



**The Annual Report and Accounts  
of the Northern Ireland Practice and Education  
Council (NIPEC)**

1 APRIL 2015 TO 31 MARCH 2016



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**The Northern Ireland Practice  
and Education Council for Nursing and Midwifery  
Accounts**

For the year ended 31 March 2016

The Accounting Officer authorised these  
financial statements for issue

on

22nd June 2016

Laid before the Northern Ireland Assembly under Paragraph 12(4) of  
the Schedule to the Health and Personal Social Services Act (Northern  
Ireland) 2002 by the Comptroller and Auditor General for Northern Ireland

on

5th August 2016

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**The Annual Report and Accounts  
of the Northern Ireland Practice and Education  
Council (NIPEC)**

1st April 2015 to 31st March 2016

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# Performance Report

## OVERVIEW

**We are pleased to jointly provide the NIPEC performance report to this year's annual report and accounts which NIPEC as a public body must prepare and publish as a single document.**

The format and content of the annual report and accounts has changed this year to reflect the requirements as laid out in the Financial Reporting Manual (FReM) 2015-16 which requires the document to be structured under the following:

- **Performance Report**
- **Accountability Report**
- **Financial Statements**

NIPEC is committed to effective, positive partnership working. Establishing, forming and maintaining collaborations and strategic alliances with a wide range of stakeholders across professions, and various sectors, is central to the organisation's statutory role to promote and support the practice, education and performance of nurses and midwives. As a modern outward facing organisation, NIPEC is acutely aware of the multi-professional nature of contemporary service models and provision within which nurses and midwives work.

NIPEC also plays a particular role in supporting the vision and objectives of the Department of Health, Social Services and Public Safety (DHSSPS) Chief Nursing Officer in the translation of policy into practice to support the delivery of nursing and midwifery services to the population of Northern Ireland.

This Annual Report outlines NIPEC's unique role and functions to support the professions of nursing and midwifery to improve quality and safety within partnerships committed to the pursuit of excellence within person-centred cultures across the HSC. It should be read in conjunction with NIPEC's 'Annual Quality Report' which is prepared within the strategic context of *Quality 2020: A 10 Year Strategy to Protect and Improve Quality in Health and Social Care in Northern Ireland* (DHSSPS, 2011). NIPEC continues to be actively engaged in activities to support the implementation of this, and a range of other Regional strategies, which set out a clear direction for building on and improving the quality of health and social care services in Northern Ireland.

The HSC as part of the public sector continues to face major challenges at this point in time with significant recurring savings/reductions now needed in our public sector spending due to plans for the Government's budget deficit reduction.

NIPEC's revenue grant from the Assembly fell by 10.0% in 2015-16. Unfortunately, over the next few years we anticipate that there will most likely be further significant reductions in funding to HSC organisations to enable the NI Assembly to continue to achieve a balanced budget.

Against a challenging modernisation agenda, along with the need to continuously improve quality within a climate of austere financial pressures facing HSC organisations over the past twelve months, we have seen demand for our services continue to increase and are pleased to record that in 2015-16 NIPEC made a major contribution to the nursing and midwifery sector by the number of programmes of work and activities it took forward which were developed as a direct result of stakeholder engagement with stakeholders including the DHSSPS and HSC Trusts.

Specific examples of this work are shown later within the report under 'The Accountability Report' section, pages 14 to 23 and overall analysis of the narrative demonstrates successful delivery of the Business Plan objectives by NIPEC. Full details will be published in the 3rd Annual Quality report for 2015-16.

In summary during 2015-16, NIPEC met its corporate responsibilities along with delivering against the strategic priorities and objectives presented in the Business Plan.

## **Performance Summary:**

The following summarise some of the key achievements during 2015-16:-

### **Practice:**

- Supported the implementation of NMC Revalidation for Nurses and Midwives in NI;
- Supported the implementation of an Attributes Framework on behalf of the Co-chairs of Quality 2020 Task Group 4: Professional Leadership;
- Facilitated and supported a Regional Group to agree a set of high level Key Performance Indicators (KPIs) to demonstrate the unique contribution of nurses and midwives;



- Led the development of a range of regional resources and improvement plans across care settings related to record keeping practice in nursing and midwifery, resulting in recognition via presentation to the 3rd Commonwealth Nurses and Midwives Conference in March 2016;
- Conducted a review of the *Children and Young People Core Competency Safeguarding Framework for Nurses and Midwives (2012)* using NIPEC's *Impact Measurement Framework*;
- Winner in the British Journal of Midwifery Awards scheme for *Midwives and Medicines (NI)* 2014.

### **Education:**

- Quality assured non-NMC regulated and DHSSPS commissioned education and learning activities;
- Submitted an Annual Report of quality assurance activity of non-NMC regulated and DHSSPS commissioned education and learning activities to DHSSPS;
- Reviewed and refreshed the Quality Assurance Framework.

### **Professional Development:**

- Developed a Career Pathway for Nursing and Midwifery;
- Developed a Professional Framework for Emergency Care Nursing;
- Reviewed the current provision of midwifery supervision to provide professional advice and external assurances to the Chief Nursing Officer;
- Developed a range of tools and resources to enable nurses and midwives to develop their knowledge, skills and behaviours in particular areas of practice;
- Hosted a range of events to promote high standards of practice, education and professional development among nurses and midwives including NIPEC's annual conference;
- Updated the NIPEC portfolio to meet NMC requirements for revalidation;
- Developed and published a joint statement on behalf of the four country Chief Nursing Officers of the United Kingdom and the Nursing and Midwifery Council outlining an initiative relating to professionalism in nursing and midwifery.



## Advice, Guidance and Information:

- Produced final draft guidance on nurse staffing levels in Type 1 Emergency Departments in Northern Ireland as part of the Delivering Care Project, in partnership with the Public Health Agency and HSC Trusts. This area of work was selected for presentation to the 3rd Commonwealth Nurses and Midwives Conference in March 2016;
- Hosted and facilitated a regional Forum for senior nurses working in the Independent and Voluntary sector;
- Submitted NIPEC's Annual Quality Report in line with the implementation of the *Quality 2020 Strategy* (DHSSPS, 2011b);
- Submitted responses to consultations on a range of emerging strategies and policies, often facilitating practitioner responses from across Northern Ireland;
- Featured in the Nursing Standard (September 2015) as an indispensable organisation which raises professional standards in nursing and midwifery in Northern Ireland;
- Publication on revalidation in the Journal of Perioperative Practice published on March 2016 (accepted for publication January 2016).

NIPEC's Annual Business Plan 2015-16 detailed how we would make best use of our resources to achieve our strategic objectives, as set out in our Corporate Plan.

It also detailed how we planned to improve how we work by:

- Continuing to strengthen a culture of critical enquiry through the use of best available evidence, feedback from stakeholder engagement and other available information sources;
- Promoting and facilitating innovation and reform;
- Maintaining competent and professional staff and promoting and supporting continuous improvement and learning;
- Ensuring that NIPEC's functions are underpinned by a robust governance and accountability framework.

The Business Plan focused on major new and ongoing work-streams, incorporating DHSSPS requirements and stakeholders' needs, for example, HSC organisations that require bespoke work programmes should specific practice based and/or professional issues have emerged. However, it was not intended to cover every aspect of NIPEC's work. In the current economic climate it is important that NIPEC seeks to ensure effectiveness and efficiency as it strives to meet its statutory functions, whilst also supporting the requirements from a wide range of stakeholders and the professional needs of nurses and midwives in Northern Ireland, with finite resources.

NIPEC has in place guidelines which support a criteria-based matrix approach aimed at setting priorities when the amount of work that needs to be undertaken surpasses the resources available to accomplish the work (Tague, 2004; Guindo *et al.*, 2012; NHS Scotland, 2014). It provides senior staff with a step-by-step instruction for creating and using a simple prioritisation matrix to make tough decisions which will underpin achievement of NIPEC's Annual Business Plan, making best use of resources to achieve the strategic objectives set out in NIPEC's Corporate Plan.

Achieving the outcomes shown for 2015-16 would not be possible without the input of our stakeholders. Therefore, on behalf of the NIPEC Council, we would wish to acknowledge the significant contributions from our stakeholders to the various initiatives and projects which we have worked on together throughout the year. We are indeed indebted to you for your continued support and involvement in this year's activities and would wish to acknowledge your positive contributions to the work of NIPEC.

During the year, we said farewell to Dr. Marina Lupari, one of our professional members of the Council. We would like to pay tribute and acknowledge the input and expertise which Marina brought to her NIPEC work.

The Council met in public on four occasions in 2015-16 and was noted to be quorate on all occasions. It should be recognised that NIPEC, unlike the other HSC organisations, is the only body which cannot, at this point in time, make any financial contribution to Council members other than reimbursement of their travel expenses.


We believe that it should be noted - and this is evidenced by the work carried out over the years - that NIPEC has a unique role and function within Northern Ireland, in that it operates at a regional level, with clear independence within the HSC.

It is the strong belief of Council that NIPEC's current form as an Arm's Length Body (ALB) enables it to carry out its functions, and that its independence is essential to enable it to bring together key stakeholders across the region.

Finally, we would like on behalf of the Council members to acknowledge, and draw attention to, the fact that NIPEC would have been unable to achieve its objectives throughout this period without the dedication and professionalism of its workforce; all members of staff have continued to meet their targets, whilst working under a degree of uncertainty regarding NIPEC's future role and function and within limited financial funding. In order to ensure that NIPEC continues to operate within its RRL set by the DHSSPSNI, NIPEC availed of the 2015-16 HSC Voluntary Exit Scheme (VES) for staff and put in place a NIPEC procedure which sought expressions of interest from all staff, with the exception of the senior management team. This level of staff were excluded from the scheme due to the significant role they fulfil in leading to respond to the needs of stakeholders and in fulfilling the statutory role and functions of NIPEC and the fact that any leavers would have to have their post refilled at the same level which would be in breach of a VES criteria.

Two members of the corporate services staff accepted NIPEC offers of VES i.e. the Librarian (0.5wte) and the Receptionist (0.8wte) and both staff left the organisation by the 31 March 2016. We would wish to acknowledge their service to the organisation and wish them both well for the future.

We trust that you will find our Annual Report informative and interesting.

Signed:   
.....  
Professor Carol Curran, OBE  
Chair

Signed:   
.....  
Mrs Angela McLernon  
Chief Executive

Date: 22nd June 2016  
.....

# Performance Report

## PERFORMANCE ANALYSIS

Being cognisant of the wider, on-going, financial austerity measures imposed on HSC organisations, NIPEC continued throughout the year to operate efficiently and effectively within its financial and capital allocations. As part of NIPEC's on-going efficiency and savings plan, NIPEC outsourced the operational aspects of its Information Technology Services (ITS) to the Business Services Organisation (BSO), ITS under a 'Managed Service – Service level Agreement' (SLA) thus facilitating greater resilience, data security and IT service management.

During 2015-16 NIPEC's 'Complaints Register' showed that no formal complaints had been received. Also, as part of NIPEC's governance and performance objectives for the year it produced and submitted to the DHSSPS its:

- 'Sustainable Development Report 2015-16' and
- 'Property Asset Management Plan (PAM) for the period 2015-16 to 2020-21'

Further reference to the above areas can be found under the Governance Statement, sections 11 and 12, pages 45 and 46.

NIPEC produced and published its second 'Annual Quality Report' in 2015-16 which was prepared within the strategic context of *Quality 2020: A 10 Year Strategy to Protect and Improve Quality in Health and Social Care in Northern Ireland* (DHSSPS, 2011).

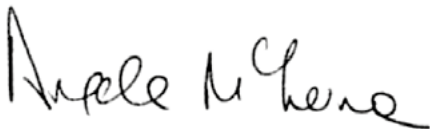
The Accounts, and supporting notes relating to the Council's activities for the year ended 31 March 2016, have been audited by the Northern Ireland Audit Office. See pages 62-63, 'Audit Certificate', for further details.

The annual report and accounts have been produced in line with the HSC Manual of Accounts 2015-16 and a summary of NIPEC's high level financial, human resources and controls assurance standards performance targets is shown in the table overleaf:

**Key Performance Measures**

<b>Targets for 2015-16</b>	<b>Performance in 2015-16</b>	<b>Performance in 2014-15</b>
Break even on revenue and operating costs (Target: 0.25% or £20,000)	<b>0.8%</b> or <b>£11,073</b>	<b>0.86%</b> or <b>£11,944</b>
Keep within the capital resources limit (CRL)	<b>Achieved</b>	<b>Achieved</b>
Sickness absence rates (Target for 2015-16 as set at 4.50 %)	<b>1.29%</b>	<b>3.0%</b> <i>(Note: Target for 2014-15 was set at 4.75%)</i>
Invoice prompt Payment percentage within 30 days (Target: 95%)	<b>97.96%*</b>	<b>87.5%</b>
Invoice prompt Payment percentage within 10 days (Target for 2015-16 was set at 70%)	<b>92.53%</b>	<b>69.2%</b> <i>(Note Target for 2014-15 was set at 60%)</i>
Controls Assurance Standards (Target: Substantial score i.e. 75% - 99% compliance)	All the relevant 9 areas achieved scores within the substantial range.  (The scores ranged from <b>83% to 97%</b> )	All the relevant 9 areas achieved scores within the substantial range.  (The scores ranged from <b>84% to 97%</b> )

**Note:** \* NIPEC incurred no interest payments.

Signed:   
 Mrs Angela McLernon  
 Accounting Officer

Date: 22nd June 2016

# The Accountability Report

## CORPORATE GOVERNANCE REPORT

### The Director's Report

NIPEC's Directors' Report is presented under its statutory areas of responsibility. In addition, NIPEC's responsibilities and performance in relation to two other areas which support the achievement of NIPEC's statutory responsibilities have been included, as summarised below:

- Promoting high standards of practice among nurses and midwives
- Promoting high standards of education among nurses and midwives
- Promoting the professional development of nurses and midwives
- Providing guidance on best practice for nurses and midwives
- Providing advice and information on matters relating to nursing and midwifery
- Engagement, partnership and communication
- Governance

Further and more detailed information on the Professional work of NIPEC during 2015-16 can be accessed via our website at [www.nipec.hscni.net](http://www.nipec.hscni.net)

NIPEC's forthcoming *Annual Quality Report* (available on the website from Autumn 2016) will provide a comprehensive review of NIPEC's Professional work during 2015-16.

### **Promoting high standards of practice among nurses and midwives.**

The NMC Code (March 2015) presents the professional standards that nurses and midwives must uphold in order to be registered to practise in the UK. It reflects new challenges and opportunities for nurses and midwives and is structured around four themes - prioritise people, practise effectively, preserve safety and promote professionalism and trust. Failure to comply with the Code may bring their fitness to practise into question.

Demographic changes, increasing specialisation, new technologies and other advances in healthcare are impacting on the nursing and midwifery workforce. Nurses and midwives must be responsive and have the ability to adapt to new roles and acquire new knowledge and skills in order to meet the needs of patients and clients, supporting and delivering personalised care across a diverse range of settings.



## **NIPEC's Responsibilities**

Due to the strategic positioning and breadth of its stakeholder base, NIPEC is well placed to create high quality innovative solutions which aim to support employers as well as nurses and midwives to enhance professional practice and, in turn, facilitate the delivery of safe, effective and person-centred care. In fulfilling NIPEC's responsibility to promote high standards of practice among nurses and midwives, during 2015-16, NIPEC continued to provide strategic leadership and the implementation of a proactive, flexible and responsive work programme. This included leading or facilitating regional projects and initiatives and developing, monitoring and reviewing resources to enable improvements in professional practice. NIPEC hosted a range of conferences and events, including NIPEC's Annual Conference to support further development of nursing and midwifery practice.

During 2015-16, NIPEC continued to strive to maximise the impacts of the outcomes of its work on the nursing and midwifery workforce by ensuring the effective use of resources, working collaboratively with stakeholders and delivering high quality products and outcomes which are informed by key strategic direction and policy within agreed timescales.

The impact of many of NIPEC's resources continued to be measured on a quarterly basis, for example, those which support nursing supervision and record keeping.

## **Exemplar**

### **Revalidation for Nurses and Midwives**

In September 2013 the NMC Council committed to introducing a model of Revalidation for all nurses and midwives by order of the Privy Council. The chosen proposed option required no legislative change, and builds on existing renewal systems. The target date for implementation is 1 April 2016 and the DHSSPS identified NIPEC as the lead organisation to work at UK level with the NMC to develop the model and to support implementation in Northern Ireland. To support this work, resources were prioritised within NIPEC to facilitate the designation of a Programme Manager for the life of the Project. Robust project management plans were put in place to take forward work which was overseen by a Programme Board reporting directly through the CNO to DHSSPS. An engagement and communication strategy to support the implementation of revalidation for nurses and midwives in Northern Ireland was developed to support the work. Communication tools included:

- Monthly NI revalidation communiques circulated to key stakeholders identified in the engagement and communication strategy for onward dissemination;
- NIPEC website Revalidation webpage;
- Promotion of Revalidation information via stakeholders websites including DHSSPS and HSC along with other stakeholders websites;
- Delivery of a number of Revalidation information sessions/road shows across Northern Ireland by NIPEC;



NIPEC's Portfolio was also updated to reflect the NMC requirements for revalidation which required significant engagement with the NMC and with nurses and midwives working across all sectors in Northern Ireland.

