



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

**1 APRIL 2019 to 31 MARCH 2020**



**The Northern Ireland Practice and Education Council  
for Nursing and Midwifery Annual Report and Accounts**  
For the year ended 31 March 2020

The Accounting Officer authorised these  
financial statements for issue

on

*28 July 2020*

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

11 August 2020

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

1 April 2019 to 31 March 2020

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## The 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 this year has been drafted to reflect the requirements as laid out in the Financial Reporting Manual (FREM) which requires the document to be structured under the following:

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

NIPEC is committed to effective, positive partnership working through the establishment and maintenance of collaborations and strategic alliances with a wide range of stakeholders across professions and sectors. This approach is essential to delivering the organisation's statutory role in promoting and supporting the practice, education, professional development and performance of nurses and midwives in Northern Ireland. 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 (DoH) Chief Nursing Officer (CNO) 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 of care and services across the HSC and relevant sectors. It should be read in conjunction with NIPEC's 'Annual Quality Report'.

NIPEC works within a strategic context where an ambitious work plan set by Draft Programme for Government along with a reform agenda to improve health and social care services for people in Northern Ireland, is underway. The *Draft Programme for Government 2016–2021*<sup>1</sup> continues to support people to lead long healthy and active lives in Northern Ireland as outlined in the *Health and Well Being 2026: Delivering Together (DoH 2016)*<sup>2</sup>. This was reinforced when the Northern Ireland Executive was re-established in January 2020 and

<sup>1</sup> Northern Ireland Executive. (2016). Draft Programme for Government Framework 2016 – 2021. Available for download at:

<https://www.northernireland.gov.uk/sites/default/files/consultations/newnigov/draft-pfgframework-2016-21.pdf>

<sup>2</sup> Department of Health. (2016). Health and Wellbeing 2026: Delivering Together. Available for download at:

<https://www.health-ni.gov.uk/sites/default/files/publications/health/health-and-wellbeing-2026-delivering-together.pdf>

published *New Decade New Approach (2020)*<sup>3</sup> with a plan to deliver better patient outcomes, more stable services and sustainable healthcare staffing.

NIPEC has continued to support the significant Transformation Programme with its three work streams, Future Nurse Future Midwife; Transforming Nursing and Midwifery Data; and Post Registration Programme leading to a Masters in Nursing. The outcomes of these work streams are detailed in the Accountability Report section below.

Against the 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 2019-20 NIPEC made a major contribution to the nursing and midwifery professions through a range of programmes of work and activities it took forward which were developed as a direct result of stakeholder engagement including the DoH and HSC Trusts.

The last six months have been particularly challenging due to the unprecedented strain on all services as a result of the industrial action in Health and Social Care sector and the COVID-19 pandemic. The COVID-19 global health emergency and its devastating global impact have redirected the focus of government and employers to provide for those in need whilst ensuring the health and safety of those delivering such services remains a key priority. NIPEC responded quickly and flexibly, working with key stakeholders to lead the development of systems and processes for nurses and midwives to support workforce capacity. A range of work including implementation and roll out of the *Nursing and Midwifery Council (NMC) Emergency Standards for Nursing and Midwifery Education*<sup>4</sup> to support student nurses in the clinical environment continues to be progressed.

NIPEC will continue to support the Department of Health in the coming weeks and months in response to the emerging pressures within the COVID-19 crisis.

On a broader note specific examples of the work of NIPEC are demonstrated within the report under 'The Accountability Report' section, pages 17 to 26 and overall analysis of the narrative demonstrates successful delivery of the Business Plan objectives by NIPEC.

Fuller details will be published in the Annual Quality Report for 2019-20.

In summary during 2019-20, NIPEC met its corporate responsibilities along with delivering against the strategic priorities and objectives presented in the Business Plan together with meeting the additional work challenges arising from taking forward the three transformation funded projects and responses to the Coronavirus, COVID-19 pandemic.

<sup>3</sup> Smith, J. and Coveney, S. *New Decade New Approach*. Belfast: Northern Ireland Office.

<sup>4</sup> Nursing and Midwifery Council (2020) *Coronavirus (Covid-19): Information and advice*  
<https://www.nmc.org.uk/news/coronavirus/>

## Performance Summary:

During 2019-20, NIPEC met its corporate responsibilities along with delivering against the strategic priorities and objectives presented in its Business Plan 2019-20 including:

### Practice:

#### Transforming Nursing and Midwifery Data (TNMD)

- Region-wide implementation of a revised adult nursing assessment and plan of care document in all adult hospital wards and implementation of the PACE care planning approach to 141 wards in Northern Ireland
- Construction of core nursing assessment data set and field specific sub-sets including development of an assessment data set for District Nursing
- Pilot of the PACE approach to planning nursing care in district nursing
- Revision of the learning disabilities and children's hospital based nursing assessment data set and construction of a nursing assessment data set for short stay adult and children's environments
- Refresh and revision of resources for audit and improvement of nursing record keeping practice
- Continuation of the programme of audit and improvement across adult hospital based and type 1 emergency department care settings
- Evidenced improvement of the standard of record keeping practice and increased awareness across HSC Trusts of the implications of using a standardised nursing terminology in a digital environment
- Testing for implementation of 'Principles for Effective Handovers.'

#### General Practice Nursing

- Completion of a microsite which facilitates registrants to access information about the key roles in General Practice Nursing, related competencies, education requirements and job descriptions.

#### Supervision

- Finalisation of a draft framework to support reflective supervision for nurses and midwives in Northern Ireland, to include aspects of safeguarding supervision
- Agreed activity to test the framework across a range of nursing and midwifery care settings in Northern Ireland.

### Education:

Work led by NIPEC resulted in:

#### Future Nurse Future Midwife

- Maintained links with the United Kingdom arrangements set up by the Nursing and Midwifery Council (NMC) to oversee implementation of the new pre-registration Nursing and Midwifery Standards. This included:
  - Curriculum development and NMC approval for pre-registration Nursing programme and Nurse and Midwifery Prescribing
  - A model for the Standards for Student Supervision and Assessment (NMC 2018) including a range of products and resources to support implementation
  - Regional preparation programmes for Practice Supervisor and Practice assessors aligned to the Standards for Student Supervision and Assessment
  - A single Northern Ireland Practice Assessment Document (NIPAD) tailored for each of the four fields of practice in Nursing
  - A Regional Education Audit for Practice Learning Experiences
  - A Regionally agreed student evaluation
  - Implementation of the NMC Future Midwife Education Standards following their launch in November 2019
  - Increased awareness of the NMC Standards for Education and Training (2018).

#### Post Registration Masters Programme in Nursing

- The development, implementation and initial evaluation of a new Post Registration Masters Programme in Nursing to support and develop newly qualified Nurses (Adult).

## Professional Development:

### Enabling Professionalism

- Commenced a programme of work linked to the *Enabling Professionalism* framework to support the five country Government Chief Nursing Officers of the United Kingdom and Ireland taking forward work as part of their response to the Year of the Nurse 2020 and the Nursing Now Campaign 2020
- Hosted a workshop to action/explore the further implementation of the *Enabling Professionalism* framework in practice settings across Northern Ireland
- Developed an action plan to support the implementation of the *Enabling Professionalism* framework in Northern Ireland across a range of nursing and midwifery practice settings.

### Quality 2020 Attributes Framework

- Supported the chair of Quality 2020 Professional Leadership Group to develop a five year strategy to support the implementation of the Attributes Framework within the HSC.

### Learning Disabilities Nursing

- Reviewed the impact and use of the Outcomes Measurement Framework to support Registered Nurses (Learning Disabilities) to demonstrate the contribution to the delivery of person-centred care

### Career Pathways

Continued with the development of career pathways for:

- District Nursing
- Neurology Nursing
- Stroke Nursing

## Advice, Guidance and Information:

### Delegation Framework

- Hosted awareness sessions across all HSC Trusts and independent and voluntary sector organisations to inform nurses and midwives of the *Delegation Framework* and its use in practice
- Co-hosted two workshops to support development of a multi-professional approach for delegation across integrated teams
- Developed and launched a micro-site within the main NIPEC website, to increase accessibility, housing appropriate resources including awareness session podcasts
- Commissioned and completed a literature review of governance arrangements for multi-professional delegation across Social Work, Nursing, Midwifery, Allied Health Professions and Pharmacy
- Presented a final draft multi-professional governance framework to Professional Advisors at the Department of Health proposing an outline for testing across care and service settings in HSC Trusts.

### Professional Fora

Continued to support Professional Development Fora for:

- Registered Nurses: Learning Disabilities
- Endoscopy Lead Nurses
- Senior nurses working in the Independent and Voluntary sector.

### Communication and Engagement

Continued with our innovative approach to engage with stakeholders to promote high standards of practice, education and professional development through the following:

- Ten publications of SCAN distributed directly to 427 recipients
- Twitter chats along with Twitter and Facebook posts
- NIPEC Roadshows in locations close to front line staff
- NIPEC information sessions for 3<sup>rd</sup> year nursing students across the HEIs
- NIPEC Annual Conference.

### Quality Improvement Mentorship

- Provided mentorship/critical friend support across the HSC in relation to QI programmes
- Submitted responses to consultations on a range of emerging strategies and policies including the HSC Collective Leadership Strategy
- Led the production of an Annual Report in relation to the work of the NI Collaborative – Learning Disabilities Nursing
- Disseminated advice, guidance and information from the NMC across the system relating to revalidation.

NIPEC's strategic priorities within the Corporate Plan 2017-21 were to support our overarching vision to lead and inspire nurses and midwives to achieve and uphold excellence in professional practice. Our commitment was to continuously improve within our functions as a modern, effective and efficient organisation.

In the third year of the Corporate Plan, NIPEC's Business Plan 2019-20 outlined how we would implement those priorities within our legislative responsibilities while ensuring the most efficient and effective use of our resources to achieve our strategic objectives. 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.

The Corporate Plan also detailed how we planned to improve how we work by:

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

NIPEC had a wide range of challenging priorities and targets to meet in 2019-20 and the Business Plan focused on major new and ongoing work-streams, incorporating DoH requirements and stakeholders' needs. NIPEC plays a particular role in supporting the vision and objectives of the Department of Health Chief Nursing Officer in the continued pursuit of excellence in the delivery of nursing and midwifery services to the population of Northern Ireland. In support of the transformation agenda, NIPEC successfully submitted a number of business proposals to support three specific workstreams:

- Future Nurse-Future Midwife
- Transforming Nursing and Midwifery Data
- Post Registration Programme leading to a Masters in Nursing

NIPEC utilises a *Work Stream Prioritisation Matrix* (Tague, 2004; Guindo *et al.*, 2012; NHS Scotland, 2014) which supports the prioritisation of our workload when the volume of projects surpasses the capacity available. The model incorporates a step-by-step process which guides the senior staff in making the correct decisions to 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.

NIPEC's successful achievement of its business objectives is enabled by the support and commitment of its stakeholders. NIPEC acknowledges the invaluable contribution of its stakeholders and how our engagement with them supports our efforts to improve the quality of our service delivery. Therefore, on behalf of the NIPEC Council, we would wish to acknowledge the significant contributions from our stakeholders in this year's activities and their positive contributions to the work of NIPEC.

The Council met in public on four occasions in 2019-20 and was quorate on all four 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 independence as an Arm's Length Body (ALB) 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 within limited financial funding.

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



Professor Carol Curran, OBE  
Chair



Mrs Angela McLernon, OBE  
Chief Executive

## The Performance Report

### PERFORMANCE ANALYSIS

For the HSC, 2019-20 was an exceptionally challenging financial year. Budget pressures continued to intensify significantly and the squeeze on public funding in Northern Ireland was unprecedented. Despite these pressures, NIPEC continued to operate efficiently and effectively within its financial and capital allocations in line with statutory requirements.

NIPEC has a published policy and associated procedure for handling complaints. During 2019-20 NIPEC received no formal complaints and responded to two Assembly Questions and three FOI requests, all within the required timelines.

