts, in respect of clinical negligence incidents, total £11.4m (2019-20: £12.8m).

Neurology

The Department is in the process of considering compensation arrangements in respect of recalled patients who were potentially misdiagnosed by a consultant neurologist at Belfast Health and Social Care Trust and who have suffered harm as a result. Appropriate action will be taken at a suitable future time on as timely a basis as possible. Consequently, at present there continues to be significant uncertainty in respect of the total number of patients who would be expected to seek compensation thus it is not possible to quantify the timing or financial impact.

Historical institutional child abuse cases

The Department is a named defendant, along with others, in a number of civil cases relating to allegations by individuals that they were abused as children while in the care of institutions where the Department's predecessor organisations and/or its Arms' Length Bodies had some level of responsibility. The periods to which the claims relate and the institutions to which they relate vary. Some of the cases have been on-going for years. Given the nature of the cases and the stage of proceedings there is uncertainty around the amount and timing of any financial impact therefore it is unquantifiable at present.

Other litigation cases

There is an ongoing medical litigation case lodged against the Department which does not fall into any of the above categories. At this stage there is no certainty around the timing or financial outflow, if any, and until such times as a Court decision is granted the financial impact is unquantifiable.

Details of the Department's remote contingent liabilities are disclosed within Other Assembly Accountability Disclosures section of the Audit and Accountability report.

16.1 Financial Guarantees, Indemnities and Letter of Comfort

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

Guarantees

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, 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.

There were no new Guarantees issued during 2020-21.

Indemnities

There is a financial indemnity issued by the Department in respect of one of its arm's length sponsor bodies to indemnify against the exceptional circumstance of a short term funding deficit.

The Department has entered into short term indemnity arrangements across a number of healthcare and related areas in response to Covid-19. The likelihood of crystallisation is unknown at present and is unquantifiable at this time.

Letters of Comfort

There is a letter of comfort issued by the Department to one of its special agencies, being agreement by the Department to fund the disposal of specialist equipment on behalf of the agency should the need arise. The current estimated cost is £60k. The likelihood of occurrence is unknown at present. This letter of comfort will act as a guarantee to ensure the agency complies with the necessary regulations.

The Department has signed a Letter of Comfort for a Third Party Developer (3PD) Project - Lisburn Primary and Community Care Centre (October 2018). Under the terms of the Letter of Comfort, if the Health and Social Care Trust were unable to meet its obligations (including its liabilities to its contractors or their financiers), the Department would intervene in a timely manner to ensure that either the Trust itself, or anybody to which its liabilities were transferred in accordance with the relevant legislation, would be in a position to meet its liability on time and in full. The likelihood of transfer of economic benefit is minimal and thus has been measured at nil.

The Department has issued a letter of comfort to one of its ALBs providing medical malpractice and public liability indemnity in respect of GoodSAM (Good Smartphone Activated Medics) volunteers, as well as cover for Trusts who approve their employees as volunteers. The likelihood of a transfer of economic benefit is unknown thus the financial impact is unquantifiable at present.

There is a letter of comfort issued to one of the Department's ALBs providing medical malpractice indemnity in respect of Community First Responders. The likelihood of a transfer of economic benefit is unknown thus the financial impact is unquantifiable at present.

17. Commitments under leases (IAS 17 disclosures)

17.1 Finance Leases

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

17.2 Operating Leases

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

	31 March 2021		31 March 2020	
	Core Department £000	**Consolidated £000**	Core Department £000	Consolidated £000
Obligations under operating leases for the following periods comprise:				
Land				
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	**-**	**-**
Buildings				
Not later than one year	73	395	-	157
Later than one year and not later than five years	-	191	-	67
Later than five years	-	-	-	-
	73	**586**	-	224
Other				
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	**-**	**-**

18. 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.

19. Capital and Other Commitments

19.1 Capital commitments

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

19.2 Other Financial commitments

The Department and its agencies have entered into non-cancellable contracts (which are not leases or PFI contracts or other service concession arrangements), to manage and maintain its Health counter measures stockpile. The payments to which the department and its agencies are committed are as follows.

	2020-21		2019-20	
	Core Department £000	Consolidated £000	Core Department £000	Consolidated £000
Not Later than one year	1,525	1,525	1,907	1,907
Later than one year and not later than five years	1,471	1,471	2,966	2,966
Later than five years	-	-	30	30
Total	**2,996**	**2,996**	**4,903**	**4,903**

20. Related-party transactions

The Department of Health (DoH) is the parent of its agencies, listed at Annex A and sponsors of 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.

No Minister, board member, key managers or other related parties has undertaken any material transactions with the Department during the year.