During 2015-16 significant engagement took place through various routes including roadshows, master classes, bespoke events within a range of organisations, at conferences and through on line posting of a NIPEC revalidation video. As a result NIPEC was in contact with over 10,000 registrants in Northern Ireland resulting in over 90% online NMC registration by Northern Ireland nurses and midwives by late December 2015, a requirement for revalidation.

## **Exemplar**

### **Supervision**

NIPEC led work during 2015-16 which examined supervision across nursing and midwifery. Regarding nursing supervision, NIPEC carried out an annual nursing survey of supervision for 2015-16, the results of which were fed back to individual Trusts and can be used in the collation of Trust annual reports on policy compliance to the Chief Nursing Officer.

Regarding Midwifery, NIPEC led work to review and provide external assurances to the CNO and Directors of Nursing of the Midwifery Supervision Framework in NI in the context of the findings from the English Ombudsman's Report (PHSO 2013) and King's Fund (2015) Report. Key messages from this review has been considered at UK-level to inform the way forward for midwifery supervision in the future. Additionally, NIPEC has been asked to lead on the development of a new model of midwifery supervision in light of the eminent legislative changes to the statutory midwifery functions have been made.

## **Promoting high standards of education among nurses and midwives**

The NMC Code (March 2015), requires that nurses and midwives “Always practise in line with the best available evidence.....To achieve this nurses and midwives must..... maintain the knowledge and skills needed for safe and effective practice”.

The HSC relies on nursing and midwifery education to prepare and maintain competent and caring practitioners who demonstrate professional behaviours and values but also education that continues to develop skills in practice and research throughout professional careers. The provision of effective education and learning for nurses and midwives enables them to deliver evidence-informed care that is safe, person-centred and enhances patients’ experiences and outcomes (NES, 2014).

### **NIPEC’s Responsibilities**

In fulfilling NIPEC’s responsibility to promote high standards during 2015-16, NIPEC continued to undertake a range of activities to assure standards and influence educational developments, providing leadership to the learning and education activities of the registrant population.

During 2015-16, NIPEC continued to maintain strategic alliances with a range of organisations and contribute to relevant education fora at local, national and international levels, for example; the NMC Education Advisory Group; the DHSSPS Central Nursing and Midwifery Advisory Committee’s (CNMAC) Sub-Committee for Workforce and Education, Education Strategy Group (ESG) and Education Commissioning Group (ECG); to ensure it can influence and support the Northern Ireland Nursing and Midwifery workforce to respond to existing and emerging regulatory policy and strategic priorities.

### **Exemplar**

NIPEC was instrumental in ensuring that educational requirements stemming from the NMC Education Strategy were embedded and included in Continuous Professional Development at local level. We also continued to play a vital role in quality assuring non NMC regulated education activities commissioned by the DHSSPS through the Education Commissioning process for Nurses and Midwives during 2015-16. Monitoring was undertaken in accordance with an agreed framework, *The Quality Assurance Framework for Monitoring Development and Education Activities Commissioned by the DHSSPS (Non-NMC Registered or Recorded)*.

NIPEC works in partnership with education providers to undertake monitoring activity. Each activity monitored is benchmarked against eight criteria detailed within the *Framework*. A report detailing the findings was provided to each education provider along with a summary report to the DHSSPS.

## Promoting the professional development of nurses and midwives

Professional development is defined as ***“the systematic maintenance, improvement and broadening of knowledge and the development of personal qualities necessary for the execution of professional and technical duties throughout the practitioner’s working life”***

(Friedman & Phillips, 2010).

The NMC Code (2015) requires that nurses and midwives make sure that patient and public safety is protected through working within the limits of their competence by completing the necessary training before carrying out a new role and to ask for help from a suitably qualified and experienced healthcare professional to carry out any action or procedure that is beyond the limits of their competence. Knowledgeable and competent practitioners are vital in ensuring the delivery of safe and effective practice.

A range of policy, regulatory and strategic drivers and changes impact on the nursing and midwifery workforce including; an increase in public health roles; working within integrated teams; changes in modes of service delivery from predominantly acute hospital to community based care; a revised NMC Code; introduction of Revalidation for nurses and midwives and the further development of Advanced and Specialist Practice roles. This is set within a context of ensuring that patient experience remains a key element in the delivery of safe, effective, person-centred and compassionate care.

Similarly, the changing demographics of our population, the increasing prevalence of long-term conditions and demands, outcome-focused healthcare, advances in medical science, technological change and a focus on prevention and health promotion present a compelling case for change. The development of new services and the reconfiguration of current services are, therefore, essential to ensure the continued provision of the required level of care (DHSSPS, 2011a). Such developments will include using remote technologies; increasing the focus on public health and self-care and enhancing multi-disciplinary and multi-agency working.

## **NIPEC's Responsibilities**

In fulfilling NIPEC's responsibility to promote the professional development of nursing and midwifery during 2015-16, NIPEC continued to lead the development of a range of resources, through engagement and collaboration with stakeholders. NIPEC is mindful of the current economic constraints and has therefore focussed on the further development of web-based resources. These included a variety of micro websites, competence assessment tools and learning and development and evaluation frameworks. In addition, NIPEC's online portfolio which enables nurses and midwives to keep up-to-date, was enhanced to ensure it supports the NMC requirements for registrants for revalidation.

## **Exemplar**

Following publication of a number of resources (on-line interactive education resource and regional medicine kardex for maternity services) developed as a result of the Midwives and Medicines 2014 project, NIPEC continued to raise the profile of this successful work through awareness sessions in conjunction with Clinical Education Centre (CEC) and agreement with stakeholders regarding mandatory professional requirements for midwives in terms of their role and responsibilities with medicines management. Subsequently, this work was recognised at UK level and awarded first prize in the British Journal of Midwifery Awards scheme.

## **Exemplar**

NIPEC developed and hosted on its website a Career Pathway for Nursing and Midwifery. The pathway will guide those considering joining the professions, returning to practice and/or looking for career opportunities.

## **Providing Advice, Guidance and Information on best practice and matters relating to Nursing and Midwifery**

The delivery of safe, effective care within a person-centred culture is the responsibility of all nurses and midwives and their employing organisations. This care must be delivered within an organisational environment that promotes evidence-based practice and utilises effective risk management processes.

### **NIPEC's Responsibilities**

NIPEC fulfils a unique role in Northern Ireland by providing guidance on best practice and matters relating to nursing and midwifery. The organisation is committed to supporting practitioners and organisations to deliver safe and effective person-centred care and achieves this by adopting a responsive and proactive approach to the requests and needs of key stakeholders, to assist them in addressing current and future challenges.

NIPEC's activities focus on supporting nurses and midwives to remain up to date on major strategic and policy issues through the provision of advice, guidance and information which translates strategic policy for use by nurses and midwives and supports the interpretation and application of legislation, based on best available evidence.

Guidance provided by NIPEC also enables nurses and midwives to improve their practice to meet the needs of patients/clients and their carers. NIPEC is committed to developing, producing and disseminating evidence-based, quality and accessible information, publications and resources which are available online and in hard copy.

### **Exemplar**

#### **Delivering Care**

In collaboration with the Public Health Agency and the DHSSPSNI, NIPEC developed and produced an agreed framework for nurse staffing in Type 1 Emergency Departments. This framework supports the determination of the numbers, skill mix and experience mix of registered and unregistered staff required to provide safe, effective, person-centred, compassionate care to the members of the public in Northern Ireland who attend Type 1 Emergency Departments.

## **Engagement, Partnership and Communication**

NIPEC continues to engage with its stakeholders, working in partnership and supporting positive working relationships across the nursing and midwifery profession working within the HSC and independent and voluntary sector.

During the year, NIPEC reviewed and updated its Engagement and Communication Strategy which provides a clear focus on how effective communication and engagement will assist NIPEC in achieving improved standards of practice, education and professional development of nurses and midwives.

NIPEC has developed a strong ethos of collaborative working with its key stakeholders across all areas of activity and a reputation for facilitating successful regional projects and initiatives. During the year, its senior professional team have delivered a range of workshops, information sharing road shows, presentations, focus groups, surveys and publications to its stakeholders, including: nursing and midwifery registrants and students; DHSSPS, executive and senior nurse and midwives; education providers; independent and voluntary sector; professional organisations; our PPI e-forum and the general public.

This engagement and communication process has been undertaken with the aim of ensuring stakeholders are kept informed and updated on the work of NIPEC and more importantly provided with the opportunity to be involved and participate in this work and ultimately contribute to improved standards of practice and education and professional development of nurses and midwives, and improved patient/client experience of health and social care services.

In line with the NMC's consultation on the proposed model of revalidation NIPEC refined the development framework website to comprise an online portfolio with a variety of online competence assessment tools. The new online portfolio has been available from May 2015 and accessed via <https://nipecportfolio.hscni.net>

The number registered on the online portfolio rose from 11,299 in April 2015 to 14,145 in March 2016 an increase of 2,846 nurses and midwives.



## **Governance**

NIPEC is acutely aware of its stewardship responsibilities in relation to the range of resources allocated to us and the coordination and planning needed to ensure that the organisation functions within its Revenue Resource Limit (RRL) and Capital Resource Limit (CRL).

## **Service Level Agreements**

A component of NIPEC's efficiency strategy is that a number of core support services have elements of work outsourced to another organisation under Service Level Agreements, and NIPEC has procedures and systems in place to monitor these.

## **Financial**

In order to ensure that NIPEC adheres to best practice for regularity, propriety and value for money, expenditure and income continue to be closely monitored during the year. Regular reports are submitted to NIPEC's Audit and Risk Committee.

As a Non-Departmental Public Body (NDPB), NIPEC is audited during the year by Internal Audit to ensure that appropriate systems and procedures are in place for both financial and control assurances. At the end of the financial year, NIPEC's Annual Report and Accounts are audited by the External Auditor (Northern Ireland Audit Office).

## **Human Resources**

NIPEC recognises that its workforce is its greatest resource and one they value and wish to continue to involve, engage, empower, develop and support. The contribution of staff is central to the delivery of NIPEC's corporate and business objectives and therefore staff are at the heart of what NIPEC does. Staff engagement events during 2015-16 provided an opportunity to understand the value and diversity of individuals and their contribution to the organisation. The resulting Team Effectiveness Action Plan and the continued delivery of this will ensure the organisation engages with and supports staff, monitoring individual and team morale and resilience as the organisation moves forward within a financially constrained environment along with the review of NIPEC.

NIPEC also strives to provide and support a working environment which promotes health and wellbeing. During 2015-16, NIPEC's Health and Social Wellbeing Committee delivered a programme of activities aimed at supporting the health and wellbeing of staff within the workplace. Following the evaluation and review of this programme with staff, the Committee will be developing a further range of activities for 2016-17.



NIPEC continues to hold its Investors in People accreditation and, as an employer, seeks to engender a strong sense of professional fulfilment amongst its staff by examining opportunities for personal development and secondment opportunities.

The internal organisational structure is kept under constant review to ensure that it meets NIPEC's needs.

One of the major contributing factors to NIPEC achieving its yearly objectives is that Corporate Services staff members are an integral part of NIPEC and the work of its professional officers.

Over the years, specific skills have been developed in the areas of:

- *Events management*
- *Marketing and publications*
- *Library and information services*
- *Database & website design and maintenance of the Databases*
- *Procurement requirements which are specific to NIPEC's activities.*

These skills will ensure continued support for the broader range of professional work undertaken by NIPEC.

### **Property and Assets**

NIPEC as a public body continued to strive to achieve maximum benefit from both its property and assets and kept under review its Property Asset Management (PAM) plan for the period 2015-16 to 2020-21.

As a tenant of Centre House, NIPEC's current three year lease expires on the 30th November 2016. Therefore, a SOC/Business Case was submitted to the Department of Personnel and Finance (DFP) in March 2016 proposing a way forward.

## **Information and Communication Technology (ICT)**

NIPEC currently maintains the following three main websites:

- [www.nipec.hscni.net](http://www.nipec.hscni.net)
- <https://nipecportfolio.hscni.net>
- [www.nursingandmidwiferycareersni.hscni.net](http://www.nursingandmidwiferycareersni.hscni.net)

with several micro sites incorporated within the main NIPEC website.

NIPEC's ICT infrastructure facilitates electronic communication with the nursing and midwifery professions and the public, thus facilitating individuals and organisations within and beyond Northern Ireland to access and make use of various resources and information. NIPEC has placed a number of electronic resources within its main website to facilitate the nursing and midwifery profession within the HSC Sector. A significant proportion of NIPEC's documentation, policies and information regarding the corporate business areas are available on the website and the preferred organisational method of communication continues to be, in the first instance, by electronic means.

## **Accountability and Monitoring**


NIPEC is accountable to the Minister for Health, Social Services and Public Safety via the DHSSPS. NIPEC will be monitored by the DHSSPS against the Corporate Strategy and Business Plan through Accountability Meetings, an Annual Report, Annual Quality Report and other *ad hoc* arrangements.

## **Equality**

NIPEC is committed to the promotion of good relations between people of differing religious belief, political opinion and, or racial group. As a health and social care organisation we are committed to promoting respect for diversity and to challenging sectarianism and racism in both employment and services.

Whilst NIPEC continues to use HSC e-learning suite of programmes to enable staff to keep their expertise up to-date, a number of one off screening training sessions/ workshops were initiated during the year specifically for the members of the Business Team.

NIPEC carried out its five year review of its Equality Scheme in January/February 2016 using the Equality Commission templates which covered 12 areas. Following agreement by the Council at its March 2016 meeting NIPEC submitted the comprehensive return to the Equality Commission by the target date of the 31 March 2016.



In recognition of the need to reinvigorate the good relations agenda, NIPEC worked with its partners to develop a common Good Relations Statement, the launch of which was combined with a visit to the premises of the Belfast Islamic Centre on 3 March.

Together with Health and Social Care (HSC) partner organisations NIPEC engaged with groups and individuals from the gender identity sector as well as the LGB&T staff forum to develop a dedicated employment policy. NIPEC will review the outcomes from this engagement to further inform the development of the policy.

With regards to the disability agenda, NIPEC worked with its partners to set up a disability forum for staff working in the regional HSC organisations. The Equality Unit in the Business Services Organisation undertook a staff survey on our behalf and held discussions with staff across the 11 organisations on a future forum, its role, remit and membership. The forum was formally launched on 14 March, sponsored by our partner, the Health and Social Care Board. A first meeting of the forum likewise took place.

Featuring two staff awareness days on disabilities was also one of NIPEC's objectives during the year. In September, NIPEC focused on Hearing Loss and in February, it drew the attention to Learning Disabilities. On both days, NIPEC offered its staff the opportunity to attend a talk from Action on Hearing Loss and Mencap. Joining our partner, the NI Guardian Ad Litem Agency, who are co-located in the same building, this allowed staff to come together across organisations and proved to be very successful. In addition, NIPEC provided staff with information materials and signposting information on how to access further support.

For specific details of how NIPEC achieved its overall corporate governance, this is shown in pages 33 to 46 under the comprehensive 'Governance Statement' and the composition of the NIPEC Senior Management Team is detailed on page 37.

## Register of Interests

### Declaration of Interests by the NIPEC Council and Senior staff:

#### NIPEC Council

Professional/Lay/Executive Members of NIPEC declared the following private or business interests, position of authority in a charity, voluntary body or any other agency in the fields of health and social care education, or any connection with anybody contracting for NIPEC services.

Name	Organisation
Professor C Curran, OBE	<ul style="list-style-type: none"> <li>» Dean of the Faculty of Life and Health Sciences, University of Ulster</li> <li>» Membership of the RCN</li> <li>» Educational Advisor of Association of Continence Advice</li> <li>» Member of Central Nursing &amp; Midwifery Advisory Committee</li> </ul>
Mrs A McLernon	<ul style="list-style-type: none"> <li>» Seconded from the DHSSPS</li> <li>» Membership of the RCN</li> </ul>
Ms D O'Donnell	<ul style="list-style-type: none"> <li>» Associate Head of School (Nursing), University of Ulster</li> <li>» Associate Carmoney Care Consultancy</li> <li>» Registrant member NMC Fitness to Practice Panels</li> <li>» Membership of the RCN</li> <li>» Fellow – Higher Education Academy</li> </ul>
Dr V Tohani	<ul style="list-style-type: none"> <li>» Independent Public Health Consultant</li> <li>» Equality (UK) – Trustee</li> <li>» BMA, Faculty of Public Health (UK)</li> <li>» Faculty of Public Health Medicine (Ire)</li> <li>» Membership of Irish College of General Practitioners</li> </ul>
Dr M Lupari (Resigned 21 June 2015)	<ul style="list-style-type: none"> <li>» Employed by the Northern HSC Trust</li> <li>» Active lobbyist for better care for boys with Duchene's Muscular Dystrophy</li> </ul>

*...continued*

<b>Name</b>	<b>Organisation</b>
Mrs A Baxendale	» Working for the Care Quality Commission
Mrs M Clark	» Member of the Council of the University of Ulster from 2008 until August 2016
Mr P Davidson	» QUB SGC provider » OU associated lecturer » Membership of IET and EC
Mrs R Burrows	» None
Mrs L Houlihan	» Assistant Service Manager, Belfast HSC Trust
Mr P McGreevy	» Trustee of the Charity Suicide Down to Zero » Membership of the NMC
Mrs D Oktar-Campbell	» Independent Consultancy and Counsellor » Acting Responsible person for Belfast Charitable Society – Clifton House » Memberships of RCN, NMC and RMBACP
Ms C Rice	» Membership of the RCN » Assistant Head, HSC Clinical Education Centre » Member of the NMC Fitness to Practise Panel

## Senior Staff

Senior Team members of NIPEC declared the following private or business interests, position of authority in a charity, voluntary body or any other agency in the fields of health and social care education, or any connection with anybody contracting for NIPEC services.

