Department of Health, Social Services and Public Safety

Annual Report and Accounts For the year ended 31 March 2016

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

1 July 2016

Department of Health, Social Services and Public Safety

Annual Report and Accounts For the year ended 31 March 2016

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

1 July 2016

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

This publication is also available on our website at www.health-ni.gov.uk.

Contents

PERFORMANCE REPORT

INTRODUCTION AND BACKGROUND

The Department of Health, Social Services and Public Safety (DHSSPS or the Department) presents its Annual Report and Accounts for the financial year ended 31 March 2016.

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

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

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

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

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

Strategic Priorities for Health, Social Services and Public Safety

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 reform and transformation 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. 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 Health and Social Care Commissioning Plan Direction. Objectives for the Northern Ireland Fire and Rescue Service are embodied in its agreed business plan.

The Department's Responsibilities

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

- Develop policies;
- Determine priorities;

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

Throughout 2015-16, the Department has been engaged in developing, monitoring and implementing a range of health and social care strategies and policies, including:

Research and Development Strategy

In February 2016, the Department published its 10-year Research and Development Strategy "*Research for Better Health and Social Care*". The new strategy priorities are as follows:

- 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 health and social care by enhancing our research infrastructure; and
- To increase the relevance of research relevant to the priorities of the local population.

The purpose of the strategy is to disseminate research findings in such a way as to promote understanding and knowledge.

Quality 2020

A review of the Quality 2020 Strategy and its Implementation Plan commenced in 2015-16, with the aim of identifying improvement tasks that had been embedded in service delivery and also to identify new areas for improvement. Completion of the review in 2016-17 will refocus the Implementation Plan to reflect the key recommendations in the Donaldson Report in respect of quality improvement and patient safety. 2015-16 also saw the publication of Quality Reports by all HSC organisations to coincide with World Quality Day, outlining their achievements in quality improvement and reporting against a standardised set of core quality improvement indicators.

Transforming Health Care Structures and Transforming Your Care (TYC)

The Minister announced in November 2015 his intention to de-layer the administrative support system across the HSC, removing complexities in a way that brings greater accountability and better responsiveness to challenges. He therefore proposed the abolition of the HSCB, with the Department taking firmer, strategic control of the health and care system. A consultation on these proposals took place between 15 December 2015 and 12 February 2016. Following consideration of this consultation, the Minister welcomed the endorsement for the need for change and confirmed the closure of the HSCB, with system level strategic planning and decision making for the bulk of Health and Social Care services passing to the Department. He also set out his intention to further reduce bureaucracy by giving HSC Trusts

greater authority to spend their budgets in order to best maximise the impact for their patients and clients.

A key activity that commenced late in 2015-16 and will continue into 2016-17, is the work of the Expert Panel, led by Professor Bengoa, whose purpose is to recommend a new model of Health and Social Care for Northern Ireland. The Panel held a constructive health summit with the five main political parties in February 2016 with the aim of building consensus on strategic principles to underpin the new model. The Panel is expected to provide a further report to the Minister in summer 2016.

A Strategic Leadership Group has also been put in place to support the changes across the HSC, chaired by the DHSSPS Permanent Secretary and comprising key leaders across the HSC.

A report to the HSSPS Assembly Committee in November 2015 set out progress, as at June 2015, against the 99 proposals to support TYC. That report highlighted that work on 50 proposals had been completed, while work on 46 was in progress and work on the remaining three was pending the outcome of other work.

During 2015-16, work has continued to progress the patient centred model of care set out by TYC, with work to change service delivery models led by the HSCB. TYC envisaged an investment of £70m to deliver a 'shift left' in services of £83m. By the end of 2015-16, approximately £40m of transitional funding will have been invested in TYC, while reallocation of activity and associated resources from the Acute Sector to the Primary and Community Sector is expected to exceed £45m.

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 socio economic spectrum, to improve universal services as well as more targeted services for those experiencing greater need.

During 2015-16, action was focussed on embedding the governance and implementation arrangements to take the framework forward. At regional and local levels, a number of strands of work have been implemented to foster collaboration aimed at embedding Making Life Better aspirations into cross–sector action. Key to this process has been ongoing engagement with Local Councils to ensure alignment with the developing community planning process. Areas have been identified for joint working, consistent with local needs and aligned with

relevant strategies and policies, and the next step is to develop a programme of transformative action in communities in each council area. Delivering on this programme of transformative action will be a key challenge in 2016-17.

Making Life Better is underpinned by a range of key policies and strategies covering areas such as obesity, alcohol and drug misuse, mental health promotion and suicide prevention, tobacco. Progress in 2015-16 and key challenges for 2016-17 for these are set out below:

- Alcohol and Drug Misuse: The third progress report against the New Strategic Direction for Alcohol and Drugs continued to show good progress in a number of areas including commissioning a range of new alcohol and drug prevention services, issuing new alcohol guidelines, and working with the Home Office on legislation to ban the sale and supply of New Psychoactive Substances. Challenges for 2016-17 will include further consideration to minimum unit pricing for alcohol depending on the outcome of the court case in Scotland, reviewing tier 3 services, implementation and awareness raising of the New Psychoactive Substances legislation, and publishing clinical guidelines for the treatment for drug misuse.

- Obesity: A three year review of A Fitter Future for All was published and it outlined the priorities and actions that would be undertaken in the period 2015-2019. Work has also been undertaken on food poverty, new obesity prevention awareness campaigns, and the publication of physical activity infographics. Challenges for 2016-17 will include scoping and commissioning a study on the potential impact of a sugar sweetened drinks levy, following the Assembly passing legislation requiring the Department to undertake this work, and further work on nutritional guidelines and physical activity infographics.

- Mental Health and Suicide: The new Protect Life Strategy has been further developed to an advanced stage following comprehensive period of pre-consultation engagement with stakeholders. The new strategy will retain a discrete focus on frontline intervention; and have a postvention focus on the needs of families and friends who have been bereaved through suicide. The strategy will issue for consultation in 2016-17.

- Tobacco: During the year, the Department has progressed primary legislation to restrict the age of sale for e-cigarettes to persons over the age of 18 and to restrict smoking in private vehicles when children are present. The Department also made regulations in March 2016 to implement key provisions of the Tobacco Retailers Act (Northern Ireland) 2014. These include imposing tougher sanctions on retailers of tobacco products who flout underage sales laws and establishing a central tobacco retailers' register.

- Sexual health: The Department made regulations in 2015 to permit the sale, supply and advertising of HIV self-testing kits which meet existing European quality standards. Legalising self-testing for HIV in Northern Ireland provides another way for people to test for HIV and could encourage testing for those who are not currently presenting at existing services.

Health Protection

During 2015-16, the Department introduced two major new immunisation programmes: a meningitis B vaccine for infants and a meningitis ACWY vaccine for teenagers and first year university students.

In March 2016, the Department completed a fundamental review of the Public Health Act 1967. The original purpose of the 1967 Act was to protect the health of the population from infectious diseases. The review identified a number of shortcomings which would require new legislation. The most significant of these is the fact that the 1967 Act is concerned almost exclusively with infectious diseases whereas other jurisdictions have adopted an 'all-hazards' approach. The review has provided the basis for the development of a new public health bill which the Department will seek to progress in the future.

Emergency Preparedness and Response

The Department is the Lead Government Department (LGD) for responding to the health and social care consequences of emergencies from chemical, biological, radiological and nuclear incidents, the disruption of medical supply chains, human infectious diseases and mass casualty situations. Part of that LGD role also involves providing advice and guidance, and supporting the HSC sector in planning and responding to emergencies.

During 2015-16, the Department has continued to engage with HSC organisations to ensure that they have preparedness plans in place to be able to mount an effective emergency response. The Department also works with other multi-agency partners, such as local government, the police, blue lights services and other government departments on emergency preparedness and response, and participates in multi-agency testing and exercising as required.

Oral Health - Service Delivery

The Chief Dental Officer (CDO) has worked closely with General Dental Ophthalmic Services and HSCB colleagues in recent years on the development of new contractual models for the delivery of primary care General Dental Services by high street dentists. There continues to be engagement with the British Dental Association and much learning has been gained from the use of different contractual models, such as the Additional Dental Services, which was introduced to increase public access between 2009 and 2015; and an Oral Surgery Pilot operated during 2013.

The HSCB is currently running a General Dental Pilot across 11 dental practices to test a capitation-based contract model. The first tranche began in November 2014 with two practices. The second tranche subsequently commenced across the wider group and both waves will end in September 2016, with researchers from the University of Manchester leading the evaluation process for the HSCB as funded by the National Institute of Health Research. All of the learning from these different models will help to inform the development of new contract models for Northern Ireland.

The CDO contributed to a Strategy for Consultant-led Dental Services, which followed an earlier review and public consultation. The strategy is currently under consideration and many of the initial recommendations have already been introduced to the benefit of current specialty models in the Hospital Dental Service.

Agreement of new contractual arrangements for the Community Dental Service was reached during 2015-16, so that the contract can be modernised in a similar way that it has been in other parts of the UK. There has also been a close working relationship on a review of the dental workforce that is being carried out by Skills for Health and should be published later in 2016. This should provide useful information as we try to anticipate changing population needs, adapt to changing workforce demographics, and aim to develop effective and efficient models of care to deliver patient access to evidence-based interventions.

Through preventive approaches at a community level, the Community Dental Service and health promotion staff focus services on special needs groups, including children from socioeconomically disadvantaged areas; and run fluoride toothpaste schemes for young children within target areas. Preventive approaches at an individual level are encouraged through enhanced capitation payments to high street dentists through the General Dental Services for children from socioeconomically disadvantaged areas. Oral health advice, preventive care, and protective fissure sealants are thereby facilitated for children. The key targets in the Oral Health Strategy relating to child and adult dental health have been supported during the 2015-16 period. The Department is cognisant of the impact that good oral health can have on overall health, well-being, and quality of life, it is hoped that these improving trends will continue into future periods.

The Northern Ireland Caries – Prevention in Practice (NIC-PIP) clinical research trial began in 2012 to investigate the effectiveness and cost-effectiveness, in primary care settings, of the use of fluoride varnish and fluoride toothpastes to prevent decay in young children. 1,200 children have been followed over a three year period and the publication of the final results is awaited in 2016-17, as such evidence can be considered to inform the planning for the future delivery of preventive dental care at an individual level in Northern Ireland.

Pharmacy Developments

A Northern Ireland Medicines Optimisation Quality Framework was launched during March 2016 and is aimed at supporting better health and wellbeing for all people in Northern Ireland, through facilitating improvements in the appropriate safe and effective use of medicines. The framework proposes a new strategic approach to pharmaceutical innovation and aims to support and drive continuous improvement through the development and implementation of best practice in medicines optimisation. It will look to opportunities presented by new models of care and new technologies that will support people to manage their own health.

A Medicines Optimisation Model for Older People was successfully scaled up across the Northern and Western HSC Trusts during 2015-16, demonstrating positive outcomes for patients and reductions in medicines costs and acute demand for HSC services. The model will be scaled up regionally during 2016-17 as part of the first phase of the MOQF implementation.

The programme will also involve activities led by the Medicines Optimisation Innovation Centre (MOIC), established in October 2015, seeking new service and technology solutions to address gaps in best practice. A component of this work will involve partnerships between the MOIC and industry, academia, health and life science and innovation centres across Northern Ireland, UK and Europe. This will develop a medicines optimisation network and support collaborative projects, co-funding and strategic utilisation of R&D, UK and EU Innovation funds.

During 2016-17, a supporting Medicines Optimisation innovation and change programme will involve the implementation of a regional approach of a number of services, which should address key challenges in medicines optimisation. This includes an initiative to place clinical pharmacists within GP practices and a number of other services that have demonstrated benefits in optimising patient outcomes, safety, cost effectiveness, reducing pressure on HSC services or minimising waste.

'Making it Better' strategy

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

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

An implementation plan for the strategy was published in February 2015, which assigned indicators for each of the strategic goals, responsibility for taking forward the 16 key actions and set out a proposed timescale for these actions. During 2015-16, an Oversight Group was convened to oversee implementation and to monitor progress against each key action.

Progress made during the first year of implementation is outlined in the end of year report uploaded to the DoH website, with positive activity against all relevant actions. https://www.health-ni.gov.uk/sites/default/files/publications/dhssps/mib-pharmacy-community-strategy.pdf

General Practitioner (GP)-led care

GP-led care is provided mainly from GP surgeries and from centres for Out of Hours GP Services, drawing on multi-disciplinary teams of nurses and other specialists as well as GPs. Services provided by GP surgeries are underpinned by the General Medical Services Contract, negotiated by the Department with GP representatives. The HSCB is responsible for managing the contracts for General Medical Services and for Out of Hours services. Significant pressures exist in both these services areas, with the number of GP consultations

having risen by 76% between 2004 and 2014; and since 2008 contacts with GP Out of Hours Services have increased 18%.

The General Medical Services Contract for 2015-16 was supported by additional funding of up to £15m to invest in Out Of Hours GP services, helping GPs meet demand for blood tests and other diagnostic work in the community; recruiting and retaining GPs; and releasing funding for GP Practices to borrow funds at cost effective rates to upgrade and expand their premises. Additional funding was also provided in 2015-16 to develop a GP leadership programme and to help support/develop GP Federations, which will allow practices to find new ways of meeting rising demand.

In December 2015, the Minister announced an additional investment starting in 2016-17, to provide for pharmacists to work alongside GPs. This will boost capacity in GP surgeries to help deal with demographic demand and help to ensure the best possible outcomes from medicines expenditure. In January 2016, the Minister announced the largest increase in GP training places for more than 10 years, with an additional 20 places bringing the number in Northern Ireland to 85, recognising that nearly 25% of the GP workforce aged 55 and over.

The Minister announced the creation of a GP-led Care Working Group in October 2015. The group reported in March 2016 and made a number of recommendations seeking to address the pressures on GP-led care both in the short and long term. The report incorporates recommendations on the sustainability of GP Out of Hours Service, which was subject to a complementary review. A copy of the report is available on the Department's website.

Secondary Care

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

The main challenges faced by Secondary Care during the year were the increase in elective care waiting times and the continuing pressures on Emergency Departments (EDs) which resulted in excessive waiting times and in some instances a reduced service being experienced by patients.

The number of people being seen has increased again with the number of patients attending their first outpatient appointment and those being admitted for as an inpatient / daycase expected to exceed those in 2014-15 by (2.2) % and (0.3) % accordingly. Over the same period, the number of imaging diagnostic tests carried out for example, has increased by (3.0) %. The increase in waiting times during the first nine months of 2015-16 has been due to a combination of under delivery of some commissioned volumes of core activity by Trusts, continuing increases in demand in a number of key areas, and the cessation of additional

waiting list activity due to the constrained financial position. Following receipt of additional allocations real progress was made in the last quarter of the year in securing significant reductions in the length of time people are waiting to be assessed and treated. The total additional waiting list activity in the period November to March 2016 has benefited over 80,000 patients in the areas of outpatient appointments, additional review outpatient attendances, inpatient/day cases and diagnostics activity, Allied Health Professional assessments, Children's and Adult Mental Health Services, wheelchairs, autism and psychological therapies. It is clear that the investments directed towards waiting lists are making a difference. But it will take time and significant non recurrent and recurrent investment to bring waiting lists back to an acceptable level while simultaneously increasing capacity to meet demand.

During the year the Department invested £8m was in measures to respond to winter pressures and the HSC Trusts were given flexibility to target £4m of this allocation at taking action to respond to specific local circumstances. Secondary Care also brought forward proposals to reform the Individual Funding Request process in order to widen access to specialist drugs not routinely commissioned in Northern Ireland. Good progress was also made in establishing the All-island Congenital Heart Disease Network with the transfer of all children's catheterisation procedures to the Children's Heart Centre in Dublin to be carried out by NI cardiology teams.

The year ended with the passing in the Assembly of new legislation designed to increase the number of donated organs available for transplant and the setting-up by the Minister of a Clinical Advisory Group to develop the associated policy statement which will draw on international best practice. Significant progress was also achieved in planning the implementation of the new Major Trauma Network and Emergency Helicopter Medical Service (HEMS) for NI with a combined initial investment of £5m including £4.5m from the UK Banking Fines Fund. A key activity started this year which will continue into next year is the work of the Expert Panel, led by Professor Rafael Bengoa, to recommend a new model of Health and Social Care for Northern Ireland. The Panel held a constructive health summit with the five main political parties to build consensus on strategic principles to underpin the new model. The main challenge for Secondary Care in the year ahead is to work closely with the HSC in addressing the waiting times for elective procedures within the constrained resources available to the Department.

Termination of Pregnancy Guidelines

In March 2016, the Department published Guidance for Health and Social Care Professionals on Termination of Pregnancy in Northern Ireland. The guidance aims to provide clarity on the law framing termination of pregnancy in Northern Ireland. The Department will continue with work in this area to establish a working group and terms of reference to consider the clinical treatment of women who have been diagnosed as carrying a foetus with a lethal abnormality is ongoing.

Quality Regulation & Improvement

During 2015-16, a considerable amount of work was undertaken and completed on the development of a Regional Mortality & Morbidity Review System (RM&MRS), with the aim of enhancing assurance around death certification processes, primarily through the recording

and reviewing of deaths in hospital followed by consideration at a Mortality and Morbidity meeting. The roll out of RM&MRS meetings has already begun across HSC Trusts and a specification has been developed for an IT system to support the RM&MRS system. It is envisaged that the IT system will begin roll-out in August 2016 and it is anticipated to be fully functional across all HSC Trusts by April 2017.

The Department is in the final stages of reviewing fees and frequency of inspection of services regulated by RQIA. Fees were set in 2005 and have not been subject to any increase since then – some services subject to regulation from 2007 onwards have had a nil charge applied. The proposed amendments to the regulations are designed to address the significant variations in fees. The current statutory requirements provide for a minimum frequency of inspections and have been in place since registration began. RQIA has moved to a risk-based approach to its inspection service model, as the structures created by the current statutory inspection service minimums are not conducive to a fluid, targeted, responsive approach. A number of workshops were held during 2015-16 with interested providers and it is intended to consult on revised proposals in 2016-17.

RQIA also made good progress against the milestones in its business plan in 2015-16. The review programme continued on target and RQIA is working with the Department and other stakeholders to develop a system for tracking the implementation of recommendations of reviews.

The RQIA continued its programme of inspection activity of regulated services as well as Ionising Radiation (Medical Equipment) inspections and the ongoing hygiene inspection programme. In 2015-16, RQIA completed its pilot of the programme of unannounced inspections of acute hospitals. The programme was formally rolled out in October 2015 and the first inspection reports will be published early in 2016-17.

In respect of Mental Health and Learning Disability (MHLD), RQIA piloted its new methodology for inspections and will formally roll this out in 2016-17. The new inspection methodology for MHLD and regulated services will evaluate if care is safe, effective, compassionate and well-led.

The HPSS (Quality, Improvement and Regulation) (NI) Order 2003 is now over 12 years old and a number of developments have taken place since it came into operation. The Department has initiated and progressed a review of the policy underpinning the legislation and the legislation itself. As part of the review of the 2003 Order, work has also begun in respect of introducing a statutory duty of candour to Northern Ireland. This has already been introduced in England, Scotland and Wales and it is planned to have the policy development complete in 2016-17.

Nursing, Midwifery and Allied Health Professions (AHPs)

A new Nursing and Midwifery Strategy (2016-2026) was developed during 2015-16 and is now subject to consultation and Ministerial approval. It is anticipated that the new strategy will be launched later in 2016.

Delivering Care - Nurse Staffing in Northern Ireland

The aim of the 'Delivering Care' policy is to support safe and effective care in hospital and community settings through the development of a framework to determine staffing ranges for the nursing and midwifery workforce in a range of major specialities. Work has been ongoing throughout 2015-16 to develop Phases 2, 3 and 4 which include Health Visiting, District Nursing and Emergency Departments. These phases will be prepared for launch in 2016.

Key Performance Indicators (KPIs)

The regional project to develop Key Performance Indicators for Nursing is being undertaken in collaboration with the PHA and Northern Ireland Practice and Education Council. Work has been completed on key indicators around nursing workforce such as absence, vacancy and level of funded posts linked to the implementation of Delivering Care.

Public Health Nursing

A central theme of the public health strategy '*Making Life Better*' is *Giving Every Child the Best Start in Life*. The Family Nurse Partnership (FNP) model is an intensive, preventive programme for vulnerable, first time young parents. The programme begins in early pregnancy and ends when the child is two years old. From 2015-16, this model is now operating in each of the five HSC Trusts. A Departmental priority for 2016-17 is to ensure that eligible mothers are offered a place on the programme.

Healthy Child, Healthy Future is the child health promotion programme for Northern Ireland. It is provided to all children and young people aged 0-19 years, irrespective of need. A regional audit of '*Healthy Child Healthy Future'* was completed by GAIN in 2015-16. The report titled 'Every Child Counts' looked at the Northern Ireland Health Visiting and School Nursing services input into the '*Healthy Child Healthy Future'* programme. The report was completed in March 2016 and contained a number of recommendations that will be considered for implementation in 2016-17. The audit highlighted that parents were positive about the programme.

District Nursing

A review of the District Nursing Service has been undertaken and a draft service development framework has been produced 'A District Nursing Service for Today and Tomorrow.' This has been framed to reflect the vision and principles of Transforming Your Care. In 2015-16, engagement exercises were undertaken with District Nursing leads and District Nurses. In 2016-17, a further engagement exercise will be undertaken with service users. The framework will be launched for implementing in spring 2017.

Revalidation for Nurses and Midwives

Revalidation has been introduced across the UK from April 2016. Registered nurses and midwives are required to demonstrate three-yearly to the Nursing and Midwifery Council (NMC) that they remain fit for practise. A programme board and working group have worked during 2015 -16 to take forward the implementation of the new regulations.

Advanced Nurse Practitioners

The care of patients is becoming more complex due to many developing co-morbidities, coupled with a regional shortage of middle grade doctors. Completion of the Advanced Nurse Practitioner programme will enable the up skill of nurses to meet these challenges in our system. Ulster University has been selected as the preferred provider for delivery of this programme and they are currently working to develop the curriculum. The programme will focus initially on Emergency Departments, Paediatrics and general practice. HSC Trusts are currently considering the number of places to be commissioned.

Midwifery

In January 2015, the Nursing and Midwifery Council (NMC) took a decision to ask for a change in its legislation in order to remove the additional tier of regulation applying to midwives. A new model of non-statutory supervision will separate midwifery supervision and regulation. In 2015, the Chief Nursing Officer (CNO) commissioned NIPEC to complete a '*Review of Supervision of Midwives in Northern Ireland*'. In April 2016, the Department of Health launched a consultation on behalf of the four UK countries on a number of proposed changes to the regulator's legal framework, including the changes intended to modernise midwifery regulation.

An interactive toolkit which was commissioned by CNO '*Midwives and Medicines (NI) 2014*' won the 'Contribution to Midwifery Education' British Journal of Midwifery award in March 2016.

The Department's 'Regional Bereavement Guidance on evidence-based, holistic care of parents and their families after the experience of miscarriage, stillbirth or neonatal death' (2014) was updated in December 2015. Accompanying care pathways have since been printed and made available to all HSC Trusts. Both the regional guidance and the care pathways were selected for presentation at the MBRRACE-UK Perinatal Mortality Surveillance Report Launch Meeting in May 2016.