21. Third-party assets

The Department has no third party assets.

22. Events after the Reporting Period

There are no events that have taken place after the reporting period date affecting these accounts.

Date of authorisation for issue

The Accounting Officer authorised the issue of these financial statements on 9th July 2021.

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; *and*
- Public Health Agency

Health and Social Care (HSC) Bodies – General

A framework document 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 Reform Act requires the HSCB, in respect of each financial year, to prepare and publish a commissioning plan in full consultation with and approved by the Public Health Agency (PHA). The commissioning direction specifies the form and content of the commissioning plan in terms of the services to be commissioned and the resources to be deployed. In addition, the HSC Board reports monthly to the Department on financial performance, 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 and hosted by the PHA.

The SBNI is a multi-disciplinary interagency partnership and its statutory objective is to coordinate and ensure the effectiveness of activities undertaken by its members to safeguard and promote the welfare of children in Northern Ireland.

The Department will exercise oversight of the SBNI on an ongoing basis. SBNI must provide regular performance reports and documentation demonstrating progress against strategic priorities agreed by the Department. In terms of assurance mechanisms, these will include meetings between the Department and the SBNI Chair to specifically provide assurance on the SBNI's exercise of its statutory objective, functions and duties. As corporate host to the SBNI, the PHA will be accountable to the Department through ALB assurance arrangements.

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 – previously this committee had a complement of 9 members drawn from medical and lay backgrounds with a publicly appointed chair. It met two to three times a year to score self-nominations from medical and dental consultants for centrally funded awards, however it has not been required in a number of years. The members' expenses and secretariat are provided by the Department's Pay and Employment Unit, but there are no annual costs associated with it currently.

- Poisons Board- the Northern Ireland Poisons Board was set up in 1976 to advise the Department on substances to be treated as non-medicinal poisons and matters concerning their sale, supply and storage. It has been in abeyance but consideration has been given to re-establishing the Poisons Board.

- 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 a number of years as there have been no such requests and there are currently no staff or members.

ANNEX B

BODIES OUTSIDE THE BOUNDARY

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

These include 6 Health and Social Care Trusts, 3 Health and Social Care Agencies, 2 Health and Social Care bodies, 4 NDPBs, 1 North-South body and 1 Company Limited by Guarantee.

Health and Social Care Trusts

- Belfast HSC Trust
- Northern HSC Trust
- South Eastern HSC Trust
- Southern 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 DoH 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 Management Statement and Financial Memorandums (MSFMs).

Trusts are required to meet certain financial targets which are enshrined in legislation. The Commissioning Plan provides the framework for each HSC Trust to develop its annual Trust Delivery Plan (TDP) detailing the Trust's response to the annual commissioning priorities and targets set out in the commissioning plan.

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 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.

Financial monitoring returns are submitted monthly. In addition, regular 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 corporate plan, as augmented by their annual business plan. Twice yearly accountability meetings are held by the Permanent Secretary.

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

- **Health and Social Care 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 mobilised 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. 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.

Financial monitoring returns are submitted monthly. In addition, regular review meetings, including accountability meetings, are held to discuss financial and performance issues and progress against the objectives set out in their corporate plan, as augmented by their annual business plan.

North- South Body

The Department has relationships with 1 North- South body: Safefood (previously known as the Food Safety Promotion Board).

Safefood (formerly 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 tri-annual 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.

Company Limited by Guarantee

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.

ANNEX C

Report by the Comptroller and Auditor General to the Northern Ireland Assembly

Introduction

1. This report highlights significant matters arising from my audit of the Department of Health's (DoH) annual report and accounts for 2020-21 and the audits of the HSC Trusts. The Department of Health and the Trusts have recognised liabilities in their financial statements of more than £135 million. I consider there to be sufficient uncertainty regarding the timing and amount of these liabilities for them to be classified as provisions under the definitions in International Accounting Standard (IAS) 37, "Provisions, Contingent Liabilities and Contingent Assets."

2. IAS 37 states that a provision should be recognised when there is *a present obligation resulting from a past event, payment is expected and there is uncertainty over its timing or amount*. There is no specific definition of an accrual in International Financial Reporting Standards. Accruals are recorded in the accounts as a current liability as there is little, or no, uncertainty over the timing or amount of the transaction creating the obligation. The only outstanding element should be the receipt of the invoice for goods received or services delivered.

3. I have not qualified my audit opinions on the financial statements of DoH or the Trusts, except for the Northern Ireland Ambulance Service, as otherwise the matter is beneath the levels of materiality for the accounts. Nevertheless, I believe it to be of sufficient importance to be drawn to the attention of the NI Assembly.