Name	Organisation
Mr E Thom	» Membership of the Institute of Healthcare Management
Mrs C McCusker	» Membership of the RCN
Ms A Reed (Previously Drury)	» Membership of the Health Informatics Society of Ireland, Nursing and Midwifery Group » Membership of the RCN
Ms B Devine	» Memberships of the RCM and RCN » Membership of the Institute of Healthcare Management
Dr C McKenna	» Membership of the RCN
Mrs Frances Cannon	» Membership of the RCN

## Information on Personal data related incidents

There were no personal data or information related incidents during 2015-16.

### Losses and Special Payments –Tables:

Type of loss and special payment	2015-16		2014-15
	Number of Cases	£	£
<b>Cash losses</b>			
Cash Losses - Theft, fraud etc			
Cash Losses - Overpayments of salaries, wages and allowances			
Cash Losses - Other causes			
<b>Claims abandoned</b>	<b>0</b>	<b>0</b>	<b>0</b>
Waived or abandoned claims			
<b>Administrative write-offs</b>	<b>0</b>	<b>0</b>	<b>0</b>
Bad debts			
Other			
<b>Fruitless payments</b>	<b>0</b>	<b>0</b>	<b>0</b>
Late Payment of Commercial Debt			
Other fruitless payments and constructive losses			
<b>Stores losses</b>	<b>0</b>	<b>0</b>	<b>0</b>
Losses of accountable stores through any deliberate act			
Other store losses			378
<b>Special Payments</b>			
Compensation payments	<b>0</b>	<b>0</b>	<b>378</b>
- Clinical Negligence			
- Public Liability			
- Employers Liability			
- Other			
Ex-gratia payments	<b>0</b>	<b>0</b>	<b>0</b>
Extra contractual	<b>0</b>	<b>0</b>	<b>0</b>
Special severance payments	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>378</b>

### 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.

### Losses and Special Payments over £250,000

Losses and Special Payments over £250,000	Number of Cases	2015-16 £	2014-15 £
Cash losses	0	0	0
Claims abandoned	0	0	0
Administrative write-offs	0	0	0
Fruitless payments	0	0	0
Stores losses	0	0	0
Special Payments	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Fees and Charges

There were no fees and charges made during the year.

## Remote Contingent Liabilities

In addition to contingent liabilities reported within the meaning of IAS37, NIPEC also reports liabilities for which the likelihood of a transfer of economic benefit in settlement is too remote to meet the definition of contingent liability.

## References

Guindo, L., Wagner, M., Baltussen, R., Rindress, D., Van Til, J., Kind, P, & Goetghebeur, M. (2012) *From efficacy to equity: literature review of decision criteria for resource allocation and healthcare decision making*. Available at: <https://capsmg.cochrane.org/blog/mapping-multiple-criteria-priority-setting-health-interventions-aid-decision-makers> (accessed 7 January 2015).

NHS Scotland (2014) *Quality improvement hub: prioritisation matrix*. Available at: <http://www.qihub.scot.nhs.uk/knowledge-centre/quality-improvementtools/prioritisation-matrix.aspx> (accessed 28 December 2014).

Tague, N. (2004) *The quality toolbox. Second Edition*. Wisconsin: ASQ Quality Press.

## The Statement of Accounting Officer's Responsibilities

Under Schedule 1, paragraph 12 of the Health and Personal Social Services Act (Northern Ireland) 2002 of the Department's (Northern Ireland) Order 1999, the Department of Health, Social Services and Public Safety has directed the Northern Ireland Practice and Education Council for Nursing and Midwifery (NIPEC) to prepare for each financial year a statement of accounts in the form, and on the basis, set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of NIPEC, and of its net resource outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

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

- observe the Accounts Direction issued by the Department of Health, Social Services and Public Safety, including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in FREM, have been followed, and disclose and explain any material departures in the financial statements
- prepare the accounts on the going concern basis, unless it is inappropriate to presume that NIPEC will continue in operation
- keep proper accounting records, which disclose with reasonable accuracy at any time the financial position of NIPEC
- pursue and demonstrate value for money in the services NIPEC provides and in its use of public assets and the resources it controls.

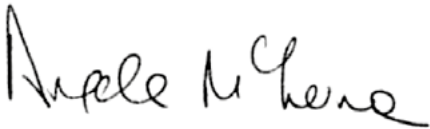
The Permanent Secretary of the Department of Health, Social Services and Public Safety, as Accounting Officer for health and personal social services resources in Northern Ireland, has designated Mrs Angela McLernon, Chief Executive of NIPEC, as the Accounting Officer for NIPEC.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the NIPEC assets, are set out in *Managing Public Money* published by the HM Treasury.

**Accounting Officer's confirmation**

As NIPEC's Accounting Officer I wish to confirm that, as far as I am aware, there is no relevant audit information of which NIPEC's auditors are unaware, and that I have taken all the steps that ought to have been taken to make myself aware of any relevant audit information and to establish that NIPEC's auditors are aware of that information and have established that the NIAO auditors are informed of this.

Also, I wish to 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.

Signed:  .....

Mrs Angela McLernon  
Accounting Officer

Date: 22nd June 2016 .....

# Governance Statement

## 1. Introduction/Scope of Responsibility

The Council of NIPEC is accountable for internal control. As Accounting Officer and Chief Executive of the Council, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and assets for which I am responsible, in accordance with the responsibilities assigned to me by the Department of Health, Social Services and Public Safety.

The accountability arrangements in respect of the relationship between the Council and the DHSSPS are set out in a 'Management Statement and Financial Memorandum', which has been published by the DHSSPS and agreed with the Council. A copy of this document is placed on the NIPEC website ([www.nipec.hscni.net](http://www.nipec.hscni.net)). NIPEC has, during the year, had several Accountability Review meetings with its DHSSPS sponsoring department; these include at least one meeting chaired by the Permanent Secretary of the DHSSPS.

NIPEC has outsourced part of its financial management function under a Service Level Agreement (SLA) to the Business Services Organisation (BSO), and works with this organisation during the year to produce monthly management statements and NIPEC's final accounts.

Also included within the SLA with the BSO are Human Resources (HR), Legal, Equality, PaLS (Procurement and Logistic Services), ITS services and Internal Audit services. The current SLA is monitored on a monthly basis, with a formal SLA review meeting held annually between NIPEC and the BSO.

## 2. Compliance with Corporate Governance Best Practice

NIPEC applies the principles of good practice in Corporate Governance and continues to strengthen its governance arrangements. NIPEC does this by undertaking continuous assessment of its compliance with Corporate Governance best practice, by having in place for the Council an 'Annual Governance Cycle';

During the financial year, this covers the areas of:

**STRATEGY**

**PERFORMANCE**

**RISK**

**REGULATORY**

**OTHER (Equality etc.)**

The Council also receives an annual report and quarterly feedback from the Audit and Risk Committee, which monitors DHSSPS and Northern Ireland Audit Office (NIAO) governance correspondence.

With regard to the wider control environment, NIPEC has in place a range of organisational controls, commensurate with the current assessment of risk, designed to ensure efficient and effective discharge of its business in accordance with the law and Departmental direction. Every effort is made to ensure that the objectives of NIPEC are pursued in accordance with the recognised and accepted standards of public administration. For example, NIPEC's recruitment and selection policies are based on the principle of equality of opportunity, and controls are in place to ensure that all such decisions are taken in accordance with the relevant legislation.

### **3. Governance Framework**

The Council exercises strategic control over the operation of the organisation through a system of corporate governance, which includes:

- a schedule of matters reserved for Council decisions
- the regular review of governance documents, including standing financial instructions, standing orders, the standards of business conduct for all staff and the review of this Governance Statement
- a '*scheme of delegation*', which delegates decision-making authority within set parameters to the Chief Executive and other Officers
- the establishment of an Audit and Risk Committee and a Remuneration Committee, and a regular review of their terms of reference.

Membership of the Council and the Committees is as follows:

#### **Council:**

##### Membership

- » Chair
- » Chief Executive and eight Professional Members (who all must hold a current registration on the Nursing and Midwifery register)
- » Six Lay Members
- » Ex-Officio Member (Chief Nursing Officer, DHSSPSNI).

*See Appendix (3) for details of members attendance during the year.*

## Functions

NIPEC was established on 7 October 2002 under the Statutory Rules, “The Health and Personal Social Services (2002) Act (Commencement) Order (Northern Ireland) SR2002 No.311 (C.25).

Within the Health and Personal Social Services Act (Northern Ireland) 2002, Chapter 9, Section 2, NIPEC was established as an NDPB, sponsored by the DHSSPS.

The Act identifies the following responsibilities for NIPEC:

“It shall be the duty of the Council to promote:

- (2) (a) high standards of practice among nurses and midwives
- (b) high standards in the education and training of nurses and midwives; and
- (c) the professional development of nurses and midwives.

Without prejudice to the generality of subsection (2) the Council may:

- (3) (a) provide guidance on best practice for nurses and midwives
- (b) provide advice and information on matters relating to nursing and midwifery.

The Council shall, in the exercise of its functions, act:

- (4) (a) in accordance with any directions given to it by the Department
- (b) under the general guidance of the Department.”

## **Audit & Risk Committee:**

### Membership

- » Two Professional Members
- » Two Lay Members
- » Also, in attendance are the NIPEC Chief Executive and Head of Corporate Services; and representatives from NIPEC’s External Auditors - Northern Ireland Audit Office, Internal Audit, BSO and when required a financial representative from the BSO. A representative from NIPEC’s Sponsor Branch attended a meeting of the committee during the year.

*See Appendix (3) for details of members attendance during the year.*

## Functions

The Audit and Risk Committee is an advisory body with no executive powers, other than those specifically delegated in these Terms of Reference. It is authorised by the Council, however, to investigate any activity within its terms of reference, and to seek any information it requires from staff, who are requested to co-operate with the Committee in the conduct of its enquiries. Requests for work, and reports received, from internal audit will be channelled through the Chief Executive.

The Audit and Risk Committee is authorised by the Council to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, if it considers this necessary. The Committee completes annually the National Audit Office's 'Audit Committee Self-Assessment Checklist' in which it assesses itself against best practice. A copy of this is forwarded to the DHSSPS, Central Arm's Length Bodies Governance Unit.

## **Remuneration Committee:**

### Membership

- » All the Council Members, with the exception of the four who serve on the Audit and Risk Committee.

### Functions

The Role of the Remuneration Committee is the managing and overseeing of the NIPEC performance management process by:

- » encouraging effective appraisal of staff
- » scrutinising objectives for:
  - Consistency
  - Robustness
  - Alignment with Government and Department priorities and local priorities
- » ensuring that robust process has taken place
- » monitoring for consistency of assessment
- » recommending an overall banding and award for Senior Executive.



All the meetings of the Council and the Audit and Risk Committee were quorate during the year. Details of the individual members' attendance are shown in Appendices 3 and 4.

In addition to the above, NIPEC has a Senior Management Team (SMT), which is comprised of the Chief Executive, five Senior Professional Officers and the Head of Corporate Services. The SMT meets on a monthly basis as part of the organisation's Business Team which has the Corporate Services Manager and the IT & Communication Manager also in attendance. This group supports the Chief Executive in the operational aspects of the organisation. Also, the Chief Executive holds a monthly, one-to-one meeting with each member of the SMT; this meeting covers all aspects of that officer's work.

With regard to legal services, NIPEC uses the Directorate of Legal Services in the BSO. Should NIPEC use independent legal advisors, NIPEC would comply with extant DHSSPS guidance, in particular, HSS (F) 67/2006 – Payments in Respect of Litigation and Legal Services.

#### **4. Business Planning and Risk Management**

Business planning and risk management are 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 organisation.

Business planning is identified as an activity to be undertaken in the governance cycle, i.e. a workshop was held in November 2015 with Council members and key stakeholders. At this workshop, the agenda consisted of a review of the mid-year progress of the current business plan together with other stakeholder issues for the forthcoming year. The draft annual business plan, when approved by the Council in March 2016, was then forwarded to the DHSSPSNI for consideration, so that an approved NIPEC Business Plan for 2016-17 was in place for the forthcoming financial year.

Following guidance issued by NIPEC's Sponsoring Branch, in early January 2016, that for consistency purposes all ALBs should have a corporate plan aligned with the Assembly Term i.e. 2016-2021, NIPEC agreed that its current corporate plan 2013-16 would be rolled forward one further year and that a new corporate plan for the period 2017-2021 would be submitted to the DHSSPSNI in 2016-17 bringing it into line with the proposed corporate planning cycle.

On an ongoing basis, the Council receives at each quarterly meeting an update on all the NIPEC work streams, which are laid out in a matrix format and rated using the 'RAG' identification method. The Council also receives a copy of the 'NIPEC Assurance Framework: Corporate Risks' for the year; this presents the current position against the high level risks, as derived from the current corporate business objectives, and uses the 'RAG' method for identification of progress.

The Audit and Risk Committee also receives, at each meeting, a copy of this high level risk register, together with a copy of the NIPEC 'Operational Risk Register'.

At each Business Team meeting, a standing item on the agenda is the matter of operational risks; these are reviewed and, if required, an issue can be escalated up to the Audit and Risk Committee and then to the Council for consideration/action.

NIPEC has a 'Risk Management Strategy and Action Plan', which is updated annually and agreed via the Audit and Risk Committee. This document sets out from an operational basis the key objectives for managing risks, risk management in NIPEC, setting the risk appetite, addressing the risks, responsibility for risk management, risk structure within the organisation and method for evaluating and scoring risks, together with a NIPEC risk action plan for the year.

NIPEC would classify its risk appetite as 'OPEN' and this therefore influences the behaviour of the organisation when considering the various risks. ('OPEN' is defined as *Willing to consider all options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward.*)

NIPEC staff can avail of the regionally agreed HSC e-learning packages for risk management.

In order to seek to learn from good practice, NIPEC is in membership of the following regional groups:

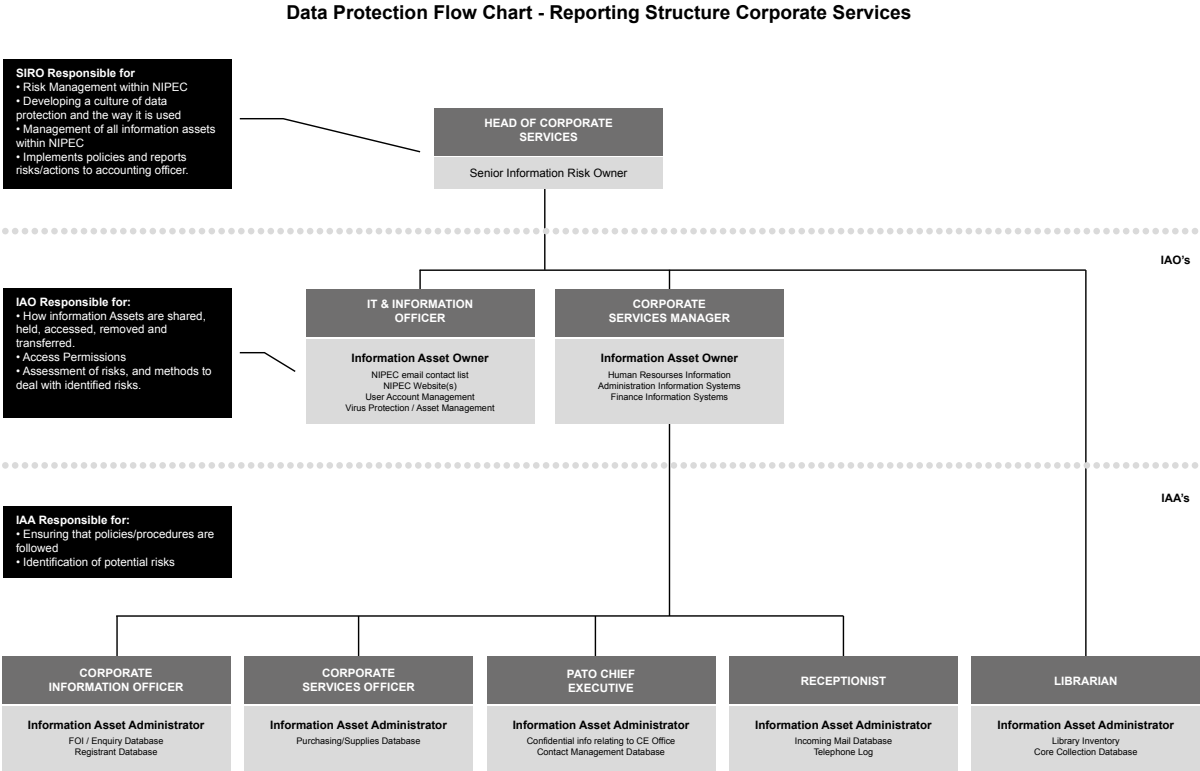
- Governance Network Group (GNG)
- Information Governance Advisory Groups (IGAG).

NIPEC's Audit and Risk Committee's work activity includes the monitoring and review of governance documents, such as Whistle Blowing Policy, Code of Conduct for Staff and Fraud Response Policy and Plan.

The Council's Audit and Risk Committee has a responsibility for ensuring that the organisation adheres to best practice in regard to the management and control of risk.