Nursing, Midwifery and AHP Education and Training

Education and training remain a high priority for AHPs, nursing and midwifery professions, as it is essential to underpin the delivery of evidence based high quality care. Education and Training is also fundamental to the successful delivery of Departmental strategies including Quality 2020, Transforming Your Care, Making Life Better and the updated Public Health Strategy. As such, the review and development of education commissioning continues to be taken forward through professional education strategy and commissioning groups. A workforce review for AHPs is being undertaken with workforce policy directorate.

AHP NI Conference and Awards 'Building on the Best' took place in January 2016 and showcased the AHP contribution to maximising outcomes in healthcare to meet the demands in today's health service. The Department also supported a Leadership programme to address the collective development of AHPs.

A 'Return to Practice' nursing campaign was launched by the CNO in January 2016 following the allocation of additional funding for up to 100 places on the Return to Practice programme delivered by Ulster University (UU). The campaign was designed to encourage those nurses who had allowed their registration to lapse, to return to the profession. By March 2016, an additional 50 nurses had been successfully recruited unto the programme, with online applications remaining open on the UU website.

AHP Strategy

The current AHP Strategy for 2012-2017 is ongoing and into its fourth action plan. It is the intention to review the strategy document later in 2016 to consider how best to strategically move forward for AHPs when the current strategy ends.

AHP Prescribing

In May 2014, the Department commissioned training for supplementary prescribing for physiotherapists and podiatrists. Independent Prescribing Legislation for podiatrists and physiotherapists came into operation in January 2015 within Northern Ireland. In January 2016, independent prescribing for therapeutic radiographers and supplementary prescribing for dieticians was approved by the Commission on Human Medicines. At the same time, exemptions for orthoptists were also agreed. Amendments were made to Independent Prescribing legislation to reflect these changes. Work is ongoing on proposals for further roll outs to other professional groupings.

Direct Access Physiotherapy

During 2015-16, a direct access physiotherapy pilot took place in the South Eastern HSC Trust. Direct access is a system of access which facilitates patients to refer themselves to a physiotherapist without having to be seen or referred by another healthcare professional. A project board was developed to oversee the scheme and an evaluation report is currently with them to determine the success of the pilot. This will inform the implementation approach on a sustainable basis across Northern Ireland.

Family and Children's Policy

Autism

The Department's Autism Strategy (2013-2020) and Action Plan (2013-2016) were published in 2014 and delivery of the actions is continuing to be progressed by all relevant Government Departments. Good progress has been made on many of the key themes with better support available to access services for people with autism, their families and carers. It has been agreed to extend the current Action Plan 2013-16 for a further year until March 2017, during which a new Action Plan 2017-2020 will be developed.

Adoption

Work continued on the development of new adoption legislation for Northern Ireland. The draft Adoption and Children 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 Department continues to act as the Central Authority for inter-country adoptions, liaising with other UK Central Authorities, Foreign Embassies and overseas authorities in connection with applications to adopt children on an inter-country basis.

Early Intervention Transformation Programme (EITP*)*

The Early Intervention Transformation Programme (EITP) is a £30m fund directed at delivering the Social Change Signature Programme, funded jointly by the NI Executive, Delivering Social Change Fund, DHSSPS, DE, DoJ, DSD, DEL and The Atlantic Philanthropies Charitable Foundation. The programme aims to improve outcomes for children and young people across Northern Ireland through embedding early intervention approaches. The EITP Programme Board is representative of all EITP funders and is project managed within DHSSPS.

The key policy messages are:

- Reorientation of the system towards early intervention;
- Focus on collaborative working across departments/sectors/organisations;
- Making best use of available resources;
- Using the best available evidence to underpin decision making; and
- Using an outcomes approach to demonstrate clearly the benefits of interventions.

As of March 2016, 14 EITP projects have been approved by the EITP Programme Board. EITP is currently operating services with the active participation of the five HSC Trusts, the HSCB, the PHA, the Education Authority, DEL, DoJ, the Youth Justice Agency and seven voluntary and community sector organisations are EITP project delivery partners.

In 2015-16, the EITP experienced some delay in relation to the original implementation timetable. The challenge for 2016-17 will be for EITP to recover ground on the implementation timelines and deliver the overall scheduled targets in terms of operationalisation. Notwithstanding this, it is expected that all EITP projects will be able to deliver their outcomes within the timescale of the programme.

Independent Guardian Service

The Department has made significant progress on the Human Trafficking and Exploitation (Criminal Justice and Support for Victims) (Independent Guardian) Regulations, which were brought forward in 2015. It is planned that the Regulations will specify the qualifications and training required by an individual to be eligible for appointment as an Independent Guardian, including detailing the support to be provided to, and the supervision of, an Independent Guardian.

Innovation Scheme

In 2015-16, the Department undertook a consultation on proposals for an Innovation Scheme which is targeted at the voluntary, community and social enterprise (VCSE) sectors. The

proposals were developed by way of a co-design process involving VCSE organisations, the HSCB and PHA. Subject to the outcome of the consultation, it is intended to open the Scheme for applications in 2016-17.

Child Protection

In March 2016, the Department published '*Co-operating to Safeguard Children and Young People in Northern Ireland'*. The document replaces the '*Co-operating to Safeguard Children'* guidance issued in 2003. It provides the overarching policy framework for safeguarding children and young people in the statutory, private, independent, community, voluntary and faith sectors. It outlines how communities, organisations and individuals must work both individually and in partnership to ensure children and young people are safeguarded as effectively as possible.

Sexual Exploitation of Children and Young People

The Department has worked to progress the implementation of eight key recommendations and 24 supporting recommendations contained in the Marshall Report of the Inquiry into Child Sexual Exploitation in Northern Ireland. These recommendations relate primarily to the Health and Social Care sector. Implementation is being taken forward on a phased basis over a three year period ending in November 2017.

SBNI Thematic Review

The Safeguarding Board for Northern Ireland (SBNI) was directed in 2012 to conduct a Thematic Review of the cases of 22 children whom had interacted with care system and had been subject of the police investigation known as Operation Owl. The objective of the Thematic Review was to focus on the management of all 22 cases to identify learning for the purpose of informing and improving future care provision and practice. The review report was published in September 2015. It identified a number of areas for improvement under four key themes and recommended a follow-up audit within 15 months. Progress against the report findings is being monitored by the Department through Marshall Implementation arrangements.

A review of the SBNI was undertaken by Professor Alexis Jay OBE during 2015-16. The review report makes a number of recommendations which will be taken forward by the Department and the SBNI in 2016-17.

Protection of Adults at Risk

In collaboration with the Department of Justice, the Department published an adult safeguarding policy for Northern Ireland in July 2015 – *"Adult Safeguarding: Prevention and Protection in Partnership"*. The aim of the policy is to improve safeguarding arrangements for adults who are at risk of harm from abuse, exploitation or neglect, thereby reducing the prevalence of harm. The policy raises the need for awareness of the possibility of harm to adults at risk, defines harm, outlines how harm manifests, and identifies those who can assist to combat it.

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

Looked After Children

The Department is actively working to bring Foster Placement and Agencies Regulations to a conclusion. Once completed, the Regulations will subject independent and voluntary fostering agencies in Northern Ireland to a system of regulation and inspection by the Regulation and Quality Improvement Authority (RQIA) for the first time. These Regulations are seen as a supporting mechanism for the Department in is supervisory role within the HSC system.

Additionally, work is continuing on the draft Looked after Children Strategic Statement, which will set the Department's strategic priorities for Looked after Children over the next 3-5 years. The development phase of this work will be integrated with the review of the Executive's Children and Young People's Strategy.

A Care Proceedings Pilot commenced in January 2016. The pilot is being taken forward jointly with the Department of Justice. The aim of the pilot is to minimise unnecessary delay for children who are the subject of care proceedings in the family courts. The pilot is running in the South Eastern and Western HSC Trust areas. It is intended to conclude in December 2016 and will report by May 2017.

The Department published Minimum Care Standards for Supported Lodgings which aim to provide young people (aged 16 to 21) with safe, suitable and supportive places to live within a local familial type environment. Such an environment will offer tailored levels of housing related and social care support to enable young people to develop practical emotional and relationship skills needed for a successful transition to independence and adulthood.

Stopping Domestic and Sexual Violence and Abuse Strategy 2016

In March 2016, the Minister announced the publication of a new *Stopping Domestic and Sexual Violence and Abuse Strategy*. This cross-sectoral strategy has been developed under Programme for Government target 61 in partnership with DoJ and a wide range of statutory and non- statutory stakeholders. The strategic vision is to have a society in Northern Ireland in which domestic and sexual violence is not tolerated in any form, and that effective tailored preventative and responsive services are provided, to ensure all victims are supported, and perpetrators are held to account. The strategy will inform enhancement of existing domestic and sexual violence services and the commissioning of any new services.

Leaving Prostitution Strategy 2015

Under Section 19 of the Human Trafficking and Exploitation (Criminal Justice and Support for Victims) Act (Northern Ireland) 2015, the Department, along with other Northern Ireland Government Departments, agreed to prepare and publish a strategy that would outline the actions to be taken by Departments to ensure that a Programme of Assistance and Support (PAS) is in place for people who want to leave prostitution.

In December 2015, the Minister announced publication of the *Leaving Prostitution Strategy*. The strategy provides a background to prostitution in Northern Ireland; identifies and considers the barriers to leaving prostitution and the services currently available to those who want to do so; and sets out the Departmental proposal for the PAS, including how the PAS will be monitored and evaluated. The PAS itself was published during May 2016.

Independent Living Fund (ILF)

The UK ILF fund closed on 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. An agreement was reached between the Department and the Scottish Government, that payment to ILF recipients in Northern Ireland would be administered through the newly created Scottish ILF infrastructure, ILF Scotland.

Recipients of the ILF in Northern Ireland, their families and carers and a range of organisations including Mencap, Disability Action and the Centre for Independent Living welcomed the new arrangements. All ILF users in NI received their correct payments on time and the transition from ILF UK to ILF Scotland progressed as planned. Departmental officials remain in regular contact with ILF Scotland and officials from the Scottish Government in Edinburgh to ensure that the system remains effective and provides a high quality and value for money service for ILF recipients in Northern Ireland.

Bamford Action Plan

In the past decade, the direction of mental health policy development has largely been determined by the findings of the Bamford Review. The Department continued to oversee the implementation of the Bamford Action Plan during 2015-16. The Action Plan included 76 actions for Executive Departments, aimed at making life better for people with mental health issues or learning disabilities, and their carers. The Department commenced a comprehensive evaluation of the Action Plan in 2015, and will complete this by early summer 2016. The evaluation report will focus on how the Executive performed against the Action Plan, and outline next steps for the future development and delivery of mental health and learning disability policy.

Resettlement

Progress continued during 2015-16 on the integration of long-stay patients from mental health and learning disability hospitals into the community, so ensuring that no-one remains in hospital unnecessarily. The majority of patients have been resettled into the community, but a comparatively small number of patients remain in hospital settings. Many of the remaining

patients have more complex conditions and behaviours and additional work is required to establish the most suitable placement, coupled with the right level of support to suit their specific needs. The emphasis is on getting it right for the patient and ensuring safety and care.

Mental Trauma Service

In September 2015, the Minister announced the setting up of a world leading service to provide high quality effective treatment for people experiencing trauma-related mental health problems in Northern Ireland. This announcement followed on from the Stormont House Agreement commitment to implement the Commission for Victims and Survivors' recommendation for a comprehensive Mental Trauma Service. The intention is that the final model will be based on the internationally-recognised Stepped Care approach, with low-level interventions provided by voluntary and community organisations, integrated with more intensive interventions by qualified professionals within the Health and Social Care service under the auspices of a new Regional Specialist Service.

Eating Disorders

Work also continues on a study, announced by the Minister in October 2015, into the possibility of establishing a specialist eating disorders unit in Northern Ireland. A preliminary report, published in March 2016, concludes that there is a definite need for further development of eating disorder services locally. Whilst there is the potential for a specialist inpatient unit, more evidence-gathering is required to allow for an informed recommendation to be made, and further study is required. It is anticipated that this will be completed by the end of 2016. Whilst consideration of the enhancement of community-based eating disorder services may be an alternative.

Mental Capacity legislation

In March 2016, the Northern Ireland Assembly passed the Final Stage of the Mental Capacity Act 2016 – an international first in that it promotes a fused system of mental health and mental capacity legislation; first proposed by the Bamford Review. Once commenced, the Act will introduce a new statutory framework governing all decision making in relation to the care, treatment or personal welfare of a person aged 16 or over who lacks capacity to make a specific decision for themselves. No commencement date has yet been decided, as this will be informed by the availability of finance, and the pace of implementation planning. Work on drafting supporting subordinate legislation and codes of practice are under way, and the Department looks forward to working with a wide range of stakeholders during 2016-17 and beyond.

Inter Departmental Review of Housing Adaptations Services

The *Inter-Departmental Review of Housing Adaptations Services Final Report and Action Plan 2016* includes recommendations on how Departments, agencies and others can better collaborate with each other, use resources more effectively, and deliver better services.

The Final Report and Action Plan have been informed by public responses to an earlier consultation on the first Inter-Departmental Review Report, conducted in 2013. Significant work with people with disabilities, occupational therapists, housing designers and providers has been undertaken since the original consultation and this has resulted in some actions, where there was broad support, having already been progressed. This includes, for example, the development of an Adaptations Design Communications Toolkit which delivers across a series of design standards and governance recommendations contained in the review.

Department for Communities (formerly known as Department for Social Development) and DHSSPS have responsibility for different aspects of housing adaptations. In the future it is envisaged that we will need to develop closer joint working between our two Departments to help further improve service provision.

Following consideration of a further public consultation exercise (which closed in April 2016), Executive agreement will be sought prior to the publication of the Final Report and Action Plan in 2016-17.

Modernising Regulation

The Office of Social Services continued to progress a programme of work during 2015-16 to take forward amendments to primary legislation (the HPSS Act (NI) 2001). The amendments will modernise the conduct model used by the Northern Ireland Social Care Council (NISCC) so that the model in place reflects current regulatory best practice and is in keeping with models used in Northern Ireland and the United Kingdom, such as the General Medical Council. The changes will ensure that NISCC has a broader range of sanctions available to it which are more proportionate in determining and making decisions concerning a registrant's fitness to practice. The legislative process is near completion, with Royal Assent anticipated during 2016-17. A key challenge going forward is the effective implementation of the new model, which must incorporate a communications strategy to ensure that those affected by the changes are kept informed and also to embed the new practice within NISCC's key conduct processes.

Improving & Safeguarding Social Wellbeing – A Strategy for Social Work

This strategy aims to improve the experience and outcomes for services by strengthening the capacity and capability of the social work workforce; reforming and modernising social work services and building public trust and confidence in the profession. During 2015-16, a number of innovation projects were sponsored by the Strategy's Innovation Scheme and the outcomes and learning from these projects will continue to be shared in 2016-17, with projects identified for roll out where appropriate. A further call for Innovations as part of the Innovation Scheme has been launched, which will see further projects being developed in 2016-17. It is a crucial time for the Strategy with the completion of Phase 1 and a Transition period in 2016-17, which will confirm the strategic direction going forward and put in place robust delivery structures to ensure the Strategy remains sustainable for the next phase. A key focus for 2016-17 will include promoting self-directed support through a partnership approach with the Department of Finance and utilising their Innovation Laboratory approach including co-design and engaging service users and key stakeholders to ensure excellence in service delivery.

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. A Prison Reform Oversight Group, chaired by the Minister for Justice, was established to oversee the implementation process. In terms of governance, there continues to be regular joint strategic meetings between the Northern Ireland Prison Service (NIPS) and the South Eastern HSC Trust (SET), the HSCB, PHA and the Department. An operational Board meets bi monthly to discuss operational issues. The Department also attends a regular Prison Health Service meeting which includes HSCB and PHA commissioners and a NIPS representative. In addition SET meets monthly with each of the Governors of the three prisons to discuss issues in a local health forum.

The publication of a Joint Healthcare and Criminal Justice Strategy was originally anticipated by March 2015. However, this was delayed to adequately address a range of issues raised during the drafting process. The draft strategy is currently subject to consultation and is anticipated to be finalised in 2016 to allow for implementation thereafter.

HSC, NIAS AND NIFRS PERFORMANCE

HSC Performance

Improving waiting times continued to be one of the Department's key priorities and as a result additional resources was allocated to reduce waiting lists despite the prevailing significant financial pressures. Whilst this had a positive impact on performance towards year end the timing of the allocation meant that the full impact will only be seen early in the 2016-17 year. Available funding was targeted at specialities where there was the greatest risk in terms of patient safety and at those patients who have been waiting the longest for assessment and/or treatment.

For Unscheduled Care demand increased regionally by 4.3% with a significant upturn in the last quarter. An additional £8m was invested to address winter pressures which helped meet additional demand.

Outpatient standards

From April 2015, at least 60% of patients wait no longer than 9 weeks for their first outpatient appointment and no patient waits longer than 18 weeks.

The number of patients attending their first outpatient appointment increased again, up by 2.2% compared to the previous year. Whilst the target was not achieved the additional funding allocated resulted in an improved performance position by year end. At 31st March 2016 37% of patients were waiting no longer than 9 weeks for a first outpatient appointment an improvement on the 30% recorded in December 2015. An improvement was also seen in year for the number of patients waiting longer than 18 weeks, at 31 March 2016 the figure was 100,234 compared to 122,771 at the end of the previous quarter.

Diagnostic Tests standards

From April 2015, no patient waits longer than 9 weeks for a diagnostic test and all urgent diagnostic tests are reported on within two days of the test being undertaken.

Again in this area additional funding enabled increased activity. During the year the number of imaging diagnostic tests carried out for example, has increased by 3.0%.
Whilst the target was not achieved the additional funding allocated resulted in an improved performance position by year end with a reduction in the number of people waiting more than 9 weeks, with figures at the 31st March 2016 showing 29,088 waiting more than 9 weeks, down nearly 13% on the previous quarter. During 2015-16, 88%- of urgent diagnostic tests were reported on within 2 days, this is a slight fall on the previous year when 91% was achieved.

Inpatient / Day case Treatment standards

From April 2015, at least 65% of inpatients and daycases are treated within 13 weeks and no patient waits longer than 26 weeks.

The number of patients waiting less than 13 weeks for admission remained steady at 52% compared to March 2015 despite a slight increase in the number of people being admitted as an inpatient or daycase throughout the year.

Whilst there remained 17,601 patients waiting longer than 26 weeks for admissions at 31 March this represented a considerable reduction on the position at 31 December when 21,413 were waiting.

Unscheduled Care standards

From April 2015, 95% of patients attending any Type 1, 2 or 3 A&E Department are either treated and discharged home, or admitted, within 4 hours of their arrival in the department; and no patient attending any emergency department should wait longer than 12 hours.

Regionally, during 2015-16 there was a 4.3% (30,350) increase in Emergency Department attendances compared with 2014-15, with a particular increase in Quarter 4 compared to the previous year 9% (15,282). During 2015-16 4 hour performance has been slightly reduced compared to the previous year 76% compared to 78%. The number of patients waiting longer than 12 hours during 2015-16 increased from 3,170 compared to 3,877.

Despite the heightened demand in Quarter 4, 95% of patients attending were triaged within 37 minutes of arrival with 79.4% commencing treatment within 2 hours of triage.

Cancer Services

From April 2015, 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.

Data published by the NI Cancer Register indicates continued improvement in survival for the commonest cancers and that further improvement is expected. To ensure that patients receive the best possible service the performance standards set in relation to access to cancer services are challenging. The number of people referred to cancer services continued to increase which impacted on the ability to achieve the targets set.

For breast cancer referrals in particular a highly successful screening campaign contributed to a 23% increase in referrals. This had an impact on the regional performance with an outturn performance of 76% for 2015-16 compared to 81% in the previous year. The latter part of the year saw a significant improvement across the region with performance of 88% at March 2016 compared to 50% at December 2015.

Over the year the % of people receiving their first definitive treatment within 31 days mirrored the 2014-15 position of 96% despite an increase in demand for treatment.
Whilst performance against the 62 day target is down from 73% to 71% from the previous year the total number of patients being treated for cancer following an urgent referral

increased by 8% in the first nine months of 2015-16 compared to the same period last year, with the number treated within 62 days up by just over 5%.

Hip Fractures Standard

From April 2015, 95% of patients, where clinically appropriate, wait no longer than 48 hours for inpatient treatment for hip fractures.

Regionally, performance against the standard continues to improve with performance for the year increased to 91% compared to 89% in the previous year.

Commencement of Allied Health Professional (AHP) Treatment Standard

From April 2015, no patient waits longer than 13 weeks from referral to commencement of AHP treatment.

Regionally at the end of March 2016, 15,310 patients were waiting longer than 13 weeks from referral to commencement of AHP treatment compared to 9,372 in previous year. However additional funding in this area resulted in a 7.8% reduction in the number of patients waiting from December 2015.

Provision of kidney transplants

By March 2016, ensure delivery of a minimum of 80 kidney transplants in total, to include live, DCD and DBD donors.

In this area a very positive result was reported with 116 kidney transplants in year. A record five kidney transplants took place in less than 24 hours in September 2015 at the Belfast City Hospital, just one short of the world record and equalling the UK record of transplants performed in a single unit on a single day.

Patient discharges

From April 2015, ensure that 99% of all learning and disability and mental health discharges take place within 7 days of the patient being assessed as medically fit for discharge, with no discharge taking more than 28 days.

For learning and disability discharges the position remained the same as the previous year with 83% (cumulatively 2015-16) of learning disability discharges taking place within seven days. The number of discharges taking longer than 28 days reduced from 26 to 24.

For mental health discharges an improvement from last year was seen with 97% of patients discharged within 7 days compared to 96% in previous year.
There was a significant improvement in discharges taking longer than 28 days. Compared to 97 during 2014-15 67 was reported in year.

From April 2015, 90% of complex discharges from an acute hospital take place within 48 hours, with no complex discharge taking more than 7 days; and all non complex discharges from an acute hospital taking place within six hours.

Regionally for complex discharges, the standard has not been met but performance has remained relatively consistent throughout the year at just above or below 80%, cumulatively to the end of March 2016, performance was 79%, similar to that achieved in 2014-15. The number of complex discharges taking more than 7 days to complete has increased compared to the previous year, 1,756 in total for 2015-16 compared to 1,524 for 2014-15.

With respect to non complex discharges, while the standard has not been achieved, performance has also remained constant with rates not falling below 94% in any month and 95% being achieved cumulatively for the year. This is on a par with performance in 2014-15.

Mental Health Services

From April 2015, no patient waits longer than 9 weeks to access child and adolescent mental health services (CAMHS); 9 weeks to access adult mental health services; 9 weeks to access dementia services; and 13 weeks to access psychological therapies.

At 31st March 2016, regionally, the standards have not been achieved, with 34 patients waiting more than 9 weeks to access child and mental health services, 338 patients waiting more than 9 weeks to access adult mental health services, 69 patients waiting longer than 9 weeks to access dementia services and 1,176 patients waiting longer than 13 weeks to access psychological therapies. In the last quarter reductions in waiting times were secured in child and mental health, dementia and psychological therapies.