NIPEC submitted its 'Property Asset Management Plan (PAMP) 2019-20 to 2023-24' in September 2019 within the timescales required. The Statutory Duty for Sustainable Development applicable to public authorities is set out in section 25 of the Northern Ireland (Miscellaneous Provisions) Act 2006. NIPEC continues its commitment to make a contribution to those areas which it can influence in regard to energy/carbon reduction, including increased use of multi functional devices, docking stations for laptops and remote access for the entire team. We also maximise opportunities for the utilisation of telephone-conferencing, web-conferencing and web-cam equipment for meetings thereby reducing the environmental carbon footprint as well as travel costs.

Further reference to the above areas can be found under the Governance Statement, section 11, page 30.

To mark World Quality Day on 14 November 2019, NIPEC published its sixth Annual Quality Report for the year 2018-19. The report set out what NIPEC had achieved during 2018-19 to improve services under each of the five strategic goals outlined in Quality 2020: *Transforming the Culture; Strengthening the Workforce; Measuring the Improvement; Raising the Standards and Integrating the Care.*

The Accounts, and supporting notes relating to the Council's activities for the year ended 31 March 2020, have been audited by the Northern Ireland Audit Office. See pages 60 to 62, 'Audit Certificate', for further details.

The Annual Report and Accounts have been produced in line with the HSC Manual of Accounts 2019-20. One change has been the removal of the Prompt Policy Measure of Compliance from the accounts section of the Annual Report to the Performance Analysis section of the Performance Report. A summary of NIPEC's Performance is contained in the table below:

## PROMPT PAYMENT POLICY

### 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

	2020 Number	2020 Value £	2019 Number	2019 Value £
Total bills paid	523	750,315	342	570,946
Total bills paid within 30 day target	503	741,611	334	563,758
<b>% of bills paid within 30 day target</b>	<b>96%</b>	<b>99%</b>	<b>98%</b>	<b>99%</b>
Total bills paid within 10 day target	435	682,316	295	550,114
<b>% of bills paid within 10 day target</b>	<b>83%</b>	<b>91%</b>	<b>86%</b>	<b>96%</b>

### The Late Payment of Commercial Debts Regulations 2002

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

To support corporate transparency, NIPEC utilises key performance indicators (KPIs), both financial and non-financial, as a method of measuring progress towards its organisational goals. During 2019-20, NIPEC payment compliance of 94.5% fell slightly short of the invoice prompt payment target of 95% within 30 calendar days. This situation was monitored closely and NIPEC Officers worked with staff from BSO Shared Services Payments to improve performance which led to improvement in the second half of the year.

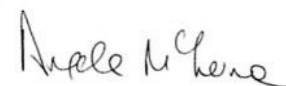


A summary of NIPEC's high level performance targets is shown in the table below:

**Key Performance Measures:**

Targets for 2019-20	Performance in 2019-20	Performance in 2018-19
Break even on revenue and operating costs <i>(Target: 0.25% or £20,000)</i>	0.74% or £17,813	1.08% or £13,848
Keep within the capital resources limit (CRL)	<b>Achieved CRL £4,931</b>	<b>Achieved CRL £48,359</b>
Sickness absence rates <i>(Target: 3.7%)</i>	1.16%	0.93% <i>(Target for 2018-19 was 3.85%)</i>
Invoice prompt Payment percentage within 30 days <i>(Target: 95%)</i>	94.5%*	98%
Invoice prompt Payment percentage within 10 days <i>(Target: 70%)</i>	83.21%	86% <i>(Target for 2018-19 was 75%)</i>
Controls Assurance Standards: In the absence of a regionally agreed approach, NIPEC utilised an internal mechanism to ensure continued compliance. <i>(Target: Substantial score 75%-99%)</i>	All the relevant 9 areas achieved scores within the substantial range. The scores ranged from 85% to 95%	All the relevant 9 areas achieved scores within the substantial range.

Signed:



Mrs Angela McLernon, OBE  
Accounting Officer

Date: 8/7/2020

## The Accountability Report

### CORPORATE GOVERNANCE REPORT

#### The Directors' Report

NIPEC's Directors' Report is presented under its statutory areas of responsibility 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
- Provide advice, guidance and information on best practice and matters relating to nursing and midwifery
- Governance and Performance

Further and more detailed information on the Professional work of NIPEC during 2019-20 can be accessed via our website at <https://nipec.hscni.net>

NIPEC's forthcoming *Annual Quality Report 2019-20* will provide a comprehensive review of NIPEC's Professional work throughout the year.

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

NIPEC is focused on enabling the nursing and midwifery professions to provide safe and effective high quality care. This is achieved by promoting high standards of practice, education and learning for nurses and midwives. NIPEC provides guidance on best practice for nurses and midwives alongside advice and information on matters relating to nursing and midwifery. This is possible through the strategic relationships which have been developed with fellow professionals from across the health care family.

Good health and care outcomes are highly dependent on the professional practice and behaviours of nurses and midwives. Demographic changes, increasing specialisation, new technologies and other advances in healthcare are impacting on the nursing and midwifery workforce. Nurses and midwives play a critical role in improving health outcomes, actively enabling co-production and decision making at all levels of policy making and service provision. They have the clinical skills and innovative approaches to help meet the challenges facing health and social care, supporting improvements in practice to uphold the standards of the professions for the good of the public.

*The Code: Professional standards of practice and behaviour for nurses and midwives* (Nursing and Midwifery Council (NMC), 2018), provides the professional standards to which

nurses and midwives practice and requires nurses and midwives to provide a high standard of practice and care at all times in line with the best available evidence, communicating effectively, working co-operatively, keeping skills and knowledge up to date, working within the limits of competence, keeping clear and accurate records and raising concerns immediately.

### **NIPEC's Responsibilities**

In fulfilling NIPEC's responsibility to promote high standards of practice among nurses and midwives, during 2019-20 we continued to provide strategic leadership, and implement a proactive, flexible and responsive work programme. This included leading or facilitating regional projects, initiatives and developing, monitoring and reviewing resources to enable improvements in professional practice.

During 2019-20, NIPEC continued to strive to maximise the impact 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 were informed by key strategic direction and policy within agreed timescales.

The impact of many of NIPEC's resources continues to be measured throughout each business year, for example, in 2019-20, the resources to support record keeping practice.

#### **Example:**

An example of completed work in 2019-20 relating to improving practice is that of the review of the adult hospital based person centred nursing assessment and plan of care record which was taken forward under the Transforming Nursing and Midwifery Data (TNMD) programme of work. Good record keeping is an integral part of nursing practice and is an essential component of safe, effective and person centred care provision, irrespective of care setting. NIPEC has continued to secure appropriate funding, recruit and develop people, and build resources during 2019-20, to improve the standard of record keeping practice in the region. This has included further implementation of the PACE approach to planning and evaluating prescribed nursing care.

Building on the work of the Recording Care work stream, the programme aims to improve the standard of nursing and midwifery record keeping practice using improvement science, and is set within the context of a range of recommendations from the Hyponatraemia Inquiry (including reference to the importance of care planning and effective handover).

Details of this programme of work are highlighted in the Performance Summary, Page 8.

This work will substantially support the nursing and midwifery workforce to evidence the contribution and outcomes of nursing care whilst moving towards digital adoption through broader programmes of work. This regional initiative will continue to transform practice, prepare and support the nursing and midwifery professions to lead and implement

transformational change and champion an innovative approach to recording plans of nursing and midwifery care across practice and service settings.

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

The NMC requires that nurses and midwives must "...maintain the knowledge and skills they need for safe and effective practice" (NMC, The Code 2018, p 9). 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. High-quality pre-registration nurse education therefore plays a crucial role in ensuring patients and their families receive quality person-centered nursing care.

Once registered, nurses and midwives need to be supported in their role and continue to receive education and development throughout their careers in order to further their knowledge and skills, and to support innovation in nursing practice to enhance care delivery. The HSC relies on nursing and midwifery education to prepare and maintain competent and caring practitioners who demonstrate professional behaviours and values. Education must also promote the advancement of nursing and midwifery practice and research throughout professional careers.

### **NIPEC's Responsibilities**

In fulfilling NIPEC's responsibility to promote high standards during 2019-20, we continued to undertake a range of activities to assure education standards and influence educational developments, providing leadership to the learning and education activities of the registrant population. Originally commissioned by the Department of Health in 2018-19 and continuing in 2019-20, NIPEC worked with key stakeholders across the HSC and nursing and midwifery education to develop a strategy and implementation plan in response to the new NMC Future Nurse Future Midwife Education standards (May 2018). The new standards change the expectation of competence at the point of registration. It will ensure nurses and midwives have the knowledge and skills they need to deliver care across a range of settings and in response to changing service needs across Northern Ireland. The Future Nurse Future Midwife (FNFM) Programme Board and Working Group established in 2018 have links to UK-wide working groups and NMC-led groups. In leading this programme of work, NIPEC will secure regional consistency in implementation of the new standards in Northern Ireland.

#### **Example:**

It was recognised that the implementation of the new standards would have significant implications for the HSC system in Northern Ireland. On behalf of the Department of Health, NIPEC commenced a programme of work in 2018-19 to implement the new NMC Future Nurse Future Midwife Education standards. During 2019-20, NIPEC continued to lead the implementation of the pre-registration education standards (NMC 2018), supported by relevant stakeholders. The successes for this project are detailed in the Performance Summary, Page 9.

Successful widespread communication and engagement continues with HSC Trusts, Voluntary and Independent Sectors across NI and includes: regular communiques; twitter chats, podcasts all promoted through NIPEC's website and social media platforms. The Transformation Funded Professional Officers in partnership with the Approved Education Institutes (AEIs) have delivered 22 road shows across NI attended by 558 staff and throughout this activity, NIPEC has facilitated increased Independent and Voluntary Sector engagement.

NIPEC continues to lead the implementation of the NMC Future Midwife Education Standards following their launch in January 2020.

Another example of NIPEC's work to promote high standards of education in 2019-20 is the development, implementation and initial evaluation of the new Post Registration Masters Programme in Nursing to support and develop newly qualified Nurses. The focus of this pilot programme is to develop future nursing leaders who will deliver transformational change and improve outcomes for patients and service users. The following have been achieved:

- Approval of a new curriculum to include the award of Quality 2020 Level 2 in addition to the MSc academic qualification;
- 29 participants have been recruited and commenced employment as Band 5 Registered Nurses in the five HSC Trusts;
- Students have commenced a MSc 2 year Programme (September 2019);
- Establishment of a rotational programme for participants to experience placements within Hospital, Community, Independent and Voluntary settings.

### Promoting the professional development of nurses and midwives

Professionalism is an essential requirement for all nurses and midwives regardless of where they work and the *Enabling Professionalism Framework (NMC 2017)*, developed by the four Chief Nursing Officers of the UK with the NMC and led by NI's CNO with the support of NIPEC, clearly informs nurses and midwives of the principles of professionalism which should be demonstrated in their everyday practice.

The NMC Code requires Nurses and Midwives to keep their knowledge and skills up to date, take part in appropriate and regular learning and professional development activities that aim to maintain and develop competence and improve performance (NMC, 2018). Adherence to the NMC Code alongside providing evidence for Revalidation (NMC 2016) and now guided by the *Enabling Professionalism Framework (2017)* will support practitioners to ensure the delivery of safe, effective, compassionate and person-centred practice.

### NIPEC's Responsibilities

In fulfilling NIPEC's responsibility to promote the professional development of nursing and midwifery during 2019-20, NIPEC continued to engage with its stakeholders to lead and collaborate on the development of a range of resources, which were fit for purpose and easily accessible.

Examples when NIPEC supported the professional development of nurses and midwives in 2019-20 include:

- **Quality 2020 Attributes Framework:** members of NIPEC's Professional Team supported the Chair of Quality 2020 Professional Leadership Group to develop a five year strategy to support the implementation of the Attributes Framework within the HSC;
- **Learning Disabilities Nursing:** NIPEC professional staff reviewed the impact and use of the Outcomes Measurement Framework to support Registered Nurses (Learning Disabilities) to demonstrate their contribution to the delivery of person-centred care;
- **Career Pathways:** NIPEC Continued to develop career pathways including District Nursing, Neurology Nursing and Stroke Nursing.

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

The NMC requires nurses and midwives to "make sure that any information or advice given is evidence-based, including information relating to using any healthcare products or services" (NMC, 2018). The delivery of safe and 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

In 2019-20, NIPEC continued to fulfil its unique role in Northern Ireland by providing guidance on best practice and matters relating to nursing and midwifery. The organisation was committed to supporting practitioners and organisations to deliver safe and effective person-centred care and acknowledged that this delivery of support is only made possible if NIPEC works collaboratively with its key stakeholders and engages effectively with them to address the challenges faced in the modern HSC. NIPEC continued in its commitment to the development, production and dissemination of evidence-based, quality and accessible information.