# 5. Information Risk

Whilst NIPEC has no direct operational public/patient/client interface - and, therefore, no information in regard to the above is held - it does, in line with data protection best practice, have in place a formal structure to cover the following:



The Head of Corporate Services is also NIPEC’s designated ‘Personal Data Guardian’ and any hard copy information which may contain sensitive data i.e. personal addresses is stored in a secure filing room, with access limited to only those staff members who need to use the data. Also, any records which are stored electronically are password protected.

With regard to IT data security, NIPEC has in place the following:

- All NIPEC laptops and Blackberry Smart Phones are encrypted, with the user only gaining access to the contents via a password;
- All senior staff have been provided with USB memory sticks, which are also encrypted;
- IT policies and procedures on the use of laptops and memory sticks are updated on an ongoing basis, as appropriate, and circulated to staff;
- USB ports on PCs are closed off to unencrypted keys.

## 6. Assurance

The system of internal financial control is based on a framework of regular financial information, administrative procedures - including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting systems, with an annual budget which is reviewed and agreed by the Council;
- regular reviews by the Council of periodic financial reports, which indicate financial performance against the forecast;
- setting targets to measure financial and other performances;
- as appropriate, formal budget management disciplines.

To keep Council updated on the organisation's efficient use of funding and resources, the members receive, at each meeting, a copy of NIPEC's monitoring of its organisational KPIs, a set of the draft minutes of the last Audit and Risk Committee meeting; these are spoken to by the Chair of the Audit and Risk Committee and are accompanied by a written and verbal report by the Head of Corporate Services on the major corporate governance issues since the last meeting. An update on the progress of NIPEC's current projects is given by the Chief Executive and this is complemented, at times, by a presentation by the relevant Senior Professional Officer.

The Audit and Risk Committee agenda covers financial statements, financial audit areas (internal & external), risk registers, SLA agreements, organisational KPIs, external hospitality, policies and procedures updates, Chair & Chief Executive's expenses and correspondence. An annual report on the activity of the Audit and Risk Committee for the year is submitted to the Council. The internal audit reports inform the Council on the level of confidence in the status and best fit of the systems and process within the organisation.

As part of a performance management audit conducted by Internal Audit in 2012-13, a survey was carried out with the Council members in regard to ten questions covering performance targets set by the organisation, i.e. SMART, comprehensive and challenging etc. The response ranged from 83.3% to 100% who stated that they strongly agreed or tended to agree. (To note that only one new member has been appointed to the Council since 2012-13)

Based on the current organisational structures the Council is satisfied with the quality of the information received during the year and is satisfied that the information was sufficient to enable the Council to fulfil its obligations

The External Auditors audit NIPEC's Annual Report and Accounts and their audit findings are set out in the document 'Report to those charged with Governance – Audit results', which is presented in full to the Council members when they are considering the NIPEC annual report and accounts for signing off.

When the financial statements of the signed-off NIPEC accounts are audited by the Comptroller and Auditor General, NIAO, a certificate and report are issued; these are subsequently incorporated within the final annual report and accounts document.

NIAO have not been involved in any non-audit services with NIPEC during 2015-16.

### 7. Controls Assurance Standards

NIPEC assessed its compliance with the applicable nine of the Controls Assurance Standards which were defined by the Department. NIPEC achieved the following levels of compliance for 2015-2016 as set out in the table below:

Controls Assurance Standard	DHSSPSNI Expected Level of Compliance	NIPEC Compliance % Rating	Compliance Achieved	Reviewed By
Financial Management (Core Standard)	Substantive	89%	Substantive	Internal Audit
Risk Management (Core Standard)	Substantive	89%	Substantive	
Governance (Core Standard)	Substantive	94%	Substantive	
Health & Safety	Substantive	92%	Substantive	Self-Assessed
Information Management	Substantive	83%	Substantive	Internal Audit
Information & Communication Technology	Substantive	94%	Substantive	Self-Assessed
Fire Safety	Substantive	96%	Substantive	Self-Assessed
Human Resources	Substantive	97%	Substantive	Self-Assessed
Management of Purchasing & Supply	Substantive	91%	Substantive	Self-Assessed

**Indicator Table of Compliance**

0 : Negligible    1-39 : Minimal    40-74 : Moderate    75-99 : Substantive    100 : Full

An independent review of the level of compliance with the three core standards was undertaken by Internal Audit and confirmed as having a substantive level of compliance.

## 8. Sources of Independent Assurance

NIPEC obtains Independent Assurance from the following sources:

- **Internal Audit**

NIPEC has an outsourced internal audit function with the BSO, which operates to defined standards. Its work is informed by an analysis of risk to which the organisation is exposed and annual audit plans are based on this analysis.

The Audit Plan agreed by the Audit and Risk Committee in June 2014 was for the four-year period, 2014-15 to 2016-17. For 2015-16, the plan was based on 19.5 days' audit work to cover, financial review audit, Board effectiveness, risk management and control assurance verification, as well as management time and follow-up reviews.

All audit assignments included in the 2015-16 Internal Audit Plan, approved by the Audit and Risk Committee, were completed.

A mid-year assurance statement was provided from the Head of Internal Audit to the Audit and Risk Committee meeting held in October 2015, as part of the process to assist the Chief Executive in the completion of the DHSSPS Mid-Year Assurance Statement.

Also, in a report dated 18 April 2016, on a year-end follow-up on outstanding internal audit recommendations, the Internal Auditor noted that,

The Head of Internal Audit's 'Annual Report for the Year' gave the following opinion:

“

“My overall opinion for the year ended 31 March 2016 is that there is a *satisfactory* system of internal control designed to meet the organisation's objectives.”

”

- **Investors in People (IiP)**

NIPEC currently holds accreditation to the Investors in People Standard, which was reassessed and awarded under a certificate of recognition dated February 2015 for a further period of 3 years.

- **Nursing and Midwifery Council (NMC) – Professional Registration**

The Chief Executive and the five Senior Professional Officers have to hold, as a requirement of their employment, a current valid nursing and/or midwifery registration with the NMC. This registration has to be renewed every three years (periodic renewal) and an annual fee, called the annual retention, paid at the end of the first and second year of the registration period, NIPEC monitors this on an ongoing basis.



## 9. Review of Effectiveness of the System of Internal Governance

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

To keep Council updated on the organisation's efficient use of funding and resources, the members receive, at each meeting, a set of the draft minutes of the last Audit and Risk Committee meeting; these are spoken to by the Chair of the Audit and Risk Committee and are accompanied by a written and verbal report by the Head of Corporate Services on the major corporate governance issues since the last meeting. An update on the progress of NIPEC's current projects is given by the Chief Executive and this is complemented, at times, by a presentation by the relevant Senior Professional Officer.

The Audit and Risk Committee agenda covers financial statements, financial audit areas (Internal & External), risk registers, SLA agreements, organisational KPIs, annual Property Asset Management Plan, external hospitality, policies and procedures updates, Chair & Chief Executive's expenses and correspondence.

An annual report on the activity of the Audit and Risk Committee for the year 2015-2016 was submitted to the Council meeting held on 24 May 2016, the Audit and Risk Committee completed the NIAO 'Audit Committee Self-Assessment Checklist' and returned it to the DHSSPS, Central Arm's Length Bodies Governance Unit in June 2015.

There were no incidents within NIPEC of data loss during the year.



## 10. Internal Governance Divergences – Current and New for 2015-16

The Internal Auditor provides management with an assurance, as per the four tiered opinion system used to convey the Internal Audit opinion<sup>1</sup>.

The Internal Audit Review outcomes for 2015-16, therefore, showed the following to be classified as:

- **Financial Review**  
**‘Satisfactory Assurance’**  
*No priority 1 weaknesses were identified.*
- **Management of Statutory Responsibilities and Complaints**  
**‘Satisfactory Assurance’**  
*No priority 1 weaknesses were identified.*
- **Controls Assurance Verification**

### Shared Service Audits

A number of audits (summarised below) were conducted by Internal Audit on BSO Shared Services, as part of the BSO Internal Audit Plan. The recommendations in these Shared Service audit reports are the responsibility of BSO Management to take forward and the reports have been presented to the BSO Governance & Audit Committee. Given that NIPEC is a customer of BSO Shared Services, the final reports have been shared with the Head of Corporate Services and a summary of the reports have been/will be presented to NIPEC’s Audit and Risk Committee.

Shared Service Audit	Assurance
Recruitment Shared Services	Unacceptable
Payroll Shared Service (as at September 2015)	Limited
Payroll Shared Service (as at March 2016)	Limited
Payments Shared Service (as at September 2015)	Satisfactory
Payments Shared Service (as at March 2016)	Satisfactory
Income Shared Service	Satisfactory
Business Services Team	Satisfactory
Benefits Realisation	Satisfactory

<sup>1</sup> Department of Finance and Personnel, circular reference DAO (DFP) 11/07, dated 23 August, 2007.

***It was noted by the Internal Auditor that:***

*“Unacceptable assurance had been provided in respect of the Recruitment Shared Service Centre. There were significant E-Recruitment system functionality issues and performance of the Recruitment Shared service was not being effectively managed and monitored. Improvement was required in the following areas: E-recruitment system functionality; standing operating procedures; performance management; management of customer queries; information governance; and control of user access rights.*

*Limited assurance had repeatedly been provided in respect of the Payroll Shared Service Centre. A significant number of priority one findings and recommendations had been reported. Improvement was required particularly in the following areas: management of overpayments; authorisation and processing of manual payments; accuracy of maternity payments; variance monitoring; payroll information relating to pension calculations; and system access controls.”*

## **11. Property Asset Management Plan (PAM)**

In line with the DHSSPS requirement for ALB's to produce an annual PAM plan with a five year planning horizon to enable ALB's to show that they are using property assets (freehold and leasehold) efficiently and effectively and that property assets demonstrate value for money, NIPEC produced its third PAM plan for the period 2015-16 to 2020-21 which was submitted to the DHSSPS within the stipulated deadline of 30 April 2015.

As required by DHSSPS circular PEL 14 (04), dated 8 August 2015, NIPEC produced an accommodation SOC/Business Case due to its current three year accommodation lease having a two year break clause on the 30 November 2015. The SOC/Business Case was approved by the Council at its March 2015 meeting and forwarded to the DHSSPS on the 5 March 2015 for consideration. Formal approval was received from DFP on the 30 July 2015 to the recommended way forward of remaining within the current accommodation until the end of the lease i.e. 30 November 2016.

With the current lease expiring on the 30 November 2016 NIPEC established an accommodation working group, which held its first meeting in October 2016, to take forward the production of an SOC/Business Case which addressed NIPEC's needs for the next three years. The Council approved the SOC/Business Case at its meeting held on the 1 March 2016 and it was duly forwarded to the DHSSPSNI for consideration.

## **12. Sustainable Development Report**

As part of the DHSSPS objectives within the Sustainable Development Strategy “Everyone’s Involved” and the Strategy implementation plan “focused on the future” HSC organisations had to produce a sustainable report for 2015-16. NIPEC submitted to the DHSSPS by the 30 April 2015 a Sustainable Development report, using the HEIG framework templates for ALBs.

## **13. Reporting of Complaints**

NIPEC’s complaints register records show no formal complaints made during 2015-16. NIPEC has in place a policy and an executive summary for the ‘Handling of Complaints’ which is reviewed and updated in line with its policy grid. As part of NIPEC’s ongoing work to ensure that its complaint procedures adhere to best practice any guidance or correspondence issued by either the DHSSPS or the NI Ombudsman’s Office are used to review its procedures against.

## **14. Conclusion**

NIPEC has a rigorous system of accountability on which I, as Accounting Officer, can rely on to help me 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 the need to manage and deploy public resources responsibly in the public interest. This is taken forward by the application of good common sense and sound financial management, as carried out

- in the spirit of, as well as to the letter of, the law
- in the public interest
- to high ethical standards
- by achieving value for money.

Further to considering the accountability framework within the Body, and in conjunction with assurances given to me by the Head of Internal Audit, I am content that NIPEC has operated a sound system of internal governance during the period 2015-2016.

# Remuneration and Staff Report

## Scope of the Report

The Remuneration Report summarises the remuneration policy of the Northern Ireland Practice and Education Council for Nursing and Midwifery (NIPEC) and particularly its application in connection with senior managers. The report, completed in line with circular FD (DFP) 04/10, dated 31 March 2010, also describes how NIPEC applies the principles of good corporate governance in relation to Senior Managers' remuneration in accordance with HSS (SM) 3/2001 issued by the Department of Health, Social Services and Public Safety (DHSSPS).

## Remuneration Committee

The Council of NIPEC, as set out in its Standing Orders, has delegated certain functions to the Remuneration and Terms of Service Committee. The membership of this committee is as follows:

Chair: Professor Carol Curran

Professional Members: Mrs Ruth Burrows  
Mrs Lisa Houlihan  
Mr Patrick McGreevy  
Dr Marina Lupari (Resigned 21 June 2015)

Lay Members: Mrs Maureen Clark  
Mr Paul Davidson

**Note:** As per the DHSPS guidelines, 'Code of Conduct and Code of Accountability for Board Members of Health and Social Care Bodies', dated 18 July 2012, none of the Council members who serve on the Audit and Risk Committee is in membership of the NIPEC Remuneration Committee.

## Remuneration Policy

NIPEC applies the remuneration policy as directed by circular HSS (SM) 3/2001, issued by the DHSSPS in respect of Senior Managers who hold senior manager contracts. These managers are subject to the NHS Individual Performance Review system. Within the system, each participant agrees objectives with his/her Senior Manager. At the end of each year, performance is assessed and a performance pay award is given accordingly. For the Chief Executive, this award is approved by the Chairman of the Council and endorsed by the Council's Remuneration Committee. There are no elements of Senior Managers' remuneration that are not subject to performance conditions.

## Contracts

HPSS appointments are made on the basis of the merit principle, in fair and open competition and in accordance with all relevant legislation and, as applicable, circular HSS (SM) 3/2001. Unless otherwise stated, the employees covered by this report are appointed on a permanent basis, subject to satisfactory performance.

- » **Mrs Angela McLernon** took up post as Chief Executive on 1 July 2014, seconded from the DHSSPS.
- » **Mr Edmund Thom** was transferred, under TUPE, to Head of Corporate Services on 1 April 2002.
- » **Mrs Cathy McCusker** was appointed Senior Professional Officer on 1 April 2006.
- » **Ms Angela Drury** was appointed Senior Professional Officer on 3 November 2008.
- » **Mrs Brenda Devine** was appointed Senior Professional Officer on 8 December 2008.
- » **Dr Carole McKenna** was appointed Senior Professional Officer on 1 January 2009.
- » **Ms Frances Cannon** was appointed Senior Professional Officer on 16 April 2012.

## **Notice Periods**

Three months' notice is to be provided by either party, except in the event of summary dismissal. There is nothing to prevent either party waiving the right to notice, or from accepting payment in lieu of notice.

## **Retirement Age**

Prior to 1 October 2006, employees were required to retire at age 65 years, with occupational pensions normally effective from age 60 years. With the introduction of the Equality (Age) Regulations (Northern Ireland) 2006, however, employees can now request to work beyond the age of 65 years.

## **Compensation for Premature Retirement**

In accordance with Circular HSS (S) 11/83 and subsequent supplements, there is provision within the HPSS Superannuation Scheme for premature retirement with immediate payment of superannuation benefits and compensation for eligible employees on the grounds of:

- efficiency of the service
- redundancy
- organisational change.

Employers who retire staff early on any of the above grounds must pay the following:

- the basic pension, plus increases up to normal retirement age
- the enhancement element of the pension, plus increases for as long as this remains in payment
- the enhancement element of the lump sum
- the actuarial charge for payment of the basic lump sum before normal retirement age.

There is also provision within the Scheme for early retirement with benefits on health grounds, subject to confirmation of permanent incapacity by HPSS Medical Advisers.



## Salary and Pension Entitlements [Audited]

There were no bonus or exit packages payments paid during the year.

Following the Hutton Fair Pay Review, which recommended that, from 2011-12, all public service organisations publish their top to median pay multiples each year, the Department of Health Social Services and Public Safety issued Circular HSC (F) 23/2012, setting out a requirement to disclose the relationship between the remuneration of the most highly paid director in the organisation and the median remuneration of the organisation's workforce.

Following the application of the guidance contained in circular HSC (F) 23/2012, the following can be reported:

	2015-16	2014-15
Band of Highest Paid Director's Total Remuneration - £'000	65-70	60-65
Median Total Remuneration	£27,901	£27,901
Ratio	2.3	2.3

## Public Sector appointees and Staff Resources not on Payroll

Under DHSSPS circular reference: HSC (F) 21-2014 Departmental ALBs are required to disclose in the Annual Reports the details of 'off-payroll' engagements at a total cost of over £58,200 per annum that were in place during 2015-16. This does not apply to staff or public sector appointees within respective organisations, contracted through employment agencies and self employed, including through personal service companies.

NIPEC – Off-Payroll Staff Resources	Number of Staff
Off-Payroll staff as at 1 April 2015	0
New engagements during the year	0
Number of engagements transferred to departments payroll	0
Number of engagements that have come to an end during the year	0
Off-Payroll staff as at 31 March 2016	0



	2016		2015	
	Permanently employed staff £	Others £	Total £	Total £
<b>Staff Costs</b>				
Staff costs comprise				
Wages and salaries	736,295	91,269	827,564	727,766
Social security costs	51,584	0	51,584	51,728
Other pension costs	92,019	0	92,019	73,335
<b>Sub-Total</b>	879,898	91,269	971,167	852,829
Capitalised staff costs	0	0	0	0
<b>Total staff costs reported in Statement of Comprehensive Expenditure</b>	879,898	91,269	971,167	852,829
Less recoveries in respect of outward secondments			0	0
<b>Total net costs</b>			<b>971,167</b>	<b>852,829</b>

Staff Costs exclude £Nil charged to capital projects during the year (2015 £Nil)

NIPEC participates in the HSC Superannuation Scheme. Under this multi-employer defined benefit scheme both NIPEC and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DHSSPS. NIPEC is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis.