Performance Management going into 2016-17

In response to comments received during the recent Review of Commissioning, the 2016-17 Commissioning Plan Direction introduces a new format focussed on outcomes and supporting objectives that will provide strategic direction for the HSC. The new format utilises the three strategic themes first introduced in the 2015-16 Direction, and reflected in Section 1 above, supplemented by eight key outcomes and associated key objectives that the HSC should work to deliver.

Monitoring of the achievement of objectives will be supplemented by the monitoring of key HSC system indicators. Previously included in a separate Indicators of Performance Direction (IoPD), this year the indicators have been incorporated into the Commissioning Plan Direction to provide a better understanding of how they relate to the delivery of the desired outcomes.

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

Northern Ireland Ambulance Service (NIAS) Performance

Against a target of 72.5% of Category A calls to be responded to within 8 minutes, NIAS achieved 54% in 2015-16. Whilst this is disappointing, it is encouraging to note that 73% of all Category A calls were responded to in less than 12 minutes.

A number of factors have impacted on performance levels during 2015-16. The demand for ambulance services has increased: NIAS experienced a 5.5% increase in emergency calls received during 2015-16, with a 1.1% increase in the number of emergency and urgent responses compared to 2014-15. In addition, the changes to the configuration of acute services has meant that the journey time to hospital for some patients has increased, resulting in extended periods in the care of ambulance professionals. Linked to this, the increased demand for emergency treatment means that in some cases, ambulances may need to re-divert to another hospital with capacity to treat a patient.

Following an extensive Workforce Stabilisation programme, NIAS recruited 82 Emergency Medical Technicians (EMTs) in 2015-16, of which 43 have now successfully completed their training and are fully qualified. In addition, NIAS has recruited 84 Ambulance Care Attendants (ACAs), of which 63 have now completed their training and are working across various ambulance locations in Northern Ireland. The remaining successful candidates are still undergoing training and are expected to be in post in 2016-17. In May 2015, NIAS also recruited qualified emergency staff (7 EMTs and 6 Paramedics). It is expected that the increased resource will have a positive impact on performance through 2016-17.

Northern Ireland Fire & Rescue Service (NIFRS) Performance

During 2015-16, NIFRS received a total of 33,440 emergency calls for help to its Regional Control Centre (a 1.6% reduction compared to 2014-15). Fire crews responded to a total 22,458 emergency incidents across Northern Ireland (a 1.4% reduction compared to 2014-15).

The number of hoax calls and mobilisations to hoax calls continues to fall significantly, due to focused local community engagement and the robust Call Management procedures in place, which enables the Regional Control Centre to identify these calls. As a result, 20% less hoax calls were received in 2015-16 – 1,287 compared to 1,614 in 2014-15. NIFRS was mobilised to 369 hoax calls in 2015-16, a reduction of 16.5% from the previous year.

Firefighters attended 3,204 major fires rescuing 138 people during 2015-16. The number of accidental dwelling fires decreased by 8.7%: from 923 in 2014-15 to 843 in 2015-16. Unfortunately 12* (*2 of these deaths are still subject to State Pathologist Reports to confirm cause of death) people lost their lives as a result of accidental dwelling fires compared to the 8 people who died in 2014-15. NIFRS, through its 'People at Risk' strategy, is specifically targeting its prevention work at those people considered to be at greatest risk - those aged 60 or older; or anyone with an impaired mobility.

During 2015-16, Firefighters carried out 5,707 free home fire safety checks, fitted 4,722 smoke alarms and distributed 121,754 fire safety leaflets. They attended 819 Community Engagement Events, delivered 251 Fire Safety Talks and undertook 596 schools visits across Northern Ireland - targeting and prioritising the most vulnerable people in the community.

NIFRS attended 4,867 secondary fires and 1,439 gorse fires during 2015-16, a 4% decrease on 2014-15. Fire crews also attended 730 road traffic collisions (RTCs), a 1.4% increase in RTCs attended compared to 2014-15. NIFRS, in conjunction with its road safety partners in the Department of the Environment (DOE) Road Safety, PSNI and NI Ambulance Service, delivered numerous road traffic collision rescue demonstrations to schools, colleges and communities and took part in 16 Roadsafe Roadshows aimed at young drivers, to highlight the consequences of road traffic collisions.

During 2015-16, NIFRS carried out 3,651 Fire Safety Audits in non-residential premises under the Fire Safety Legislation. Four Enforcement Notices and four Prohibition Notices were issued to premises not compliant with the required fire safety standards. NIFRS carried out one prosecution as a result of repeated failure to comply with the required fire safety standards.

During 2015-16, there were 127 attacks on Firefighters. On 14 occasions, either a Firefighter was injured and/or damage was caused to a Fire Appliance, which is a welcome decrease of 46% on 2014-15.

NIFRS strengthened its Emergency Flood Response capability during 2015-16, with three new teams comprising a total of 60 additional specially trained personnel based in Omagh, Armagh and Westland Road, Belfast. The new teams complement existing teams in Londonderry and Belfast and work alongside partner agencies to ensure a co-ordinated response to serious widespread flooding incidents. In one month alone - December 2015 - NIFRS attended 103 flooding incidents and carried out 80 flood rescues.

NIFRS has undertaken a risk assessment at all 68 stations in order to manage and match resources to changing risk levels. Consultation has taken place on a number of changes that have been proposed under the Resources to Risk Strategy which would ensure that operational resources can be used more efficiently and effectively.

There was also continued investment in the organisation, with recruitments for Community (part-time) Firefighters across Northern Ireland and the Regional Control Centre.

NIFRS continued to progress its Capital Investment Programme, with work commencing on the planning stage of a new Logistics Support Centre in Belfast. This new facility will provide a state-of-the-art Transport and Equipment Workshop and Stores facility which will support operational service delivery. During 2015-16, NIFRS also contributed to the consideration of appropriate training facilities at Desertcreat.

Future Performance

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

RESOURCES

Risks and Uncertainties

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

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

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

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

Corporate Governance

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

Board Membership

In 2015-16, the Departmental Board had eight members; including two Independent Board Members. Board Members are listed within the Directors' Report on pages 37 - 40. Executive membership of the Departmental Board is restricted to holders of those posts in acting or actual capacity. Senior management posts are filled in line with and according to NI Civil Service processes and procedures.

Meetings

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

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

Independent Membership

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

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

Departmental Audit and Risk Assurance Committee (DARAC)

The DARAC is a Committee of the Departmental Board, established to support and advise the Board and the Accounting Officer on issues of internal control, governance and assurance. The Committee consists of four members - the Department's two Independent Board Members, (one as Chair), and two external members. These two external audit committee members are employees of other public sector organisations. The Committee met four times in 2015-2016, and the Chair formally reported to the Departmental Board after each meeting.

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

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

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

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

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

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

The Department's relationships with its ALBs is explained in Annex A and B on pages 149-155.

The Department's Legislative Programme

The Food Hygiene Rating Bill which was introduced in the Assembly on 3 November 2014 successfully completed all its stages in the Assembly and was granted Royal Assent on 29 January 2016.

Environment and Sustainability

The Department continues to carry out its functions and maintain a policy environment with due regard to its Statutory duty for sustainable development. While the Executive's Sustainable Development Implementation plan 'Focus for the Future' 2011-14 has concluded, the agreed actions for the Department continue to be implemented and given due regard by its ALBs in the provision of health, social care and public safety. The continued support for the Carbon Emissions Reduction Initiative (CERI), a key driver for improving carbon emission reduction and energy efficiency in the health and social care and public safety estates, did not occur in 2015-16 due to level of available capital budget.

During 2015-16, the Department continued to drive sustainable development in its functions through:

- Maintaining a policy environment for sustainable development with extant guidance and published strategies. In 2015-16, HTM 07-02 EnCO2de – *Making Energy work in Healthcare, a best practice guide for HSC bodies*, was published. In addition, an analysis of Post Project Evaluations for projects founded through CERI in 2011-13 was published on the Department's website in order to aid learning, identify best practice and inform reporting and shared learning as part of cross-departmental working groups actions on climate change mitigation. This report highlighted the success of the initiative, with ongoing projected annual revenue savings of £1.2m being achieved by HSC organisations.

- The continued Departmental participation in the Carbon Reduction Commitment (CRC). The Department's returns on CRC for 2015-16 indicated a reduction in carbon emissions of 16% over the previous year, reflecting the ongoing work of all Departmental staff in managing energy use in DHSSPS occupied areas of Castle Buildings.

- Continuing to participate in professional and working groups for sustainable development and climate change. These functions include chairing the Health and Climate Change Regional Group, participating in the Climate Change Adaption Group (including providing input to the UK Climate Change Risk Assessment and the Cross Departmental working group on Climate Change) and providing the Department's and its ALBs' contributions to the mitigation of climate change and reduction in Greenhouse gas emissions. The Department has also liaised with QUB and provided professional guidance to assist in their introduction of a Sustainable Development module for medical students.

In 2016-17, the Department will continue to maintain its policy environment and carry out its functions providing due regard to the Sustainable Development Duty. The Department shall monitor potential policy developments for environmental matters and a new Sustainable Development Strategy.

Asset Management

A key requirement for the Department in 2015-16 was to continue to implement the actions contained in the Executive approved Asset Management Delivery Programme, aimed at improving asset management processes to reduce the net cost of service delivery through the efficient use of public assets and to promote effective asset management processes that unlock value. Key initiatives in this area included:

- Continued application of Departmental asset management related policy and guidance;
- Completion of Departmental ALBs Property Asset Management Plans;
- Completion of the Department's annual Property Asset Management Plan, which highlighted key achievements delivered in 2014-15, progress in this function in 2015-16 and identified four main priority areas which the Department propose to take forward in 2016-17;
- Completion of the Department's annual State of the Estate report which provides the Department and its ALBs with invaluable data on the condition and performance of the estate; and
- Completion of the annual population of the NICS wide centralised Property Information Mapping System (e-PIMS).

Continued implementation of robust asset management processes by Departmental ALBs has delivered savings and improved strategic and investment planning processes. There has been an ongoing reduction in the number of underperforming property assets in the estate; the Department's annual disposal target has been delivered (circa £2.5m); associated revenue savings have been achieved and asset management processes and systems are becoming more robust. There was a reported reduction in maintenance backlog liability in the estate in 2015-16 and improvements in Key Performance Indicators such as physical condition were reported. It is expected that these improvements will continue as mitigation strategies are taken forward and investment is targeted to areas of greatest need in the estate.

Health and Safety

The Department discharges its responsibilities under the Health and Safety at Work (NI) Order 1978 and other relevant legislation, and works to ensure the health, safety and welfare of its employees. All staff are kept up-to-date with the latest developments in health and safety standards, and compliance with these standards is assessed through an ongoing audit programme. Three health and safety audits were carried out in 2015-16.

Annual refresher First Aid at Work training was delivered to 16 first aiders during 2015-16. Between June 2015 and March 2016, training in cardio pulmonary resuscitation (CPR) and the use of an automated external defibrillator (AED) was offered to all staff. 22 training sessions were held and a total of 201 members of staff were trained.

During 2015-16, seven staff completed the Department's H&S Induction Training for new entrants. The annual DSE Risk Assessment programme was completed in March. Revised NICS Fire Awareness training was due to be rolled out by March but is not yet available to the Department. Plans are in place to deliver this as soon as possible.

There were a total of eight accidents at work during 2015-16, which was a decrease on the previous year. There were approximately 26 specialist assessments carried out during 2015-16, including: ergonomic assessments; temperature, humidity, new and expectant mothers' assessments; and lighting and noise surveys.

Learning and Development

In line with its Learning and Development Plan, the Department supported a wide range of development opportunities for staff during 2015-16. Generic training is provided by the Centre for Applied Learning, and business specific training is provided by a range of external providers and healthcare specialists. Other development opportunities include mentoring, employer supported volunteering and assistance to study academic qualifications. In addition, a range of e-learning training packages were available and during 2015-16, all staff received training in diversity, managing personal stress and resilience, information management, health and safety and performance management.

Workplace Health Improvement Programme (WHIP)

During 2015-16, as in previous years, the Department offered a range of health improvement initiatives to staff. Recognising the importance of a healthy workforce, the Department supported these initiatives financially and with the provision of time concessions for staff.

Staff

The Department directly employs some 436 (WTE) staff as at 31 March 2016. The NI Fire and Rescue Service employs some 2,235 people and around 65,500 people work in the Health and Social Care sector (excluding 'bank/as and when required' staff, career breaks and Board members).

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

The table below shows estimated absence figures for 2015-16 and also for 2014-15 for comparison purposes based on whole time equivalent (WTE) staff numbers. This shows a decrease of 847 days lost to the Department and a decrease of 0.9 average working days lost per person. An action plan for 2016-17 aimed at minimising absence levels will be implemented throughout the 2016-17 year.

Financial Year	Average Total number of staff	Total days lost	Average working days lost per person	Absence rate
2015-16	440 WTE	3,337	7.6	3.4%
2014-15	494 WTE	4,184	8.5	3.9%

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

Staff Gender Breakdown within DHSSPS 2015-16 all grades	
Female	249
Male	187

Staff Gender Breakdown within DHSSPS 2015-16 Senior Management (excl. Board Members)	
Female	6
Male	9

Staff Gender Breakdown within DHSSPS 2015-16 Board Members incl. Independent Board Members	
Female	4
Male	4

Equal Opportunities / Disabled Persons

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

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

Employee Engagement

The Department recognises the value of involving staff to assist them in meeting their aspirations and strengthen the organisation's performance. During 2015-16, the Department developed its "Deliver Together" programme, which aims to encourage and promote staff engagement. Extensive engagement activities were carried out with staff across the Department and an action plan was launched in October 2015. Activities carried out include a Departmental event for staff, regular intranet blogs from senior staff, a programme of Deliver Together seminars and "the Pulse" in-house communication.

The Department was assessed against the Investors in People Standard and continues to meet the Standard in full and retain Bronze status.

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

Complaints

The Department is committed to providing the highest standard of service to all its customers and aims to get things right first time. The Department received one formal complaint during 2015-16. If a complaint against the Department is received, any lessons will be shared with other Directors to increase awareness and improve the standard of service.

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

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

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

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

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

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

CORPORATE GOVERNANCE REPORT

DIRECTORS' REPORT

The Department of Health, Social Services and Public Safety (DHSSPS or the Department) presents its Annual Report and Accounts for the financial year ended 31 March 2016.

MANAGEMENT

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

Minister

Mr J Wells was the Minister responsible for the Department from 24 September 2014 until 10 May 2015.

Mr S Hamilton MLA was appointed as the Minister responsible for the Department on 11 May 2015.

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 2015-16 is outlined below:

Mr. R Pengelly	Permanent Secretary (Chair)
Mr. S Holland	Deputy Secretary, Social Care Policy Group
Mrs. 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, Health Care Policy Group
Mrs. J Thompson	Deputy Secretary, Resources and Performance Management Group
Dr. C King	Independent Non–Executive Director
Mr. M Little	Independent Non–Executive Director

DEPARTMENTAL ACCOUNTING BOUNDARY

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

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

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

DEPARTMENTAL REPORTING CYCLE

In line with all NI Departments, the DHSSPS reporting cycle commences early in the financial year with the production of the Main Estimates. These establish authority from the Assembly for DHSSPS to incur expenditure up to the limits stipulated. The provisions sought in the 2015-16 estimates were based primarily on the Comprehensive Spending Review (CSR) as set out in the NI Executive's Programme for Government (PfG) 2011-2015, as approved by the NI Assembly in March 2012. The figures in the accounts also reflect any Executive approved changes to the 2015-16 budgets, as agreed by the Assembly during 2015-16. Supplementary Estimates were produced in January 2016 seeking authority for additional resources and/or cash to that previously provided in the Main Estimates for the financial year. Both documents are published and available from Her Majesty's Stationery Office (HMSO).

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

FINANCIAL REVIEW

Overall total expenditure by the Department on all services amounted to £4,505m (£4,429m in 2014-15) against Estimate cover of £4,666m (£4,666m in 2014-15). A detailed review is contained in the Performance Report on pages 3-36. The financial results of the Department are set out on pages 103-148.

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 2015-16 accounts.

Contingent Liabilities disclosed under Parliamentary reporting requirements

No disclosures for this reporting period.

Payments to Suppliers

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

Unless otherwise stated in the contract, payment is due within 30 days of the receipt of goods or services or within 30 days of the presentation of a valid invoice, whichever is later. Monthly reviews are conducted to measure how promptly the Core Department pays its bills. During 2015-16, on average 97.27% 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 2015-16, on average 89.67% 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 2016-17, the Department will build upon the performance achieved in 2015-16.

Pension Liabilities

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

Related Party Transactions

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

Audit

The accounts and supporting notes relating to the Department's activities for the year ended 31 March 2016 have been audited by the Comptroller and Auditor General. The Certificate and Report of the Comptroller and Auditor General is included on pages 101-103. The notional cost of the audit for the year ended 31 March 2016, which pertained solely to audit services, was £109k; 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 30 June 2016 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 (formerly Department of Finance and Personnel) has directed the Department of Health, Social Services and Public Safety to prepare, for each financial year, consolidated Resource Accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Department, Health and Social Care Board and the Public Health Agency during the year.

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

The Department of Finance (formerly Department of Finance and Personnel) has appointed the Permanent Head of the Department as the Principal Accounting Officer of the Department. 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 (formerly Department of Finance and Personnel), including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;

- Ensure that the Department has in place appropriate and reliable systems and procedures to carry out the consolidation process;

- Make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by the Health and Social Care Board* and Public Health Agency;

- Confirm that, as far as I am aware, there is no relevant audit information of which the entity's auditors are unaware, and 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 entity's auditors are aware of that information;

- Confirm that the annual report and accounts as a whole is fair, balanced and understandable and that I take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable;

- State whether applicable accounting standards, as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts; and

- Prepare the accounts on a going-concern basis.

The Principal Accounting Officer of the Department has appointed the Chief Executives of its sponsored non-departmental and other arms 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 the responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the assets of the Department for which the Accounting Officer is responsible, are set out in are set out in the Accounting Officers' Memorandum issued by the Department of Finance (formerly Department of Finance and Personnel) and published in Managing Public Money Northern Ireland.

The Minister announced in November 2015 his intention to close the HSCB and realign its activities across the wider HSC system. However, no formal timeframe for closure has as yet been established. As such, the HSCB will continue as constituted for the 2016-17 financial year and will work closely with the Department on transitional arrangements to the new structures once these are confirmed. The HSCB's financial statements consolidated within this document have therefore been prepared on a going concern basis.

GOVERNANCE STATEMENT

Introduction

This statement is given in respect of the Departmental Resource Accounts for 2015-16. It outlines the Department's governance framework for directing and controlling its functions and how assurance is provided to support me in my role as Accounting Officer for the Department of Health, Social Services and Public Safety (DHSSPS). As Accounting Officer, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the Department's policies, aims and objectives. I also have responsibility for safeguarding public funds and Departmental assets in accordance with the responsibilities assigned to me in Managing Public Money Northern Ireland (MPMNI).

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

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

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

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

Governance Framework

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

The Departmental Board

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

the Department as effectively as possible, to achieve the objectives and priorities set by the Minister. The Board has a key role in overseeing the sound financial management and corporate governance of the Department and closely monitors the Department's progress in the achievement of key objectives and priorities set out in the Departmental Business Plan, including Programme for Government commitments.

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

The strategic aims, policies and strategies for the Department are set by the Minister. The role of the Departmental Board is to support me, as the Accounting Officer, in establishing the necessary governance and assurance mechanisms to ensure effective and efficient delivery of the Minister's priorities and other statutory functions of the Department. In line with best practice, the operational procedures of the Departmental Board are kept under continuous review and a more detailed evaluation is conducted every few years. The last review was undertaken in 2013-14 and the next review is scheduled in 2016-17.

Executive Board Members 2015-16	
Mr R Pengelly	Permanent Secretary
Mr S Holland	Deputy Secretary, Social Care Policy Group
Mrs C McArdle	Chief Nursing Officer
Dr M McBride	Chief Medical Officer
Mrs D McNeilly	Deputy Secretary, Health Care Policy Group
Mrs J Thompson	Deputy Secretary, Resources and Performance Management Group and Senior Finance Director
Independent Board Members 2015-16	
Dr C King	Independent Board Member
Mr M Little	Independent Board Member

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

Management Information

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

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

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

Quality of Information

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

Departmental Audit and Risk Assurance Committee (DARAC)

DARAC Members 2015-16		No. of meetings attended
Dr C King	IBM and Chair of DARAC	4/4
Mr M Little	IBM and DARAC Member	4/4
Mrs J Pyper	Chief Executive Utility Regulator	2/4
Mr T Connolly	Finance Director Department of Education	3/4

The DARAC is a Committee of the Board and meets four times per year, with additional topic focused meetings. DARAC comprises four members, each of whom is independent of Departmental management. Other officials in attendance at DARAC meetings include the Departmental Accounting Officer, the Senior Finance Director, the Director of Finance, the Head of Internal Audit and officials from the Northern Ireland Audit Office (NIAO).

The DARAC gives detailed attention to internal governance issues, including the quality of risk management and corporate governance within the Department. DARAC also considers any HSC-wide issues or any other issues outwith the Department that affect my role as the Department's Accounting Officer.

An example of this is in respect of the adequacy of the arrangements by which I hold ALB Accounting Officers to account for the performance and governance of their organisations. Systems for responding to recommendations made by authoritative external bodies, including the Public Accounts Committee, NIAO, and the Regulation and Quality Improvement Authority (RQIA), are also examined. The DARAC advises the Board and me as Accounting

Officer on its conclusions and recommendations with regard to identified governance weaknesses.

DARAC – Responsibilities and Performance

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

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

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

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 to DARAC for action as appropriate. In addition, the Chair of the DARAC delivers an annual report to both the Departmental Board and the DARAC and also reports to the Board following each quarterly meeting of the DARAC.

The DARAC has also considered the Departmental Resource Accounts (DRA) for 2015-16 and on the basis of the evidence presented, has recommended the DRA to the Departmental Accounting Officer for approval

Top Management Group

As Accounting Officer, I am supported by my Top Management Group, which comprises the Executive Board Members. It provides a forum for the consideration and endorsement of corporate business and the handling of the 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. In order to ensure its continued effectiveness, a review of the Framework commenced in 2014-15. The review sought feedback from each

business area regarding their application of the Framework, and included engagement with the Departmental Internal Audit Group to consider any emerging issues/lessons learned from its ongoing programme of directorate governance audits. The outcome of the review is currently being finalised.

Business Planning

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

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

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

Risk Management

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

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

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

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

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

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

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

The system of internal governance has been in place in the Department for the year ending 31 March 2016 and continues up to the date of approval of the Annual Report and Accounts. This accords with Department of Finance and Personnel guidance.

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

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

Information Risk

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

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

- IAOs are aware of their responsibilities to ensure information is securely stored, access-controlled and disposed of appropriately.

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

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

The Department had no data loss-related incidents in 2015-16.