One of NIPEC's main vehicles of communication is via its website <https://nipec.hscni.net> and it is also responsible for the updating and maintenance of the online portfolio and nursing and midwifery careers website.

During 2019-20 NIPEC undertook a review of its main website and a survey of visitors to the site confirmed the need to make it easier to navigate and more accessible via smart phones.

**Example:**

In addition to communicating with registrants via its websites, NIPEC has continued to engage with stakeholders through social media, Facebook and Twitter, and has increased its followers on both platforms. NIPEC Senior Professional Officers engaged in “Twitter chats” with members of relevant workstream Steering Groups and registrants to raise awareness and seek views on how best to enable the adoption and implementation of NIPEC resources. In addition NIPEC supported a master class for nurses and midwives (November 2019) which aimed to optimise the use of Twitter. The table below presents a numerical summary of the social media activity:

	Quarterly	Number of Posts/ Tweets Quarterly	Number of people 'reached' from NIPEC Posts/ Tweets Quarterly	Number of new followers Quarterly	Number of followers at the Quarter End
FACEBOOK	Apr - Jun 19	8	1,191	20	411
	Jul - Sept 19	12	1,632	11	422
	Oct -Dec 19	6	882	9	431
	Jan - Mar 20	5	658	21	452
	<b>Overall Total</b>	<b>31</b>	<b>4,363</b>	<b>61</b>	
TWITTER	Apr - Jun 19	40	60,100	145	1567
	Jul - Sept 19	52	70,300	222	1789
	Oct -Dec 19	34	45,900	138	1927
	Jan - Mar 20	12	32,537	152	2079
	<b>Overall Total</b>	<b>138</b>	<b>208,837</b>	<b>657</b>	

NIPEC will continue to develop its social media presence and promote its resources to reach a greater number of front line staff.

NIPEC also continued with its roadshow approach throughout the year and our 2020-21 Business Plan will reflect suggestions from those with whom the organisation engaged throughout 2019-20.

NIPEC staff led and facilitated a series of engagement activities with statutory, voluntary and independent sector organisations throughout 2019-20 including:

- **Delegation Framework:** NIPEC hosted awareness sessions and co-hosted two workshops across all HSC Trusts, independent and voluntary sector organisations to support development of a multi-professional approach for delegation across integrated teams. A micro site was developed to offer appropriate resources including podcasts of awareness sessions to increase accessibility;

- **Professional Fora:** NIPEC continued to support Professional Development Fora for Registered Nurses (Learning Disabilities), Endoscopy Lead Nurses and Nurses working in the Independent and Voluntary Sector.

**Governance and Performance**

Throughout 2019-20, NIPEC’s Corporate team continued to support NIPEC on a wide range of corporate issues at a strategic and practical level. The following key achievements and developments occurred in the course of the year:

**Service Level Agreements**

A component of NIPEC’s efficiency strategy is to secure a number of core support services from the Business Services Organisation (BSO) under annual Service Level Agreements (SLAs). Services provided by BSO include Equality, Finance, Counter Fraud, Human Resources, Procurement & Logistics, Shared Services, Internal Audit, Legal Services and Information Technology Services.

NIPEC has procedures and systems in place to monitor these SLAs including participation in a Customer Board meeting with BSO and receipt of regular performance reports from relevant service areas.

**Financial**

During the 2019-20 financial year, NIPEC continued to monitor the financial position of the organisation using a rolling monthly forecasting process to enable us to effectively manage the break-even requirement. 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).

In addition to the monthly Financial Monitoring Return submitted to DoH Financial Management Unit, regular financial performance reports are submitted to NIPEC’s Audit and Risk Committee and NIPEC Council.

NIPEC’s Internal Audit function is provided by BSO Internal Audit Service and the main focus of their activity is to provide the Accounting Officer with an objective evaluation of and opinion on the overall adequacy and effectiveness of the organisation’s framework of risk management, control and governance. In accordance with the 2019-20 Annual Internal Audit Plan, BSO Internal Audit carried out audits of Financial Controls and Information Governance & Risk Management – further details on these can be found in the Governance Statement, pages 30–44.

NIPEC'S External Audit function is provided by the Northern Ireland Audit Office (NIAO) who audit the financial statements for year end on behalf of the Comptroller and Auditor General (C&AG).

### Human Resources

NIPEC's successful achievement of its business objectives is enabled by the hard work and commitment of its entire staff. NIPEC is committed to investing in its workforce and during 2019-20 staff engaged in a range of learning and development activities with a particular focus on developing its staff in improvement science and QI methodologies. NIPEC's approach to its work reflects the approach outlined in the *HSC Collective Leadership Strategy* (2017) and staff were encouraged to develop their collective leadership skills through participation in the new HSC Collective Leadership Programme.

The Health and Social Wellbeing Committee continued in its objective of nurturing and improving staff relationships and supporting staff to improve their health and wellbeing. The committee's membership includes both corporate and professional staff and in addition to promoting a positive working environment, raised a total of £700 for the Welcome Organisation, a Belfast-based charity which provides a range of services for people affected by homelessness.

In January 2018, NIPEC was successful in achieving the *Investors in People* accreditation. This accreditation lasts for three years and provides recommendations to ensure we continue to improve people management within the organisation. Throughout 2019-20, NIPEC continued to work on the recommendations from our IiP action plan to ensure we are prepared for the re-accreditation process in January 2021.

In the 2019-20 annual Business Plan, NIPEC monitored two HR key performance indicators (KPIs), completion of Staff Annual Appraisals and Staff Absence. The former required completion of 90% of appraisals by 30 June and NIPEC achieved 100% compliance within the timescale. A challenging target of 3.7% absence as a percentage of working days was also met, with the cumulative absence for the year 1.16%.

### Property and Assets

NIPEC as a Non-Departmental Public Body (NDPB) of the DoH supports and is committed to the objectives of the Executive approved Asset Management Strategy to:

- *reduce the net cost of service delivery through the effective use of public assets; and*
- *promote an effective asset management process that unlocks value.*

NIPEC submitted its seventh Property Asset Management Plan (PAMP) to Property Management Branch for the period 2019-20 to 2023-24; the document defines how the NIPEC Council manages, maintains, acquires and disposes of the Council's property assets and assists in the identification of the objectives for the future financial years.

As a tenant of Centre House, NIPEC's lease expired on 30 November 2019. The Department of Finance (DoF) with the assistance of Land and Property Services (LPS) led discussions with the Landlord's agent regarding the re-gearing of the lease and these negotiations were successfully concluded with an extension of the lease to 31 August 2022. In September 2022, NIPEC is scheduled to move as part of the DoF reform of property project to James House. NIPEC has continued to work in partnership with the James House Project, joining the Transition Management Working Group (TMWG) established to oversee the move to James House.

The Patient Client Council (PCC) continued to lease office space from NIPEC under an agreed 'Memorandum of Understanding' up to 28 February 2020.

### Information and Communication Technology (ICT)

NIPEC has a Service Level Agreement (SLA) with the BSO's Information Technology Service (ITS) for the provision of operational IT services including an IT Incident Management Process which covers all services delivered by and on behalf of BSO ITS to its customers in the case of an adverse incident.

NIPEC currently maintains the following three main websites:

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

NIPEC also hosts a number of micro sites and new additions built in 2019-20 were Delegation, General Practice Nursing and Nursing Assistants, with an update completed of the Recording Care micro site. The Events Management functionality of the website proved extremely useful for attendees to register for all NIPEC'S events in 2019-20, including FNFM roadshows, Delegation Awareness sessions, the TNMD PACE event, and the Annual NIPEC Conference.

NIPEC monitors the activity on its websites and social media platforms on a monthly basis and statistics are produced and reviewed to improve the quality of communication and engagement with registrants and other stakeholders.

### Accountability and Monitoring

NIPEC is accountable to the Minister for Health via the DoH. NIPEC will be monitored by the DoH against the Corporate Strategy and Business Plan through Sponsor Branch meetings, Accountability meetings, an Annual Report, Annual Quality Report and other *ad hoc* arrangements.

## Equality

NIPEC continues to be fully committed to promoting equality of opportunity and good relations for all groupings under Section 75 of the Northern Ireland Act 1998.

We continue to meet our statutory responsibilities as outlined within our Equality Scheme, and to progress our Equality and Disability Action Plans, collaborating with our HSC colleagues where possible to ensure consistency of approach across the HSC system. The following is an example of some of the work undertaken this year.

We want to find out more from our staff about their views and experiences in being supported in balancing care and work. By the end of March, the BSO Equality Unit had developed a survey for our and partner organisations who are carers. It is planned to run the survey in early 2020-21. Findings from qualitative research undertaken by a member of the Equality Unit with staff who are carers informed the development of the survey.

NIPEC continue to support two regional Disability Awareness Days every year. This year, we focused on Fibromyalgia and Mental Health, with a focus on anxiety, OCD and depression. Information stands were set up in the foyer of our building with information leaflets and sources of help and support for staff, and a joint mental health awareness session was held with our colleagues in NIGALA.

For some years now, we have heard from people with a disability who participated in the HSC Disability Placement Scheme, that they face significant barriers when trying to avail of the services of recruitment agencies. During the year, colleagues in the BSO Equality Unit worked with the Procurement and Logistics Service on our behalf to explore what we can do to ensure that agencies address these barriers and better promote equality in the services we procure from them.

Agencies were requested to provide equality monitoring data for people placed in HSC organisations under the regional contract. By the end of March 2020, analysis of the data was under way to determine the scale of data gaps and to examine the diversity of those placed with HSC organisations for whom data is available.

A Lunch and Learn session for line managers and staff working in the regional HSC organisations on 'getting it right' for staff with disabilities was scheduled for late March 2020. The aim of the session was to look at how managers and their teams should prepare for a new member of staff (including reasonable adjustments) and approach their induction stage. The session had to be cancelled in light of the Covid-19 pandemic but it is intended to run this when it is appropriate to do so.

More information is available on our website <https://nipec.hscni.net/publications/equality-human-rights/>

## 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>Executive Dean, Faculty of Life and Health Sciences, Ulster University</li> <li>Membership of the RCN</li> <li>Educational Advisor of Association of Continence Advice</li> <li>Approved Member of Central Nursing &amp; Midwifery Advisory Committee (<i>unremunerated</i>)</li> </ul>
Mrs A McLernon, OBE	<ul style="list-style-type: none"> <li>Seconded from the DoH</li> <li>Membership of the RCN</li> <li>Trustee/Director of the Florence Nightingale Foundation</li> <li>Appointed Member of Central Nursing &amp; Midwifery Advisory Committee (<i>unremunerated</i>)</li> <li>Fellow of the QNI</li> <li>Nursing Adviser to West Belfast GP Federation</li> </ul>
Ms D O'Donnell	<ul style="list-style-type: none"> <li>Senior Lecturer in Nursing at Ulster University</li> <li>NMC Fitness to Practice Professional Panellist</li> <li>Memberships of the RCN and University &amp; College Union</li> </ul>
Dr V Tohani	<ul style="list-style-type: none"> <li>Membership of the BMA</li> <li>Fellow – Faculty of Public Health (UK)</li> <li>Fellow – Faculty of Public Health Medicine (Ireland)</li> <li>Member of Irish College of GPs</li> </ul>
Mrs A Baxendale	None
Mrs M Clark	<i>Term of office ended June 2019</i>
Mr P Davidson	<ul style="list-style-type: none"> <li>Governor Clifton Special School</li> <li>Self-employment Student Support QUB</li> <li>Membership MIET</li> </ul>
Mrs L Houlihan	<ul style="list-style-type: none"> <li>Service Manager, Belfast HSC Trust</li> </ul>

Name	Organisation
Mrs D Oktar-Campbell	<ul style="list-style-type: none"> <li>Independent Consultancy</li> <li>Memberships of NMC, RCN and BACP</li> </ul>
Ms C Rice	<ul style="list-style-type: none"> <li>Panel Member NMC</li> <li>Membership of the RCN</li> </ul>

### 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
Mrs C McCusker	<ul style="list-style-type: none"> <li>Membership of the RCN</li> </ul>
Mrs A Reed	<ul style="list-style-type: none"> <li>Membership of the Informatics Society of Ireland</li> <li>Membership of the RCN</li> </ul>
Ms Fiona Bradley	<ul style="list-style-type: none"> <li>Membership of the RCM</li> </ul>
Mrs C Leckey <i>(seconded from BHSCCT wef 1 April 2019)</i>	<ul style="list-style-type: none"> <li>School Governor Tir na nÓg Primary School, Ballyclare</li> <li>Membership of the RCN</li> </ul>
Mrs Frances Cannon <i>(retired 30 September 2019)</i>	<ul style="list-style-type: none"> <li>Membership of the RCN</li> </ul>
Mr E Thom <i>(retired 31 August 2019)</i>	None
Ms J Jackson <i>(commenced 1 October 2019)</i>	None

### Information on Personal data related incidents

There were no reportable personal data or information related incidents during 2019-20.