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the Statement of Financial Position date and updates it to reflect current conditions. A full valuation as at 31 March 2012 was certified in February 2015 and is used in the 2015-16 accounts.

### Average number of persons employed

The average number of whole time equivalent persons employed during the year was as follows;

	2016		2015	
	Permanently employed staff £	Others £	Total £	Total £
Administrative and Clerical	12	2	14	14
Nursing and Midwifery	7	0	7	7
Less average staff number relating to capitalised staff costs	0	0	0	0
Less average staff number in respect of outward secondments	0	0	0	0
<b>Total net average number of persons employed</b>	<b>19</b>	<b>2</b>	<b>21</b>	<b>21</b>

### Gender Composition of the Workforce

	Total	Female	Male	%
Administrative and Clerical	14	10	4	71
Nursing and Midwifery	7	7	-	100
<b>Total</b>	<b>21</b>	<b>17</b>	<b>4</b>	<b>81%</b>

## Reporting of early retirement and other compensation scheme - exit packages

Comparative data to be shown (in brackets) for previous year.

Exit package cost band	*Number of compulsory redundancies		*Number of other departures agreed		Total number of exit packages by cost band	
	2016	2015	2016	2015	2016	2015
<£10,000	0	0	0	0	0	0
£10,000 - £25,000	0	0	2	0	2	0
£25,001 - £50,000	0	0	0	0	0	0
£50,001 - £100,000	0	0	0	0	0	0
£100,001 - £150,000	0	0	0	0	0	0
£150,001 - £200,000	0	0	0	0	0	0
£200,001 - £250,000	0	0	0	0	0	0
£250,001 - £300,000	0	0	0	0	0	0
£300,001 - £350,000	0	0	0	0	0	0
£350,001 - £400,000	0	0	0	0	0	0
Total number of exit packages by type	0	0	2	0	2	0
	£000s	£000s	£000s	£000s	£000s	£000s
<b>Total resource cost</b>	<b>0</b>	<b>0</b>	<b>32</b>	<b>0</b>	<b>32</b>	<b>0</b>

Redundancy and other departure costs have been paid in accordance with the provisions of the HSC Pension Scheme Regulations and the Compensation for Premature Retirement Regulations, statutory provisions made under the Superannuation Act 1972. Exit costs are accounted for in full in the year in which the exit package is approved and agreed and are included as operating expenses at note 4.

Where early retirements have been agreed, the additional costs are met by the employing authority and not by the HSC pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

The salary, pension entitlements, and the value of any taxable benefits in kind to the senior business team of NIPEC were as follows **[Audited ]**:

Name	2015-16					2014-15				
	Salary £000s	Bonus / Performance Pay £000	Benefits in kind (rounded to nearest £100)	Pension Benefits £'000	Total £'000	Salary £000s	Bonus / Performance Pay £000	Benefits in kind (rounded to nearest £100)	Pension Benefits £'000	Total £'000
Angela McLernon <sup>2</sup>	65-70	-	-	-	65-70	65-70	-	-	-	65-70
Edmund Thom	55-60	-	-	(7) <sup>3</sup>	45-50	55-60	-	-	(7) <sup>4</sup>	45-45
Cathy McCusker	55-60	-	200	7	60-65	55-60	300	300	7	60-65
Angela Reed (previously Drury)	55-60	-	200	12	65-70	55-60	300	300	7	60-65
Brenda Devine	55-60	-	300	6	60-65	55-60	300	300	6	60-65
Carole McKenna	55-60	-	100	14	70-75	55-60	300	300	12	65-70
Frances Cannon	50-55	-	300	33	85-90	45-50	500	500	27	75-80

<sup>2</sup> Seconded from the DHSSPS, Nursing Department.

<sup>3</sup> This member turned 60 on 24th June 2014.

<sup>4</sup> This member turned 60 on 24th June 2014.

Name	Real increase in pension and related lump sum at pension age 60 £'000	Total accrued pension at age 60 and related lump sum £'000	Cash equivalent transfer value (CETV) at 31 March 2015 £'000	Cash equivalent transfer value (CETV) at 31 March 2016 £'000	Real increase in Cash equivalent transfer value (CETV) £'000
Angela McLernon	-	-	-	-	-
Edmund Thom	-	-	-	-	-
Cathy McCusker	0 - 2.5 plus lump sum of 0 - 2.5	20 - 25 plus lump sum of 60 - 65	368	391	11
Angela Reed (previously Drury)	0 - 2.5	15 - 20 plus lump sum of 40 - 45	247	265	10
Brenda Devine	0 - 2.5 plus lump sum of 0 - 2.5	25 - 30 plus lump sum of 75 - 80	532	564	13
Carole McKenna	0-2.5	5 - 10	65	77	11
Frances Cannon	0 - 2.5 plus lump sum of 5 - 7.5	20 - 25 plus lump sum of 65 - 70	398	445	33

Within the NIPEC organisational structure there are no non-executives and the 15 members of the Council receive no remuneration with the exception of the Chair. See appendix 5, page 115.

## **HPSS Superannuation and Pension Schemes**

Pension benefits are provided through either the HPSS Superannuation scheme or the HPSS Pension scheme. The HPSS Pension scheme is applicable to all new HSC workers from 1 April 2015. Both the HPSS Superannuation scheme and the HPSS Pension scheme (2008 and 2015) are 'final salary' defined benefit schemes. The schemes are unfunded, with the cost of benefits met by monies voted by Parliament each year. Pensions that are payable are increased annually in line with changes in the Retail Prices Index.

The contribution rate for members from 2012 is 5% - 10.9% depending on rate of Pensionable Pay. For the HPSS Superannuation scheme, benefits accrue at the rate of 1/80th of pensionable salary for each year of service and under the HPSS Pension scheme (2008), benefits accrue at the rate of 1/60th of pensionable earnings for each year of service for the 2008 scheme and 1/54th for the 2015 scheme. Also, the 2015 scheme is based on Career Average Earnings.

In addition, a lump sum equivalent to three years' pension is payable on retirement under the HPSS Superannuation scheme, whilst those under the HPSS Pension scheme (2008 and 2015) will have the choice of taking a Retirement Lump Sum and having a smaller annual pension.

Further details about the Health Service pension arrangements can be found at the website [www.hscpensions.hscni.net](http://www.hscpensions.hscni.net).

## **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 the scheme and chooses to transfer the benefits accrued in a former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of his/her total membership of the pension scheme, not just service in a senior capacity, to which the disclosure applies.

The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement, which the individual has transferred to the HPSS pension scheme. They also include any additional pension benefit accrued by the member as a result of purchasing additional years of pension service in the scheme at his/her own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.



## **Real Increase in CETV**

This reflects the increase in CETV effectively funded by the employer. It takes account of 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.

## **Other**

- There are no elements of the remuneration package which are not cash.
- There is no compensation payable to former senior managers.
- There are no amounts included above which are payable to third parties for services of a senior manager.
- There have been no awards made to past senior managers.
- There has been no expenditure on the employment of external consultancy services.

## **Disabled Employees**

It is the policy of NIPEC to provide employment equality for all, irrespective of, for example, religious belief, political opinion, gender and marital status, sexual orientation, disability, race or ethnic origin, domestic responsibility, trade union membership and age.

## **Employee Involvement**

As part of its Human Resource's SLA with the BSO, NIPEC participates in a Joint Negotiation Consultative Committee with Trade Unions. Internally, there is an organisational communication structure which involves the use of team briefing meetings, staff meetings and consultations with staff on draft policies.

## **Training and Development**

NIPEC has a suite of 15 mandatory education/training e-learning programmes which all staff have access to from their work stations and a further five programmes for the Professional Staff to ensure that they meet the CPD requirements for their professional registration. The updating of these programmes range from annual to every three years and it is the responsibility of the individual staff member to monitor and ensure that they meet the agreed updating deadlines. Staff can also attend during the year appropriate conferences, workshops and seminars which are related to their specific area of work.



## **Health and Social Wellbeing Committee**

NIPEC established a Health and Social Wellbeing Committee during the year which consisted of membership drawn from across the organisation. An action plan was produced which saw the following activities carried out within the year:

- Health Screening and Health Awareness Sessions
- 10,000 steps Team Challenge
- 'Fruity Fridays'
- Shoebox Appeal for Samaritan's Purse
- Christmas Breakfast and Quiz
- Chest Heart and Stroke being the agreed nominated charity for the year.

# Accountability and Audit Report

NIPEC did not make any charitable donations during the financial year and there were no personal data related incidents requiring disclosure during the year.

NIPEC is resourced from public funding and is responsible and accountable for all of its activities. In 2015-2016, mechanisms were maintained in order to assure the DHSSPS and the public of the efficient and effective performance of NIPEC in delivering its functions. The Internal Auditor's annual report for the year assured the Audit and Risk Committee that adequate and effective systems of internal financial control had been established by management within the Council. Activities this year included:

- Meeting all Equality requirements; the Executive Summary of the Equality Report submitted to the Equality Commission is included on page 24;
- Monitoring and administration of Service Level Agreements for outsourced services to ensure effectiveness and value for money;
- Review and monitoring of NIPEC's Assurance Framework: Corporate Risk and Operational Risk Registers and implementation of the various control measures aimed at managing risk;
- Carrying out a self-assessment, and maintaining files of evidence for auditing purposes, for the nine relevant areas (Finance, Governance, Risk Management, Health & Safety, Information Management, Information & Communication Technology, Fire Safety, Human Resources, and Management of Purchasing & Supply) from the control assurance standards identified by the DHSSPS as 'Control Assurance Standard' in 2015-2016 for NIPEC;
- Ensuring compliance with Statutory and Regulatory requirements;
- Safeguarding of, and proper and effective use of, public funds;
- Adherence to the 'Seven Principles of Public Life', i.e. Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

**Annual Accounts 2015-16:**

**Post Balance Sheet Events**

There were no post Balance Sheet events.

**Charitable Donations**

NIPEC did not make any charitable donations during the year.

**Prompt Payment Policy**

NIPEC is committed to the prompt payment of bills for goods and services received, in accordance with the Confederation of British Industry’s Prompt Payers’ Code. Unless otherwise stated in the contract, payment is due within 30 days of the receipt of goods or services, or presentation of a valid invoice or similar demand, whichever is the later.

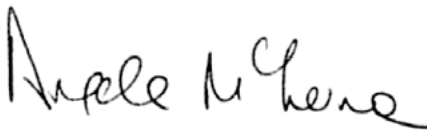
Regular reviews, conducted to measure how promptly NIPEC paid its bills, found that 98% of bills were paid within this standard, page 101, note (14.1). The Late Payment of Commercial Debts Regulations 2002 provides small businesses with a statutory right to claim interest on the late payment of commercial debt. During the year, NIPEC incurred no interest payments.

**Audit**

The certificate and report of the Comptroller and Auditor General is included on pages 62 to 63. As far as the Chief Executive is aware, there is no relevant audit information of which NIPEC’s auditors are unaware. The notional external audit fee for the year ended 31 March 2016 was £8,500. There were no fees paid to the external auditors during the year in relation to non-audit services.

**Going Concern**

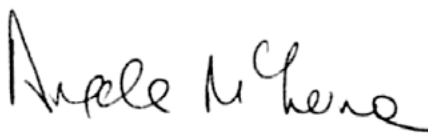
The accounts have been prepared on an ongoing concern basis. Management are not aware of any conditions or events, currently or in the future, that would bring this assumption into question.

Signed:  .....  
Mrs Angela McLernon  
Accounting Officer


Date: 22nd June 2016 .....

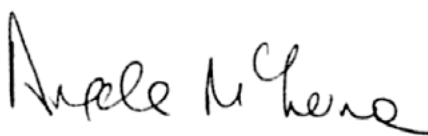
## Certificates of Chairman and Chief Executive

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 69 to 108), which I am required to prepare on behalf of the Northern Ireland Practice and Education Council for Nursing and Midwifery, have been compiled from, and are in accordance with, the accounts and financial records maintained by the Northern Ireland Practice and Education Council for Nursing and Midwifery and with the accounting standards and policies for HSC bodies approved by the DHSSPS.

Signed:  ..... Chief Executive  
22nd June 2016 ..... Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 69 to 108), as prepared in accordance with the above requirements, have been submitted to, and duly approved by, the Council.

Signed:  ..... Chairman  
22nd June 2016 ..... Date

Signed:  ..... Chief Executive  
22nd June 2016 ..... Date

## **NORTHERN IRELAND PRACTICE AND EDUCATION COUNCIL**

### **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 Northern Ireland Practice and Education Council for the year ended 31 March 2016 under the Health and Personal Social Services Act (Northern Ireland) 2002. 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 information in the Remuneration Report that is described in that report as having been audited.

#### **Respective responsibilities of the Accounting Officer and auditor**

As explained more fully in the Statement of the 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 Health and Personal Social Services Act (Northern Ireland) 2002. 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 Northern Ireland Practice and Education Council's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Northern Ireland Practice and Education Council; 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 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 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 Northern Ireland Practice and Education Council's affairs as at 31 March 2016 and of the net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Health and Personal Social Services Act (Northern Ireland) 2002 and Department of Health (formerly Department of Health, Social Services and Public Safety) directions issued thereunder.

## Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Health directions made under the Health and Personal Social services Act (Northern Ireland) 2002; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which I report by exception

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

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

## Report

I have no observations to make on these financial statements.



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

Date: 1 July 2016



# Financial Statements

for the Year Ended 31 March 2016

These accounts for the year ended 31 March 2016 have been prepared in accordance with Article 90(2) (a) of the Health and Personal Social Services (Northern Ireland) Order 1972, as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003, in a form directed by the Department of Health, Social Services and Public Safety.



**STATEMENT of COMPREHENSIVE NET EXPENDITURE for the year ended 31 March 2016**

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

	NOTE	2016 £	2015 £
<b>Income</b>			
Income from activities	4.1	-	-
Other Income (Excluding interest)	4.2	-	-
Deferred income	4.3	-	-
<b>Total operating income</b>		<b>-</b>	<b>-</b>
<b>Expenditure</b>			
Staff costs	3.1	(971,167)	(852,829)
Purchase of goods and services	3.2	(10,040)	(18,867)
Depreciation, amortisation and impairment charges	3.2	(17,149)	(24,832)
Provision expense	3.2	1,115	(76,122)
Other expenditure	3.2	(371,518)	(402,925)
<b>Total operating expenditure</b>		<b>(1,368,759)</b>	<b>(1,375,575)</b>
<b>Net Expenditure</b>		<b>(1,368,759)</b>	<b>(1,375,575)</b>
Finance income	4.2	-	-
Finance expense	3.2	-	-
<b>Net expenditure for the year</b>		<b>(1,368,759)</b>	<b>(1,375,575)</b>
Revenue Resource Limit (RRL) received from DHSSPS	24.1	1,379,832	1,387,519
<b>Surplus/(Deficit) against RRL</b>		<b>11,073</b>	<b>11,944</b>
<b>OTHER COMPREHENSIVE EXPENDITURE</b>			
	NOTE	2016 £	2015 £
<b>Items that will not be reclassified to net operating costs:</b>			
Net gain/(loss) on revaluation of property, plant & equipment	5.1/8/5.2/8	-	-
Net gain/(loss) on revaluation of intangibles	6.1/8/6.2/8	(11)	-
Net gain/(loss) on revaluation of financial instruments	7/8	-	-
<b>Items that may be reclassified to net operating costs:</b>			
Net gain/(loss) on revaluation of investments		-	-
<b>TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March 2016</b>		<b>(1,368,770)</b>	<b>(1,375,575)</b>

The notes on pages 69 to 108 form part of these accounts.

## STATEMENT of FINANCIAL POSITION as at 31 March 2016

This statement presents the financial position of NIPEC. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	NOTE	2016 £	2015 £	£	£
<b>Non Current Assets</b>					
Property, plant and equipment	5.1/5.2	39,543		41,865	
Intangible assets	6.1/6.2	4,923		4,842	
Financial assets	7	-		-	
Trade and other receivables	12	-		-	
Other current assets	12	-		-	
<b>Total Non Current Assets</b>			<u>44,466</u>		<u>46,707</u>
<b>Current Assets</b>					
Assets classified as held for sale	9	-		-	
Inventories	10	-		-	
Trade and other receivables	12	11,206		465	
Other current assets	12	7,262		8,492	
Intangible current assets	12	-		-	
Financial assets	7	-		-	
Cash and cash equivalents	11	22,777		90,338	
<b>Total Current Assets</b>			<u>41,245</u>		<u>99,295</u>
<b>Total Assets</b>			<u><b>85,711</b></u>		<u><b>146,002</b></u>
<b>Current Liabilities</b>					
Trade and other payables	13	(144,606)		(211,230)	
Other liabilities	13	-		-	
Intangible current liabilities	13	-		-	
Financial liabilities	7	-		-	
Provisions	15	(28,331)		(27,987)	
<b>Total Current Liabilities</b>			<u>(172,937)</u>		<u>(239,217)</u>
<b>Total assets less current liabilities</b>			<u><b>(87,226)</b></u>		<u><b>(93,215)</b></u>
<b>Non Current Liabilities</b>					
Provisions	15	(608,038)		(637,828)	
Other payables > 1 yr	13	-		-	
Financial liabilities	7	-		-	
<b>Total Non Current Liabilities</b>			<u>(608,038)</u>		<u>(637,828)</u>
<b>Total assets less total liabilities</b>			<u><b>(695,264)</b></u>		<u><b>(731,043)</b></u>
<b>Taxpayers' Equity and other reserves</b>					
Revaluation reserve		(160)		(149)	
SoCNE Reserve		(695,104)		(730,894)	
<b>Total equity</b>			<u><b>(695,264)</b></u>		<u><b>(731,043)</b></u>

The financial statements on pages 65 to 68 were approved by the Board on 22 June 2016 and were signed on its behalf by:

Signed: *Carol Curran* ..... Chairman 22nd June 2016 Date

Signed: *Aislinn McKeown* ..... Chief Executive 22nd June 2016 Date

The notes on pages 69 to 108 form part of these accounts.