Governance and Accountability within DHSSPS ALBs

Governance and Accountability can be considered under the following headings:

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

ALB Assurance and Accountability

The Department achieves its corporate objectives through direct Departmental action and through its 17 ALBs. The Chief Executives of ALBs (as ALB Accounting Officers) are directly accountable to me (Permanent Secretary of the Department) as Principal Accounting Officer. ALBs through their Boards are held to account for the delivery of their prescribed functions and Ministerial/Departmental 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 Department gains assurance on probity in the use of public funds and governance application in the wider sector through an assurance and accountability framework and its associated guidance. The framework applies to the 16 Health and Social Care (HSC) Bodies and to the Northern Ireland Fire and Rescue Service. The guidance and arrangements described within the assurance and accountability framework have been developed to meet the responsibilities placed on the Department, under Managing Public Money NI, for the sponsorship of ALBs operating under the control of DHSSPS.

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

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

During 2015-16, the Department reviewed its assurance and accountability arrangements to ensure it is complying with Managing Public Money NI (MPMNI) and other relevant guidance and is receiving effective and proportionate assurance from its ALBs. The review concluded that the Department largely meets the requirements set out in MPMNI. Any issues of compliance were dealt with by the review or will be addressed through mainstream work of the Governance Unit and sponsor branches.

Departmental Assurance

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

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

Controls Assurance Standards (CAS)

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

For 2015-16, the compliance level for the three core standards of Governance, Risk Management and Financial Management, together with 18 other standards, has been set at 'substantive' for all ALBs, meaning that a compliance rate of at least 75% must be achieved. Substantive compliance within the core standards is particularly important as an underpinning of the individual governance statements. Overall, the ALBs performed well against this target and a substantive level of compliance across each of the CASs was largely achieved. ALBs are required to have action plans in place to address weaknesses identified at standard and individual criterion level. Assessments and action plans are followed up by policy leads through the formal accountability processes and other means.

Statutory Duty of Quality

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

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

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

Care standards for regulated services across the statutory, voluntary and private sectors have also been developed by the Department, 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 is in the process of developing a set of Service Frameworks for key areas of health and social care which set out, at a high level, the type of service that patients and users should expect, in addition to outlining Northern Ireland standards and supporting actions - linked to recognised good practice guidance. Some Frameworks have been completed while others are still under development, for example in relation to Mental Health, Children and Young People.

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

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

Sources of Independent Assurance

The Department obtains independent assurance from the following sources:

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

Departmental Internal Audit Group (IAG)

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

Focusing audit activity on the key business risks;

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

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

The HIA has provided me with an opinion on the Department's management of risk, control and governance. The Internal Audit opinion reflects an aggregate assessment of Internal Audit activity over a four year period from 2012-13 to 2015-16. This indicates that, overall, the system of governance, risk management and internal control within the Department is satisfactory. Notwithstanding this positive opinion, a number of significant internal control issues were identified during the year as follows:

- The review of sponsor control of three of the Department's ALBs (NIPEC, BSO and South Eastern Trust) identified significant weaknesses in the discharge of their sponsorship responsibilities;
- The follow up of the 2014-15 audit of the review of recommendations from RQIA Review Reports identified no progress and additional issues in the following up/implementation of recommendations by policy branches;
- The follow up of the 2015-15 audit of Discharge of Statutory Duties has made some progress but there are still weaknesses in the Department's governance and management of the arrangements for ensuring that the delegated functions were being effectively executed by the HSCB and Trusts; and

- The review of Strategic Management of Procurement identified a risk of non compliance with the new EU and UK public contracts regulations, significant weaknesses in the management and processing of Direct Award Contract applications and timely implementation of the 2012 Procurement Review recommendations.

IAG will follow up on all reports with less than satisfactory assurance and report to the DARAC on a quarterly basis.

Northern Ireland Audit Office (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 are 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; support and enhance management, administrative and organisational processes.

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

The NIAO published its *General Report on the Health and Social Care Sector 2012-13 and 2013-14* on 14 May 2015. A PAC evidence session was subsequently held on 16 September 2015 and the PAC published its report on 20 January 2016. The report contained 13 recommendations. The Memorandum of Reply was published by DFP on 25 March 2016. The Department's view is that two of the recommendations have already been implemented as they reflect existing practice. Work is ongoing to address the other recommendations.

In terms of other Value for Money audits within the HSC sector, a first draft of the study on '*Reducing Emergency Admissions'* was provided to the Department in November 2015, whilst the fieldwork on '*Transforming Your Care'* was also completed during 2015-16.

Business Services Organisation (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 NIFRS. The Department reviews the Head of Internal Audit's (HIA) mid and end-year independent opinions, on the adequacy and effectiveness of each of the ALBs' system of internal control, together with any recommendations for improvement.

Review of Effectiveness of the System of Internal Governance

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal governance. My review of the effectiveness of the system of internal governance is

informed by the work of the Department's IAG and the Executive Board Members within the Department, who have responsibility for the development and maintenance of the internal framework. I also consider the comments made by the NIAO in its management letter and other reports. I have been advised by the DARAC on the implications of my review of the effectiveness of the system of internal control, and a plan to address weaknesses and ensure continuous improvement of the system is in place. This is evidenced through DARAC's review of the Departmental Governance Statement and the DARAC Chair's annual report to me as Accounting Officer.

Internal Governance Divergences

Prior Year Issues

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

Regional Oral Medicine Service

An Independent Dental Inquiry was held following the Belfast Trust recall in 2011 of 117 patients who had attended the Regional Oral Medicine Service, due to concerns regarding the diagnosis and treatment of oral cancer. In response a Department-led Action Plan was commenced to consider the recommendations from the inquiry along with matters from associated Serious Adverse Incidents SAIs and subsequent further recalls. The action plan and full inquiry report were published in July 2013.

The RQIA undertook a review of the implementation of those recommendations which applied to the Belfast Trust and HSCB in relation to patient safety and governance. Its findings from the initial assessment were published in December 2014 and found that 15 of the 22 actions have been fully implemented and the next stage of the review will consider progress on the remaining 7 actions. This is expected to be included within the RQIA's 2016-17 programme.

In the meantime, there have been positive developments in the referral guidance to practitioners; refinement of the red flag prioritisation process for referrals of suspected cancer cases; and the treatment of appropriate 'routine' oral medicine cases by Oral Surgery and Oral and Maxillofacial Surgery teams. These have all resulted in improved service delivery for patients and a minimised risk of the recurrence of such events that resulted in the requirement for an inquiry.

Implementation of Transforming Your Care (TYC)

Transforming Your Care: A Review of Health and Social Care Northern Ireland" (TYC), published in December 2011, outlined a future model of care that places emphasis on the individual rather than the institution. This included seeking to ensure that services are provided in the community and in patients' homes where it is appropriate and safe to do so.

Moving services from hospitals into primary care and community settings, and seeking to treat more people in their homes, is often referred to as "shift left".

Departmental progress in delivering those elements of the TYC proposals for which it has responsibility is monitored through the Department's business plan, with the Department liaising with HSCB and PHA on progress in pursuing TYC proposals for which they have responsibility. As well as regular oversight meetings, the Department has a place on the Transformation Programme Board which is chaired by the HSCB and which oversees the delivery of service changes to deliver the ambitions set out in TYC.

Regular updates have been provided to the DHSSPS Assembly Committee on the value of the "shift left" that has been achieved (anticipated to exceed £45m by the end of 2015-16) and on progress against the 99 proposals contained within TYC (over 50 of which have now been implemented). In addition, the Minister has also created a ring-fenced Transformation Fund of £30m as part of the 2016-17 financial planning process, which will help to ensure funding is provided to innovative projects, including those delivering TYC objectives. These objectives and plans are now considered to be embedded as business as usual activities within the Department.

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

During 2015-16, the targets for resettling Mental Health and Learning Disability patients were 23 and 36 respectively. At 31 March 2016, five Mental Health patients and 10 Learning Disability patients have moved to appropriate homes in the community. At 31 March 2016, 18 long stay patients remain in Mental Health Hospitals. Plans are in place to resettle 10 of these during 2016-17. The remaining eight patients currently require inpatient treatment. At 31 March 2016, 25 long stay patients remain in Learning Disability Hospitals (one patient has sadly deceased). Plans are currently in place to resettle 11 of these during 2016-17 and the HSC Trusts are working on plans for another eight, with a further five to be resettled in late 2017. These delays are due to planning and building issues. One patient currently requires inpatient treatment.

Those remaining patients in hospital care at 31 March 2016 are individuals with more complex conditions and behaviours and the delay in resettling is due the completion of specialist placements being customised to the patients' individual needs. The HSC is actively working to accommodate the most suitable placement with the right level of support to suit their specific individual needs. However, a number of patients, including those detained under the Mental Health Order, will continue to require hospital admission. The emphasis is on getting it right for the patient and ensuring their safety and care which remains a key priority.

Community Pharmacy

In December 2012, an agreement was reached between Community Pharmacy NI (CPNI), the HSCB and the Department to work collaboratively in the development and maintenance of arrangements with respect to the Community Pharmacy Contract and Drug Tariff and to make interim payments to pharmacy contractors in relation to the 2011-12 and 2012-13 financial years (subject to progress being made on a number of these matters).

In February 2015, CPNI was granted leave for a judicial review of the decision of the Department that interim payments would not be made in respect of the 2013-14 and 2014-15 financial years. The hearing took place over June – September 2015 and the application was dismissed in February 2016, with costs being awarded to the Department. CPNI has advised that it will not be appealing the judgement.

The Department continues to work on a number of important community pharmacy initiatives, including the ongoing Margins Survey and completion of the Cost of Service Investigation, which will help inform discussions on what constitutes a fair and reasonable remuneration level for community pharmacy contractors in Northern Ireland.

Procurement – Whistleblowing

During 2014-15, the Department played an oversight role into the investigations regarding the instances of poor procurement and contract management that were identified though whistleblowing procedures in the Estates department of the Northern HSC Trust. In addition to a joint report from the BSO's Internal Audit Team and the Department's Health Estates Investment Group Policy and Procurement Compliance Unit, an independent review investigated the root causes of the lack of control over procurement and contract management and was completed in June 2014. The majority of recommendations and disciplinary procedures resulting from these reviews have been actioned and no further Departmental action has been required in relation to this matter during 2015-16.

In 2015-16, BSO Internal Audit continued its review of procurement controls within the estates functions of the HSC Trusts. Whilst limited opinions on this area have been provided for the Northern and Southern HSC Trusts, this represents a significant improvement from prior years, when 'unacceptable' opinions were provided. In addition, the scope of issues causing the limitation has decreased considerably or changed. These latest reports also acknowledge that previous internal audit recommendations have been largely implemented. Any remaining audit recommendations for these areas are now being taken forward by the respective HSC Trust in line with agreed timeframes and are being followed up by BSO Internal Audit as part of routine accountability and governance arrangements.

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

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

This work was led by the former Chief Medical Officer for England, Sir Liam Donaldson, whose report, "The Right Time, The Right Place", was published by the Minister on 27 January 2015. A public consultation on the recommendations was launched on 24 February

2015 and closed on 22 May 2015 with 142 responses received. A report on the responses to the consultation will be published in due course.

In the intervening period, Ministers have made a number of announcements that have covered a number of the key recommendations of the Donaldson Report, including provision of a world class care system, strengthening commissioning, improved regulation, reporting and learning. The Minister has also appointed Professor Rafael Bengoa, who is an internationally recognised healthcare professional, to lead an Expert Panel that will report on the Optimal Configuration of Health and Social Care Services in Northern Ireland. The Expert Panel has produced a set of principles that underpins the reconfiguration of health and social care services and is now working to produce a further report that will be available during the summer of 2016. As work progresses on current policy developments and recommendations from Professor Bengoa's Expert Panel are considered, the outstanding issues from the individual recommendations within the Donaldson Report will be addressed.

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

Serious Adverse Incidents (SAIs*)*

The review into the handling of SAIs by the HSC Trusts, which was commissioned by the Minister in April 2014, has now been completed. A quality assurance of the review was also completed by the RQIA during 2015-16. The RQIA confirmed that the information submitted by Trusts provides an accurate reflection of the handling process for each SAI reviewed. Additionally it was confirmed that all HSC Trusts view the SAI arrangements as an integral component of their corporate learning system used to support qualitative care provisioning.

Family engagement as part of the SAI process had previously been found to be inconsistent across the HSC, including the protocols used in recording the circumstances where it was not appropriate to engage or share the final SAI report. However, following the review, the level of engagement/involvement has improved, with over 92% of patients/clients being advised that the case is an SAI and 62% provided with a copy of the final SAI report

The review also identified that in the majority of patient fatality cases, the statutory requirement to inform the Coroner had been complied with in line with appropriate guidance.

The roll-out of the Regional Mortality and Morbidity Review System will ensure that all deaths in hospital are appropriately reported to Coroner.

Child Sexual Exploitation (CSE)

In September 2013, the Minister jointly commissioned an independent expert-led inquiry into CSE in Northern Ireland in conjunction with the Ministers for Justice and Education. The Inquiry was led by Professor Kathleen Marshall and concluded/reported in November 2014.

It made 15 key and 60 supporting recommendations aimed at preventing CSE, dealing with contributory factors or strengthening support structures for victims. All recommendations relevant to the HSC were accepted and are currently being implemented or are on course to be implemented by 2017.

In addition, the Minister also directed the Safeguarding Board for Northern Ireland to carry out a thematic review of the cases that led to the Marshall Inquiry. The final Thematic Review report was received by the Department in September 2015, and its recommendations are being taken forward by the structures established to implement the findings of the Marshall Inquiry.

Safeguarding Client Monies

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

The Department led a Working Group throughout 2014-15 and 2015-16, comprising key staff from the HSC Trusts, to address the issues identified in the RQIA report. Three of the recommendations including a review of guidance, ensuring satisfactory financial controls are in place and extending audit programmes were met in 2014-15. This was through the issue of revised guidance to HSC organisations, with additional guidance being issued in February 2016. The Trusts implemented three further recommendations in 2015-16 which included standardisation of file structures, care managers' training in financial matters and more effective partnership working between all areas involved in safeguarding service users' finances. Only one recommendation remains outstanding in relation to seeking greater assurances in those cases where a representative e.g. family member has responsibility for a service user's finances. Legal advice has been sought and received in relation to this which indicates that this is outside of the statutory powers given to the Trust. This will be taken forward and resolved with RQIA in 2016-17.

A number of the governance matters arising in prior years are still considered to represent internal governance divergences for 2015-16. These include:

Financial Performance

2015-16

2015-16 was an exceptionally challenging year for the Department financially. Throughout the year, the Department sought to manage a range of unfunded pressures by working closely with all parts of the DHSSPS system in order to secure further opportunities to close the funding gap. The Department also engaged extensively with the Minister and key stakeholders across the HSC and with DFP in seeking to resolve the financial challenges. In addition, the Department fully participated in the Executive's In-Year monitoring processes

and was successful in securing some £47.6m of additional non-recurrent revenue funding in 2015-16.

As a result of these actions, the Department reported an underspend of £4.1m against the cash element of the 2015-16 Resource Departmental Expenditure Limit budget control total (0.08% of final cash budget). This was partially reduced by a small overspend of £2.9m on the non-cash budgets (2.27% of final non-cash budget), to give a net underspend in current expenditure DEL of £1.2m (0.02% of final budget).

2016-17

For 2016-17, a considerable financial challenge remains for the Department. In order to achieve a balanced financial position and finance service developments, the Department will be rigorously progressing all available opportunities to secure additional resources throughout 2016-17 and to take any other necessary action in order to break even. The level of all financial risks to both current and capital expenditure plans will be kept under continual review in order to ensure that plans are amended as necessary to protect/maintain the safety of services for patients and clients and to deliver financial breakeven.

Childcare: Unallocated Cases

The Department continues to receive monthly information in relation to unallocated cases. In overall terms, unallocated cases have decreased from 399 at the end of March 2015 to 333 at the end of February 2016. The HSC Trusts have reported that there were no unallocated cases of a child protection nature.

The continued existence of waiting lists of cases requiring assignment to a social worker within the child and family intervention teams may mask potential risks to children (as the circumstances of a family whose child remains on an unallocated waiting list may deteriorate during the period the case is awaiting allocation), and may include the potential to compromise the ability of Trusts to discharge their statutory responsibilities. The number of unallocated cases continues to represent a significant control issue at a local level (and in turn, at a regional level), which remains unacceptably high within the context of significant growing demand for child and family services.

The Department has therefore required the HSCB to apply significant effort to this area by agreeing and applying a methodology for reducing the number of outstanding cases with individual HSC Trusts, including ensuring that dedicated improvement plans are in place with individual HSC Trusts during 2016-17.

Historic Abuse of Children and Vulnerable Adults: Retrospective Sampling

During 2008-09, at the request of the Department, the HSC Trusts conducted a sampling exercise across adults' and children's files from all Mental Health (MH) and Learning Disability (LD) hospitals across Northern Ireland (covering the period 1985-2005). The aim of this exercise was to seek an assurance that appropriate procedures were in place to prevent the abuse of children and vulnerable adults, and that any such incidents of abuse identified

were dealt with properly and effectively. When the professional advisers and policy colleagues examined how this exercise had been carried out, they concluded that Trusts' approaches and coverage had been inconsistent in many ways, and therefore the Department could not have confidence in the outcomes.

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

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

Departmental officials have been engaging with the Health and Social Care Board during 2015-16 to develop options for the way forward in light of the SMG report. This has included seeking clarification and assurance from the HSCB on a number of issues, together with confirmation that any concerns identified which were outside the scope of this exercise are being handled properly (including that any patients identified who may pose a risk to others are being managed and cared for appropriately).

A review of the alleged abuse of children is also being taken forward through the Historic Institutional Abuse Inquiry. Much progress has been made, and work continues to improve safeguarding arrangements for both children and vulnerable adults. This issue will be taken forward with the new Minister in 2016-17.

Elective Care

The number of people being seen has increased again with the number of patients attending their first outpatient appointment and those being admitted as an inpatient /daycase expected to exceed those in 2014-15 by 2.2% and under 1% respectively. Over the same period, the number of imaging diagnostic tests carried out (for example) has increased by 3.0%.

During 2015-16, each of the Minister's three elective care standards have not been achieved. However, the rising number of people waiting was reversed in the last quarter of the year, with provisional figures for March 2016 showing that those waiting more than 18 weeks for a first outpatient appointment had fallen by 19%; those waiting longer than 26 weeks for admission as an inpatient or daycase were down by nearly 18%; and the number of patients waiting longer than 9 weeks for diagnostics was down by over 13%. At the end of March 2016, 100,234 patients were waiting longer than 18 weeks for a first outpatient appointment;

17,601 patients were waiting longer than 26 weeks for inpatient/daycase treatment; and 29,088 patients were waiting longer than 9 weeks for diagnostics

Work has also continued in-house to progress new and follow-up outpatient appointments, including those for Allied Health Professionals, and to reduce waiting times in the community in areas such as psychological therapies, Children and Adult Mental Health Services and wheelchairs.

A further £30m of additional funding has been allocated to continue tackling waiting lists in 2016-17. This additional funding will support up to 25,000 additional assessments and some 12,000 additional treatments across a wide range of specialties including orthopaedics, gastroenterology, neurology and ENT. It will include £10m investment in diagnostics services to increase capacity to support up to 50,000 additional tests to help meet increasing demands, as well as supporting seven day services.

The Department continues to look to the HSCB to work with HSC Trusts to deliver on these targets. HSC Trusts will be expected to deliver the commissioned volume of core activity in 2016-17 to minimise the increase in waiting times and continue to target the longest waiting patients to achieve the best possible waiting time outcomes, whilst prioritising clinical need. For the longer term, the HSCB is developing a plan to arrest the decline in elective waiting times and deliver sustainable improvements. It will take time and significant investment to bring waiting lists back to an acceptable level whilst simultaneously increasing capacity to meet increasing demand.

Unscheduled Care

The position on HSC Trust performance against the targets and standards for Emergency Departments (EDs) remains a major cause for concern, with a continued incidence of breaches of the 12 hour standard at a number of sites, and all HSC Trusts falling well short of the expectation that 95% of patients should be either discharged or admitted within 4 hours of arrival at an ED. Regionally during 2015-16, there has been a 4.3% (30,350) increase in ED attendances compared with 2014-15, with a particular increase of 9% (15,282) in the quarter ended March 2016. It is important to note that all attendees at all EDs are triaged and streamed for treatment depending on the severity of their presentations, and the target achievement should be considered in conjunction with the nature and volume of patient presentations. In the quarter ended March 2016, 95% of patients attending were triaged within 37 minutes of arrival with 79.4% commencing treatment within 2 hours of triage.

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

The difficulties of supply have resulted in localised recruitment difficulties affecting middle grade doctors for EDs, resulting in capacity/performance issues which have continued during 2015-16, evidenced through pressures on waiting times in Emergency Departments. There

have been particular difficulties in the Lagan Valley and Downe hospitals where a shortage of middle grade doctors resulted in the continued temporary closure of the Emergency Departments at the weekends in both hospitals and restrictions on opening hours. The Daisy Hill and Mater Hospitals are also experiencing recruitment difficulties but to date have not resulted in ongoing temporary closure measures.

In September 2015, the Unscheduled Care Task Group (UCTG), announced by the Minister in July 2014, moved to a new phase aimed at taking forward and embedding the UCTG improvement initiatives under the leadership of the Chief Executives of the PHA and HSCB, as well as undertaking new or additional work to strengthen the resilience of emergency and unscheduled care regionally. The HSCB has established a Managed Clinical Network to work with HSC Trusts to tackle waiting times by targeting improvement action across the whole hospital system from admission to discharge.

Paediatric Congenital Cardiac Surgery (PCCS)

The PCCS service provided by the Belfast HSC Trust on a regional basis continued to remain vulnerable during 2015-16. This was due to the need for patients to travel outside Northern Ireland for surgical and interventional procedures. The All Island Congenital Heart Disease Network, comprising clinicians, commissioners and patient representatives, was established in April 2015 to address these issues, including creating additional capacity at Our Lady's Children's Hospital Crumlin (OLCHC) to enable the majority of elective patients from Northern Ireland to be treated there. Whilst this process is ongoing, Service Level Agreements (SLAs) with Evelina and Birmingham Children's Hospitals have been put in place to provide continuity of service and to ensure the safety and quality of services for patients from Northern Ireland. These SLAs will remain in place until sufficient capacity is available within the All-Island Congenital Heart Disease Network. An announcement on the long-term plan for the Network is expected by summer 2016, subject to approval by the Health Ministers in Northern Ireland and the Republic of Ireland and available funding. SLAs are also in place with OLCHC to provide surgical services and cover for emergency cases from Northern Ireland and catheterisation procedures for Northern Ireland patients.

HSC Data Centres

Between 2011 and 2013, there were a number of serious interruptions to services provided by the HSC data centres, primarily caused by the instability in the facilities provided to the data centres, such as power and cooling. The stability of power supplies to the data centres still remains a concern, and an unplanned interruption to power was experienced in September 2015. Mitigation measures were put in place to allow most services to continue uninterrupted, including an offsite data back-up facility.

During 2015-16, the BSO has continued to work on a range of interim measures to minimise the immediate risks to the operational capabilities of the HSC data centres, including enhancing the management and automation of the facilities (power and cooling) in order to improve the resilience of the data centre during the period of transition to new arrangements (see further details below).

BSO also prepares and retains a periodic archive copy of the data outside the HSC data centre sites. This replicates the overnight backup process off site from the data centres and provides a further assurance for potential disaster recovery situations.