#### i) 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.

NIPEC had no additional remote contingent liabilities.

### 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 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 financial statements are prepared on an accruals basis and must provide a true and fair view of the state of affairs of NIPEC, of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

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

- observe the Accounts Direction issued by the Department of Health 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 FRoM, have been followed, and disclose and explain any material departures in the financial statements.
- prepare the financial statements 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 as Principal Accounting Officer for Health and Social Care 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 the formal letter of appointment of the Accounting Officer issued by the Department of Health, Chapter 3 of *Managing Public Money Northern Ireland (MPMNI)* and the *HM Treasury Handbook: Regularity and Propriety*.

So far as I am aware, there is no relevant audit information of which the organisation's auditor is unaware; and I have taken all the steps that I ought to have taken as Chief Executive in order to make myself aware of any relevant audit information and to establish that NIPEC's auditor is aware of that information.

## The 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.

The accountability arrangements in respect of the relationship between the Council and the DoH are set out in a 'Management Statement and Financial Memorandum' (MS/FM), which has been published by the DoH and agreed with the Council. A copy of this document is placed on the NIPEC website (<https://nipec.hscni.net>). NIPEC has had several Ground Clearing and Sponsor Branch meetings with DoH during 2019-20; the Mid-Year Accountability Meeting scheduled for 10 February 2020 was cancelled as there were no issues to be discussed.

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 a number of core support services including Equality, Finance, Counter Fraud, Human Resources, Procurement & Logistics, Shared Services, Internal Audit, Legal Services, Information Technology Services and specialist General Data Protection Regulations (GDPR) advice. NIPEC has procedures and systems in place to monitor these SLAs including a formal annual Customer Board meeting with BSO, receipt of regular performance reports and on-going informal correspondence from relevant service areas.

### 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, for example, by assessing NIPEC Council's Governance arrangements against the Department of Health's Governance self-assessment Assessment tool.

NIPEC undertook its annual Board Governance self-assessment in February 2020 and it was ratified by Council at its meeting in March 2020. The Board Governance self-assessment tool focuses on four key areas: Board Composition and Commitment, Board Evaluation Development and Learning, Board Insight and Foresight and Board Engagement and Involvement. The self-assessment for 2019-20 did not indicate any significant governance issues.

The Council receives assurance from internal and external audits, and an Annual Report and quarterly feedback from the Audit and Risk Committee, which monitors DoH and Northern Ireland Audit Office (NIAO) governance correspondence.

NIPEC also has in place arrangements for Council Members and Senior Staff to complete a Declaration of Interest Form which is publicly available on the website. Members are asked to declare any interests at all Council, Committee and Business Team meetings and may be asked to withdraw from the meeting while the relevant issue is discussed.

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

Membership and functions of the Council and the Committees are as follows:

- **Council Membership:**
  - Chair;
  - Chief Executive and eight Professional Members (who all must hold a current registration on the Nursing and Midwifery Council register);
  - Six Lay Members;
  - Ex-Officio Member (Chief Nursing Officer, DoH).

- **Council 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, Head of Corporate Services and representatives from NIPEC’s External Auditors (Northern Ireland Audit Office), BSO Internal Audit and when required a financial representative from the BSO. Representative from NIPEC’s Sponsor Branch attended the February 2020 meeting of the committee.

• **Audit & Risk Committee Functions:**

The Audit and Risk Committee is an advisory body with no executive powers, other than those specifically delegated in its 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 assesses itself on an annual basis against best practice as contained within the National Audit Office’s Audit Committee Self-Assessment Checklist. The other functions of this committee are included within sections 6 to 8 of this governance statement.

• **Remuneration Committee Membership:**

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

• **Remuneration Committee Functions:**

The role of the Remuneration Committee is the management 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;
- Recommendation of an overall banding and award for the Chief Executive.

• **Committee Meetings:**

NIPEC Council and Audit & Risk Committee both met four times in 2019-20 and were quorate on all occasions. Further details of individual members’ attendance are shown in Appendices 3 and 4. 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 DoH (see P45 Remuneration Policy).

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 also has the Corporate Services Manager in attendance. This group supports the Chief Executive in the operational aspects of the organisation. Also, the Chief Executive holds a 6 – 8 week, one-to-one meeting with each member of the SMT which covers all aspects of that Officer’s work.

#### 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. The NIPEC Corporate Plan 2017-21 which was aligned to the DoH Draft Programme for Government, set out the mission, core values and priorities of the organisation for a four year period. The Corporate Plan is supported by an Annual Business Plan and in November 2019, a workshop was held with Council and Senior Team members to draft a plan for 2020-21. The agenda for the day consisted of a review of mid-year progress against the 2019-20 Business Plan objectives together with consideration of feedback from stakeholders to inform the draft plan. The draft NIPEC Business Plan 2020-21 was approved by NIPEC Council and submitted to DoH in February 2020 awaiting approval.

NIPEC uses the Business Plan internally to guide action and update performance management metrics. NIPEC'S Professional Workplan sets out the statutory responsibilities of NIPEC and includes key priorities and actions contained within the Annual Business Plan. A progress monitoring report is presented to NIPEC Council quarterly with progress on objectives rated using the 'RAG' identification method. A summary of performance against corporate key performance indicators is also presented monthly to the Business Team and quarterly to the Audit & Risk Committee and Council.

NIPEC have in place a Risk Management Strategy and Action Plan which is reviewed annually and was presented to the Audit & Risk Committee in February 2020 for approval. The Audit and Risk Committee has been nominated by the Council to act as the body responsible for reviewing the arrangements and systems in place for Risk Management Activity. The Risk Strategy sets out 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.

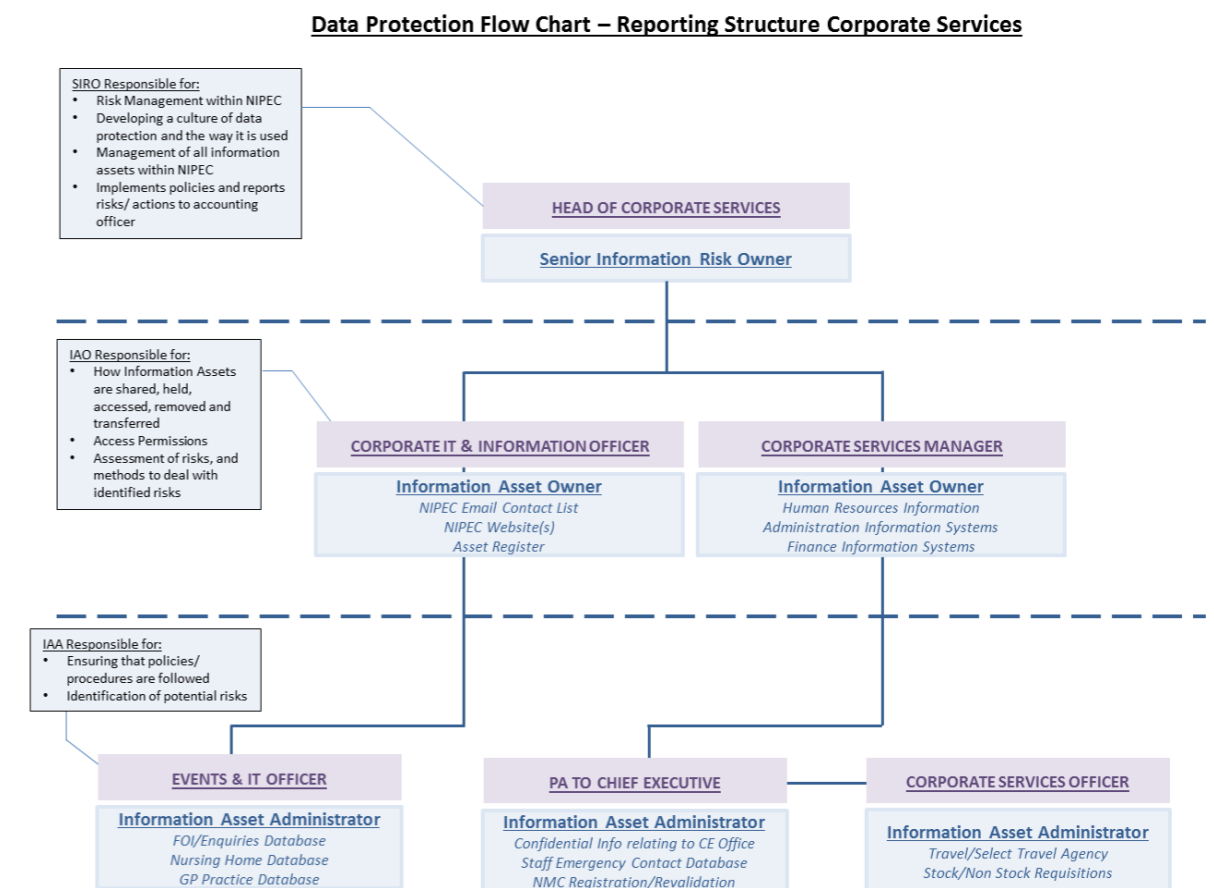
NIPEC'S Corporate Risk Register identifies risks that pose a strategic risk to the organisation and includes risk impact, score and action plans to ensure the focused and effective management of these. The register is discussed and updated monthly by the Business Team, reviewed quarterly by the Audit & Risk Committee before presentation at the quarterly Council meetings. It is published monthly on the NIPEC website.

Assurance regarding the effectiveness of risk management is gained through regular audits and in 2019-20, BSO Internal Audit carried out an audit of NIPEC's risk management processes. Satisfactory assurance was provided.

Risk Awareness training is included in the regionally agreed HSC e-learning packages for risk management and staff are encouraged to complete this, with uptake monitored by the Business Team.

#### 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 the Data Guardian and Senior Information Risk Officer for the Organisation and NIPEC has an appointed Data Protection Officer provision via its SLA with BSO. Hard copy information which may contain sensitive data, for example personal addresses, is stored in secure filing with access limited to only those staff members who need to use the data. Any records which are stored electronically are password protected.

The NIPEC Information Governance Group ensures that NIPEC adheres to all legislation, policies, procedures and guidance relating to the handling and management of information within the organisation. All decisions along with major relevant business changes are presented to the Business Team for consideration and approval. To learn

from and share good practice, NIPEC is also a member of the regional Information Governance Advisory Group led by DoH Information Unit.

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

- All NIPEC laptops, USB memory sticks and Smart Phones are encrypted;
- Remote access is facilitated by means of a BSO ITS Mobile PASS token;
- IT policies and procedures are updated on an ongoing basis and circulated to staff;
- Regular mandatory training is available to all staff, providing them with an up to date understanding of information governance issues and risks.

## 6. Assurance

The Audit & Risk Committee provides assurance to the Council on the adequacy and effectiveness of NIPEC'S system of internal control. In particular, the Committee provides an independent review of:

- all risk and control related disclosure statements;
- the underlying assurance processes that indicate the degree of the achievement of corporate objectives;
- policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements;
- policies and procedure for all work related to fraud and corruption as set out in the DoH Guidance.

In carrying out this work the Committee will primarily utilise the work of Internal and External Audit although it will not be limited to these audit functions and can seek other assurance/s, when appropriate, from staff or other independent experts.