## STATEMENT of CASHFLOWS as at 31 March 2016

The Statement of Cash Flows shows the changes in cash and cash equivalents of NIPEC during the reporting period. The statement shows how NIPEC 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 NIPEC. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to NIPEC's future public service delivery.

	NOTE	2016 £	2015 £
<b>Cashflows from operating activities</b>			
Net surplus after interest/Net operating cost		(1,368,759)	(1,375,575)
Adjustments for non cash costs		24,944	110,431
(Increase)/decrease in trade and other receivables		(9,511)	14,853
<i>Less movements in receivables relating to items not passing through the NEA</i>			
Movements in receivables relating to the sale of property, plant & equipment		-	-
Movements in receivables relating to the sale of intangibles		-	-
Movements in receivables relating to finance leases		-	-
Movements in receivables relating to PFI and other service concession arrangement contracts		-	-
(Increase)/decrease in inventories		-	-
Increase/(decrease) in trade payables		(66,624)	67,856
<i>Less movements in payables relating to items not passing through the NEA</i>			
Movements in payables relating to the purchase of property, plant & equipment		(13,889)	-
Movements in payables relating to the purchase of intangibles		-	-
Movements in payables relating to finance leases		-	-
Movements on payables relating to PFI and other service concession arrangement contracts		-	-
Use of provisions	15	(28,331)	(27,987)
<b>Net cash outflow from operating activities</b>		<u>(1,462,170)</u>	<u>(1,210,422)</u>
<b>Cashflows from investing activities</b>			
(Purchase of property, plant & equipment)	5	-	(21,478)
(Purchase of intangible assets)	6	(1,440)	(1,937)
Proceeds of disposal of property, plant & equipment		-	-
Proceeds on disposal of intangibles		-	-
Proceeds on disposal of assets held for resale		-	-
<b>Net cash outflow from investing activities</b>		<u>(1,440)</u>	<u>(23,415)</u>
<b>Cash flows from financing activities</b>			
Grant in aid		1,396,049	1,301,034
Cap element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements		-	-
<b>Net financing</b>		<u>1,396,049</u>	<u>1,301,034</u>
<b>Net increase (decrease) in cash &amp; cash equivalents in the period</b>		(67,561)	67,197
<b>Cash &amp; cash equivalents at the beginning of the period</b>	11	90,338	23,141
<b>Cash &amp; cash equivalents at the end of the period</b>	11	<u>22,777</u>	<u>90,338</u>

The notes on pages 69 to 108 form part of these accounts.

## STATEMENT of CHANGES in TAXPAYERS EQUITY for the year ended 31 March 2016

This statement shows the movement in the year on the different reserves held by NIPEC, analysed into 'Statement of Comprehensive Net Expenditure Reserve' (i.e. those reserves that reflect a contribution from the Department of Health Social Services and Public Safety). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The Statement of Comprehensive Net Expenditure Reserve (SoCNE Reserve) represents the total assets less liabilities of NIPEC, to the extent that the total is not represented by other reserves and financing items.

	NOTE	SoCNE Reserve £	Revaluation Reserve £	Total £
<b>Balance at 31 March 2014</b>		<b>(665,453)</b>	<b>(149)</b>	<b>(665,602)</b>
Changes in Taxpayers Equity 2014-15				
Grant from DHSSPS		1,301,034	-	1,301,034
Transfers between reserves		-	-	-
(Comprehensive expenditure for the year)		(1,375,575)	-	(1,375,575)
Transfer of asset ownership		-	-	-
Non cash charges - auditors remuneration	3.2	9,100	-	9,100
<b>Balance at 31 March 2015</b>		<b>(730,894)</b>	<b>(149)</b>	<b>(731,043)</b>
Changes in Taxpayers Equity 2015-16				
Grant from DHSSPS		1,396,049	-	1,396,049
Transfers between reserves		-	-	-
(Comprehensive expenditure for the year)		(1,368,759)	(11)	(1,368,770)
Transfer of asset ownership		-	-	-
Non cash charges - auditors remuneration	3.2	8,500	-	8,500
<b>Balance at 31 March 2016</b>		<b>(695,104)</b>	<b>(160)</b>	<b>(695,264)</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### STATEMENT OF ACCOUNTING POLICIES

#### 1. Authority

These accounts have been prepared in a form determined by the Department of Health, Social Services and Public Safety based on guidance from the Department of Finance and Personnel's Financial Reporting manual (FReM) and in accordance with the requirements of Article 90(2) (a) of the Health and Personal Social Services (Northern Ireland) Order 1972 No 1265 (NI 14) as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003.

The accounting policies follow IFRS to the extent that it is meaningful and appropriate to the Northern Ireland Practice and Education Council ("NIPEC"). Where a choice of accounting policy is permitted, the accounting policy which has been judged to be most appropriate to the particular circumstances of NIPEC for the purpose of giving a true and fair view has been selected. NIPEC's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts, unless otherwise stated.

#### 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.

#### 1.2 Currency

These accounts are presented in UK Pounds sterling.

#### 1.3 Property, Plant and Equipment

Property, plant and equipment assets comprise Land, Buildings, Dwellings, Transport Equipment, Plant & Machinery, Information Technology, Furniture & Fittings, and Assets under construction.

#### Recognition

Property, plant and equipment must be capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the entity;
- 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

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

- 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 building, ward or unit, irrespective of their individual or collective cost.

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

### Valuation of Land and Buildings

Land and buildings are carried at the last professional valuation, in accordance with the Royal Institute of Chartered Surveyors (Statement of Asset Valuation Practice) Appraisal and Valuation 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 an independent executive body within 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.

Fair values are determined as follows:

- Land and non-specialised buildings – open market value for existing use;
- Specialised buildings – depreciated replacement cost; and
- Properties surplus to requirements – the lower of open market value less any material directly attributable selling costs, or book value at date of moving to non-current assets.



## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### **Modern Equivalent Asset**

DFP has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. Land and Property Services (LPS) have included this requirement within the latest valuation.

### **Assets Under Construction (AUC)**

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Assets are revalued and depreciation commences when they are brought into use.

### **Short Life Assets**

Short life assets are not indexed. Short life is defined as a useful life of up to and including 5 years. Short life assets are carried at depreciated historic cost as this is not considered to be materially different from fair value and are depreciated over their useful life.

Where estimated life of fixtures and equipment exceed 5 years, suitable indices will be applied each year and depreciation will be based on indexed amount.

### **Revaluation Reserve**

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### 1.4 Depreciation

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 which meet the definition of “non-current assets held for sale” are also not depreciated.

Otherwise, depreciation is charged to write off the costs or valuation of property, plant and equipment and similarly, amortisation is applied to intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. Assets held under finance leases are also depreciated over the lower of their estimated useful lives and the terms of the lease. The estimated useful life of an asset is the period over which the ALB expects to obtain economic benefits or service potential from the asset. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis.

The following asset lives have been used.

<b>Asset Type</b>	<b>Asset Life</b>
Freehold Buildings	25 – 60 years
Leasehold property	Remaining period of lease
IT Assets	3 – 10 years
Intangible assets	3 – 10 years
Other Equipment	3 – 15 years

### 1.5 Impairment loss

If there has been an impairment loss due to a general change in prices, 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 expenditure within the Statement of Comprehensive Net Expenditure. If the impairment is due to the consumption of economic benefits the full amount of the impairment is charged to the Statement of Comprehensive Net Expenditure and an amount up to the value of the impairment in the revaluation reserve is transferred to the Statement of Comprehensive Net Expenditure 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 firstly to the Statement of Comprehensive Net Expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### 1.6 Subsequent expenditure

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

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

### 1.7 Intangible assets

Intangible assets includes any of the following held - software, licences, trademarks, websites, development expenditure, Patents, Goodwill and intangible Assets under Construction. 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 asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use;
- the intention to complete the intangible asset and use it;
- the ability to sell or use the intangible asset;
- how the intangible asset will generate probable future economic benefits or service potential;
- the availability of adequate technical, financial and other resources to complete the intangible asset and sell or use it; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the ALB's business or which arise from contractual or other legal rights. Intangible assets are considered to have a finite life. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, NIPEC; where the cost of the asset can be measured reliably. All single items over £5,000 in value must be capitalised while intangible assets which fall within the grouped asset definition must be capitalised if their individual value is at least £1,000 each and the group is at least £5,000 in value. The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date of commencement of the intangible asset, until it is complete and ready for use.

Intangible assets acquired separately are initially recognised at fair value.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, and as no active market currently exists depreciated replacement cost has been used as fair value.

### 1.8 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered 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 the 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 and the sale is considered likely to be concluded within one year. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value, less any material directly attributable selling costs. Fair value is open market value, where one is available, including alternative uses.

Assets classified as held for sale are not depreciated.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount. The profit from sale of land which is a non depreciating asset is recognised within income. The profit from sale of a depreciating asset is shown as a reduced expense. The loss from sale of land or from any depreciating assets is shown within operating expenses. On disposal, the balance for the asset on the revaluation reserve is transferred to the Statement of Comprehensive Net Expenditure reserve.

Property, plant or equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead, it is retained as an operational asset and its economic life is adjusted. The asset is de-recognised when it is scrapped or demolished.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### 1.9 Inventories

Inventories are valued at the lower of cost and net realisable value. This is considered to be a reasonable approximation to fair value due to the high turnover of stocks.

### 1.10 Income

Operating Income relates directly to the operating activities of the ALB and is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable.

#### **Grant in aid**

Funding received from other entities, including the Department and the Health and Social Care Board are accounted for as grant in aid and are reflected through the Statement of Comprehensive Net Expenditure Reserve.

### 1.11 Investments

The NIPEC does not have any investments.

### 1.12 Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

### 1.13 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.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### 1.14 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

#### **NIPEC as lessee**

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate on interest on the remaining balance of the liability. Finance charges are recognised in calculating the ALB's surplus/deficit.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated. Leased land may be either an operating lease or a finance lease depending on the conditions in the lease agreement and following the general guidance set out in IAS 17. Leased buildings are assessed as to whether they are operating or finance leases.

#### **NIPEC as lessor**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the ALB's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the ALB's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.



## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### 1.15 Private Finance Initiative (PFI) transactions

NIPEC has had no PFI transactions during the year.

### 1.16 Financial instruments

- Financial assets

Financial assets are recognised on the balance sheet when NIPEC 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.

- Financial liabilities

Financial liabilities are recognised on the balance sheet when NIPEC 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.

- 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 relationships with HSC Commissioners, and the manner in which they are funded, financial instruments play a more limited role within NIPEC in creating risk than would apply to a non-public sector body of a similar size, therefore the ALBs are not exposed to the degree of financial risk faced by business entities.

ALBs have 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 the ALBs in undertaking activities. Therefore the HSC is exposed too little credit, liquidity or market risk.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

- Currency risk

The ALB is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. NIPEC has no overseas operations. NIPEC therefore has low exposure to currency rate fluctuations.

- Interest rate risk

NIPEC has limited powers to borrow or invest and therefore has low exposure to interest rate fluctuations.

- Credit risk

Because the majority of NIPEC's income comes from contracts with other public sector bodies, NIPEC has low exposure to credit risk.

- Liquidity risk

Since NIPEC receives the majority of its funding through its principal Commissioner which is voted through the Assembly, it is therefore not exposed to significant liquidity risks.

### 1.17 Provisions

In accordance with IAS 37, provisions are recognised when NIPEC has a present legal or constructive obligation as a result of a past event, it is probable that NIPEC will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties.

Where a provision is measured using the cash flows estimated to settle the obligation its carrying amount is the present value of those cash flows using DFP's discount rate of 2.2% in real terms (2.8% for employee early departure obligations).

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

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

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.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where NIPEC has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when NIPEC has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with on-going activities of the entity.

### 1.18 Contingencies

NIPEC had no contingent assets or liabilities at either 31 March 2016 or 31 March 2015.

### 1.19 Employee benefits

#### Short-term employee benefits

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. This cost has been determined using individual's salary costs applied to their unused leave balances determined from a report of the unused annual leave balance as at 31 March 2016. It is not anticipated that the level of unused leave will vary significantly from year to year. Unused flexi leave is estimated to be immaterial to NIPEC and has not been included.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### Retirement benefit costs

Past and present employees are covered by the provisions of the HSC Superannuation Scheme.

The ALB participates in the HSC Superannuation Scheme. Under this multi-employer defined benefit scheme both the ALB and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DHSSPS. NIPEC is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis. Further information regarding the HSC Superannuation Scheme can be found in the HSC Superannuation Scheme Statement in the Departmental Resource Account for the Department of Health, Social Services and Public Safety.

The costs of early retirements are met by NIPEC and charged to the Statement of Comprehensive Net Expenditure at the time NIPEC commits itself to the retirement.

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the Statement of Financial Position date and updates it to reflect current conditions. The 2012 valuation for the HSC Pension scheme will be used in the 2015-16 accounts.

### 1.20 Reserves

#### Statement of Comprehensive Net Expenditure Reserve

Accumulated surpluses are accounted for in the Statement of Comprehensive Net Expenditure Reserve.

#### Revaluation Reserve

The Revaluation Reserve reflects the unrealised balance of cumulative indexation and revaluation adjustments to assets other than donated assets.

### 1.21 Value Added Tax

Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### 1.22 Third Party Assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the ALB has no beneficial interest in them. Details of third party assets are given in Note 23 to the accounts.

### 1.23 Government Grants

Government assistance for capital projects whether from UK, or Europe, were treated as a Government grant even where there were no conditions specifically relating to the operating activities of the entity other than the requirement to operate in certain regions or industry sectors. Such grants (does not include grant-in-aid) were previously credited to a government grant reserve and were released to income over the useful life of the asset.

DFP issued new guidance effective from 1 April 2011. Government grant reserves are no longer permitted. Income is generally recognised when it is received. In exceptional cases where there are conditions attached to the use of the grant, which, if not met, would mean the grant is repayable, the income should be deferred and released when obligations are met. This is a change in accounting policy and the 2010-11 Statement of Comprehensive Net Expenditure and Statement of Financial Position were restated.

The note to the financial statements distinguishes between grants from UK government entities and grants from European Union.

### 1.24 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 HSC 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.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### 1.25 Accounting Standards that have been issued but have not yet been adopted

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

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

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on Office of National Statistics (ONS) control criteria, as designated by Treasury. A review of the NI financial process is currently under discussion with the Executive, which will bring NI departments under the same adaptation. Should this go ahead, the impact on DHSSPS and its Arm's length bodies is expected to focus around the disclosure requirements under IFRS 12 'Disclosure of Interests in other entities'.

The impact on the consolidation boundary of NDPB's and trading funds will be subject to review, in particular, where control could be determined to exist due to exposure to variable returns (IFRS 10), and where joint arrangements need reassessing.

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

### NOTE 2 ANALYSIS OF NET EXPENDITURE BY SEGMENT

The core business and strategic direction of NI Practice & Education Council is to improve the standards of practice, education and professional development of nurses and midwives to facilitate their delivery of safe, effective and person-centered care.

The NIPEC Board acts as the Chief Operating Decision Maker and receives financial information on NIPEC as a whole and makes decisions on this basis. Hence, it is appropriate that NIPEC reports on a single operational segment basis.

NIPEC is managed by way of a directorate structure, each led by a Director, providing an integrated healthcare service for the resident population. The Directors along with Non -Executive Directors, Chairman and Chief Executive for the Trust Board which coordinates the activities of the council and is considered to be the Chief Operating Decision Maker. The information disclosed reflects the realignment of directorates that took place in 2009-10 therefore making meaningful comparison from year to year limited.



## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 3.1 - STAFF COSTS

	2016		2015	
	Permanently employed staff £	Others £	Total £	Total £
Staff cost comprise:				
Wages and salaries	736,295	91,269	827,564	727,766
Social security costs	51,584	-	51,584	51,728
Other pension costs	92,019	-	92,019	73,335
<b>Sub-Total</b>	<b>879,898</b>	<b>91,269</b>	<b>971,167</b>	<b>852,829</b>
Capitalised staff costs	-	-	-	-
<b>Total staff costs reported in Statement of Comprehensive Expenditure</b>	<b>879,898</b>	<b>91,269</b>	<b>971,167</b>	<b>852,829</b>
Less recoveries in respect of outward secondments			-	-
<b>Total net costs</b>			<b>971,167</b>	<b>852,829</b>

Staff Costs charged to capital projects during the year were £Nil (2015: £Nil).