In order to mitigate this issue on a strategic basis, the BSO has joined the Shared Public Data Centres project along with DFP and Translink. BSO developed, and had approved in September 2015, a Full Business Case for the transition to these new data centres. The new shared facilities are planned to be made available in line with project timescales in August 2016. However, this issue will continue to represent a governance issue for the Department and the HSC until a final solution has been implemented.

Inquiry into Hyponatraemia-related Deaths

The public Inquiry into Hyponatraemia-related Deaths was established in November 2004 against the background of concern and publicity about the treatment in local hospitals of three children who had died in circumstances where Hyponatraemia had caused or was a major factor in their deaths. The investigation of the deaths of a further two children were included into the Inquiry's work in 2005. The Inquiry completed its public hearings during 2013-14 and the Chair, Mr Justice O'Hara, is planning to issue his final report to the Department during 2016-17. Any recommendations within this report will be considered and taken forward as appropriate by the Department.

Historical Institutional Abuse Inquiry (HIAI)

The HIAI has continued to place significant demands on the Department throughout 2015-16, primarily as a result of the need to respond to a large volume of requests for relevant documentation, including copies of guidance, procedures and Departmental witness statements. The Department has complied with all such requests. However, timescales for response have been shortened by the HIAI and there has been increased emphasis on providing oral evidence to the Inquiry. The HIAI is due to complete in 2017 and the existing demands are expected to continue through to the end of summer 2016.

New Issues for 2015-16

Business Services Transformation Programme (BSTP) – Recruitment Shared Services

Following the roll out of e-Recruitment system and Recruitment Shared Services to a number of larger HSC organisations during 2015-16 as part of the BSTP, a number of issues emerged regarding the length of time taken to complete the overall recruitment process. Due to the limited ability to generate management and performance information from the e-Recruitment system, information has not been readily available to provide robust evidence of, including reasons for, the delays reported by HSC organisations.

The BSTP Programme Board that oversees the implementation of Shared Services and the new business systems, has decided that the roll-out of Recruitment Shared Services should be put on hold until the current service is stabilised. In the interim, BSO is continuing to provide recruitment services to Belfast, Northern and Southern Trusts as well as the Regional bodies.

There has been a partial roll-out to South Eastern Trust and BSO will continue to provide this service. However there will be no further roll-out to South Eastern, Western or the NI Ambulance Trust until the autumn of 2016.

A formal Recovery Plan for Recruitment Shared Services has been instigated. Progress will be monitored and reviewed on a regular basis by the BSO Senior Management Team, an HSC Task and Finish Group and the BSTP Programme Board until such time that the service has stabilised.

Conclusion

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

Further to considering the accountability framework within the Department, including its ALBs, and in conjunction with assurances given to me by the DARAC, I am content that the Department has operated a sound system of internal governance during the period 2015-16.

REMUNERATION AND STAFF REPORT

Remuneration Report

Remuneration Policy

The Minister of Finance approves the pay remit for Senior Civil Service (SCS) staff. The SCS remuneration arrangements are 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. In 2012, upon creation, there were 11 points on each scale. This was subsequently reduced to 10 points in 2014 and 9 points in 2015 to allow progression through the pay scales within a reasonable period of time.

Service Contracts

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

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

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

Salary and pension entitlements

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

Remuneration (Audited)

Ministers	2015-16				2014-15			
	Salary	Benefits in kind	Pension Benefits**	Total	Salary	Benefits in kind	Pension Benefits	Total
	£	(to nearest £100)	(to nearest £1000)	(to nearest £1000)	£	(to nearest £100)	(to nearest £1000)	(to nearest £1000)
Mr J Wells (in office 24 September 2014 to 11 May 2015)	4,682	-	1000	6,000	19,844	-	7,000	27,000
Mr S Hamilton (in office 11 May 2015 to 10 September 2015 and 20 October 2015 to 31 March 2016)	33,075		6,000	39,000				

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

Remuneration (Audited)

Officials	2015-16				2014-15			
	Salary	Benefits in kind	Pension Benefits**	Total	Salary	Benefits in kind	Pension Benefits	Total
	Salary £000	(to nearest £100)	(£000)	(£000)	Salary £000	(to nearest £100)	(£000)	(£000)
Mr R Pengelly Permanent Secretary	110 to 115	-	67	175 to 180	80 to 85 (WTE 110 to 115)	-	28	135 to 140
Mr S Holland Deputy Secretary, Social Care Policy Group	85 to 90	-	30	115 to 120	85 to 90	-	24	110 to 115
Mrs. C McArdle Chief Nursing Officer (Note 1)	90 to 95	-	11	100 to 105	90 to 95	-	11	100 to 105
Dr M McBride Chief Medical Officer (Note 2)	80 to 85 (WTE 215 to 220)	-	-	80 to 85	165 to 170 (WTE 210 to 215)	-	-	-
Mrs D McNeilly Deputy Secretary, Healthcare Policy Group	85 to 90	-	149	235 to 240	20 to 25 (WTE 80 to 85)	-	2	20 to 25
Mrs J Thompson Senior Finance Director	100 to 105	-	43	140 to 145	95 to 100	-	30	125 to 130
Dr C King Independent Non-Executive Board Member (Note 3)	10 to 15	-	-	10 to 15	10 to 15	-	-	-
Mr M Little Independent Non-Executive Board Member (Note 4)	10 to 15	-	-	10 to 15	10 to 15	-	-	-

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

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

	2015-16	2014-15
Band of Highest Paid Director's Total (£'000)	215 to 220	210 to 215
Median Total Remuneration	£30,997	£28,792
Ratio	7.02	7.4

Notes to the above table of senior management remuneration

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

2) Dr M McBride was seconded to the Department from the Belfast HSC Trust (BHSCT) until 8 December 2014. From 9 December 2014 100% of his merit award and 20% of his remaining salary are only charged to DHSSPS as most of his time is spent working in the Belfast HSC Trust. This is reflected in above table. His Full Year CETV costs are disclosed by the Belfast Trust.

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

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

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

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

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

1. Salary

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

The Department of Health, Social Services and Public Safety was under the direction and control of NI Assembly Minister Jim Wells from 24 September 2014 until the 10 May 2015 and Simon Hamilton from 11 May 2015 to 10 September 2015 and again from 20 October 2015 to the end of the financial year. Their salaries and allowances were paid by the Northern Ireland Assembly and have been included as a notional cost in this account. These amounts do not include costs relating to the Minister's role as MLA/MP/MEP which are disclosed elsewhere.

2. 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 2015-16.

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. There were no bonus payments to Board members in 2015-16.

3. Ministerial Pensions

Ministers Pension Benefits (Audited)	Accrued pension at age 65 at 31 March 2016	Real Increase in pension at age 65	CETV at 31/3/16	CETV at 31/3/15	Real Increase in CETV
	£'000	£'000	£'000	£'000	£'000
Mr J Wells (in office 24 September 2014 to 11 May 2015)	2	-	36	33	1
Mr S Hamilton (in office 11 May 2015 to 10 September 2015 and 20 October 2015 to 31 March 2016)	3	1	28	21	2

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

Benefits for Ministers are payable at the same time as MLA's benefits become payable under the AMPS. Pensions are increased annually in line with changes in the Consumer Prices Index. Ministers pay contributions of either 7% or 12.5% of their Ministerial salary, depending on the accrual rate. There is also an employer contribution paid by the Consolidated Fund out of money appropriated by Act of Assembly for that purpose representing the balance of cost. This is currently 20.6% of the Ministerial salary.

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

4. 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) (Amendment) Regulations 2008 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.

5. 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. Prior to October 2015, the CETV factors were calculated using a net discount rate of 3%, which was the rate set by HM Treasury for the major public sector pension schemes. Following the completion of the 2014 funding valuation of the AMPS the assumptions used to calculate the scheme's factors were reviewed. The AMPS is not covered directly by the financial assumptions set by HM Treasury for other public service pension schemes, and the Trustees instead decided to adopt the financial assumptions used in the scheme's funding valuation to calculate CETVs (a net discount rate of 3.5%) rather than the HM Treasury rate. This has led to a reduction in CETVs in general and a difference between the closing CETVs reported in 2014-15, and the opening CETVs reported in 2015-16.

6. Pension Entitlements (Audited) -

Officials	Accrued pension at age 60 as at 31/3/16 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/3/16	CETV at 31/3/15 *(note 2)*	Real increase in CETV
	£'000	£'000	£'000	£'000	£'000
Mr R Pengelly *Permanent Secretary (joined the Board in July 2014)*	40 to 45 and lump sum 125 to 130	2.5 to 5 and lump sum 2.5 to 5	747	656	37
Mr S Holland *Deputy Secretary, Social Care Policy Group*	15 to 20 and lump sum 0	0 to 2.5 and lump sum 0	282	236	24
Mrs C McArdle *Chief Nursing Officer*	25 to 30 and lump sum 80 to 85	0 to 2.5 and lump sum 2.5 to 5	444	413	16
Dr M McBride *Chief Medical Officer (Note 1)*	-	-	-	-	-
Mrs D McNeilly *Deputy Secretary, Healthcare Policy Group (joined the Board in January 2015)*	25 to 30 and lump sum 85 to 90	5 to 7.5 and lump sum 15 to 17.5	559	420	108
Mrs J Thompson *Deputy Secretary, Resources and Performance Management Group*	25 to 30 and lump sum 0	0 to 2.5 and lump sum 0	459	404	19

Notes:

1. Dr M McBride pension benefits are disclosed by the Belfast Trust.
2. See explanation at note 5 above regarding change to opening CETV value at 31 March 2015

Non Executive members pension details

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

7. Employer Contributions to Partnership payment account.

There were no employer contributions to Partnership payment accounts.

8. Northern Ireland Civil Service (NICS) Pension arrangements

Pension benefits are provided through the Northern Ireland Civil Service pension arrangements which are administered by Civil Service Pensions (CSP). Staff in post prior to 30 July 2007 may be in one of three statutory based 'final salary' defined benefit arrangements (classic, premium and classic plus). These arrangements are unfunded with the cost of benefits met by monies voted by the Assembly each year. From April 2011 pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index (CPI). Prior to 2011, pensions were increased in line with

changes in the Retail Prices Index (RPI). New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account). New entrants joining on or after 30 July 2007 were eligible for membership of the nuvos arrangement or they could have opted for a partnership pension account. Nuvos is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%. CARE pension benefits are increased annually in line with increases in the CPI.

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

Increases to public service pensions are the responsibility of HM Treasury. Pensions are reviewed each year in line with the cost of living. Increases are applied from April and are determined by the CPI figure for the preceding September. The CPI in September 2015 was negative (-0.1%) and HM Treasury has announced that there will be no increase to public service pensions from April 2016. Therefore public service pensions will remain at their current level.

Employee contribution rates for all members for the period covering 1 April 2016 – 31 March 2017 are as follows:

Scheme Year 1 April 2016 to 31 March 2017

Annualised Rate of Pensionable Earnings (Salary Bands)		**Contribution rates** – Classic members or classic members who have moved to alpha	**Contribution rates** – All other members
From	**To**	**From 01 April 2016 to 31 March 2017**	**From 01 April 2016 to 31 March 2017**
£0	£15,000.99	3.8%	4.6%
£15,001.00	£21,210.99	4.6%	4.6%
£21,211.00	£48,471.99	5.45%	5.45%
£48,472.00	£150,000.99	7.35%	7.35%
£150,001.00 and above		8.05%	8.05%

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

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

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 14.7% (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).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Pension age is 60 for members of **classic, premium**, and **classic plus** and 65 for members of **nuvos**. The normal 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 arrangements can be found at the website https://www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni.

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 2008 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. The actuarial factors used to calculate CETVs changed during the 2015-16 year and, consequently, CETV figures increased even without any further pension accrual. 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

None of the Board members left office during 2015-16.

Staff Report

Staff numbers and related costs (Audited)

	2015-16				2014-15
	Permanently employed staff	Others	Ministers	Total	Total
	£000	£000	£000	£000	£000
Wages and salaries	53,617	3,506	34	57,157	59,074
Social security costs	4,443	267	4	4,714	5,003
Other pension costs	8,951	548	7	9,506	8,609
Subtotal	**67,011**	**4,321**	**45**	**71,377**	72,686
Less recoveries iro outward secondments	(1,226)	336	-	(890)	(911)
Total net costs*	**65,785**	**4,657**	**45**	**70,487**	71,775
Of which: **Core Department**	**22,285**	**2,899**	**45**	**25,229**	26,078
Less recoveries iro outward secondments	(240)	-	-	**(240)**	(295)
Net Core Department	**22,045**	**2,899**	**45**	**24,989**	25,783

* No staff costs have been charged to capital. Permanently employed staff include the cost of the Department's Special Adviser, whom was remunerated within pay band B £59,627 - £91,809 during 2015-16. (2014-15: band B £59,037 - £91,809).

Net Staff costs (Audited)

	2015-16	2014-15
	£000	£000
Of which:		
Core Department		
Administration	23,834	24,943
Programme	1,155	840
Total	**24,989**	25,783
Agencies		
Administration	-	-
Programme	45,498	45,992
Total	**45,498**	45,992
Consolidated		
Administration	23,834	24,943
Programme	46,653	46,832
Total net costs	**70,487**	71,775

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

The Northern Ireland Civil Service pension arrangements are unfunded multi-employer defined benefit schemes but is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2012. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DFP Superannuation and Other Allowances Annual Report and Accounts as at 31 March 2016.

For 2015-16, employers' contributions of £3.5m was payable to the NICS pension arrangements (2014-15 £3.6m) at one of three rates in the range 20.8% to 26.3% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2012 was completed by the Actuary during 2014-15. This valuation was used to determine employer contribution rates for the introduction of alpha from April 2015. For 2016-17, the rates will range from 20.8% to 26.3%. The contribution rates are set to meet the cost of the benefits accruing during 2015-16 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £nil (2014-15 nil) were paid to one or

more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3% to 14.7% (2014-15 3% to 12.5%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of £nil, 0.5% (2014-15 nil, 0.8%) of pensionable pay, were payable to the NICS Pension Arrangements 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 (2014-15: nil) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to under £1k (2014-15: nil).

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 Annual Report and Accounts (Audited).

	2015-16 Number				2014-15 Number
Departmental Strategic Objective	**Permanently employed staff**	**Others**	**Ministers**	**Total**	**Total**
Health & Social Care Board	550	29	-	579	592
Public Health Agency	310	12	-	322	340
Administration	460	44	-	504	571
Programme	4	11	-	15	10
less staff engaged on capital projects	-	-	-	-	-
less outward seconded staff	(21)	-	-	(21)	(18)
Total	**1,303**	**96**	**-**	**1,399**	1,495
Of which:					
Core Department	458	55	-	**513**	576
HSCB and PHA	845	41	-	**886**	919

Core Staff numbers include 55 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)

	Core Department						Consolidated (excludes Core)					
	*Number of compulsory redundancies		*Number of other departures agreed		Total number of exit packages by cost band		*Number of compulsory redundancies		*Number of other departures agreed		Total number of exit packages by cost band	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<£10,000	-	-	2	-	2	-	-	-	2	-	2	-
£10,001 - £25,000	-	-	35	2	35	2	-	-	15	2	15	2
£25,001 - £50,000	-	-	20	-	20	-	-	-	27	-	27	-
£50,001 - £100,000	-	-	1	-	1	-	-	-	28	-	28	-
£100,001- £150,000	-	-	1	-	1	-	-	-	9	-	9	-
£150,001- £200,000	-	-	-	-	-	-	-	-	-	-	-	-
£200,001- £250,000	-	-	-	-	-	-	-	-	-	-	-	-
£250,001- £300,000	-	-	-	-	-	-	-	-	-	-	-	-
£300,001- £350,000	-	-	-	-	-	-	-	-	-	-	-	-
£350,001- £400,000	-	-	-	-	-	-	-	-	-	-	-	-
Total number of exit packages by type	-	-	59	2	59	2	-	-	81	2	81	2
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Total resource cost	-	-	1,398	32	1,398	32	-	-	4,483	32	4,483	32

The table above shows Redundancy and other departure costs in respect of the Core Department in 2015-16 and for Consolidated which consists of HSC Board and Public Health Agency (PHA):

1 case of agreed departure totalling £4k (2014-15 2 cases totalling £32k); the HSCB had nil cases in 2015-16 (2014-15 nil cases); and the PHA, nil cases in 2015-16 (2014-15 nil cases).

During 2015-16 the Northern Ireland Civil Service ran a 'Voluntary Exit Scheme' (VES). The core Department had 58 staff leave at a total cost of £1,393,907.80.

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

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

Health and Safety

The Department discharges its responsibilities under the Health and Safety at Work (NI) Order 1978 and other relevant legislation, and works to ensure the health, safety and welfare of its employees. All staff are kept up-to-date with the latest developments in health and safety standards, and compliance with these standards is assessed through an ongoing audit programme. Three health and safety audits were carried out in 2015-16.

Annual refresher training was delivered to the Department's first aiders in October 2015. In line with the development of a community resuscitation strategy for Northern Ireland, the Department ran 16 AED Awareness Sessions during 2015-16, with a total of 158 DHSSPS staff trained. The Department's H&S Induction Training for new entrants is now well established and 7 staff completed the induction training during 2015-16. A revised Fire Awareness training video is currently being developed and will be rolled out across the Department in 2016-17.

A total of eight staff had an accident at work during 2015-16, which was a reduction on the previous year. There were approximately 26 specialist assessments carried out during 2015-16, including: ergonomic assessments; temperature, humidity, CO^2 levels; new and expectant mothers assessments; and lighting surveys.

Learning and Development

In line with its Learning and Development Plan, the Department supported a wide range of development opportunities for staff during 2015-16. Generic training is provided by the Centre for Applied Learning and business specific training is provided by a range of external

providers and healthcare specialists. Other development opportunities include mentoring, employer supported volunteering and assistance to study academic qualifications. In addition, a range of e-learning training packages were available and during 2015-16 all staff received training in diversity, managing personal stress and resilience, information management, health and safety and performance management.

Workplace Health Improvement Programme (WHIP)

During 2015-16 as in previous years the Department, in partnership with NICS WELL, offered a range of health improvement initiatives to staff. Recognising the importance of a healthy workforce the Department supported these initiatives financially and with the provision of time concessions for staff.

Staff

The Department directly employs some 436 (WTE) staff as at 31 March 2016. The NI Fire and Rescue Service employs some 2,235 people and around 65,500 people work in the Health and Social Care sector (excluding 'bank/as and when required' staff, career breaks and Board members).

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

The table below shows estimated absence figures for 2015-16 and also for 2014-15 for comparison purposes based on whole time equivalent (WTE) staff numbers. (Note the WTE average total number of staff figure has changed from 514 in last year's accounts to 494 as the Provisional figure provided then has since been updated). This shows a decrease of 847 days lost to the Department and a decrease of 0.9 average working days lost per person. An action plan for 2016-17 aimed at minimising absence levels will be implemented throughout the 2016-17 year.

Financial Year	Average Total number of staff	Total days lost	Average working days lost per person	Absence rate
2015-16	440 WTE	3,337	7.6	3.4%
2014-15	494 WTE	4,184	8.5	3.9%

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

Staff Gender Breakdown within DHSSPS 2015-16 all grades	
Female	249
Male	187

Staff Gender Breakdown within DHSSPS 2015-16 Senior Management (excl. Board Members)	
Female	6
Male	9

Staff Gender Breakdown within DHSSPS 2015-16 Board Members incl. Independent Board Members	
Female	4
Male	4

Equal Opportunities / Disabled Persons

The Department, as part of the NICS, recognises the importance of equality, diversity and inclusion. We operate in an increasingly diverse community, and we understand that the people who provide and use our services have diverse characteristics and different experiences, needs and aspirations.

Understanding, valuing and effectively managing these differences can result in greater participation, and help bring about success at an individual, team and organisational level. The NICS is committed to creating an inclusive working environment where individual differences are valued and respected, in which each employee is able to fulfil his/her potential and maximise his/her contribution.

Employee Engagement

The Department recognises the value of involving staff to assist them in meeting their aspirations and strengthen the organisation's performance. During 2015/16 the Department developed its "Deliver Together" programme which aims to encourage and promote staff engagement.

Extensive engagement activities were carried out with staff across the Department and an action plan was launched in October 2015. Activities carried out include a Departmental event for staff, regular intranet blogs from senior staff, a programme of Deliver Together seminars and "the Pulse" in house communication.

The Department was assessed against the Investors in People Standard and continues to meet the Standard in full and retain Bronze status.

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

Off Payroll Engagements

The table below represents the number of staff employed by the Department through off payroll mechanisms as at 1 April 2015. The table also highlights subsequent movements during the financial year to 31 March 2016.

	Number of Staff
Off Payroll staff as at 1 April 2015	1
Changes from 1 April 2015 to 31 March 2016:	**Number of Staff**
Transferred to Payroll	0
New Engagements	0
Assignment Completed	0
Assignment Continuing at 31 March 2016	1

AUDIT AND ACCOUNTABILITY REPORT

Funding Report

2015-16 Performance

The net resource outturn for the year is £4,505m, which is within the voted total Estimate cover by some £241m (5.35%). An analysis of the net resource outturn is as follows;

	£'000
Grant in Aid to HSC Bodies	3,762,988
Family Health Services (gross)	877,424
Income (Health Service contributions £496m)	(548,954)
Hospital and Paramedic Services	127,024
Social Care Services	52,617
Public Health Services	69,907
Other direct expenditure	57,204
Annually Managed Expenditure and notional costs	23,329
Grant in Aid to NIFRS and other Fire Services expenditure	83,581
Total	**4,505,120**

A detailed analysis of Net Resource Outturn against Estimate by function can be found at Note SoAS1 to the accounts on page 92.

2015-16 was an exceptionally challenging year for the Department financially. Throughout the year, the Department sought to manage a range of unfunded pressures by working closely with all parts of the DHSSPS system in order to secure further opportunities to close the funding gap. The Department also engaged extensively with the Minister and key stakeholders across the HSC and with DFP in seeking to resolve the financial challenges. In addition, the Department fully participated in the Executive's In-Year monitoring processes and was successful in securing some £47.6m of additional non-recurrent revenue funding in 2015-16.

As a result of these actions at Provisional Outturn, the Department reported an underspend of £4.1m against the cash element of the 2015-16 Resource Departmental Expenditure Limit budget control total (0.08% of final cash budget). This was partially reduced by a small overspend of £2.9m on the non-cash budgets (2.27% of final non-cash budget), to give a net underspend in current expenditure DEL of £1.2m (0.02% of final budget).

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

Variances against Estimate

	Variance £'000	Explanation
A1.Hospital and Paramedic Services	8,752	Due to a decrease in the HSCB direct expenditure from the position included in the Spring Supplementary Estimate's (SSE's), as funding was directed towards Trusts front line services. The expenditure line relating to the Trust front line services does not appear in the accounts and SSE's, as Trusts are NDPBs. Funding for NDPBs is recognised in the accounts as Grant in Aid.
A2.Social Care Services	7,482	Due to a reallocation of resources between direct departmental spend and allocations to arms length bodies for the year from the forecast position used to write the SSE's.
A7.Health Support	12,752	Due to a reallocation of resources between direct departmental spend and allocations to arms length bodies for the year from the forecast position used to write the SSE's.
A.9.Provisions	(3,635)	Due to an increase in HSCB provisions from the forecast position used to write the SSE's.
A12. Health and Social Care Trusts	200,466	Due to a reduction in the actual cash drawn down by the Trusts for the year from the forecast position.
A23.Notional Charges	1,295	Due to a reduction in notional accommodation costs from the forecast position included in the SSE's.
B2. Northern Ireland Fire and Rescue Service	8,886	Due to a reduction in the actual cash drawn down by NIFRS for the year from the forecast position included in the SSE's.