NIPEC Council also receives assurance through review reports on the system of internal financial control such as those provided by Internal Audit. NIPEC outsources part of its financial management function through an SLA with BSO and monitoring of this is carried out by regular budget review meetings with BSO Finance staff and ongoing informal discussion.

There are a number of measures in place to assure NIPEC Council on the organisation's efficient use of funding and resources which include:

- comprehensive budgeting systems, with an annual budget which is reviewed and agreed by the Council;
- setting targets to measure financial and other performances;

- monthly financial monitoring returns to DoH Financial Management Unit for both revenue and capital;
- regular reviews by the Council of financial reports, which indicate financial performance against the forecast;
- a set of the draft minutes of the last Audit and Risk Committee meeting;
- an Annual Report on the activity of the Audit and Risk Committee for the year is submitted to the Council;
- a copy of NIPEC's monitoring of its organisational KPIs.

The Department requires NIPEC to pay non HSC trade creditors in accordance with applicable terms and appropriate Government Accounting guidance and its measure of compliance is reviewed monthly by the Senior Team and quarterly by the Audit & Risk Committee and the Council. During 2019-20, NIPEC payment compliance of 94.5% fell slightly short of the invoice prompt payment target of 95% within 30 calendar days. This situation was monitored closely and NIPEC Officers worked with staff from BSO Shared Services Payments to improve performance which led to improvement in the second half of the year.

Controls Assurance Standards (CAS) ceased with effect from 1 April 2018 when ALBs were asked to ensure that suitable and proportionate assurance arrangements be put in place for each of the standards from 1 April 2018. Since then and in the absence of a regionally agreed approach, NIPEC has utilised an internal mechanism based on the former controls assurance standards, the table below summarises the 2019-20 assessment:

Self-assessment scores 2019/20	
Financial Management	89%
Governance Management	95%
Information & Communications Technology	94%
Information Management	85%
Management of Purchasing	91%
Risk Management	91%
Human Resources	86%
Fire Safety	93%
Health and Safety	92.4%

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.

## 7. 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 Internal Audit Plan for 2019-20, agreed by the Audit and Risk Committee in May 2019 was based on 19.5 days' work and focused on the areas of Finance and Governance. The financial review audit covered payroll, non-pay expenditure, income, procurement and travel expenses while the governance audit covered Information Governance and Risk Management. All audit assignments for 2019-20 were completed and outcomes were as follows:

- **Financial Review** - **'Satisfactory Assurance'**  
*No priority 1 weaknesses were identified.*
- **Information Governance & Risk Management** - **'Satisfactory Assurance'**  
*No priority 1 weaknesses were identified.*

The Head of Internal Audit presented a Mid-Year Assurance Statement to the Audit and Risk Committee meeting in October 2019, to support the Chief Executive in the completion of the DoH Mid-Year Assurance Statement.

The Head of Internal Audit is required to provide an annual opinion on risk management, control and governance arrangements. The purpose of the annual opinion is to contribute to the assurances available to the Accounting Officer and the Council which underpin the Council's own assessment of the effectiveness of the system of internal governance.

The Head of Internal Audit's Annual Report 2019-20 for the Year gave the following opinion for NIPEC:

*"Overall for the year ended 31 March 2020, I can provide **Satisfactory** assurance on the adequacy and effectiveness of the organisation's framework of governance, risk management and control."*

### • External audit

The Financial Statements of NIPEC are audited by the Northern Ireland Audit Office who provide independent assurance to the Northern Ireland Assembly. Any control

weaknesses identified in the course of conducting the audit are communicated to the Audit & Risk Committee in the Report to those Charged with Governance. A representative from the Northern Ireland Audit office attends the NIPEC Audit & Risk Committee meetings.

### • 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 10 January 2018 for a period of 3 years. Throughout 2019-20, NIPEC continued to work on the recommendations from our IiP action plan to ensure we are prepared for the re-accreditation process in January 2021.

### • Nursing and Midwifery Council (NMC) – Professional Registration

The Chief Executive, the five Senior Professional Officers, NIPEC Professional Associates and Registrant members of Council have to hold, as a requirement of their employment/appointment, a current valid Nursing and/or Midwifery registration with the NMC. This registration has to be revalidated every three years with the requirement to renew registration on an annual basis for which an annual fee is paid to the NMC. NIPEC monitors this on an ongoing basis.

## 8. 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 Senior 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 & Risk Committee, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

To keep Members updated on the Organisation's efficient use of funding and resources, at each Council meeting they receive a set of the draft minutes of the last Audit & Risk Committee meeting, accompanied by a verbal report from the Committee Chair and a written report from the Head of Corporate Services. An update on the progress of NIPEC's current projects is given by the Chief Executive and this is complemented, at times, with a presentation by the relevant Senior Professional Officer.

The Audit & Risk Committee agenda covers Financial Statements, Financial Audit areas (Internal & External), Corporate Risk Register, 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 & Risk Committee for the year 2019-2020 will be submitted to the Council meeting being held on 24 June 2020.

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

## 9. Internal Governance Divergences – Current and New for 2019-20

### Shared Service Audits

A number of audits (summarised below) have been conducted in 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 BSO Governance & Audit Committee. As NIPEC is a customer of BSO Shared Services, a summary of the reports was included in the NIPEC HIA Annual Report 2019-20, summary below:

Shared Service Audit	Assurance
<b>Payroll Service Centre:</b>	
- Follow Up Review September 2019	<b>Limited</b>
- Payroll Service Centre – Year End March 2020	<b>Satisfactory</b> for Elementary Payroll Processes; <b>Limited</b> for Timesheets, RTI Data HMRC/SAP & Management of Overpayments
<b>Recruitment Shared Service Centre:</b>	
- RSSC Recruitment Processes	<b>Satisfactory</b>
- eRecruit System Functionality	<b>Limited</b>
<b>Accounts Receivable</b>	<b>Satisfactory</b>
<b>Accounts Payable</b>	<b>Satisfactory</b>

## 10. Property Asset Management Plan (PAMP)

In line with the DoH requirement for ALB's to produce an annual PAMP to show that they are using property assets efficiently and effectively, NIPEC submitted its seventh Property Asset Management Plan (PAMP) to Property Management Branch for the period 2019-20 to 2023-24.

As a tenant of Centre House, NIPEC's lease expired on 30 November 2019. The Department of Finance (DoF) with the assistance of Land and Property Services (LPS) led discussions with the Landlord's agent regarding the re-gearing of the lease and these negotiations were successfully concluded with an extension of the lease to 31 August 2022. The extension incurred an increase in costs for the organisation and

NIPEC have raised this as a financial pressure for 2020-21 with DoH Sponsor Branch and Financial Management Unit.

In September 2022, NIPEC is scheduled to move as part of the Department of Finance (DoF) reform of property project to James House. NIPEC has continued to work in partnership with the James House Project which was established to provide an accommodation solution for ten bodies that sit within leases that are due to expire. NIPEC has joined the James House Transition Management Working Group (TMWG) which held its inaugural meeting in February 2020.

## 11. Reporting of Complaints

NIPEC's complaints register records show no formal complaints made during 2019-20. 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. This is part of NIPEC's ongoing work to ensure that its complaint procedures adhere to best practice any guidance or correspondence, issued by either the DoH or the NI Ombudsman's Office are used to review its procedures.

## 12. Reporting of Adverse Incidents

NIPEC has in place a Policy for the reporting of Adverse Incidents/Accidents/Near Misses & Dangerous Occurrences. To note that there were no incidents recorded for 2019-20.

## 13. Budget Position and Authority

The Assembly passed the Budget Act (Northern Ireland) 2020 in March 2020 which authorised the cash and use of resources for all departments and their Arms' Length Bodies for the 2019-20 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2020 also authorised a Vote on Account to authorise departments' access to cash and use of resources for the early months of the 2020-21 financial year. While it would be normal for this to be followed by the 2020-21 Main Estimates and the associated Budget (No. 2) Bill before the summer recess, the COVID-19 emergency and the unprecedented level of allocations which the Executive has agreed in response, has necessitated that the Budget (No. 2) Bill is instead authorising a further Vote on Account to ensure departments and their Arms' Length Bodies have access to the cash and resources through to the end of October 2020, when the Main Estimates will be brought to the Assembly and the public expenditure position is more stable.

## 14. EU Exit

On 29 March 2017, the UK Government submitted its notification to leave the EU in accordance with Article 50. On 31 January 2020, the Withdrawal Agreement between the UK and the EU became legally binding and the UK left the EU. The future

relationship between the EU and the UK will be determined by negotiations taking place during the transition period ending 31 December 2020. As uncertainty still exists regarding the Northern Ireland Protocol, this is under review in conjunction with key stakeholders. NIPEC will continue to work collaboratively with colleagues during 2020-21 across the Department, HSC and wider to ensure we are appropriately prepared for the end of the transition period and the new dispensation.

## 15. Covid-19

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

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

Social distancing measures were implemented in line with The Health Protection (Coronavirus, Restrictions) (Northern Ireland) Regulations 2020 and the health sector played an important part in ensuring the NI population were aware of the need to adhere to the measures to reduce risk of transmission. The actions of the health sector throughout the continued response to the pandemic are based on the ongoing assessment of three key criteria: the most up-to-date scientific evidence; the ability of

the health service to cope; and the wider impacts on our health, society and the economy. Across healthcare, leading on the testing of COVID-19 in NI has and continues to be a key priority with testing centres being set up across the country including mobile testing. The Department's Expert Advisory Group has overseen the strategic approach to testing in NI. The Minister of Health is a member of the Ministerial Testing Taskforce, chaired by the Secretary of State for Health, and so NI is fully engaged with the strategy for testing at a national level. NI testing capacity has also been increased through Health's facilitation of the UK Coronavirus National Testing Programme. Northern Ireland Contact Tracing Service began contact tracing all confirmed cases of COVID-19 on 18 May 2020. Volunteers have been recruited and redeployed across the health sector and the team is being scaled up to strive to ensure that every conceivable effort is made to continue to limit transmission as lockdown measures across the region are eased. The Department has prepared a COVID-19 Test, Trace and Protect Strategy which sets out the public health approach to minimising COVID-19 transmission in the community in Northern Ireland. The Chief Medical Officer has established a Strategic Oversight Board for the NI COVID-19 strategy which will bring all of the key elements together – namely testing, contact tracing, information and advice, and support - working together with colleagues across the HSC to endeavour to maintain community transmission at a low level and respond to clusters of infection localised in NI. The early outcome is more favourable than the modelling of the reasonable worst case scenario and the Department and HSC are no longer in emergency response mode, some areas have been able to be stood down in recent times although there is a need to continue to remain vigilant and in a state of operational readiness to react should a resurgence occur.

Alongside the ongoing and changing needs of response to COVID-19 there is an urgent need to seek to rebuild wider healthcare services and confidence in the community. Officials have over recent weeks carried out an urgent project to assess the impact of COVID-19 on HSC services delivery. On 9 June 2020 a new Strategic Framework was launched aimed at rebuilding health and social care services. The key aim will be to incrementally increase HSC service capacity as quickly as possible across all programmes of care, within the prevailing COVID-19 conditions. A new Management Board for Rebuilding HSC Services has also been created. This will broadly consist of senior Department of Health officials, Trust Chief Executives and other HSC leaders. COVID-19 has had a profound impact on the delivery of health and social care services and across the HSC plans are incrementally being enacted to begin recovery whilst planning for a potential second wave. The Department is continuing to work closely across the HSC to support and define the requirements and opportunities to meet continuing and rapidly changing pressures in these unprecedented and challenging times.

## 16. 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 senior management team and Head of Internal Audit, I am content that NIPEC has operated a sound system of internal governance during the period 2019-2020.

## 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 (DoH).

### Remuneration Committee

The Remuneration Committee of NIPEC is chaired by Professor Carol Curran (Chair of NIPEC) and the membership consists of the Lay and Professional Members of Council. As per the DoH 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.

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 2019-20 as the interim Chief Executive post was being filled as a secondment from the DoH.

### Remuneration Policy

The Chair of NIPEC is entitled to receive a payment of £11,168 per annum. The remaining members of NIPEC's Council do not receive any remuneration but are entitled to claim any reasonable expenses incurred on Council business.