NIPEC participates in the HSC Superannuation Scheme. Under this multi-employer defined benefit scheme both NIPEC and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DHSSPS. NIPEC is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis.

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the Statement of Financial Position date and updates it to reflect current conditions. A full valuation as at 31 March 2012 was certified in February 2015 and is used in the 2015-16 accounts.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 3.2 - OPERATING EXPENSES

	2016 £	2015 £
Recharges from other HSC organisations	74,765	65,131
Supplies and services – general	10,040	18,867
Establishment	92,609	140,951
Transport	-	-
Premises	182,477	179,588
Interest charges	-	-
Miscellaneous	12,757	7,778
<b>Total Operating Expenses</b>	<b>372,648</b>	<b>412,315</b>
<b>Non cash items</b>		
Depreciation	15,801	23,677
Amortisation	1,348	1,155
Impairments	-	-
(Profit) on disposal of property, plant & equipment (including land)	-	-
(Profit) on disposal of intangibles	-	-
Loss on disposal of property, plant & equipment (including land)	410	377
Loss on disposal of intangibles	-	-
Provisions provided for in year	(1,115)	76,122
Cost of borrowing provisions (unwinding of discount on provisions)	-	-
Auditors remuneration	8,500	9,100
<b>Total non cash items</b>	<b>24,944</b>	<b>110,431</b>
<b>Total</b>	<b>397,592</b>	<b>522,746</b>

### NOTE 4 - INCOME

#### 4.1 Income from activities

NIPEC had no income from activities in 2015-16 and 2014-15.

#### 4.2 Other Operating Income

NIPEC had no other operating income in 2015-16 and 2014-15.

#### 4.3 Deferred Income

NIPEC had no deferred income in 2015-16 and 2014-15.

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

**NOTE 5.1 - Property, plant & equipment - year ended 31 March 2016**

	Land £	Buildings (excluding dwellings) £	Dwellings £	Assets under Construction £	Plant and Machinery (Equipment) £	Transport Equipment £	Information Technology (IT) £	Furniture and Fittings £	Total £
<b>Cost or Valuation</b>									
At 1 April 2015	-	-	-	-	7,768	-	120,260	1,509	129,537
Indexation	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	13,889	-	13,889
Donations / Government grant / Lottery Funding	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to revaluation reserve	-	-	-	-	-	-	-	-	-
Reversal of impairments (indexn)	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	(31,024)	(490)	(31,514)
At 31 March 2016	-	-	-	-	7,768	-	103,125	1,019	111,912

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 5.1 - Property, plant & equipment - year ended 31 March 2016 (continued)

	Land £	Buildings (excluding dwellings) £	Dwellings £	Assets under Construction £	Plant and Machinery (Equipment) £	Transport Equipment £	Information Technology (IT) £	Furniture and Fittings £	Total £
<b>Depreciation</b>									
At 1 April 2015	-	-	-	-	6,069	-	80,544	1,059	87,672
Indexation	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to the revaluation reserve	-	-	-	-	-	-	-	-	-
Reversal of impairments (indexn)	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	(30,696)	(408)	(31,104)
Provided during the year	-	-	-	-	1,554	-	13,953	294	15,801
<b>At 31 March 2016</b>	-	-	-	-	<b>7,623</b>	-	<b>63,801</b>	<b>945</b>	<b>72,369</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

**NOTE 5.1 - Property, plant & equipment - year ended 31 March 2016 (continued)**

	Land £	Buildings (excluding dwellings) £	Dwellings £	Assets under construction £	Plant and Machinery (Equipment) £	Transport Equipment £	Information Technology (IT) £	Furniture and Fittings £	Total £
<b>Carrying Amount</b>									
At 31 March 2016	-	-	-	-	145	-	39,324	74	39,543
At 31 March 2015	-	-	-	-	1,699	-	39,716	450	41,865
<b>Asset financing</b>									
Owned	-	-	-	-	145	-	39,324	74	39,543
Finance leased	-	-	-	-	-	-	-	-	-
On B/S (SoFP)	-	-	-	-	-	-	-	-	-
PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b>									
At 31 March 2016	-	-	-	-	145	-	39,324	74	39,543

Any fall in value through negative indexation or revaluation is shown as impairment.

The total amount of depreciation charged in the Statement of Comprehensive Net Expenditure Account in respect of assets held under finance leases and hire purchase contracts is £Nil (2015: £Nil)

The fair value of assets funded from the following sources during the year was:

	2016 £	2015 £
Donations	-	-
Government Grant	-	-
Lottery funding	-	-

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 5.2 - Property, plant & equipment - year ended 31 March 2015

Cost or Valuation	Land £	Buildings (excluding dwellings) £	Dwellings £	Assets under Construction £	Plant and Machinery (Equipment) £	Transport Equipment £	Information Technology (IT) £	Furniture and Fittings £	Total £
At 1 April 2014	-	-	-	-	15,589	-	99,348	1,509	116,446
Indexation	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	21,478	-	21,478
Donations / Government grant / Lottery Funding	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to revaluation reserve	-	-	-	-	-	-	-	-	-
Reversal of impairments (indexn)	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(7,821)	-	(566)	-	(8,387)
At 31 March 2015	-	-	-	-	7,768	-	120,260	1,509	129,537



## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 5.2 - Property, plant & equipment - year ended 31 March 2015 (continued)

	Land £	Buildings (excluding dwellings) £	Dwellings £	Assets under Construction £	Plant and Machinery (Equipment) £	Transport Equipment £	Information Technology (IT) £	Furniture and Fittings £	Total £
<b>Depreciation</b>									
At 1 April 2014	-	-	-	-	12,143	-	59,105	757	72,005
Indexation	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to the revaluation reserve	-	-	-	-	-	-	-	-	-
Reversal of impairments (indexn)	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(7,821)	-	(189)	-	(8,010)
Provided during the year	-	-	-	-	1,747	-	21,628	302	23,677
<b>At 31 March 2015</b>	-	-	-	-	<b>6,069</b>	-	<b>80,544</b>	<b>1,059</b>	<b>87,672</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

**NOTE 5.2 - Property, plant & equipment- year ended 31 March 2015 (continued)**

	Land £	Buildings (excluding dwellings) £	Dwellings £	Assets under Construction £	Plant and Machinery (Equipment) £	Transport Equipment £	Information Technology (IT) £	Furniture and Fittings £	Total £
<b>Carrying Amount</b> At 31 March 2015	-	-	-	-	1,699	-	39,716	450	41,865
At 31 March 2014	-	-	-	-	3,446	-	40,243	752	44,441
<b>Asset financing</b>									
Owned	-	-	-	-	1,699	-	39,716	450	41,865
Finance leased	-	-	-	-	-	-	-	-	-
On SOFP PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b> At 31 March 2015	-	-	-	-	1,699	-	39,716	450	41,865
<b>Asset financing</b>									
Owned	-	-	-	-	3,446	-	40,243	752	44,441
Finance leased	-	-	-	-	-	-	-	-	-
On SOFP PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b> At 31 March 2014	-	-	-	-	3,446	-	40,243	752	44,441

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

**NOTE 6.1 - Intangible assets - year ended 31 March 2016**

	Software Licences £	Information Technology £	Websites £	Development Expenditure £	Licences, Trademarks & Artistic Originals £	Patents £	Goodwill £	Payments on Accounts & Assets under construction £	Total £
<b>Cost or Valuation</b>									
At 1 April 2015	1,115	6,380	-	-	-	-	-	-	7,495
Indexation	-	(19)	-	-	-	-	-	-	(19)
Additions	-	1,440	-	-	-	-	-	-	1,440
Donations / Government grant / Lottery funding	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to revaluation reserve	-	-	-	-	-	-	-	-	-
<b>Disposals</b>	-	-	-	-	-	-	-	-	-
<b>At 31 March 2016</b>	<b>1,115</b>	<b>7,801</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,916</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 6.1 - Intangible assets - year ended 31 March 2016 (continued)

	Software Licences £	Information Technology £	Websites £	Development Expenditure £	Licences, Trademarks & Artistic Originals £	Patents £	Goodwill £	Payments on Accounts & Assets under construction £	Total £
<b>Amortisation</b>									
At 1 April 2015	446	2,207	-	-	-	-	-	-	2,653
Indexation	-	(8)	-	-	-	-	-	-	(8)
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to the revaluation reserve	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Provided during the year	223	1,125	-	-	-	-	-	-	1,348
At 31 March 2016	<b>669</b>	<b>3,324</b>	-	-	-	-	-	-	<b>3,993</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**  
**NOTE 6.1 - Intangible assets - year ended 31 March 2016 (continued)**

	Software Licences £	Information Technology £	Websites £	Development Expenditure £	Licences, Trademarks & Artistic Originals £	Patents £	Goodwill £	Payments on Accounts & Assets under construction £	Total £
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<b>Carrying Amount</b> At 31 March 2016	446	4,477	-	-	-	-	-	-	4,923
At 31 March 2015	669	4,173	-	-	-	-	-	-	4,842

**Asset financing**

Owned	-	-	-	-	-	-	-	-	-
Finance leased	446	4,477	-	-	-	-	-	-	4,923
On B/S (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b> At 31 March 2016	446	4,477	-	-	-	-	-	-	4,923

Any fall in value through negative indexation or revaluation is shown as impairment.

The fair value of assets funded from the following sources during the year was:

	2016	2015
Donations	£ -	£ -
Government Grant	-	-
Lottery funding	-	-

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

**NOTE 6.2 - Intangible assets - year ended 31 March 2015**

	Software Licences £	Information Technology £	Websites £	Development Expenditure £	Licences, Trademarks & Artistic Originals £	Patents £	Goodwill £	Payments on Accounts & Assets under construction £	Total £
<b>Cost or Valuation</b>									
At 1 April 2014	1,115	4,443	-	-	-	-	-	-	5,558
Indexation	-	-	-	-	-	-	-	-	-
Additions	-	1,937	-	-	-	-	-	-	1,937
Donations / Government grant / Lottery Funding	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to revaluation reserve	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>At 31 March 2015</b>	<b>1,115</b>	<b>6,380</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,495</b>



## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 6.2 - Intangible assets - year ended 31 March 2015 (continued)

	Software Licences £	Information Technology £	Websites £	Development Expenditure £	Licences, Trademarks & Artistic Originals £	Patents £	Goodwill £	Payments on Accounts & Assets under construction £	Total £
<b>Amortisation</b>									
At 1 April 2014	223	1,275	-	-	-	-	-	-	1,498
Indexation	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to the revaluation reserve	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Provided during the year	223	932	-	-	-	-	-	-	1,155
At 31 March 2015	446	2,207	-	-	-	-	-	-	2,653

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

**NOTE 6.2 - Intangible assets - year ended 31 March 2015 (continued)**

	Software Licences £	Information Technology £	Websites £	Development Expenditure £	Licences, Trademarks & Artistic Originals £	Patents £	Goodwill £	Payments on Accounts & Assets under construction £	Total £
<b>Carrying Amount</b> At 31 March 2015	669	4,173	-	-	-	-	-	-	4,842
At 31 March 2014	892	3,168	-	-	-	-	-	-	4,060
<b>Asset financing</b>									
Owned	669	4,173	-	-	-	-	-	-	4,842
Finance leased	-	-	-	-	-	-	-	-	-
On B/S (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b> At 31 March 2015	669	4,173	-	-	-	-	-	-	4,842
<b>Asset financing</b>									
Owned	892	3,168	-	-	-	-	-	-	4,060
Finance leased	-	-	-	-	-	-	-	-	-
On B/S (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b> At 1 April 2014	892	3,168	-	-	-	-	-	-	4,060

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

### **NOTE 7 - FINANCIAL INSTRUMENTS**

As the cash requirements of NDPBs are met through Grant-in-Aid provided by the Department of Health, Social Services and Public Safety, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body.

The majority of financial instruments relate to contracts to buy non-financial items in line with NIPEC's expected purchase and usage requirements and NIPEC is therefore exposed to little credit, liquidity or market risk.

### **NOTE 8 - IMPAIRMENTS**

NIPEC had no impairments at either 31 March 2016 or 31 March 2015.

### **NOTE 9 - ASSETS CLASSIFIED AS HELD FOR SALE**

NIPEC did not hold any assets classified as held for sale at either 31 March 2016 or 31 March 2015.

### **NOTE 10 - INVENTORIES**

NIPEC did not hold any goods for resale at either 31 March 2016 or 31 March 2015.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 11 - CASH AND CASH EQUIVALENTS

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Balance at 1 April	90,338	23,141
Net change in cash and cash equivalents	(67,561)	67,197
<b>Balance at 31 March</b>	<b>22,777</b>	<b>90,338</b>

<b>The following balances at 31 March were held at</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Commercial Banks and cash in hand	22,777	90,338
<b>Balance at 31 March</b>	<b>22,777</b>	<b>90,338</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 12 - TRADE RECEIVABLES, FINANCIAL AND OTHER ASSETS

	2016 £	2015 £
<b>Amounts falling due within one year</b>		
Trade receivables	10,867	-
Deposits and advances	-	-
VAT receivable	-	-
Other receivables – not relating to fixed assets	339	465
Other receivables – relating to property, plant and equipment	-	-
Other receivables – relating to intangibles	-	-
<b>Trade and other receivables</b>	<u>11,206</u>	<u>465</u>
Prepayments and accrued income	7,262	8,492
Current part of PFI and other service concession arrangements prepayment	-	-
<b>Other current assets</b>	<u>7,262</u>	<u>8,492</u>
Carbon reduction commitment	-	-
<b>Intangible current assets</b>	<u>-</u>	<u>-</u>
<b>Amounts falling due after more than one year</b>		
Trade receivables	-	-
Deposits and advances	-	-
Other receivables	-	-
<b>Trade and other receivables</b>	<u>-</u>	<u>-</u>
Prepayments and accrued income	-	-
<b>Other current assets falling due after more than one year</b>	<u>-</u>	<u>-</u>
<b>TOTAL TRADE AND OTHER RECEIVABLES</b>	<u><u>11,206</u></u>	<u><u>465</u></u>
<b>TOTAL OTHER CURRENT ASSETS</b>	<u><u>7,262</u></u>	<u><u>8,492</u></u>
<b>TOTAL INTANGIBLE CURRENT ASSETS</b>	<u><u>-</u></u>	<u><u>-</u></u>
<b>TOTAL RECEIVABLES AND OTHER CURRENT ASSETS</b>	<u><u>18,468</u></u>	<u><u>8,957</u></u>

The balances are net of a provision for bad debts of £Nil (2015: £Nil).

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 13 - TRADE PAYABLES AND OTHER CURRENT LIABILITIES

	2016 £	2015 £
<b>Amounts falling due within one year</b>		
Other taxation and social security	-	17,293
Bank overdraft	-	-
VAT payable	-	-
Trade capital payables – property, plant and equipment	13,889	-
Trade capital payables – intangibles	-	-
Trade revenue payables	21,081	28,071
Payroll payables	-	83
BSO payables	2,169	1,172
Other payables	110	82,116
Accruals and deferred income	107,357	82,495
Accruals and deferred income – relating to property, plant and equipment	-	-
Accruals and deferred income – relating to intangibles	-	-
<b>Trade and other payables</b>	<u>144,606</u>	<u>211,230</u>
Current part of finance leases	-	-
Current part of long term loans	-	-
Current part of imputed finance lease element of on balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-
<b>Other current liabilities</b>	<u>-</u>	<u>-</u>
Carbon reduction commitment	-	-
<b>Intangible current liabilities</b>	<u>-</u>	<u>-</u>
<b>Total payables falling due within one year</b>	144,606	211,230
<b>Amounts falling due after more than one year</b>		
Other payables, accruals and deferred income	-	-
Trade and other payables	-	-
Clinical Negligence payables	-	-
Finance leases	-	-
Imputed finance lease element of on balance sheet (SoFP) PFI and other service concession arrangements contracts	-	-
Long term loans	-	-
<b>Total non current other payables</b>	<u>-</u>	<u>-</u>
<b>TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES</b>	<u><u>144,606</u></u>	<u><u>211,230</u></u>



## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 14 - PROMPT PAYMENT POLICY

#### 14.1 Public Sector Payment Policy - Measure of Compliance

The Department requires that NIPEC pay their non HSC trade creditors in accordance with applicable terms and appropriate Government Accounting guidance. The NIPEC's payment policy is consistent with applicable terms and appropriate Government Accounting guidance and its measure of compliance is:

	<b>2016</b>	<b>2016</b>	<b>2015</b>	<b>2015</b>
	<b>Number</b>	<b>Value £</b>	<b>Number</b>	<b>Value £</b>
Total bills paid	442	1,071,038	416	304,379
Total bills paid within 30 day target	433	1,063,574	364	275,250
<b>% of bills paid within 30 day target</b>	<b>98%</b>	<b>99%</b>	<b>88%</b>	<b>90%</b>
Total bills paid within 10 day target	409	1,035,630	288	240,454
<b>% of bills paid within 10 day target</b>	<b>93%</b>	<b>97%</b>	<b>69%</b>	<b>79%</b>

#### 14.2 The Late Payment of Commercial Debts Regulations 2002

	<b>£</b>
Amount of compensation paid for payment(s) being late	-
Amount of interest paid for payments(s) being late	-
<b>Total</b>	<b>-</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

**NOTE 15 - PROVISIONS FOR LIABILITIES AND CHARGES – 2016**

	Pensions relating to former directors £	Pensions relating to other staff £	Clinical Negligence £	CSR Restructuring £	Other £	2016 £
<b>Name</b>						
Balance at 1 April 2015	-	-	-	-	665,815	665,815
Provided in year	-	-	-	-	(1,115)	(1,115)
(Provisions not required written back)	-	-	-	-	-	-
(Provisions utilised in the year)	-	-	-	-	(28,331)	(28,331)
Cost of borrowing (unwinding of discount)	-	-	-	-	-	-
<b>At 31 March 2016</b>	-	-	-	-	<b>636,369</b>	<b>636,369</b>

	2016 £	2015 £
<b>Comprehensive Net Expenditure Account Charges</b>		
Arising during the year	(1,115)	76,122
Reversed unused	-	-
Cost of borrowing (unwinding of discount)	-	-
<b>Total charge within Operating costs</b>	<b>(1,115)</b>	<b>76,122</b>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

**NOTE 15 - PROVISIONS FOR LIABILITIES AND CHARGES – 2016**

Analysis of expected timing of discounted flows as at 31 March 2016	Pensions relating to former directors £	Pensions relating to other staff £	Clinical Negligence £	CSR Restructuring £	Other £	2016 £
Not later than one year	-	-	-	-	28,331	28,331
Later than one year and not later than five years	-	-	-	-	113,324	113,324
Later than five years	-	-	-	-	494,714	494,714
<b>At 31 March 2016</b>	-	-	-	-	<b>636,369</b>	<b>636,369</b>

These amounts relate to former employees of the National Board for Nursing, Midwifery and Health Visiting for Northern Ireland, the predecessor organisation of NIPEC.