Further analysis can be found on pages 90-98.

Future Financing Implications of Current Economic Climate

For 2016-17, a considerable financial challenge remains for the Department. In order to achieve a balanced financial position and finance service developments, the Department will be rigorously progressing all available opportunities to secure additional resources throughout 2016-17 and to take any other necessary action in order to break even. The level of all financial risks to both current and capital expenditure plans will be kept under continual review in order to ensure that plans are amended as necessary to protect/maintain the safety of services for patients and clients and to deliver financial breakeven.

HSC Capital Investment

The Capital DEL budget available for 2015-16 amounted to £201,698k, against a provisional expenditure of £201,037k. A further £9m FTC for the GP Loans scheme was available, but despite every effort having been made to explore all possible mechanisms to maximise expenditure, only £499k was spent. 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; and
- 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;

The following projects were completed in 2015-16:

- Daisy Hill Theatres
- Lagan Valley GP Out of Hours
- Banbridge Health & Care Centre
- RVH Catheter Labs
- New Critical Building at RGH
- Children's MRI Scanner
- Craigavon Area Hospital 2nd MRI
- Altnagelvin Hospital Replacement CT Scanner
- Antrim Area Hospital Replacement MRI Scanner

The following projects remain ongoing as at 31 March 2016:

- Generic ward block Ulster Phase B
- Craigavon Area Hospital High Voltage Electrical Infrastructure
- Ballymena Health & Care Centre
- Ballee Children's Home
- NHSCT Adult Orthodontics
- RVH Maternity New Build

- Mental Health Inpatient Unit
- RVH Children's Hospital
- Omagh Hospital
- Altnagelvin Radiotherapy
- Daisy Hill Paediatric Centre of Excellence
- Craigavon Area Hospital Paediatric Ward and Ambulatory Care Unit
- Altnagelvin 5.1 – North Block Ward Accommodation/Treatment Wing
- Additional Theatres at Altnagelvin
- Additional Main Theatre at Craigavon Area Hospital
- Omagh Mental Health Extended Recovery and Rehabilitation Accommodation
- Ballymena Ambulance Station
- Enniskillen Ambulance Station

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

- £3.3m investment in the Northern Ireland Fire and Rescue Service, including investment in fleet, equipment and estate;
- £7.6m investment in the Northern Ireland Ambulance Service including fleet, estate and equipment; and
- £24.9m investment in information technology.

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

Deeds of Safeguard

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

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

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

Department Responsibilities

The Stormont House Agreement contained a commitment to reduce the number of NICS Departments from 12 to 9 following the Assembly election in May 2016, this involved transferring functions from some departments to others. The departmental structures and responsibilities of the new departments were agreed and the restructuring took place on the 7 May 2016. The proposed nine -departmental model represented a machinery of government change where the functions of the amalgamated departments transferred to other departments in May 2016. The changes did not affect the function or structure of DHSSPS, known as the Department of Health from May 2016.

Reconciliation of Resource Expenditure between Budgets, Estimates and Accounts

	2015-16	2014-15
	£'000	£'000
Net Resource Requirement	**4,505,120**	**4,428,814**
Consolidated Fund Extra Receipts (CFER's)	(112)	(151)
Net Operating Cost	**4,505,008**	**4,428,663**
Adjustments to remove:		
Capital Grant	(426)	(105)
Voted income outside the budget	495,751	464,783
Grants in Aid payable to NDPBs	(3,850,814)	(3,787,298)
Adjustments to include:		
Resource Consumption of NDPBs	3,878,931	3,810,429
Total Budget Outturn	**5,028,450**	**4,916,472**
of which		
Departmental Expenditure Limits (DEL)	4,957,165	4,753,345
Annually Managed Expenditure (AME)	71,285	163,127

Other Assembly Accountability Disclosures

Losses and Special Payments

Losses Statement for Core Department, HSC Board and PHA
Each year, significant amounts of waivers and remissions of National Insurance contributions are written off. Most are reported in the NI Fund account but, a small proportion is attributed to the health programme and reported in the Resource Accounts. The figure for 2015-16 (referred to as administrative write-offs) was £1,555k based on data for 2014-15 (2014-15: £1,854k).

	2015-16				2014-15			
	Core Department		Consolidated		Core Department		Consolidated	
	No. of cases	£000	No. of cases	£000	No. of cases	£000	No. of cases	£000
Cash losses - Theft, fraud etc.	-	-	3	1	-	-	1	1
Claims abandoned - Waived or abandoned claims	-	-	-	-	-	-	1	-
Administrative write-offs* Bad debts	-	1,555	-	1,555	-	1,854	-	1,854
Fruitless payments -								
• Late Payments of commercial debt.	-	-	-	-	-	-	2	-
• Other fruitless payments.	38	4	38	4	19	2	19	2
• Constructive losses	-	-	-	-	-	-	-	-
Store losses	-	-	-	-	-	-	1	-
Special Payments - Compensation payments -								
• Clinical negligence	-	-	30	916	-	-	17	6,320
• Public liability	-	-	-	-	-	-	-	-
• Employers liability	-	-	4	27	-	-	3	25
Ex Gratia Payments	1	8	1	8	-	-	-	-
Total*	**39**	**1,567**	**76**	**2,511**	**19**	**1,856**	**44**	**8,202**

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

Special Payments made by Core Department, HSC Board and PHA

	2015-16				2014-15			
	Core Department		Consolidated		Core Department		Consolidated	
	No of cases	£000	No of cases	£000	No of cases	£000	No of cases	£000
Details of cases over £250,000								
Birth complications	-	-	-	-	-	-	3	5,014
Delay in diagnosis and treatment for heart condition	-	-	-	-	-	-	1	770
Cases below £250,000	1	8	35	951	-	-	16	561
Total of all cases	1	8	35	951	-	-	20	6,345

Other Payments made by Core Department, HSC Board and PHA

Special Payments

There were no other special payments or gifts made during the year.

Other Payments and Estimates

There were no other payments made during the year.

Remote Contingent Liabilities

In addition to contingent liabilities reported within the meaning of IAS37 shown in Note 18 of the Annual Accounts, the Department also considers 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 2016, the Department is not aware of any remote contingent liabilities.

Statement of Assembly Supply (Audited)

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires the Department of Health, Social Services and Public Safety to prepare a Statement of Assembly Supply (SOAS) and supporting notes to show resource outturn against the Supply Estimate presented to the Assembly, in respect of each request for resources.

Summary of Resource Outturn 2015-16

		2015-16							2014-15
		Estimate			Outturn				Outturn
	Note	Gross Expenditure £000	Accruing Resources £000	Net Total £000	Gross Expenditure £000	Accruing Resources £000	Net Total £000	Net Total Outturn compared with Estimate: saving/ (excess) £000	Total £000
Request for Resources									
Request for Resources A	SoAS 1	4,653,660	-	4,653,660	4,970,494	548,955	4,421,539	232,121	4,340,870
Request for Resources B	SoAS 1	92,488	-	92,488	83,581	-	83,581	8,907	87,944
Total resources	SoAS 2	**4,746,148**	**-**	**4,746,148**	**5,054,075**	**548,955**	**4,505,120**	**241,028**	4,428,814
Non-Operating Cost Accruing Resources							**146**		

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

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

Explanations of variances between Estimate and outturn are given in Note SoAS 1 and in the Strategic Report.

Net Cash Requirement 2015-16

		2015-16			2014-15
	Note	Estimate £000	Outturn £000	Net Total Outturn compared with Estimate: saving/ (excess) £000	Outturn £000
Net Cash Requirement	**SoAS 3**	**4,740,417**	**4,480,242**	**260,175**	1,020,574

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 2015-16		Outturn 2015-16	
	Note	Income £000	Receipts £000	Income £000	Receipts £000
Total	**SoAS 4**	**-**	**-**	**112**	**139**

Explanations of variances between Estimate and outturn are given in SoAS 1 and in the Strategic Report.

SoAS 1. Analysis of net resource outturn by function

	2015-16									2014-15
	Outturn						Estimate			
	Admin	Other Current	Grants	Gross Resource Expenditure	Accruing Resources	Net Total	Net Total	Net total outturn compared with Estimate	Net total outturn compared with Estimate, adjusted for virements	Prior year outturn
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Request for Resources A: Departmental expenditure in DEL										
1.Hospital and Paramedic Services	1,673	121,378	3,975	127,026	(24,509)	102,517	111,268	8,751	106,468	104,328
2.Social Care Services	5,261	33,498	13,858	52,617	(1,845)	50,772	58,254	7,482	49,963	54,621
3.Family Health Service - General Medical Services	360	249,426	-	249,786	-	249,786	251,635	1,849	249,786	235,940
4.Family Health Service - Pharmaceutical Services	169	478,161	-	478,330	-	478,330	479,769	1,439	478,330	449,845
5.Family Health Service - Dental Services	86	126,599	-	126,685	(22,682)	104,003	104,703	700	104,691	98,172
6.Family Health Service - Ophthalmic Services	86	22,537	-	22,623	-	22,623	22,385	(238)	22,373	20,989
7.Health Support Services	20,332	36,871	-	57,203	(2,545)	54,658	67,409	12,751	54,658	63,205
8.Public Health Services	30	69,877	-	69,907	(1,623)	68,284	69,461	1,177	68,422	65,129
Annually Managed Expenditure (AME)										
9. Provisions	-	17,973	-	17,973	-	17,973	14,338	(3,635)	14,338	12,824
10. Social Care Depreciation and Impairments	-	790	-	790	-	790	706	(84)	706	725
Non-budget										
11.Health Service Contributions	-	-	-	-	(495,751)	(495,751)	(495,752)	(1)	(495,752)	(464,783)

SoAS 1. Analysis of net resource outturn by function (cont'd)

	2015-16									2014-15
	Outturn						Estimate			
	Admin	Other Current	Grants	Gross Resource Expenditure	Accruing Resources	Net Total	Net Total	Net total outturn compared with Estimate	Net total outturn compared with Estimate, adjusted for virements	Prior year outturn
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
12 Health and Social Care Trusts	-	-	3,688,905	3,688,905	-	3,688,905	3,889,371	200,466	3,689,440	3,624,745
13.Business Services Organisation	-	-	37,590	37,590	-	37,590	37,966	376	37,590	35,150
14.Northern Ireland Blood Transfusion Service	-	-	84	84	-	84	96	12	84	132
15. Northern Ireland Guardian Ad Litem Agency	-	-	4,343	4,343	-	4,343	4,441	98	4,343	4,261
16. Northern Ireland Medical and Dental Training Agency	-	-	16,286	16,286	-	16,286	15,751	(535)	15,751	14,746
17.Northern Ireland Practice and Education Council for Nursing and Midwifery	-	-	1,396	1,396	-	1,396	1,409	13	1,396	1,301
18.Northern Ireland Social Care Council	-	-	3,053	3,053	-	3,053	3,151	98	3,053	2,769
19.Patient and Client Council	-	-	1,617	1,617	-	1,617	1,640	23	1,617	1,851
20.Regulation and Quality Improvement Authority	-	-	7,482	7,482	-	7,482	7,566	84	7,482	7,040
21.Food Safety Promotion Board	-	-	1,900	1,900	-	1,900	1,900	-	1,900	2,105
22.Insti Public Health in Ireland	-	-	332	332	-	332	332	-	332	324
23.Notionals	4,566	-	-	4,566	-	4,566	5,861	1,295	4,566	5,451
Total Request for Resources A	**32,563**	**1,157,110**	**3,780,821**	**4,970,494**	**(548,955)**	**4,421,539**	**4,653,660**	**232,121**	**4,421,537**	**4,340,870**
Request for Resources B:										
Expenditure in DEL										
1. Fire Services	164	157	-	321	-	321	342	21	320	522
Non-budget										
2. Northern Ireland Fire and Rescue Service	-	-	83,260	83,260	-	83,260	92,146	8,886	83,261	87,422
Total Request for Resources B	**164**	**157**	**83,260**	**83,581**	**-**	**83,581**	**92,488**	**8,907**	**83,581**	**87,944**
Resource Outturn	**32,727**	**1,157,267**	**3,864,081**	**5,054,075**	**(548,955)**	**4,505,120**	**4,746,148**	**241,028**	**4,505,118**	**4,428,814**

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

Explanation of variation between Estimate and Outturn (note SoAS 1)

	Variance £'000	Explanation
A1.Hospital and Paramedic Services	8,752	Due to a decrease in the HSCB direct expenditure from the position included in the Spring Supplementary Estimate's (SSE's), as funding was directed towards Trusts front line services. The expenditure line relating to the Trust front line services does not appear in the accountsand SSE's, as Trusts are NDPBs. Funding for NDPBs is recongnised in the accounts as Grant in Aid.
A2.Social Care Services	7,482	Due to a reallocation of resources between direct departmental spend and allocations to arms length bodies for the year from the forecast position used to write the SSE's.
A7.Health Support	12,752	Due to a reallocation of resources between direct departmental spend and allocations to arms length bodies for the year from the forecast position used to write the SSE's.
A.9.Provisions	(3,635)	Due to an increase in HSCB provisons from the forecast position used to write the SSE's.
A12. Health and Social Care Trusts	200,466	Due to a reduction in the actual cash drawn down by the Trusts for the year from the forecast position. This was as a result of lower than expected payment cycles and increases in creditors.
A23.Notional Charges	1,295	Due to a reduction in notional accomodation costs from the forecast position included in the SSE's.
B2. Northern Ireland Fire and Rescue Service	8,886	Due to a reduction in the actual cash drawn down by NIFRS for the year from the forecast position included in the SSE's.

SoAS 2 Reconciliation of outturn to net operating cost

	Note	2015-16			2014-15
		Outturn	Supply Estimate	Outturn compared with Estimate	Outturn
		£000	£000	£000	£000
Net resource outturn	SoAS 1	4,505,120	4,746,148	241,028	4,428,814
Changes in accounting policy		-	-	-	-
Other Adjustments		-	-	-	-
Non-supply income (CFERs)	SoAS 4	(112)	-	112	(151)
Non-supply income (Other)		-	-	-	-
EU Receivables written off		-	-	-	-
Non-supply expenditure		-	-	-	-
Net operating Cost		**4,505,008**	**4,746,148**	**241,140**	4,428,663

SoAS 2.2 Outturn against final Administration Budget

	2015-16		2014-15
	Budget	Outturn	Outturn
	£000	£000	£000
Gross Administration Budget	30,415	28,161	29,057
Income allowable against the Administration Budget	(266)	(240)	(292)
Net outturn against final Administration Budget	**30,149**	**27,921**	28,765

SoAS 3. Reconciliation of net resource outturn to net cash requirement

	Note	2015-16		
		Estimate	Outturn	Net total outturn compared with estimate: saving/(excess)
		£000	£000	£000
Resource Outturn	SoAS 2	4,746,148	4,505,120	241,028
Capital				
Acquisition of property, plant and equipment	7	12,490	2,001	10,489
Acquisition of intangibles	8	-	1,053	(1,053)
FTC impairment	11	-	(97.0)	97.0
FTC additions	11	-	499.0	(499.0)
Non-Operating Accruing resources				
Proceeds of property, plant and equipment disposals		(137)	(146)	9
Proceeds of intangible disposals		-	-	-
FTC repayments	11	-	(13.0)	13.0
Accruals Adjustments				
Depreciation	4,5	(6,426)	(2,804)	(3,622)
Amortisation		-	(372)	372
Loss on disposal of property, plant and equipment		-	21	(21)
Provision provided for in year	17	(14,338)	(18,017)	3,679
Permanent diminution in value		-	(3,509)	3,509
Other non-cash items		(5,861)	(4,634)	(1,227)
Changes in working capital other than cash	SoAS 3.1	2,000	(15,240)	17,240
Changes in payables falling due after more than one year	16	-	-	-
Use of provision	17	6,541	16,380	(9,839)
Excess cash receipts surrenderable to the Consolidated Fund	SoAS 4	-	-	-
Net cash requirement		**4,740,417**	**4,480,242**	**260,175**

SoAS 3.1 Changes in Working Capital other than Cash

	Note	2015-16	2014-15
		£000	£000
(Increase)/Decrease in Inventories	13	0	0
(Increase)/Decrease in Trade Receivables	15	(2,026)	10,601
(Decrease)/Increase in Trade Payables (adjusted for bank overdraft)	16	26,894	2,115
Movement in CFERs included in trade receivables	15	0	(27)
Movement in amounts due from the Consolidated Fund in respect of supply	15	-	0
Movement in HSC Superannuation Scheme Payable/Receivable	15,16	-	0
Movement in Payables for amounts issued from the Consolidated Fund for supply but not spent at year end	16	(9,756)	(217)
Movement in Payables for Consolidated Fund Extra receipts due to be paid to the Consolidated Fund:		-	-
received	16	128	1,785
receivable	16	0	27
Total changes in working capital other than cash		**15,240**	14,284

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

Item	Variance £'000	Explanation
Acquisition of Fixed Assets	10,489	Attributable to reallocation of capital expenditure to sponsored bodies after the Estimate was prepared.
Acquisition of intangibles	(1,053)	Attributable to reallocation of capital expenditure to sponsored bodies after the Estimate was prepared.
Proceeds of property, plant and equipment disposals	9	Proceeds from disposals were greater than departmental forecasts.
FTC Impairment	97	FTC Impairment lower than forecast included in SSEs
FTC Additions	(499)	FTC Additions greater than forecast included in SSEs
FTC Repayments	13	FTC repayments lower than forecast included in SSEs
Depreciation	(3,622)	The figure included in the Estimate combines depreciation and impairment cover, however outturn relates to depreciation only
Amortisation	372	End of year results were higher than forecast amortisation charge.
Loss on disposal of property,plant and equipment	(21)	Loss on disposal not included in the estimate
Provision provided for in year	3,679	Due to an increase in forecast impairments after the SSE was prepared
Permanent diminution in value	3,509	Estimate cover for impairments is included in the depreciaition line in the SSE's
Other non-cash items	(1,227)	Lower than forecast notional cost charge for services received by the department.
Changes in working capital other than cash	17,240	Primarily due to an increase in trade payables from the forecast included in the SSEs
Use of provision	(9,839)	Attributable to higher than forecast utilisation of provisions during the reporting period.

SoAS 4. Analysis of Income Payable to the Consolidated Fund

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

	Note	Forecast 2015-16		Outturn 2015-16	
		Income	Receipts	Income	Receipts
		£000	£000	£000	£000
Operating income and receipts - excess Accruing Resources		-	-	-	-
Other operating income and receipts not classified as Accruing Resources		-	-	112	139
EU Receivables written off		-	-	-	-
		-	-	112	139
Non-Operating income & receipts - excess Accruing Resources	SoAS 6	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund		-	-	-	-
Excess cash surrenderable to the Consolidated Fund	SoAS 3	-	-	-	-
Total income payable to the Consolidated Fund		**-**	**-**	**112**	**139**

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

SoAS 5. Reconciliation of income recorded within the Statement of Comprehensive Net Expenditure to operating income payable to Consolidated Fund

	Note	2015-16	2014-15
		£000	£000
Operating income	6	549,067	521,131
Income netted off in gross sub head grossed up in Statement of Comprehensive Net Expenditure		-	-
Adjustments for transactions between RfRs		-	-
Gross income		549,067	521,131
Non-supply income (other than CFER's)		-	-
Changes in accounting policy		-	-
Other Adjustments		-	-
Income authorised as Accruing Resources		(548,955)	(520,980)
Operating income payable to the Consolidated Fund	SoAS 4	112	151

SoAS 6. Non-operating income - Excess Accruing Resources

	2015-16	2014-15
	£000	£000
Principal repayments of voted loans	-	-
Proceeds on disposal of property, plant & equipment	-	-
Proceeds on disposal of intangibles	-	-
Other (analysed as appropriate)	-	-
Non operating income - excess accruing resources	**-**	-

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

SoAS1. Statement of Accounting Policies

The Statement of Assembly Supply and supporting notes have been prepared in accordance with the 2015-16 Government Financial Reporting Manual (FReM) issued by the Department of Finance and Personnel. The Statement of Assembly Supply accounting policies contained in the FReM are consistent with those set out in the 2015-16 Consolidated Budgeting Guidance and Supply Estimates in Northern Ireland Guidance Manual.

SoAS1.1 Accounting convention

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

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

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

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

SoAS1.2 PFI

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

SoAS1.3 Service Concession Arrangements

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

SoAS1.3 Prior Period Adjustments (PPAs)

There were no material prior period adjustments.

DEPARTMENT OF HEALTH, SOCIAL SERVICES AND PUBLIC SAFETY

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

I certify that I have audited the financial statements of the Department of Health, Social Services and Public Safety for the year ended 31 March 2016 under the Government Resources and Accounts Act (Northern Ireland) 2001. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the Statement of Assembly Supply and the related notes and the information in the Remuneration and Staff Report and the Accountability and Audit Report within the Accountability Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

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

Scope of the audit of the financial statements

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

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

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2016 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Department's affairs as at 31 March 2016 and of its net operating cost for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance (formerly Department of Finance and Personnel) directions issued thereunder.

Opinion on other matters

In my opinion:

- the parts of the Remuneration and Staff Report and Accountability and Audit 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

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

Report

I have no observations to make on these financial statements.

KJ Donnelly

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

30 June 2016

Consolidated Statement of Comprehensive Net Expenditure
for the year ended 31 March 2016

		2015-16		2014-15	
		Core Department	Consolidated	Core Department	Consolidated
	Note	£000	£000	£000	£000
Income from sale of goods and services	6	(93)	(95)	(194)	(195)
Other operating income	6	(498,400)	(548,950)	(469,046)	(520,922)
Total Operating income		**(498,493)**	**(549,045)**	(469,240)	(521,117)
Staff costs	3	25,229	71,377	26,078	72,686
Purchase of goods and services	4,5	3,880,878	4,892,582	3,813,645	4,796,898
Depreciation, amortisation and impairment charges	4,5	3,625	6,685	2,636	5,793
Provision expense	4,5	3,242	18,017	3,233	12,824
Other operating expenditure	4,5	31,002	65,411	27,654	61,593
Total operating expenditure		**3,943,976**	**5,054,072**	3,873,246	4,949,794
Finance income	6	(20)	(22)	(13)	(14)
Finance expense	4,5	3	3	-	-
Net expenditure for the year		**3,445,466**	**4,505,008**	3,403,993	4,428,663
Other Comprehensive Expenditure					
Items that will not be reclassified to net operating costs:					
Net (gain)/loss on revaluation of Property, Plant and Equipment	7	(1,109)	(1,292)	8,086	6,976
Net (gain)/loss on revaluation of Intangibles		-	-	-	-
Items that may be reclassified to net operating costs:					
Net (gain)/loss on revaluation of investments		-	-	-	-
Total comprehensive net expenditure for the year ended 31 March 2015		**3,444,357**	**4,503,716**	3,412,079	4,435,639

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

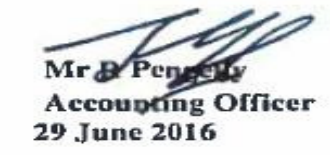
The notes on pages 108 to 148 form part of these accounts.