4. By applying this accounting treatment, DoH was able to utilise funds in the current financial year within its budget that would otherwise have been redistributed to other departments or returned to the Treasury.

The Department of Health

5. In January 2021, the Minister of Health directed that a payment of £500 be made to all Health and Social Care staff who had worked for at least a month between March 2020 and January 2021 as a recognition of the contribution made during the COVID pandemic. In April, a further direction was made to increase this amount with the aim of ensuring that staff who are basic rate taxpayers would receive £500 after deductions.

6. When the direction was made, there were varying levels of certainty around the number of staff who would be eligible and therefore around the costs of the scheme. Whilst the numbers of qualifying staff employed by HSC organisations was known, the Department had little information in relation to staff numbers of those in the independent sector.

7. Given the direction to make this payment, it is not disputed that a liability exists. However, the area of doubt relates to the quantification of the liability. The element with the greatest uncertainty relates to staff in the independent sector.

8. The evidence suggests that there remains considerable uncertainty around the number of staff who would be eligible to receive this payment. Almost three quarters of the liability was calculated on the basis of headcount, rather than as Full Time Equivalents. This will have the effect of increasing the amount that has been accrued for. There is no way of calculating the overall impact of this approach.

9. Furthermore, in calculating its potential liability the Department increased its estimates of the numbers of eligible staff in the independent sector "by a safety margin". This equated to a 25 per cent increase across the independent sector staff which is not based on evidence, but rather as a margin of error. This had the effect of increasing the accrual by £6.9m.

10. In addition to the amounts included to fund the payments to staff, the Department also included an accrual for an amount of £6.5 million in relation to administration costs. These are costs that the Department anticipates incurring in operating the scheme. These costs have been calculated as a simple percentage of the overall scheme costs. No evidence has been provided to me to support these calculations. Furthermore, administration costs should only be accrued as they are incurred and consequently, it is not appropriate to accrue for this expense.

11. IAS 37 defines a provision as a liability of uncertain timing or amount. Given the uncertainties in the Department's estimate of this liability, I believe that it meets the definition of a provision rather than an accrual.

The Health and Social Care Trusts

12. I have qualified the 2020-21 accounts of the Northern Ireland Ambulance Service (NIAS) and reported on the basis of the treatment of a liability in relation to holiday pay. Although all Trusts adopted the same accounting treatment under the Department's advice, the accrual of £4 million is material to the auditor's opinion for NIAS's financial statements when considered in the context of total operating expenditure. The overall effect of treating holiday pay liabilities across all HSC Trusts as accruals rather than provisions is that the HSC retained significant sums from its 2020-21 DEL budget allocation, rather than surrendering it for use by other departments or returning it to the Treasury. This ensures that the funds are secured for future expenditure rather than having to bid for them again in the coming year.

13. This is not the only example of such advice by the DoH. It has also required Trusts to accrue for clinical excellence payroll liabilities over the last 4 years, which currently remain unpaid. Under IAS 37, these accruals should also have been disclosed as provisions.

Summary of findings

14. My audit work has identified a number of examples within the Department and the HSC Trusts in which an inappropriate accounting treatment has been adopted. Disclosing items as accruals which should properly have been treated as provisions instead, has the effect of securing funds from existing budgets for future payments. This treatment is not in line with International Accounting Standards nor with budgetary guidance from the Department of Finance.[1]

The Department of Health's response

15. The Department told me that it has prepared its accounts on what it assessed to be the appropriate accounting treatment and that it accepts that its opinion on the correct treatment differs from that of the NIAO in an area that is both technical and a matter of accounting judgement.

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[1] Department of Finance - *Supply Estimates in Northern Ireland: Guidance Manual July 2020*

16. Where advice has been provided to the Trusts on the appropriate accounting treatment for liabilities, the Department has advised me that this has been done in consultation and agreement with the Finance Directors of the Trusts. They have also consulted with the Department of Finance where appropriate.

17. The Department has also assured me that should these liabilities remain outstanding at 31 March 2022 it will revisit the accounting treatment applied to ensure that it remains content that it is appropriate.

Conclusions

18. I am concerned by the number of examples of the Department of Health and the wider HSC sector applying an accounting treatment for liabilities that does not meet the Department of Finance's budgetary guidance or International Accounting Standards. The Department contends that this does not represent an attempt to circumvent DoF budgetary guidance in order to retain funds and I have no evidence that this is the case. Nevertheless, the effect is to retain a significant amount of funding, more than £135 million, within the HSC sector that would otherwise have been re-distributed within the Northern Ireland funding bloc or returned to the Treasury.

19. I intend to monitor the situation in the coming months and I expect to see a payment of these retained funds before 31 March 2022.