NIPEC applies the remuneration policy as directed by circular HSS (SM) 3/2001, issued by the DoH 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

HSC 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 DoH;
Mr Edmund Thom	was transferred, under TUPE, to Head of Corporate Services on 1 April 2002 ( <i>retired 31<sup>st</sup> August 2019</i> );
Mrs Cathy McCusker	was appointed Senior Professional Officer on 1 April 2006;
Ms Angela Reed	was appointed Senior Professional Officer on 3 November 2008;
Dr Carol McKenna	was appointed Senior Professional Officer on 1 <sup>st</sup> January 2009; (currently on a career break);
Ms Frances Cannon	was appointed Senior Professional Officer on 16 April 2012 ( <i>retired 30 September 2019</i> );
Ms Fiona Bradley	was appointed Senior Professional Officer on 1 <sup>st</sup> April 2019;
Mrs Caroline Leckey	was appointed on a secondment to NIPEC as a Senior Professional Officer on 1 <sup>st</sup> April 2019;
Ms Jill Jackson	was appointed Head of Corporate Services on 1 October 2019

### 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 HSC 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 HSC Medical Advisers.

There were no early retirements or payments of compensation for other departures paid during 2019-20.

### Staff Report

The Hutton Fair Pay Review recommended that, from 2011-12, all public service organisations publish their top to median pay multiples each year. The Department of Health issued Circular HSC (F) 23/2012 and subsequently issued Circular HSC (F) 23/2013, 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 application of the guidance contained in circular HSC (F) 23/2013, the following can be reported:

[subject to Audit]	2020	2019
Band of Highest Paid Director's Total Remuneration - £000s	70-75	70-75
Organisational - Median Total Remuneration Ratio	£44,406 1.6	£ 42,616 1.7
Range of Staff remuneration	£21k - £73k	£18k - £73k

### Public Sector appointees and Staff Resources not on Payroll

Under DoH 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 2019-20. 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 2019	-
New engagements during the year	-
Number of engagements transferred to departments payroll	-
Number of engagements that have come to an end during the year	-
Off-Payroll staff as at 31 March 2020	-

Staff Costs [subject to Audit]

	2020		2019	
	Permanently employed staff £000s	Others £000s	Total £000s	Total £000s
Staff costs comprise:	£	£	£	£
Wages and salaries	1,553	46	1,599	807
Social security costs	72	-	72	59
Other pension costs	132	-	132	75
<b>Sub-Total</b>	<b>1,757</b>	<b>46</b>	<b>1,803</b>	<b>941</b>
Capitalised staff costs	-	-	-	-
<b>Total staff costs reported in Statement of Comprehensive Expenditure</b>	<b>1,757</b>	<b>46</b>	<b>1,803</b>	<b>941</b>
Less recoveries in respect of outward secondments	-	-	-	-
<b>Total net costs</b>		<b>1,803</b>		<b>941</b>

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 DoH. 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. The 2016 valuation for the HSC Pension scheme updated to reflect current financial conditions (and a change in financial assumption methodology) will be used in 2019-20 accounts.

**Average number of persons employed [subject to Audit]**

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

	2020		2019	
	Permanently employed staff No.	Others No.	Total No.	Total No.
Administrative and clerical	11	1	12	11
Nursing and Midwifery	9	-	9	10
<b>Total average number of persons employed</b>	<b>20</b>	<b>1</b>	<b>21</b>	<b>21</b>
Less average staff number relating to capitalised staff costs			-	-
Less average staff number in respect of outward secondments			-	-
<b>Total net average number of persons employed</b>			<b>21</b>	<b>21</b>

The staff numbers disclosed as 'Others' in 2019-20 relate to temporary members of staff.

The gender breakdown for 2020 is:

	Female	Male
Administrative and Clerical	10	2
Nursing and Midwifery (inc. 1 Senior Civil Servant)	9	0
<b>Total</b>	<b>19</b>	<b>2</b>

Staff composition: NIPEC does not employ any Directors. The Chief Executive is a Senior Civil Servant seconded to the post.

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

Exit package cost band	*Number of compulsory redundancies		*Number of other departures agreed		Total number of exit packages by cost band	
	2020	2019	2020	2019	2020	2019
<£10,000	-	-	-	-	-	-
£10,001 - £25,000	-	-	-	-	-	-
£25,001 - £50,000	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	-	-	-
£100,001- £150,000	-	-	-	-	-	-
£150,001- £200,000	-	-	-	-	-	-
> £200,000	-	-	-	-	-	-
<b>Total number of exit packages by type</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total resource cost</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>	<b>£000s</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.

The table above shows the total exit cost of exit packages agreed and accounted for in 2019-20 and 2018-19. £Nil exit costs were paid in 2019-20, the year of departure (2018-19 £Nil). Where NIPEC has agreed early retirements, the additional costs are met by NIPEC and not by the HSC pension scheme. All 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:  
[subject to Audit]

Name	2019-20				2018-19					
	Salary £000s	Bonus / Performance Pay £000s	Benefits in kind (rounded to nearest £100)	Pension Benefits (rounded to nearest £1,000)	Total £'000	Salary £000s	Bonus / Performance Pay £000s	Benefits in kind (rounded to nearest £100)	Pension Benefits (rounded to nearest £1,000)	Total £'000
Angela McLernon*	70-75	-	-	-	70-75	70-75	-	-	-	70-75
Edmund Thom**	20-25 (Full year equivalent 55-60)	-	-	-	20-25 (Full year equivalent 55-60)	55-60	-	-	-	55-60
Cathy McCusker	55-60	-	100	14	70-75	55-60	-	100	20	75-80
Angela Reed	55-60	-	200	13	70-75	55-60	-	100	17	75-80
Fiona Bradley***	50-55	-	100	13	60-65	-	-	-	-	-
Frances Cannon****	30-35 (Full year equivalent 55-60)	-	-	-	30-35 (Full year equivalent 55-60)	55-60	-	100	35	95-100
Karen Murray*****	-	-	-	-	-	20-25	-	-	-	20-25
Jill Jackson*****	20-25 (Full year equivalent 50-55)	-	-	-	20-25 (Full year equivalent 50-55)	-	-	-	-	-

\*Angela McLernon seconded from DoH

\*\* Edmund Thom left 31 August 2019

\*\*\* Fiona Bradley started 1 April 2019

\*\*\*\* Frances Cannon left 30 September 2019

\*\*\*\*\* Karen Murray left 14 September 2019

\*\*\*\*\* Jill Jackson started on 1 October 2019

Pensions of the Senior Business Team [subject to Audit]

Name	Accrued pension at pension age as at 31/3/20 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31 March 2020 £'000s	CETV at 31 March 2019 £'000s	Real increase in CETV £'000s
*Angela McLernon	-	-	-	-	-
**Edmund Thom	-	-	-	-	-
Cathy McCusker	0-2.5 Plus lump sum of 0-2.5	25-30 Plus lump sum of 70-75	573	544	15
Angela Reed	0-2.5 Plus lump sum of 0-2.5	20-25 Plus lump sum of 45-50	411	386	14
Fiona Bradley	0-2.5 Plus lump sum 2.5-5	20-25 Plus lump sum 60-65	476	436	20
Frances Cannon	-	-	-	-	-
***Jill Jackson	-	-	-	-	-

\*Angela McLernon is a secondment and non-pensionable.

\*\*Edmund Thom and Francis Cannon are in receipt of their pension.

\*\*\*Jill Jackson started in October 2019, no CETV information is available.

As Non-Executive members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which 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 to the member as a result of their purchasing additional years of pension service in the scheme at their own cost.

CETVs are calculated within the guidelines 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.

### **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.

### **Equality**

NIPEC is committed to promoting equality of opportunity for all. It is the policy of NIPEC to provide employment 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 and Staff Communication**

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.

### **Staff Absence**

The cumulative sickness and absenteeism rate for the organisation as at the end of March 2020 was 1.16% which was below the Departmental target of 3.7%.

### **Health and Social Wellbeing**

Details of NIPEC's Health and Social Wellbeing Committee (Accountability Report, p23) continued to meet during the year with the programme of activities for 2019-20 including:

- A 10,000 step challenge with four teams participating;
- A Halloween Soupalicious lunch and Fireside Quiz;
- A Christmas Appeal for the Belfast Welcome Centre;

- Various communications to staff on regional events such as Men's Health Week, Healthy Body Healthy Mind and Disability Awareness Days.

## Accountability and Audit Report

### Assembly Accountability Disclosure Notes

#### (i) Losses and Special Payments:

Losses statement	2019-20		2018-19
	Number of Cases	£000	£000
Total number of losses	-	-	-
Total value of losses	-	-	-

Individual losses over £250,000	2019-20		2018-19
	Number of Cases	£	£
Cash losses	-	-	-
Claims abandoned	-	-	-
Administrative write-offs	-	-	-
Fruitless payments	-	-	-
Stores losses	-	-	-

Special payments	2019-20		2018-19
	Number of Cases	£000	£000
Total number of special payments	-	-	-
Total value of special payments	-	-	-

Special Payments over £250,000	2019-20		2018-19
	Number of Cases	£	£
Compensation payments			
- Clinical Negligence	-	-	-
- Public Liability	-	-	-
- Employers Liability	-	-	-
- Other	-	-	-
Ex-gratia payments	-	-	-
Extra contractual	-	-	-
Special severance payments	-	-	-
<b>Total special payments</b>	-	-	-

#### Other Payments

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

## Accountability Report

### Regularity

NIPEC is resourced through an annual Revenue Resource Limit and is responsible and accountable for all of its activities. In 2019-2020, mechanisms were maintained in order to assure the DoH and the public of the efficient and effective performance of NIPEC in delivering its functions, ensuring compliance with Statutory and Regulatory requirements and the proper and effective use of public funds. 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.

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

### Special Payments

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

### Other Payment

There were no other payments made during the year.

### Long Term Expenditure Plans

Excluding impact of any transformation funding, NIPEC received an opening allocation for 2020-21 of £1,310,400. There is an expectation that NIPEC will absorb total price inflation and the first 1% of 2020-21 pay inflation costs from this allocation which imposes major financial challenges on the Organisation. NIPEC will therefore develop its financial plans in this context, ensuring that sufficient resources are set aside to meet any pressures arising for 2020/21.

### Fees and Charges

There were no other fees and charges 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. NIPEC had no remote contingent liabilities.

### 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.

In addition, due to the manner in which the NIPEC is funded, the Statement of Financial Position will show a negative position. In line with the FReM, sponsored entities such as the NIPEC which show total net liabilities, should prepare financial statements on a going concern basis. The cash required to discharge these net liabilities will be requested from the Department when they fall due, and is shown in the Statement of Changes in Taxpayers' Equity.

Signed:  Date: 08/07/2020

Mrs Angela McLernon, OBE  
Accounting Officer


### Certificates of Chairman and Chief Executive

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 64 to 102), 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 DoH.

Signed:  Chief Executive

Date: 8/7/2020

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 64 to 102), as prepared in accordance with the above requirements, have been submitted to, and duly approved by, the Council.

Signed:  Chairman

Date: 8/7/2020

Signed:  Chief Executive

Date: 8/7/2020

## NORTHERN IRELAND PRACTICE AND EDUCATION COUNCIL

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

#### Opinion on financial statements

I certify that I have audited the financial statements of the Northern Ireland Practice and Education Council for the year ended 31 March 2020 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 including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Northern Ireland Practice and Education Council's affairs as at 31 March 2020 and of the Northern Ireland Practice and Education Council's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Health and Personal Social Services Act (Northern Ireland) 2002 and Department of Health directions issued thereunder.

#### 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.

#### Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of Northern Ireland Practice and Education Council in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

#### Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs(UK) require me to report to you where:

- the Northern Ireland Practice and Education Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Northern Ireland Practice and Education Council have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Northern Ireland Practice and Education Council's ability to continue to adopt the going concern basis.

#### Other Information

The Council and the Accounting Officer are responsible for the other information included in the annual report. The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

#### Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have 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 Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### Responsibilities of the Council and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Council and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

#### Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services Act (Northern Ireland) 2002.

My objectives are to obtain 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs

(UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the 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.

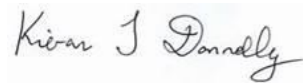
#### **Matters on which I report by exception**

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

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability 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 the Department of Finance's guidance.

#### **Report**

I have no observations to make on these financial statements.