Consolidated Statement of Financial Position as at 31 March 2016

	Note	31 March 2016		31 March 2015	
		Core Department	Consolidated	Core Department	Consolidated
		£000	£000	£000	£000
Non-current assets:					
Property, plant and equipment	7	50,042	65,291	52,171	68,438
Intangible assets	8	-	1,726	-	1,046
Financial Assets	11,12	2,009,000	2,009,348	2,009,000	2,009,000
Non Current trade and other receivables	15	-	-	-	-
Other non current assets	15	-	-	-	-
Total non-current assets		**2,059,042**	**2,076,365**	2,061,171	2,078,484
Current Assets					
Assets classified as held for sale	7.4	5,922	5,922	6,061	6,061
Inventories	13	-	-	-	-
Current Trade and other receivables	15	14,727	20,695	12,595	18,840
Other current assets	15	862	926	477	755
Financial assets	11,12	-	41	-	-
Cash and Cash Equivalents	14	1,250	11,655	-	2,591
Total current assets		**22,761**	**39,239**	19,133	28,247
Total assets		**2,081,803**	**2,115,604**	2,080,304	2,106,731
Current liabilities					
Current Trade and other payables	16	25,550	195,640	12,540	169,313
Other Current liabilities	16	-	-	-	-
Provisions	17	3,409	11,727	819	8,136
Financial Liabilities	11,12	-	-	-	-
Total current liabilities		**28,959**	**207,367**	13,359	177,449
Non-current assets plus/less net current assets/liabilities		**2,052,844**	**1,908,237**	2,066,945	1,929,282
Non-current liabilities					
Provisions	17	3,049	36,977	2,632	38,931
Other Non Current liabilities	16	-	-	-	-
Financial Liabilities	11,12	-	-	-	-
Total non-current liabilities		**3,049**	**36,977**	2,632	38,931
Assets less liabilities		**2,049,795**	**1,871,260**	2,064,313	1,890,351
Taxpayers' equity					
General Fund		2,030,762	1,844,035	2,046,207	1,864,204
Revaluation Reserve		19,033	27,225	18,106	26,147
Total taxpayers' equity		**2,049,795**	**1,871,260**	2,064,313	1,890,351

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

The notes on pages 108 to 148 form part of these accounts.



Consolidated Statement of Cash Flows for the year ended 31 March 2016

	Note	2015-16 £000	2014-15 £000
Cash flows from operating activities			
Net Operating Cost		(4,505,008)	(4,428,663)
Adjustments for non cash transactions	3,4,5	29,315	24,138
(Increase)/decrease in trade & other receivables	15	(2,026)	10,601
less movements in receivables relating to items not passing through the Statement of Comprehensive Net Expenditure			
Supply amounts due from the consolidated fund	15	-	-
Movements in receivables relating to the sale of property, plant & equipment	15	-	-
Movements in receivables relating to the sale of intangibles	15	-	-
Movements in receivables relating to PFI and other service concession arrangement contracts	15	-	-
(Increase)/Decrease in Inventories	13	-	-
(Decrease)/Increase in trade & other payables (adjusted for bank overdraft)	16	26,894	2,115
less movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure			
Movements in payables relating to the purchase of property, plant & equipment	16	(104)	631
Movements in payables relating to purchase of intangibles	16	(618)	48
Movements in payables relating to finance leases	16	-	-
Movements in payables relating to PFI and other service concession arrangement contracts	16	-	-
Supply amounts due to the consolidated fund	16	(11,551)	(1,795)
Movements in payables relating to CFER items	16	128	1,812
Use of provisions	17	(16,380)	(10,434)
Impairment of investments	11,12	-	-
Net Cash outflow from operating activities		**(4,479,350)**	(4,401,547)
Cash flows from investing activities			
Purchase of property, plant & equipment	7,16	(1,897)	(3,354)
Purchase of intangible assets	8,16	(435)	(386)
FTC loans issued to GPs	11	(499)	-
Proceeds of disposal of property, plant and equipment		146	288
Proceeds of disposal of intangibles		-	-
FTC loans repaid by GPs	11	13	-
Loans to other bodies	12	-	-
(Repayments) from other bodies	12	-	-
Net cash outflow from investing activities		**(2,672)**	(3,452)
Cash flows from financing activities			
From Consolidated Fund (Supply) - current year	CSCTE	4,490,098	4,403,820
From Consolidated Fund (Supply) - prior year	CSCTE	1,795	1,574
Capital element of payments in respect of finance leases and on-balance sheet (SoFP) PFI and other service concession arrangement contracts		-	-
Net financing		**4,491,893**	4,405,394
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund.		**9,871**	395
Receipts due to the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund		(240)	(1,963)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund.		**9,631**	(1,568)
Cash and cash equivalents at the beginning of the period	14	**2,024**	3,592
Cash and cash equivalents at the end of the period	14	**11,655**	2,024

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

The notes on pages 108 to 148 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity for the year ended 31 March 2016

	Note	General Fund	Revaluation Reserve	Total Reserves
		£000	£000	£000
Balances at 31 March 2014		1,882,583	33,957	1,916,540
Changes in accounting policy		-	-	-
Other Adjustments		-	-	-
Restated balances at 1 April 2014		1,882,583	33,957	1,916,540
Changes in taxpayers' equity for 2014-15				
Net assembly funding - drawdown for current year		4,403,820	-	4,403,820
Net assembly funding - drawdown for prior year		1,574	-	1,574
Settlement of prior year trade payable/(trade receivable)		-	-	-
Net assembly funding - deemed		-	-	-
Supply (payable)/receivable adjustment		(1,795)	-	(1,795)
Excess Vote- Prior Year		-	-	-
CFERs repayable to Consolidated Fund		(151)	-	(151)
Net Assembly Funding		4,403,448	-	4,403,448
Comprehensive Expenditure for the Year		(4,428,663)	(6,976)	(4,435,639)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	4,5	174	-	174
Non-cash charges - other	4,5	5,344	-	5,344
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Receipt of donated assets	7,8	-	-	-
Transfer of asset ownership		485	-	485
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		834	(834)	-
Adjustment for Transfer of function		-	-	-
Balances at 31 March 2015		1,864,204	26,147	1,890,351
Changes in taxpayers' equity for 2015-16				
Net assembly funding - drawdown for current year		4,490,098	-	4,490,098
Net assembly funding - drawdown for prior year (note 1)		1,795	-	1,795
Settlement of prior year trade payable/(trade receivable)		-	-	-
Net assembly funding - deemed		-	-	-
Supply (payable)/receivable adjustment		(11,551)	-	(11,551)
Excess Vote - Prior Year		-	-	-
CFERs repayable to Consolidated Fund		(112)	-	(112)
Net Assembly Funding		4,480,230	-	4,480,230
Comprehensive Expenditure for the Year		(4,505,008)	1,292	(4,503,716)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	4,5	177	-	177
Non-cash charges - other	4,5	4,457	-	4,457
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Receipt of donated assets	7,8	-	-	-
Transfer of asset ownership		(209)	(30)	(239)
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		182	(182)	-
Adjustment for Transfer of function		-	-	-
Balances at 31 March 2016		**1,844,035**	**27,225**	**1,871,260**

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

The notes on pages 108 to 148 form part of these accounts.

Core Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2016

	Note	General Fund	Revaluation Reserve	Total Reserves
		£000	£000	£000
Balances at 31 March 2014		2,059,527	27,026	2,086,553
Changes in accounting policy		-	-	-
Other Adjustments		-	-	-
Restated balances at 1 April 2014		2,059,527	27,026	2,086,553
Changes in taxpayers' equity for 2014-15				
Net Assembly Funding		3,383,903	-	3,383,903
Comprehensive Expenditure for the Year		(3,403,993)	(8,086)	(3,412,079)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	4,5	107	-	107
Non-cash charges - other	4,5	5,344	-	5,344
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Receipt of donated assets	7,8	-	-	-
Transfer of asset ownership		485	-	485
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		834	(834)	-
Balances at 31 March 2015		2,046,207	18,106	2,064,313
Changes in taxpayers' equity for 2015-16				
Net assembly funding - drawdown for current year		3,435,179	-	3,435,179
Net assembly funding - drawdown for prior year		1,795	-	1,795
Settlement of prior year trade payable/(trade receivable)		-	-	
Net assembly funding - deemed		-	-	-
Supply (payable)/receivable adjustment		(11,551)	-	(11,551)
Excess Vote - Prior Year		-	-	-
CFERs repayable to Consolidated Fund		(112)	-	(112)
Net Assembly Funding		3,425,311	-	3,425,311
Comprehensive Expenditure for the Year		(3,445,466)	1,109	(3,444,357)
Non-Cash Adjustments:				
Non-cash charges - auditor's remuneration	4,5	109	-	109
Non-cash charges - other	4,5	4,457	-	4,457
Movements in Reserves:				
Additions		-	-	-
Recognised in Statement of Comprehensive Expenditure		-	-	-
Receipt of donated assets	7,8	-	-	-
Transfer of asset ownership		(39)	-	(39)
Release of reserves to operating cost statement		-	-	-
Transfers between reserves		182	(182)	-
Adjustment for Transfer of function		-	-	-
Balances at 31 March 2016		**2,030,762**	**19,033**	**2,049,795**

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

Other earmarked reserves are shown separately where there are statutory restrictions of their use.

The notes on pages 108 to 148 form part of these accounts.

Notes to the Departmental Resource Accounts

1. Statement of Accounting Policies

The financial statements have been prepared in accordance with the 2015-16 Government Financial Reporting Manual (FReM) issued by the Department of Finance and Personnel. The accounting policies contained in FReM follow International Financial Reporting Standards (IFRS) to the extent that it is meaningful and appropriate to the public sector.

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

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

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

1.1. Accounting Convention

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

1.2. Currency and Rounding

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

1.3. Basis of Consolidation

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

1.4. Health and Social Care Board & Public Health Agency

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

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

1.5. Property, Plant and Equipment and Intangibles

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

Recognition

Property, Plant and Equipment must be capitalised if:

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

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

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

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

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

Valuation

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

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

Fair value for Plant, Equipment and Intangibles is estimated by restating the value annually by reference to indices compiled by the Office of National Statistics (ONS), except for assets under construction which are carried at cost. This year, indices at the end of December 2015 were used.

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

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

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

1.6. Depreciation

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

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

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

Depreciable assets normally have useful lives in the following ranges:

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

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

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

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

1.7. Subsequent Expenditure

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

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

1.8. Impairments

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

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

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

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

1.9. Profit/Loss on sale of non current Assets

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

1.10. Non Current Assets Held for Sale

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

1.11. Stockpile Goods

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

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

1.12. Investments

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

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

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

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

1.13. Inventories and Work in Progress

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

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

1.14. Research and Development

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

1.15. Operating Income

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

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

1.16. Leases

Department, HSC Board and PHA as lessee

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

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

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

Department HSC Board and PHA as a lessor

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

1.17. Financial Instruments

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

Financial assets

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

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

Financial assets are classified into the following categories:

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

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

Financial liabilities

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

Financial liabilities are initially recognised at fair value.

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

Financial Risk Management

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

Currency Risk

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

Interest Rate Risk

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

Credit and Liquidity risk

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

1.18. Cash and cash equivalents

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

1.19. Grants Payable

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

1.20. Provisions

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

At 31 March 2016 the Treasury Discount rate for use in General Provisions were

years 1 – 5	minus 1.55% (negative real rate)
years 6 – 10	minus 1.00% (negative real rate)
years 11 – 20	minus 0.80% (negative real rate)

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

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

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

1.21. Contingent Assets / Liabilities

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

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

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

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

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

1.22. Change to Estimation Technique

There were no changes to estimation techniques during the year.

1.23. Value Added Tax

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

1.24. Third Party Assets

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

1.25. Losses and Special Payments

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

way that individual cases are handled.

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

1.26. Administration and Programme Expenditure

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

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

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

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

1.27. Employee Benefits including pensions

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

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

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

benefit falls to the Department.

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

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

1.28. Transfer of Functions to Other Departments

The accounting treatment for transfers of function is in accordance with the merger accounting principles set out in the FReM. The Department, HSC Board or PHA did not have any transfers of function during 2015-16**.**

1.29. Changes in Accounting Policy

There were no changes in Accounting Policy during 2015-16.

1.30. Reserves

Statement of Comprehensive Net Expenditure

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

Revaluation Reserve

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

1.31. Standards Issued by IASB not included in 2015-16 FReM

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

'The IASB have issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards are effective 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 but a decision has yet to be made by the Executive. Should the Executive agree to the recommendations, 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.

	2015-16		
	Gross Expenditure £000	Income £000	Net Expenditure £000
Funded Bodies			
Health & Social Care Board	1,040,222	(49,364)	990,858
Public Health Agency	67,019	(1,190)	65,829
Business Services Organisation	37,590	-	37,590
Patient Client Council	1,617	-	1,617
NI Practice & Education Council for Nursing & Midwifery	1,396	-	1,396
NI Social Care Council	3,053	-	3,053
Regulation & Quality Improvement Authority	7,482	-	7,482
NI Medical & Dental Training Agency	16,286	-	16,286
NI Guardian ad Litem Agency	4,343	-	4,343
NI Fire & Rescue Service	83,260	-	83,260
Health and Social Care Trusts	3,688,905	-	3,688,905
Centrally Managed			
Administration	32,712	(355)	32,357
Programme	63,505	(498,158)	(434,653)
Depreciation / Impairments	6,685	-	6,685
Total	**5,054,075**	**(549,067)**	**4,505,008**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2.1 Reconciliation between Operating Segments and CSoFP

	2015-16		
	Total assets £000	**Total liabilities £000**	**Net assets less liabilities £000**
Funded Bodies			
Health & Social Care Board	33,093	(205,275)	(172,182)
Public Health Agency	1,425	(7,778)	(6,353)
Business Services Organisation	-	-	-
Patient Client Council	-	-	-
NI Practice & Education Council for Nursing & Midwifery	-	-	-
NI Social Care Council	-	-	-
Regulation & Quality Improvement Authority	-	-	-
NI Medical & Dental Training Agency	-	-	-
NI Guardian ad Litem Agency	-	-	-
NI Fire & Rescue Service	-	-	-
Health and Social Care Trusts	-	-	-
Centrally Managed	2,081,086	(31,291)	2,049,795
Total	**2,115,604**	**(244,344)**	**1,871,260**

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

3. Staff numbers and related costs

Staff costs comprise:

	2015-16				2014-15
	Permanently employed staff	Others	Ministers	Total	Total
	£000	£000	£000	£000	£000
Wages and salaries	53,617	3,506	34	57,157	59,074
Social security costs	4,443	267	4	4,714	5,003
Other pension costs	8,951	548	7	9,506	8,609
Subtotal	**67,011**	**4,321**	**45**	**71,377**	72,686
Less recoveries iro outward secondments	(1,226)	336	-	(890)	(911)
Total net costs*	**65,785**	**4,657**	**45**	**70,487**	71,775
Of which: Core Department	**22,285**	**2,899**	**45**	**25,229**	26,078
Less recoveries iro outward secondments	(240)	-	-	**(240)**	(295)
Net Core Department	**22,045**	**2,899**	**45**	**24,989**	25,783

* No staff costs have been charged to capital. Permanently employed staff include the cost of the Department's Special Adviser, who was paid within the pay band £59,037 - £91,809 during 2015-16 (2014-15: £59,037 - £91,809).

Net Staff costs

	2015-16	2014-15
	£000	£000
Of which:		
Core Department		
Administration	23,834	24,943
Programme	1,155	840
Total	**24,989**	25,783
Agencies		
Administration	-	-
Programme	45,498	45,992
Total	**45,498**	45,992
Consolidated		
Administration	23,834	24,943
Programme	46,653	46,832
Total net costs	**70,487**	71,775

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

4. Other Administration Costs

	Note	2015-16		2014-15	
		Core Department	Consolidated	Core Department	Consolidated
		£000	£000	£000	£000
Rentals under operating leases		3	3	12	12
Interest charges		3	3	-	-
PFI and other service concession arrangements service charges		-	-	-	-
Research and development expenditure		-	-	-	-
Staff related costs		97	97	187	187
Accommodation Costs		20	20	32	32
Office Services		374	374	496	496
Contracted Services		512	512	528	528
Professional Costs		321	321	915	915
Purchase of goods and services*		2,697	2,697	1,657	1,657
Other Admin Expenditure		90	90	32	32
		4,117	**4,117**	3,859	3,859
Non-Cash Items					
Depreciation		15	15	13	13
Amortisation		-	-	-	-
Profit on disposal of property, plant and equipment		-	-	-	-
Loss on disposal of property, plant and equipment		-	-	-	-
Profit on disposal of intangibles		-	-	-	-
Loss on disposal of intangibles		-	-	-	-
Auditors' remuneration and expenses**		109	109	107	107
Provision provided for in year	17	-	-	-	-
Borrowing costs (unwinding of discount) on provisions	17	-	-	-	-
Permanent diminution in value		-	-	-	-
Accommodation costs		2,062	2,062	2,830	2,830
Other indirect charges and services		2,350	2,350	2,464	2,464
Total Non-Cash Items		**4,536**	**4,536**	5,414	5,414
Total		**8,653**	**8,653**	9,273	9,273

* This figure incorporates a proportion of Grant in Aid to the HSC as a means of supporting health care provision.

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

5. Programme Costs

	Note	2015-16 Core Department £000	2015-16 Consolidated £000	2014-15 Core Department £000	2014-15 Consolidated £000
Request for Resources A					
Rentals under operating leases		97	227	693	848
Interest charges		-	-	-	-
Research and development expenditure		10	8,941	240	9,035
EU Grants		1,136	1,136	1,549	1,549
Purchase of goods and services*		3,793,557	4,805,261	3,722,277	4,705,528
Other Grants and Disbursements		25,074	50,329	19,564	44,429
		3,819,874	**4,865,894**	3,744,323	4,761,389
Non Cash Items					
Depreciation		198	2,789	284	3,016
Amortisation		-	372	-	425
Profit on disposal of property, plant and equipment		(46)	(46)	-	-
Loss on disposal of property, plant and equipment		-	25	(56)	3
Profit on disposal of intangibles		-	-	-	-
Loss on disposal of intangibles		-	-	-	-
Auditors' remuneration and expenses		-	68	-	67
Other indirect charges and services		-	-	-	-
Provision provided for in year	17	3,242	17,956	3,233	12,723
Borrowing costs (unwinding of discount) on provisions	17	-	61	-	101
Permanent diminution in value		3,412	3,509	2,338	2,338
Total Non-Cash Items		**6,806**	**24,734**	5,799	18,673
Total for Request for Resources A		**3,826,680**	**4,890,628**	3,750,122	4,780,062
Request for Resources B					
NI Fire & Rescue Service		83,417	83,417	87,773	87,773
Total for Request for Resources B		**83,417**	**83,417**	87,773	87,773
Total		**3,910,097**	**4,974,045**	3,837,895	4,867,835

* This figure incorporates a proportion of Grant in Aid to the HSC as a means of supporting health care provision.

6. Income

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

Core Department	2015-16			2014-15
	Request for Resources A	Request for Resources B	Total	Total
	£000	£000	£000	£000
Administration income:				
Fees and charges to external customers	93	-	93	194
Fees and charges to other departments	240	-	240	292
Interest receivable and other similar income	20	-	20	13
Central administration and miscellaneous services	2	-	2	-
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total administration income	**355**	**-**	**355**	499
Programme income:				
Fees and charges to external customers	-	-	-	-
EU Income	852	-	852	1,162
Miscellaneous Grants and Disbursements	-	-	-	-
Dividends on PDC and interest on IBD	-	-	-	-
Interest receivable and other similar income	-	-	-	-
Health & Social Services Grants and Disbursements	497,306	-	497,306	467,592
Family Health Services receipts	-	-	-	-
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total programme income	**498,158**	**-**	**498,158**	468,754
Total	**498,513**	**-**	**498,513**	469,253

Health & Social Services Grants and Disbursements include National Insurance contributions received of 2015-16 £496m. (2014-15: £465m).

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

6. Income

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

Consolidated	2015-16			2014-15
	Request for Resources A	Request for Resources B	Total	Total
	£000	£000	£000	£000
Administration income:				
Fees and charges to external customers	93	-	93	195
Fees and charges to other departments	240	-	240	292
Interest receivable and other similar income	20	-	20	14
Central administration and miscellaneous services	2	-	2	-
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total administration income	**355**	**-**	**355**	501
Programme income:				
Fees and charges to external customers	-	-	-	-
EU Income	852	-	852	1,162
Miscellaneous Grants and Disbursements	25,584	-	25,584	27,057
Dividends on PDC and interest on IBD	-	-	-	-
Interest receivable and other similar income	2	-	2	-
Health & Social Services Grants and Disbursements	499,432	-	499,432	471,380
Family Health Services receipts	22,842	-	22,842	21,031
Profit on disposal of non-depreciable property, plant and equipment	-	-	-	-
Total programme income	**548,712**	**-**	**548,712**	520,630
Total	**549,067**	**-**	**549,067**	521,131

Miscellaneous Grants & Disbursements includes income from Department of Education payable to HSCB for Surestart and Early Years (2015-16: £24,394k, 2014-15: £26,509k).