Future pension obligations are dependent on the life expectancy of the former employee.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 15 - PROVISIONS FOR LIABILITIES AND CHARGES – 2015

Name	Pensions relating to former directors £	Pensions relating to other staff £	Clinical Negligence £	CSR Restructuring £	Other £	2015 £
Balance at 1 April 2014	-	-	-	-	617,680	617,680
Provided in year (Provisions not required written back) (Provisions utilised in the year) Cost of borrowing (unwinding of discount)	-	-	-	-	76,122 - (27,987)	76,122 - (27,987)
<b>At 31 March 2015</b>	-	-	-	-	<b>665,815</b>	<b>665,815</b>

Analysis of expected timing of discounted flows as at 31 March 2015	Pensions relating to former directors £	Pensions relating to other staff £	Clinical Negligence £	CSR Restructuring £	Other £	2015 £
Not later than one year	-	-	-	-	27,987	27,987
Later than one year and not later than five years	-	-	-	-	111,949	111,949
Later than five years	-	-	-	-	525,879	525,879
<b>At 31 March 2015</b>	-	-	-	-	<b>665,815</b>	<b>665,815</b>

These amounts relate to former employees of the National Board for Nursing, Midwifery and Health Visiting for Northern Ireland, the predecessor organisation of NIPEC.

Future pension obligations are dependent on the life expectancy of the former employee

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 16 - CAPITAL COMMITMENTS

NIPEC had no capital commitments at either 31 March 2016 or 31 March 2015.

### NOTE 17 - COMMITMENTS UNDER LEASES

#### 17.1 Operating Leases

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

Obligations under operating leases comprise	2016 £	2015 £
<b>Land</b>		
Not later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>-</u>	<u>-</u>
<b>Buildings</b>		
Not later than one year	53,996	54,113
Later than one year but not later than five years	-	-
Later than five years	-	-
	<u>53,996</u>	<u>54,113</u>
<b>Other</b>		
Not later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>-</u>	<u>-</u>

#### 17.2 Finance Leases

NIPEC had no finance leases at either 31 March 2016 or 31 March 2015.

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016**

### **NOTE 18 - COMMITMENTS UNDER PFI AND OTHER SERVICE CONCESSION ARRANGEMENT CONTRACTS**

#### **18.1 Off balance sheet PFI and other service concession arrangement schemes.**

NIPEC had no commitments under PFI and other concession arrangement contracts at 31 March 2016 or 31 March 2015.

#### **18.2 On balance sheet (SoFP) PFI Schemes**

NIPEC had no on balance sheet (SoFP) PFI and other service concession arrangements schemes at 31 March 2016 or 31 March 2015.

### **NOTE 19 - OTHER FINANCIAL COMMITMENTS**

NIPEC did not have any other financial commitments at 31 March 2016 or 31 March 2015.

### **NOTE 20 - FINANCIAL GUARANTEES, INDEMNITIES AND LETTERS OF COMFORT**

NIPEC did not have any other financial guarantees, indemnities and letters of comfort at 31 March 2016 or 31 March 2015.

### **NOTE 21 - CONTINGENT LIABILITIES**

NIPEC did not have any quantifiable contingent liabilities at 31 March 2016 or 31 March 2015.

### **NOTE 22 - RELATED PARTY TRANSACTIONS**

NIPEC is an arms length body of the Department of Health, Social Services and Public Safety and as such the Department is a related party with which NIPEC has various material transactions during the year. In addition there were material transactions throughout the year with the Business Services Organisation who are a related party by virtue of being an arms length body with the Department of Health, Social Services and Public Safety.

During the year, none of the Board members, members of the key management staff or other related parties has undertaken any material transactions with NIPEC.

### **NOTE 23 - THIRD PARTY ASSETS**

NIPEC held no assets at either 31 March 2016 or 31 March 2015 belonging to third parties.



## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### NOTE 24 - FINANCIAL PERFORMANCE TARGETS

#### 24.1 Revenue Resource Limit

NIPEC is given a Revenue Resource Limit which it is not permitted to overspend.

The Revenue Resource Limit for NIPEC is calculated as follows:

	<b>2016 Total</b>	<b>2015 Total</b>
	<b>£</b>	<b>£</b>
DHSSPS (excludes non cash)	1,354,888	1,277,088
Other Government Department	-	-
Non cash RRL (from DHSSPS)	24,944	110,431
<b>Total agreed RRL</b>	<b>1,379,832</b>	<b>1,387,519</b>
Adjustment for income received re Donations / Government grant / Lottery funding for non current assets	-	-
<b>Total Revenue Resource Limit to Statement of Comprehensive Net Expenditure</b>	<b>1,379,832</b>	<b>1,387,519</b>

#### 24.2 Capital Resource Limit

NIPEC is given a Capital Resource Limit (CRL) which it is not permitted to overspend.

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Gross capital expenditure by NIPEC	15,329	23,415
(Receipts from sales of fixed assets)	-	-
Net capital expenditure	15,329	23,415
Capital Resource Limit	16,486	23,946
<b>Overspend/(Underspend) against CRL</b>	<b>(1,157)</b>	<b>(531)</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2016

### 24.3 Financial Performance Targets

NIPEC is required to ensure that it breaks even on an annual basis by containing its surplus to within 0.25% of RRL or £20,000, whichever is greater.

	<b>2015-16</b>	<b>2014-15</b>
	£	£
Net Expenditure	(1,368,759)	(1,375,575)
RRL	1,379,832	1,387,519
Surplus/(Deficit) against RRL	11,073	11,944
Break Even cumulative position (opening)	71,383	59,439
Break Even Cumulative position (closing)	<u>82,456</u>	<u>71,383</u>

<b>Maternity Test</b>	<b>2015-16</b>	<b>2014-15</b>
	%	%
Break Even in year position as % of RRL	0.80%	0.86%
Break Even cumulative position as % of RRL	<u>5.98%</u>	<u>5.14%</u>

### NOTE 25 - BALANCE SHEET EVENTS

There are no post balance sheet events having material effect on the accounts.

### DATE OF AUTHORISED ISSUE

The Accounting Officer authorised these financial statements for issue on 22nd June 2016 .

# APPENDICES

## APPENDIX 1

### Glossary

<b>Abbreviations</b>	<b>Full Wording</b>
<b>AHP</b>	Allied Health Professional
<b>ALB</b>	Arm's Length Body
<b>AUC</b>	Assets Under Construction
<b>BSO</b>	Business Services Organisation
<b>CEC</b>	Clinical Education Centre
<b>CETV</b>	Cash Equivalent Transfer Value
<b>CNAC</b>	Central Nursing Advisory Committee
<b>CNMAC</b>	Central Nursing and Midwifery Advisory Committee
<b>CNO</b>	Chief Nursing Officer
<b>COPE</b>	Centre of Procurement Expertise
<b>CRL</b>	Capital Resource Limit
<b>DFP</b>	Department of Personnel & Finance
<b>DHSSPS</b>	Department of Health, Social Services and Public Safety
<b>ECG</b>	Education Commissioning Group
<b>ECNI</b>	Equality Commission for Northern Ireland
<b>ESG</b>	Education Strategy Group
<b>FREM</b>	Financial Reporting Manual
<b>GAIN</b>	Guidelines & Audit Implementation Network
<b>GNG</b>	Governance Network Group
<b>HEI</b>	Higher Education Institutions
<b>HEIG</b>	Health Estates Investment Group
<b>HR</b>	Human Resources
<b>HSC</b>	Health and Social Care
<b>HSCB</b>	Health and Social Care Board
<b>HSCT</b>	Health and Social Care Trusts
<b>HSS</b>	Health and Social Services
<b>IAS</b>	International Accounting Standard
<b>ICT</b>	Information & Communication Technology
<b>IGAG</b>	Information Governance Advisory Group
<b>IPC</b>	Infection Prevention and Control
<b>ISBN</b>	International Standard Book Number

<b>IiP</b>	Investors in People
<b>IT</b>	Information Technology
<b>ITS</b>	Information Technology Services
<b>KPIs</b>	Key Performance Indicators
<b>NDPB</b>	Non-Departmental Public Body
<b>NES</b>	NHS Education for Scotland
<b>NI</b>	Northern Ireland
<b>NIAO</b>	Northern Ireland Audit Office
<b>NIPEC</b>	Northern Ireland Practice and Education Council for Nursing and Midwifery
<b>NMC</b>	Nursing and Midwifery Council
<b>PaLS</b>	Purchasing and Logistic Services
<b>PC</b>	Personal Computer
<b>PHA</b>	Public Health Agency
<b>PHSO</b>	Parliamentary and Health Service Ombudsman
<b>PPI</b>	Patient Public Involvement
<b>QA</b>	Quality Assurance
<b>RQIA</b>	Regional and Quality Improvement Authority
<b>RRL</b>	Revenue Resource Limit
<b>SBAs</b>	Service and Budget Agreements
<b>SLA</b>	Service Level Agreement
<b>SMT</b>	Senior Management Team
<b>SOC</b>	Strategic Outline Business Case
<b>SR</b>	Statutory Rule
<b>TUPE</b>	Transfer of Undertakings (Protection of Employment) Regulations
<b>UK</b>	United Kingdom
<b>USB</b>	Universal Serial Bus
<b>VES</b>	Voluntary Exit Scheme
<b>VFM</b>	Value for Money

## APPENDIX 2

### NIPEC Legislation

NIPEC was established on 7 October 2002 under the Statutory Rules “The Health and Personal Social Services (2002) Act (Commencement) Order (Northern Ireland) SR2002 No.311 (C.25).

Within the Health and Personal Social Services Act (Northern Ireland) 2002, Chapter 9, Section 2, NIPEC was established as an NDPB, sponsored by the DHSSPS. The Act identifies the following responsibilities for NIPEC.

“It shall be the duty of the Council to promote:

- (2) (a) high standards of practice among nurses and midwives
- (b) high standards in the education and training of nurses and midwives; and
- (c) the professional development of nurses and midwives.

Without prejudice to the generality of subsection (2) the Council may:

- (3) (a) provide guidance on best practice for nurses and midwives
- (b) provide advice and information on matters relating to nursing and midwifery.

The Council shall, in the exercise of its functions, act:

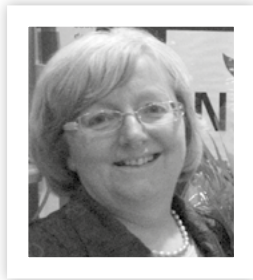
- (4) (a) in accordance with any directions given to it by the Department
- (b) under the general guidance of the Department.”

## APPENDIX 3

### Membership of NIPEC Council

The membership of NIPEC consists of six lay members, nine professional members (including Chair), the Chief Executive of NIPEC (Executive Member) and the Chief Nursing Officer, DHSSPS (ex officio member).

#### The Professional Members are:



(4/4)

**Prof. Carol Curran, OBE**

(Chair of NIPEC)



(3/4)

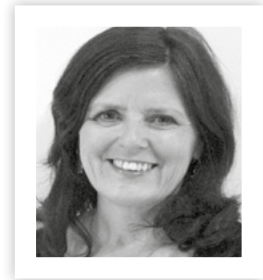
**Ms Deirdre O'Donnell**

(Chair of Audit & Risk Committee until 8 July 2015)



(1/4)

**Mrs Ruth Burrows**



(3/4)

**Ms Catherine Rice**

(Deputy Chair of Audit & Risk Committee from 9 July 2015)



(0/0)

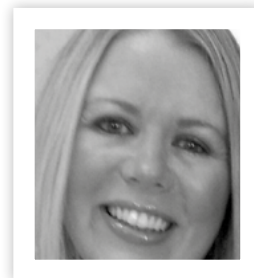
**Dr Marina Lupari**

Resigned 21 June 2015



(1/4)

**Mrs Deborah Oktar-Campbell**



(2/4)

**Mrs Lisa Houlihan**



(1/4)

**Mr Patrick McGreevy**

#### Note:

Figures in brackets indicate number of Council meetings and workshops attended against membership total.

There were two vacancies in the Council Professional membership as at 31 March 2016.



**The Lay Members are:**



(3/4)

**Mrs Alison Baxendale**  
(Deputy Chair of NIPEC)



(3/4)

**Dr Vinod Tohani**  
(Chair of Audit & Risk Committee from 9 July 2015)



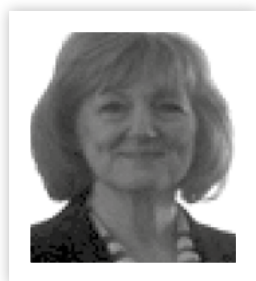
(2/4)

**Mrs Maureen Clark**



(3/4)

**Mr Paul Davidson**



(4/4)

**Mrs Angela McLernon**  
Chief Executive  
(Executive Member)



(1/4)

**Ms. Charlotte McArdle**  
CNO  
(Ex-Officio Member)

**Note:**

Figures in brackets indicate number of Council meetings and workshops attended against membership total.

There were two vacancies in the Council Professional membership as at 31 March 2016.

## APPENDIX 4

### Membership of Audit and Risk Committee

The Audit and Risk Committee met on four occasions during this financial year: 26 May 2015, 9 July 2015, 13 October 2015 and 9 February 2016. At the June meeting, the Committee considered and agreed the Annual Report and Accounts for 2014-2015, prior to the accounts being submitted for signing off by the Council.

#### The membership of the Audit and Risk Committee consists of:



(1/1)

**Ms Deirdre O'Donnell**

(Professional Member of Council)

(Member and Chair of Audit & Risk Committee, until 8 July 2015)

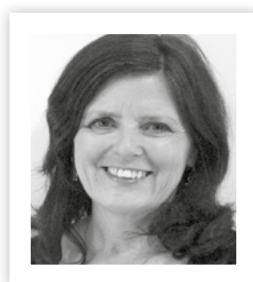


(3/4)

**Dr Vinod Tohani**

(Lay Member of Council)

(Chair of Audit & Risk Committee, from 9 July 2015)



(3/4)

**Ms Catherine Rice**

(Professional Member of Council)

(Deputy Chair of Audit & Risk Committee, from 9 July 2015)



(3/4)

**Mrs Alison Baxendale**

(Lay Member of Council)

(Deputy Chair of NIPEC)



(1/2)

**Mrs Deborah Oktar-Campbell**

(Professional Member of Council)

(Appointed to the Committee in September 2015)

Note:

**Figures in brackets indicate number of meetings attended against membership total.**

Also in attendance at the Audit and Risk Committee meetings were: NIPEC's Chief Executive and Head of Corporate Services; representatives from NIPEC's External Auditors – KPMG (until October 2015) and then Grant Thornton (NI) LLP, Northern Ireland Audit Office, Internal Audit, BSO and a financial representative from the BSO.

## APPENDIX 5

### Remuneration Committee

The Remuneration Committee is chaired by Professor Carol Curran (Chair of NIPEC). The membership consists of the Lay and Professional Members of Council, with the exception of those members who serve on the Audit and Risk Committee.

The Chief Executive, ex-officio member and officers of NIPEC do not attend this meeting. There was no requirement for a Remuneration Committee meeting to be held during this financial year as the interim Chief Executive post was being filled as a secondment from the DHSSPS.

### Remuneration of Council Members

The Chair of the Northern Ireland Practice and Education Council for Nursing and Midwifery is entitled to receive a payment of £10,732 per annum<sup>5</sup>. This payment was made directly to the Chair.

The members of NIPEC **do not** receive any remuneration but are entitled to claim any reasonable expenses incurred on Council business.

### **Thank you for reading our Annual and Accounts Report.**

Further copies of the Annual Report and Accounts for 2015-16 can be downloaded from our website: [www.nipec.hscni.net](http://www.nipec.hscni.net)

### **Hard copies can be requested by writing to address shown below:**

NIPEC, Centre House, 79 Chichester Street, Belfast BT1 4JE.  
E-mail: [enquiries@nipec.hscni.net](mailto:enquiries@nipec.hscni.net)

<sup>5</sup> As per the Payment of Remuneration of Chairmen and Non-Executive Members Determination (Northern Ireland) 2013, dated 4 November 2013.



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