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

**BT7 1EU**

28 July 2020

## Financial Statements

### for the Year Ended 31 March 2020

*These accounts for the year ended 31 March 2020 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 2020

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	2020 £	2019 £
<b>Income</b>			
Revenue from contracts with customers	4.1	-	-
Other operating income	4.2	29,714	26,967
Deferred income	4.3	-	-
<b>Total operating income</b>		<b>29,714</b>	<b>26,967</b>
<b>Expenditure</b>			
Staff costs	3	(1,803,130)	(940,497)
Purchase of goods and services	3	(19,263)	(23,055)
Depreciation, amortisation and impairment charges	3	(15,544)	(9,772)
Provision expense	3	(57,781)	10,399
Other expenditure	3	(518,908)	(331,500)
<b>Total operating expenditure</b>		<b>(2,414,626)</b>	<b>(1,294,425)</b>
<b>Net Expenditure</b>		<b>(2,384,912)</b>	<b>(1,267,458)</b>
Finance income	4.2	-	-
Finance expense	3.2	-	-
<b>Net expenditure for the year</b>		<b>(2,384,912)</b>	<b>(1,267,458)</b>
Revenue Resource Limit (RRL) received from DHSSPS	23.1	2,402,725	1,281,306
<b>Surplus/(Deficit) against RRL</b>		<b>17,813</b>	<b>13,848</b>
<b>OTHER COMPREHENSIVE EXPENDITURE</b>			
	NOTE	2020 £	2019 £
<b>Items that will not be reclassified to net operating costs:</b>			
Net gain/(loss) on revaluation of property, plant & equipment	5.1/9/5.2/9	-	-
Net gain/(loss) on revaluation of intangibles	6.1/9/6.2/9	2	7
Net gain/(loss) on revaluation of financial instruments	7/9	-	-
<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 2020</b>		<b>(2,384,910)</b>	<b>(1,267,451)</b>

The notes on pages 68 to 102 form part of these accounts.

## STATEMENT of FINANCIAL POSITION as at 31 March 2020

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	2020 £	2019 £
<b>Non Current Assets</b>			
Property, plant and equipment	5.1/5.2	15,257	17,707
Intangible assets	6.1/6.2	31,688	39,849
Financial assets	7	-	-
Trade and other receivables	13	-	-
Other current assets	13	-	-
<b>Total Non Current Assets</b>		<b>46,945</b>	<b>57,556</b>
<b>Current Assets</b>			
Assets classified as held for sale	10	-	-
Inventories	11	-	-
Trade and other receivables	13	20,053	19,529
Other current assets	13	17,028	10,007
Intangible current assets	13	-	-
Financial assets	7	-	-
Cash and cash equivalents	12	23,800	23,202
<b>Total Current Assets</b>		<b>60,881</b>	<b>52,738</b>
<b>Total Assets</b>		<b>107,826</b>	<b>110,294</b>
<b>Current Liabilities</b>			
Trade and other payables	14	(389,115)	(180,602)
Other liabilities	14	-	-
Intangible current liabilities	14	-	-
Financial liabilities	7	-	-
Provisions	15	(30,171)	(29,458)
<b>Total Current Liabilities</b>		<b>(419,286)</b>	<b>(210,060)</b>
<b>Total assets less current liabilities</b>		<b>(311,460)</b>	<b>(99,766)</b>
<b>Non Current Liabilities</b>			
Provisions	15	(642,207)	(615,310)
Other payables > 1 yr	14	-	-
Financial liabilities	7	-	-
<b>Total Non Current Liabilities</b>		<b>(642,207)</b>	<b>(615,310)</b>
<b>Total assets less total liabilities</b>		<b>(953,667)</b>	<b>(715,076)</b>
<b>Taxpayers' Equity and other reserves</b>			
Revaluation reserve		53	51
SoCNE Reserve		(953,720)	(715,127)
<b>Total equity</b>		<b>(953,667)</b>	<b>(715,076)</b>

The financial statements on pages 64 to 67 were approved by the Board on 24 June 2020 and were signed on its behalf by:

Signed *Carol Curran*  
(Chairman) Date 8/7/2020

Signed *Angela McKeown*  
(Chief Executive) Date 8/7/2020

## STATEMENT of CASHFLOWS for the year ended 31 March 2020

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	2020 £	2019 £
<b>Cashflows from operating activities</b>			
Net surplus after interest/Net operating cost		(2,384,912)	(1,267,458)
Adjustments for non cash costs	3	89,325	14,273
(Increase)/decrease in trade and other receivables		(7,545)	39,333
<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		208,513	36,632
<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		(4,931)	-
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	(30,171)	(29,458)
<b>Net cash outflow from operating activities</b>		<b>(2,129,721)</b>	<b>(1,206,678)</b>
<b>Cashflows from investing activities</b>			
(Purchase of property, plant & equipment)	5	-	(9,149)
(Purchase of intangible assets)	6	-	(39,210)
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>		<b>(48,359)</b>	
<b>Cash flows from financing activities</b>			
Grant in aid		2,130,319	1,255,773
Cap element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements		-	-
<b>Net financing</b>		<b>2,130,319</b>	<b>1,255,773</b>
<b>Net increase (decrease) in cash &amp; cash equivalents in the period</b>			
		598	736
<b>Cash &amp; cash equivalents at the beginning of the period</b>	12	<b>23,202</b>	<b>22,466</b>
<b>Cash &amp; cash equivalents at the end of the period</b>	12	<b>23,800</b>	<b>23,202</b>

The notes on pages 68 to 102 form part of these accounts.

## STATEMENT of CHANGES in TAXPAYERS EQUITY for the year ended 31 March 2020

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). 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 £	Taxpayers Equity £
<b>Balance at 31 March 2018</b>		<b>(718,342)</b>	<b>44</b>	<b>(718,298)</b>
<b>Changes in Taxpayers Equity 2018-19</b>				
Grant from DoH		1,255,773	-	1,255,773
Transfers between reserves (Comprehensive expenditure for the year)		(1,267,458)	7	(1,267,451)
Transfer of asset ownership		-	-	-
Non cash charges - auditors remuneration	3	14,900	-	14,900
<b>Balance at 31 March 2019</b>		<b>(715,127)</b>	<b>51</b>	<b>(715,076)</b>
<b>Changes in Taxpayers Equity 2019-20</b>				
Grant from DoH		2,130,319	-	2,130,319
Transfers between reserves (Comprehensive expenditure for the year)		(2,384,912)	2	(2,384,910)
Transfer of asset ownership		-	-	-
Non cash charges - auditors remuneration	3	16,000	-	16,000
<b>Balance at 31 March 2020</b>		<b>(953,720)</b>	<b>53</b>	<b>(953,667)</b>

STATEMENT OF ACCOUNTING POLICIES

1. Authority

These accounts have been prepared in a form determined by the Department of Health, based on guidance from the Department of Finance’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.

In addition, due to the manner in which NIPEC is funded, the Statement of Financial Position will show a negative position. In line with the FReM, sponsored entities such as the NIPEC which show total net liabilities, should prepare financial statements on a going concern basis. The cash required to discharge these net liabilities will be requested from the Department when they fall due, and is shown in the Statement of Changes in Taxpayers’ Equity.

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
- 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 equipment is 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

NIPEC did not own any Land and Building in the current 2019-20 financial year, or in the 2018-19 financial year.

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.

**Modern Equivalent Asset**

DoF 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.

**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.

Asset Type	Asset Life
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.

**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, websites. Software that is integral to the operating of hardware, for example an operating system is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible 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.

**Recognition**

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of NIPEC'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.

**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**

Income is classified between Revenue from Contracts and Other Operating Income as assessed necessary in line with organisational activity, under the requirements of IFRS 15 and as applicable to the public sector. Judgement is exercised in order to determine whether the 5 essential criteria within the scope of IFRS 15 are met in order to define income as a contract. Income relates directly to the activities of the HSC body and is recognised when, and to the extent that a performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised. Where the criteria to determine whether a contract is in existence is not met, income is classified as Other Operating Income within the Statement of Comprehensive Net Expenditure and is recognised when the right to receive payment is established.

In year of initial application, the introduction of IFRS 15 has not impacted on the timing of satisfying performance obligations of contracts in existence therefore the transaction price determined has not changed as a result of its introduction. The current impact of its introduction has resulted in reclassification of income based on consideration of whether there is a written, oral or implied contract in existence. Note 4 Income provides initial application disclosures in line with HM Treasury application guidance on transition to IFRS 15.

**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**

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.

**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 NIPEC'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 IAS17. 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.

**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. IFRS 9 introduces the requirement to consider the expected credit loss model on financial assets. The measurement of the loss allowance depends upon the HSC Body's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument.

- **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 NIPEC is exposed to little credit, liquidity or market risk.

- **Currency risk**

NIPEC 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.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

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 DoF-issued discount rates of:

Rate	Time period	Real rate
Nominal	Short term (0 – 5 years)	0.51%
	Medium term (5 – 10 years)	0.55%
	Long term (10 - 40 years)	1.99%
	Very long term (40+ years)	1.99%
Inflationary	Year 1	1.9%
	Year 2	2.0%
	Into perpetuity	2.0%

as at 31 March 2020. Note that PES issued a combined nominal and inflation rate table to incorporate the two elements – please refer to this table as necessary, as included within issuing email of circular HSC(F) 37-2019.

The discount rate to be applied for employee early departure obligations are +0.5% with effect from 31 March 2020. 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 effect of any change in the discount rate.

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

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.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

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 2020 or 31 March 2019.

### 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 2020. It is not anticipated that the level of unused leave will vary significantly from year to year. (Untaken flexi leave is estimated to be immaterial to NIPEC and has not been included).

#### Retirement benefit costs

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

NIPEC 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 DoH. NIPEC is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis.

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 2017 valuation for the HSC Pension scheme will be used in the 2019-20 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.

**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**

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.

**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.

IFRS 16 Leases replaces IAS 17 Leases and is effective with EU adoption from 1 January 2019. In line with the latest advice from the Treasury and the Financial Reporting Advisory Board, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2021. Management consideration of the impact on introduction of IFRS 16 on initial application remains under consideration and will be fully determined in 2020-21.

The IASB issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards were effective with EU adoption from 1 January 2014.

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on Office of National Statistics (ONS) control criteria, as designated by Treasury. A similar review in NI, which will bring NI departments under the same adaption, has been carried out and the resulting recommendations were agreed by the Executive in December 2016. With effect from 2020-21, the accounting boundary for departments will change and there will be an impact on departments around the disclosure requirements under IFRS 12. ALBs apply IFRS in full and their boundary may change as a result of the new Standards.

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 the 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.

NIPEC Council 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.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### NOTE 3 - EXPENDITURE

	2020 £	2019 £
Staff costs: <sup>1</sup>		
Wages and salaries	1,599,447	806,242
Social security costs	71,845	58,868
Other pension costs	131,838	75,387
Supplies and services – general	19,263	23,055
Recharges from other HSC organisations	107,514	103,099
Establishment	138,476	53,910
Transport	-	-
Premises	236,317	154,264
Interest charges	-	-
Miscellaneous	20,601	5,327
<b>Total Operating Expenses</b>	<b>2,325,301</b>	<b>1,280,152</b>
<b>Non cash items</b>		
Depreciation	6,813	9,453
Amortisation	8,163	319
Impairments	-	-
(Profit) on disposal of property, plant & equipment (including land)	-	-
(Profit) on disposal of intangibles	-	-
Loss on disposal of property, plant & equipment (including land)	568	-
Loss on disposal of intangibles	-	-
Provisions provided for in year	57,781	(10,399)
Cost of borrowing provisions (unwinding of discount on provisions)	-	-
Auditors remuneration	16,000	14,900
<b>Total non cash items</b>	<b>89,325</b>	<b>14,273</b>
<b>Total</b>	<b>2,414,626</b>	<b>1,294,425</b>

<sup>1</sup> Further detailed analysis of staff costs is located in the Staff Report on page 49 within the Accountability Report. The increase in salary costs is due to temporary secondments of staff to NIPEC and recharge of salary costs in respect of other HSC staff working on Transformation Projects outlined in the Accountability Report.

During the year NIPEC purchased no non audit services from its external auditor (NIAO) (2018-19: £Nil).