6.1 Fees and charges information

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

Core	2015-16			2014-15		
	Income	Full cost	Surplus/ (deficit)	Income	Full cost	Surplus/ (deficit)
	£000	£000	£000	£000	£000	£000
Seconded officer recovery	240	240	-	295	295	-
Other	-	-	-	-	-	-
Total	**240**	**240**	**-**	295	295	-

Consolidated	2015-16			2014-15		
	Income	Full cost	Surplus/ (deficit)	Income	Full cost	Surplus/ (deficit)
	£000	£000	£000	£000	£000	£000
Seconded officer recovery	890	890	-	911	911	-
Other	-	-	-	-	-	-
Total	**890**	**890**	**-**	911	911	-

7. Property, plant and equipment 2015-16

7.1 Consolidated Property, plant and equipment 2015-16

	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 2015	43,622	11,887	378	18,227	19,614	18	266	94,012
Restatement of Opening Balance	-	-	-	-	-	-	-	-
Opening balances at 01 April 2014	43,622	11,887	378	18,227	19,614	18	266	94,012
Additions	-	107	-	1,498	396	-	-	2,001
Donations / Government grant / Lottery funding	-	-	-	-	-	-	-	-
Disposals	-	-	-	(2,485)	-	-	(30)	(2,516)
Transfers	(200)	2	-	(1)	-	-	-	(199)
Impairments transferred to Revaluation Reserve	-	-	-	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	32	113	-	-	(3,512)	-	-	(3,367)
Reclassifications	-	-	-	-	-	-	-	-
Indexation	1,400	312	34	(3)	2	0	-	1,745
Revaluations	-	-	-	-	-	-	-	-
At 31 March 2016	**44,854**	**12,421**	**412**	**17,236**	**16,500**	**18**	**236**	**91,677**
Depreciation								
At 01 April 2015	11,271	1,860	119	11,903	198	16	207	25,574
Charged in year	-	486	10	2,282	14	4	8	2,804
Disposals	-	-	-	(2,460)	-	-	(30)	(2,490)
Transfers	-	-	-	-	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	4	52	-	-	(11)	-	-	45
Reclassifications	-	-	-	-	-	-	-	-
Indexation	384	56	12	-	1	-	-	453
Revaluations	-	-	-	-	-	-	-	-
At 31 March 2016	**11,659**	**2,454**	**141**	**11,725**	**202**	**20**	**185**	**26,386**
Carrying amount at 31 March 2016	**33,194**	**9,967**	**271**	**5,511**	**16,299**	**(3)**	**51**	**65,291**
Carrying amount at 31 March 2015	32,351	10,027	259	6,324	19,416	2	59	68,438
Asset financing:								
Owned	33,194	9,967	271	5,511	16,299	(3)	51	65,291
Finance leased	-	-	-	-	-	-	-	-
On-balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-
Carrying amount at 31 March 2016	**33,194**	**9,967**	**271**	**5,511**	**16,299**	**(3)**	**51**	**65,291**

7.2 Consolidated Property, plant and equipment 2014-15

	Land	Buildings	Dwellings	Information Technology	Plant & Machinery	Transport Equipment	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or Valuation								
At 01 April 2014	40,769	11,868	379	19,145	19,802	18	270	92,251
Additions	-	53	-	2,104	567	-	-	2,724
Disposals	(15)	(89)	-	(3,020)	(24)	-	(4)	(3,152)
Transfers	-	485	-	-	-	-	-	485
Impairments transferred to Revaluation Reserve	-	-	-	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	221	-	-	-	(744)	-	-	(523)
Reclassifications	-	-	-	(2)	-	-	-	(2)
Indexation	-	-	-	-	12	-	-	12
Revaluations	2,647	(430)	-	-	-	-	-	2,217
At 31 March 2015	43,622	11,887	379	18,227	19,613	18	266	94,011
Depreciation								
At 01 April 2014	-	2,354	51	12,414	209	11	203	15,242
Charged in year	-	546	12	2,450	10	4	8	3,030
Disposals	-	(80)	-	(2,961)	(25)	-	(4)	(3,070)
Transfers	-	-	-	-	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	994	171	-	-	-	-	-	1,165
Reclassifications	-	-	-	-	-	-	-	-
Indexation	-	-	-	-	3	-	-	3
Revaluations	10,277	(1,131)	57	-	-	-	-	9,203
At 31 March 2015	11,271	1,860	120	11,903	197	15	207	25,573
Carrying amount at 31 March 2015	32,351	10,027	259	6,324	19,416	2	59	68,438
Carrying amount at 31 March 2014	40,769	9,514	328	6,731	19,593	7	67	77,009
Asset financing:								
Owned	32,351	10,027	259	6,324	19,416	2	59	68,438
Finance leased	-	-	-	-	-	-	-	-
Carrying amount at 31 March 2015	32,351	10,027	259	6,324	19,416	2	59	68,438
Asset financing:								
Owned	40,769	9,514	328	6,731	19,593	7	67	77,009
Finance leased	-	-	-	-	-	-	-	-
On-balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-
Carrying amount at 01 April 2014	40,769	9,514	328	6,731	19,593	7	67	77,009

7.3 Analysis of property, plant and equipment

The carrying amount of property, plant and equipment comprises:

	Land	Buildings	Dwellings	Information Technology	Plant & Machinery	Transport Equipment	Furniture & Fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Core Department at 31 March 2016	30,098	3,387	271	-	16,288	(2)	-	50,042
Public Health Agency at 31 March 2016	-	-	-	291	10	-	51	352
Health & Social Care Board at 31 March 2016	3,097	6,580	-	5,220	-	-	-	14,897
	33,195	**9,967**	**271**	**5,511**	**16,298**	**(2)**	**51**	**65,291**
Core Department at 31 March 2015	29,201	3,294	259	-	19,416	2	-	52,171
Public Health Agency at 31 March 2015	-	-	-	318	-	-	59	377
Health & Social Care Board at 31 March 2015	3,150	6,733	-	6,006	-	-	-	15,889
	32,351	10,027	259	6,324	19,416	2	59	68,438
Core Department at 31 March 2014	38,047	3,239	328	-	19,593	8	-	61,215
Public Health Agency at 31 March 2014	-	-	-	393	-	-	67	460
Health & Social Care Board at 31 March 2014	2,722	6,274	-	6,338	-	-	-	15,334
	40,769	9,513	328	6,731	19,593	8	67	77,009

Valuation of Land and Buildings

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

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

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

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

7.4 Assets Classified as Held for Sale

	Land		Buildings		Total	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	£000	£000	£000	£000	£000	£000
Opening Balance at 1 April	1,201	1,832	4,860	5,088	6,061	6,920
Transfer in from Non Current Assets	-	-	-	-	-	-
Transfer out to Non Current Assets	-	-	(39)	-	(39)	-
Disposals of Carrying Value	(30)	(97)	(70)	(113)	(100)	(210)
Impairments	-	(534)	-	(115)	-	(649)
Closing Balance at 31 March	**1,171**	1,201	**4,751**	4,860	**5,922**	6,061

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 2016, there were 11 land and buildings assets, (2014-15: 14) held by Core Department which were classified as held for resale with a fair value of £5,922k (2014-15: £6,061k).

8. Intangible Assets

8.1 Consolidated Intangible Assets 2015-16

	Information Technology	Software Licences	Development expenditure	Total
	£000	£000	£000	£000
Cost or Valuation				
At 01 April 2015	4,000	1,670	44	5,714
Additions	1,042	11	-	1,053
Disposals	-	-	-	-
Transfers	-	-	-	-
Indexation	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2016	**5,042**	**1,681**	**44**	**6,767**
Amortisation				
At 01 April 2015	3,380	1,244	44	4,668
Charged in year	164	208	-	372
Disposals	-	-	-	-
Transfers	1	-	-	1
Backlog depreciation	-	-	-	-
Impairments transferred to Revaluation Reserve	-	-	-	-
Impairments transferred to Consolidated Statement of Comprehensive Net Expenditure	-	-	-	-
Revaluations	-	-	-	-
At 31 March 2016	**3,545**	**1,452**	**44**	**5,041**
Carrying amount at 31 March 2016	**1,497**	**229**	**-**	**1,726**
Carrying amount at 31 March 2015	620	426	-	1,046
Asset financing:				
Owned	1,497	229	-	1,726
Finance leased	-	-	-	-
Carrying amount at 31 March 2016	**1,497**	**229**	**-**	**1,726**

8. Intangible Assets

8.2 Consolidated Intangible Assets 2014-15

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

8.3 Analysis of intangible assets

The carrying amount of intangible assets comprises:

	Information Technology	Software Licences	Websites	Development expenditure	Total
	£000	£000	£000	£000	£000
Core Department at 31 March 2016	-	-	-	-	-
Public Health Agency at 31 March 2016	123	34	-	-	157
Health & Social Care Board at 31 March 2016	1,374	195	-	-	1,569
	1,497	229	-	-	1,726
Core Department at 31 March 2015	-	-	-	-	-
Public Health Agency at 31 March 2015	94	47	-	-	141
Health & Social Care Board at 31 March 2015	526	379	-	-	905
	#REF 620	#RE426	REF! -	REF! -	# 1,046

9. Impairments

	2015-16	2014-15
	£000	£000
Impairment charged to Statement of Comprehensive Net Expenditure within Net Expenditure	3,509	2,338
Impairment charged to Statement of Comprehensive Net Expenditure as Other Comprehensive Expenditure.	1,108	8,086
Total Impairment	4,617	10,424

10. Capital and Other Commitments

10.1 Capital commitments

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

10.2 Commitments under leases

10.2.1 Operating leases

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

	31 March 2016		31 March 2015	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Land				
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	-	-
Buildings				
Not later than one year	993	1,123	916	1,045
Later than one year and not later than five years	3,742	3,880	3,213	3,486
Later than five years	1,147	1,154	607	607
	5,882	**6,157**	**4,736**	**5,138**
Other				
Not later than one year	-	-	-	-
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
	-	-	**-**	-

10.2.2 Finance Leases

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

10.3 Commitments under PFI contracts and other service concession arrangements

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

10.4 Other Financial commitments

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

At 31 March 2016 the Department has entered into various contracts to manage and maintain its Health countermeasures stockpile which, if delivered according to the terms of those contracts would result in financial commitments as shown in the table below having to be met in future years. These contracts provide help in meeting emergency situations which may arise such as a National Pandemic flu outbreak. There are no major financial commitments outside of these contracts.

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

	2015-16		2014-15	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Not Later than one year	1,049	1,049	1,062	1,062
Later than one year and not later than five years	4,086	4,086	508	508
Later than five years	940	940	-	-
Total	**6,075**	**6,075**	**1,570**	**1,570**

11. Financial Instruments

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

During 2015/16 the HSCB introduced one type of financial instrument, the GP Infrastructure Loans Scheme. These assets have been initially recognised at fair value in the Statement of Financial Position.

	31 March 2016		31 March 2015	
	Assets	Liabilities	Assets	Liabilities
	£000	£000	£000	£000
Balance at 1 April	-	-	-	-
Additions	499	-	-	-
Settlement	(13)	-	-	-
Impairments	(97)	-	-	-
Revaluations	-	-	-	-
Balance at 31 March	**389**	**-**	-	-

Analysis of expected timing of discounted flows

	31 March 2016		31 March 2015	
	Assets	Liabilities	Assets	Liabilities
	£000	£000	£000	£000
Not later than one year	41	-	-	-
Later than one year and not later than five years	193	-	-	-
Later than five years	155	-	-	-
	389	**-**	-	-

12. Investments in other public sector bodies

	31 March 2016			31 March 2015		
	Investments	Assets	Liabilities	Investments	Assets	Liabilities
	£000	£000	£000	£000	£000	£000
Balance at 1 April	2,009,000	-	-	2,009,000	-	-
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Repayments and redemptions	-	-	-	-	-	-
Interest capitalised	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Impairments	-	-	-	-	-	-
Balance at 31 March	**2,009,000**	**-**	**-**	2,009,000	-	-

The above investments are held by the Core Department and represent the Department's orginal investment in the 6 Health and Social Care Trusts as formulated during 2009. The investment represents the net value of the trusts Statement of Financial Positon.

13. Inventories

	31 March 2016		31 March 2015	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Inventories	**-**	**-**	**-**	-

14. Cash and cash equivalents

	2015-16		2014-15	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Balance at 1 April	(567)	2,024	(27)	3,592
Net change in cash and cash equivalent balances	1,817	9,631	(540)	(1,568)
Balance at 31 March	**1,250**	**11,655**	(567)	2,024

	2015-16		2014-15	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
The following balances at 31 March are held at:				
Government Banking Service	-	-	-	-
Commercial banks and cash in hand	1,250	11,655	(567)	2,024
Short term investments	-	-	-	-
Balance at 31 March	**1,250**	**11,655**	(567)	2,024

The consolidated 'Cash and Cash Equivalent' balance in the Statement of Financial Position reflects theHSCB and PHA bank balances of £10,405k (2014-15: £2,591k). As the Core bank balance at 31 March 2015 was overdrawn by £567k, this has been reflected within Trade Payables in the Statement of Financial Position.

15. Trade receivables and other current assets

	2015-16		2014-15	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Amounts falling due within one year:				
VAT	262	1,219	328	1,426
Trade receivables	1,048	5,845	452	5,165
Other receivables	13,417	13,631	11,815	12,249
Other receivables - relating to property plant and equipr	-		-	
Other receivables - relating to intangibles	-		-	
Clinical Negligence Central Fund	-	-	-	-
HSC Superannuation Scheme Receivable	-	-	-	-
Amounts due from the Consolidated Fund in respect of supply	-	-	-	-
Current Trade and Other Receivables	**14,727**	**20,695**	12,595	18,840
Deposits and advances	-	-	-	-
Prepayments and accrued income	862	926	477	755
Current part of PFI and other service concession arrangement prepayments	-	-	-	-
Other Current Assets	**862**	**926**	477	755
Amounts falling due after more than one year:				
Trade receivables	-	-	-	-
Other receivables	-	-	-	-
Clinical Negligence Central Fund	-	-	-	-
Non Current Trade and Other Receivables	**-**	**-**	-	-
Deposits and advances	-	-	-	-
Prepayments and accrued income	-	-	-	-
PFI and other service concession arrangement prepayments	-	-	-	-
Other Non Current Assets	**-**	**-**	-	-
Total amounts falling due within one year	**15,589**	**21,621**	13,072	19,595
Total amounts falling due after more than one year	**-**	**-**	-	-
Total Receivables and Other Assets	**15,589**	**21,621**	13,072	19,595
Included within Other Receivables is that which will be due to the Consolidated fund once the debts are collected	**-**	**-**	**-**	-

16. Trade payables and other current liabilities

	2015-16		2014-15	
	Core Department	Consolidated	Core Department	Consolidated
	£000	£000	£000	£000
Amounts falling due within one year:				
Bank overdraft	-	0	567	567
VAT	-	-	-	-
Other taxation and social security	-	-	-	724
Trade revenue payables	459	55,067	525	55,480
Trade capital payables	-	1,194	-	472
Trade capital payables - intangibles	-		-	
Other payables	61	24,261	30	11,690
Government grants payable	2,857	2,857	256	256
Accruals and deferred income	-	100,607	-	98,098
Accruals and deferred income	-		-	
Accruals and deferred income	10,519		9,136	
Clinical Negligence	-	-	-	-
HSC Superannuation Scheme Payable	-	-	-	-
Amounts issued from the Consolidated Fund for supply but not spent at year end	11,551	11,551	1,795	1,795
Consolidated Fund extra receipts due to be paid to the Consolidated Fund:	-		-	
received	103	103	231	231
receivable	-	-	-	-
Current Trade and Other Payables	**25,550**	**195,640**	12,540	169,313
Current part of finance leases	-	-	-	-
Current part of imputed finance lease element of on balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-	-	-
Current part of NLF loans	-	-	-	-
Other Current Liabilities	**-**	**-**	**-**	**-**
Amounts falling due after more than one year:				
Other payables, accruals and deferred income	**-**	**-**	**-**	**-**
Non Current Trade and Other Payables	**-**	**-**	-	-
Finance leases	-	-	-	-
Imputed finance lease element of on balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-	-	-
NLF loans	-	-	-	-
Other Non Current Liabilities	**-**	**-**	-	-
Total Payables falling due within one year	**25,550**	**195,640**	12,540	169,313
Total Payables falling due after more than one year	**-**	**-**	-	-
Total Trade Payables and Other Current Liabilities	**25,550**	**195,640**	12,540	169,313

17. Provisions for Liabilities and Charges

17.1 Core Provisions for liabilities and charges 2015-16

Core	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2015	-	-	-	3,451	3,451
Change in discount rate	-	-	-	-	-
Provided in the year	-	-	-	3,300	3,300
Provisions not required written back	-	-	-	(58)	(58)
Provisions utilised in the year	-	-	-	(235)	(235)
Borrowing costs (unwinding of discounts)	-	-	-	-	-
As at 31 March 2016	**-**	**-**	**-**	**6,457**	**6,457**

Analysis of expected timing of discounted flows

Core	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Not later than one year	-	-	-	3,409	3,409
Later than one year and not later than five years	-	-	-	2,886	2,886
Later than five years	-	-	-	163	163
As at 31 March 2016	**-**	**-**	**-**	**6,457**	**6,457**

17.2 Core Provisions for liabilities and charges 2014-15

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

Analysis of expected timing of discounted flows

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

17.3 Consolidated Provisions for liabilities and charges 2015-16

Consolidated	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Balance at 1 April 2015	15,710	17,546	-	13,811	47,067
Provided in the year	359	17,000	-	3,641	21,000
Provisions not required written back	(2,405)	(405)	-	(234)	(3,044)
Provisions utilised in the year	(13,868)	(1,761)	-	(751)	(16,380)
Borrowing costs (unwinding of discounts)	204	(263)	-	120	61
As at 31 March 2016	**-**	**32,117**	**-**	**16,587**	**48,704**

Analysis of expected timing of discounted flows

Consolidated	Early departure costs	Clinical Negligence	Equal Pay Claim	Other	Total
	£000	£000	£000	£000	£000
Not later than one year	-	7,269	-	4,458	11,727
Later than one year and not later than five years	-	4,287	-	4,650	8,937
Later than five years	-	20,561	-	7,479	28,040
As at 31 March 2016	**-**	**32,117**	**-**	**16,587**	**48,704**

17.4 Consolidated Provisions for liabilities and charges 2014-15

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

Analysis of expected timing of discounted flows

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

Early Departure Costs

The Department meets the additional costs of benefits beyond the normal Principal Civil Service Pension Scheme (PCSPS) and benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement date. The provision in respect of the HSCB and PHA which is reflected within the consolidated position represents payments made by HSCB and PHA beyond the Health & Social Care Pension Scheme (HSCPS.) At 31 March 2016 the provision for the Core Department has been fully utilised. The provision for HSCB and PHA has also been fully utilised at 31 March 2016 (2014-15 £15.7m).

Clinical Negligence

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

Other -Legal

There is one material legal claim against the Department in 2015-16 (2014-15: two). A provision has been set up in respect of potential legal and compensatory claims arising from a UK-wide initiative. £5.3m represents Northern Irelands share under the Barnett formula.

The Department has provided for a lifetime personal injury award of £158k (2014-15: £185k). The full amount of this provision is shared jointly with the Department for Communities (formerly Department for Social Development).

Other - Hepatitis C Compensation Scheme

This provision was set up in 2004 when in 2003 the Secretary of State for Health and Health Ministers of the Devolved Administrations announced that a UK-wide scheme would be set up to make ex-gratia payments to certain persons who had been infected with the hepatitis C virus by blood products received through NHS treatment. This became known as the Skipton Fund. Provision of £1m was made for first and second stage lump sum payments and also from March 2011 for the additional financial measures introduced across the UK following a DH(L)-led expert team review for patients infected with contaminated blood. Eligible patients are still coming forward to claim under the scheme and as a result the provision had to be increased further in 2015-16.

18. Contingent liabilities

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

Special European Union Programme Branch (SEUPB) Funding

It was discovered by the Special EU Programmes Body (SEUPB) that some documentation relating to recruitment and salaries for staff employed by project groups which DHSSPS supports under Interreg IVA had been destroyed. While all recruitment exercises have been shown to be fully open and transparent, SEUPB has not yet been able to confirm whether the remaining documentation is sufficient for compliance with EC regulations. The matter is currently being investigated by SEUPB and considered by sponsor Departments, and may result in a financial penalty of approx £474k. However, it is not possible to determine the likelihood of a penalty being applied until investigations and considerations are complete.

Clinical Negligence Claims

The HSC Board has contingent liabilities of £0.18m (2014-15: £0.21m) representing clinical negligence incidents. Other clinical negligence claims could arise in the future due to incidents which have already occurred. The expenditure which may arise from these claims cannot be determined as yet. In addition to the above contingent liability, the provision for HSC Board clinical negligence is given in note 17.

Contingent liabilities held by the HSC Trusts, in respect of clinical negligence incidents, is £12m (2014-15: £12m).

18.1 Financial Guarantees, Indemnities and Letter of Comfort

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

Guarantees

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

There were no new Guarantees, Indemnities or Letters of comfort issued during 2015-16.

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

Public Inquiry panel membership

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

An indemnity was provided to each individual member of the Hyponatraemia-Related Deaths Inquiry Team in January 2005.

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

19. Related-party transactions

The Department of Health, Social Services and Public Safety is the parent of Health and Social Services bodies, listed at Annex A and sponsors those bodies listed at Annex B. These bodies are regarded as related parties with which the Department has had various material transactions during the year. In addition, the Department has had a small number of transactions with other government departments and other central government bodies. Most of these transactions have been with the Department of Finance and Personnel.

Richard Pengelly (Permanent Secretary) was a board member of the European Connected Healthcare Alliance during 2015-16 and payments of approximately £48k were made by DHSSPS to the European Connected Healthcare Alliance.

Mr S Holland (Deputy Secretary, Social Care Policy Group) serves on the Departmental Board is a director of Northern Ireland Cooperation Overseas (NICO) a not-for-profit public body, which is a wholly owned subsidiary of Invest NI. Mr Holland supported NICOs involvement in twinning projects undertaken on behalf of the Foreign and Commonwealth Office in EU Candidate Countries and other ENPI countries. There was no cost to the Department as Mr Holland carried out this work in his own time. There was some cost to the Department in the hosting of Study Tours from these countries to Northern Ireland but this cost was minimal. There were no payments made by DHSSPS to NICO for 2015-16.

There were no other board members, key managers or other related parties who have undertaken any material transactions with the Department during the 2015-16 year.

20. Third-party assets

The Department has no third party assets.

21. Events after the Reporting Period

There are no other post balance sheet events affecting these accounts.

Date of authorisation for issue

The Accounting Officer has authorised the issue of these financial statements on 30th June 2016.

ANNEX A

BODIES WITHIN THE DEPARTMENTAL BOUNDARY

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

- Health and Social Care Board
- Public Health Agency

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

The Health and Social Care Board (HSCB)

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

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

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

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

The Public Health Agency (PHA)

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

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

The Safeguarding Board for Northern Ireland (SBNI)

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

The SBNI is a multi-disciplinary interagency body and its objective is to coordinate and ensure the effectiveness of activities undertaken by its members to safeguard and promote the welfare of children in Northern Ireland.

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

Non-Executive Non-Departmental Public Bodies

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

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

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

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

ANNEX B

BODIES OUTSIDE THE BOUNDARY

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

These include 6 Health and Social Care Trusts, 3 Health and Social Care Agencies, 2 Health and Social Care bodies, 4 NDPBs and 2 North- South bodies.

Health and Social Care Trusts

- Northern HSC Trust
- Southern HSC Trust
- Belfast HSC Trust
- South Eastern HSC Trust
- Western HSC Trust
- Northern Ireland Ambulance Service HSC Trust

The Health and Social Care Trusts are the main providers of health and social care services and work within the commissioning arrangements agreed with the HSC Board. They have responsibility for the management of staff and services of hospitals and other health and social care establishments. Although managerially independent, Trusts are accountable to the Minister. There are 6 Trusts in Northern Ireland. One Trust, the NI Ambulance Service HSC Trust, provides ambulance services for the whole of Northern Ireland.

Trust Chief Executives are appointed as Accounting Officers by the DHSSPS Accounting Officer and each Trust has a Board of Directors with both Executive and Non-Executive members. The Board operates subject to standing financial instructions, standing orders, delegated limits set by the Department and financial guidance issued by the Department as well as the principles of the guidance in *Managing Public Money Northern Ireland*. Their reporting relationships and the respective responsibilities of each trust and the Department are summarised in individual MSFMs.

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

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

Health and Social Care Agencies and Other HSC Bodies

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

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

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

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

Executive Non-Departmental Public Bodies

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

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

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

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

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

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

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

North- South Bodies

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

Institute of Public Health in Ireland (IPHI)

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

Safefood (Food Safety Promotion Board)

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

ISBN 978-0-339-00012-4