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### NOTE 4 - INCOME

#### 4.1 Revenue from Contracts with Customers

NIPEC had no revenue from contracts with customers in 2019-20 and 2018-19.

#### 4.2 Other Operating Income

	2020 £	2019 £
Other income from non-patient services	29,714	26,967
Seconded staff	-	-
Charitable and other contributions to expenditure	-	-
Donations / Government grant / Lottery funding for non current assets	-	-
Profit on disposal of land	-	-
FTC interest receivable	-	-
Interest receivable	-	-
<b>Total Income</b>	<b>29,714</b>	<b>26,967</b>

#### 4.3 Deferred income

NIPEC had no deferred income in 2019-20 and 2018-19.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### NOTE 5.1 - Property, plant & equipment - year ended 31 March 2020

	Land £	Buildings (excluding dwellings) £	Dwellings £	Construction £	Assets under Plant and Machinery (Equipment) £	Transport Equipment £	Information Technology (IT) £	Furniture and Fittings £	Total £
<b>Cost or Valuation</b>									
At 1 April 2019	-	-	-	-	726	-	65,895	-	66,621
Indexation	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	4,931	-	4,931
Donations / Government grant / Lottery Funding	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to revaluation reserve	-	-	-	-	-	-	-	-	-
Reversal of impairments (indexn)	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	(15,362)	-	(15,362)
<b>At 31 March 2020</b>	-	-	-	-	<b>726</b>	-	<b>55,464</b>	-	<b>56,190</b>

### Depreciation

At 1 April 2019

Indexation  
Reclassifications

Transfers

Revaluation

Impairment charged to the SoCNE

Impairment charged to the  
revaluation reserve

Reversal of impairments (indexn)

Disposals

Provided during the year

**At 31 March 2020**

-	-	-	-	-	726	-	48,188	-	48,914
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(14,794)	-	(14,794)
-	-	-	-	-	-	-	6,813	-	6,813
-	-	-	-	-	<b>726</b>	-	<b>40,207</b>	-	<b>40,933</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### NOTE 5.1 - (continued) Property, plant & equipment- year ended 31 March 2020

	Land £	Buildings (excluding dwellings) £	Dwellings £	Construction £	Assets under Plant and Machinery (Equipment) £	Transport Equipment £	Information Technology (IT) £	Furniture and Fittings £	Total £
<b>Carrying Amount</b>									
At 31 March 2020	-	-	-	-	-	-	15,257	-	15,257
At 31 March 2019	-	-	-	-	-	-	17,707	-	17,707

### Asset financing

Owned

Finance leased

On B/S (SoFP) PFI and other  
service concession  
arrangements contracts

**Carrying Amount**

At 31 March 2020

-	-	-	-	-	-	-	15,257	-	15,257
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	15,257	-	15,257

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 (2019: £Nil)

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

	2020 £	2019 £
Donations	-	-
Government Grant	-	-
Lottery funding	-	-

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 5.2 - Property, plant & equipment - year ended 31 March 2019**

	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 2018	-	-	-	-	726	-	56,746	-	57,472
Indexation	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	9,149	-	9,149
Donations / Government grant / Lottery Funding	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to revaluation reserve	-	-	-	-	-	-	-	-	-
Reversal of impairments (indexn)	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>At 31 March 2019</b>	-	-	-	-	<b>726</b>	-	<b>65,895</b>	-	<b>66,621</b>

At 1 April 2018  
Indexation  
Additions  
Donations / Government grant / Lottery  
Funding  
Reclassifications  
Transfers  
Revaluation  
Impairment charged to the SoCNE  
Impairment charged to revaluation reserve  
Reversal of impairments (indexn)  
Disposals

<b>Depreciation</b>									
At 1 April 2018	-	-	-	-	726	-	38,735	-	39,461
Indexation	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to the revaluation reserve	-	-	-	-	-	-	-	-	-
Reversal of impairments (indexn)	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	9,453	-	9,453
Provided during the year	-	-	-	-	-	-	-	-	-
<b>At 31 March 2019</b>	-	-	-	-	<b>726</b>	-	<b>48,188</b>	-	<b>48,914</b>

At 1 April 2018  
Indexation  
Reclassifications  
Transfers  
Revaluation  
Impairment charged to the SoCNE  
Impairment charged to the revaluation  
reserve  
Reversal of impairments (indexn)  
Disposals  
Provided during the year

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

**NOTE 5.2 - (continued) Property, plant & equipment- year ended 31 March 2019**

	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 2019	-	-	-	-	-	-	17,707	-	17,707
At 1 April 2018	-	-	-	-	-	-	18,011	-	18,011

At 31 March 2019  
At 1 April 2018

<b>Asset financing</b>									
Owned	-	-	-	-	-	-	17,707	-	17,707
Finance leased	-	-	-	-	-	-	-	-	-
On SOFP PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b>									
At 31 March 2019	-	-	-	-	-	-	17,707	-	17,707

Owned  
Finance leased  
On SOFP PFI and other service  
concession arrangements contracts

<b>Asset financing</b>									
Owned	-	-	-	-	-	-	18,011	-	18,011
Finance leased	-	-	-	-	-	-	-	-	-
On SOFP PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b>									
At 1 April 2018	-	-	-	-	-	-	18,011	-	18,011

Owned  
Finance leased  
On SOFP PFI and other service  
concession arrangements contracts

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### NOTE 6.1 - Intangible assets - year ended 31 March 2020

Cost or Valuation	Software Licenses £	Information Technology £	Websites £	Development Expenditure £	Licences, Trademarks & Artistic Originals £	Patents £	Goodwill £	Payments on Account & Assets under Construction £	Total £
At 1 April 2019	-	40,815	-	-	-	-	-	-	40,815
Indexation	-	5	-	-	-	-	-	-	5
Additions	-	-	-	-	-	-	-	-	-
Donations / Government grant / Lottery Funding	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to revaluation reserve	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2019	-	<b>40,820</b>	-	-	-	-	-	-	<b>40,820</b>
<b>Amortisation</b>									
At 1 April 2019	-	966	-	-	-	-	-	-	966
Indexation	-	3	-	-	-	-	-	-	3
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to the revaluation reserve	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Provided during the year	-	8,163	-	-	-	-	-	-	8,163
At 31 March 2019	-	<b>9,132</b>	-	-	-	-	-	-	<b>9,132</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### NOTE 6.1 - (continued) Intangible assets - year ended 31 March 2020

Carrying Amount	Software Licenses £	Information Technology £	Websites £	Development Expenditure £	Licences, Trademarks & Artistic Originals £	Patents £	Goodwill £	Payments on Account & Assets under Construction £	Total £
At 31 March 2020	-	<b>31,688</b>	-	-	-	-	-	-	<b>31,688</b>
At 31 March 2019	-	<b>39,849</b>	-	-	-	-	-	-	<b>39,849</b>
<b>Asset financing</b>									
Owned	-	-	-	-	-	-	-	-	-
Finance leased	-	-	-	-	-	-	-	-	-
On B/S (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b>									
At 31 March 2020	-	-	-	-	-	-	-	-	-

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:

	2020 £	2019 £
Donations	-	-
Government Grant	-	-
Lottery funding	-	-

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 6.2 - Intangible assets - year ended 31 March 2019

Cost or Valuation	Software Licenses £	Information Technology £	Websites £	Development Expenditure £	Licences, Trademarks & Artistic Originals £	Patents £	Goodwill £	Payments on Account & Assets under Construction £	Total £
At 1 April 2018	-	1,590	-	-	-	-	-	-	1,590
Indexation	-	15	-	-	-	-	-	-	15
Additions	-	-	-	-	-	-	-	39,210	39,210
Donations / Government grant / Lottery Funding	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	39,210	-	-	-	-	-	(39,210)	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to revaluation reserve	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
At 31 March 2019	-	<b>40,815</b>	-	-	-	-	-	-	<b>40,815</b>
<b>Amortisation</b>									
At 1 April 2018	-	639	-	-	-	-	-	-	639
Indexation	-	8	-	-	-	-	-	-	8
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-
Impairment charged to the SoCNE	-	-	-	-	-	-	-	-	-
Impairment charged to the revaluation reserve	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Provided during the year	-	319	-	-	-	-	-	-	319
At 31 March 2019	-	<b>966</b>	-	-	-	-	-	-	<b>966</b>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 6.2 - (continued) Intangible assets - year ended 31 March 2019

Carrying Amount	Software Licenses £	Information Technology £	Websites £	Development Expenditure £	Licences, Trademarks & Artistic Originals £	Patents £	Goodwill £	Payments on Account & Assets under Construction £	Total £
At 31 March 2019	-	<b>39,849</b>	-	-	-	-	-	-	<b>39,849</b>
At 1 April 2018	-	<b>951</b>	-	-	-	-	-	-	<b>951</b>
<b>Asset financing</b>									
Owned	-	<b>39,849</b>	-	-	-	-	-	-	<b>39,849</b>
Finance leased	-	-	-	-	-	-	-	-	-
On B/S (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b>	-	<b>39,849</b>	-	-	-	-	-	-	<b>39,849</b>
At 31 March 2019	-	<b>39,849</b>	-	-	-	-	-	-	<b>39,849</b>
<b>Asset financing</b>									
Owned	-	<b>951</b>	-	-	-	-	-	-	<b>951</b>
Finance leased	-	-	-	-	-	-	-	-	-
On B/S (SoFP) PFI and other service concession arrangements contracts	-	-	-	-	-	-	-	-	-
<b>Carrying Amount</b>	-	<b>951</b>	-	-	-	-	-	-	<b>951</b>
At 1 April 2018	-	<b>951</b>	-	-	-	-	-	-	<b>951</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### NOTE 7 - FINANCIAL INSTRUMENTS

As the cash requirements of NDPBs are met through Grant-in-Aid provided by the Department of Health 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 - INVESTMENTS AND LOANS

NIPEC had no investments or loans at either 31 March 2020 or 31 March 2019.

### NOTE 9 - IMPAIRMENTS

	2020			Total £
	Property, plant & equipment £	Intangibles £	Financial assets £	
Total value of impairments for the period	-	-	-	-
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	-	-	-	-
<b>Impairments charged / (credited) to Statement of Comprehensive Net Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	2019			Total £
	Property, plant & equipment £	Intangibles £	Financial assets £	
Total value of impairments for the period	-	-	-	-
Impairments which revaluation reserve covers (shown in Other Comprehensive Expenditure Statement)	-	-	-	-
<b>Impairments charged / (credited) to Statement of Comprehensive Net Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### NOTE 10 - ASSETS CLASSIFIED AS HELD FOR SALE

NIPEC did not hold any assets classified as held for sale at either 31 March 2020 or 31 March 2019.

### NOTE 11 - INVENTORIES

NIPEC did not hold any goods for resale at either 31 March 2020 or 31 March 2019.

### NOTE 12 - CASH AND CASH EQUIVALENTS

	2020 £	2019 £
Balance at 1 April	23,202	22,466
Net change in cash and cash equivalents	598	736
<b>Balance at 31 March</b>	<b>23,800</b>	<b>23,202</b>

#### The following balances at 31 March were held at

	2020 £	2019 £
Commercial Banks and cash in hand	23,800	23,202
<b>Balance as at 31 March</b>	<b>23,800</b>	<b>23,202</b>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 13 - TRADE RECEIVABLES, FINANCIAL AND OTHER ASSETS

	2020 £	2019 £
<b>Amounts falling due within one year</b>		
Trade receivables	20,053	19,498
Deposits and advances	-	-
VAT receivable	-	-
Other receivables – not relating to fixed assets	-	31
Other receivables – relating to property, plant and equipment	-	-
Other receivables – relating to intangibles	-	-
<b>Trade and other receivables</b>	<b>20,053</b>	<b>19,529</b>
Prepayments	17,028	10,007
Accrued income	-	-
Current part of PFI and other service concession arrangements prepayment	-	-
<b>Other current assets</b>	<b>17,028</b>	<b>10,007</b>
Carbon reduction commitment	-	-
<b>Intangible current assets</b>	<b>-</b>	<b>-</b>
<b>Amounts falling due after more than one year</b>		
Trade receivables	-	-
Deposits and advances	-	-
Other receivables	-	-
<b>Trade and other receivables</b>	<b>-</b>	<b>-</b>
Prepayments and accrued income	-	-
<b>Other current assets falling due after more than one year</b>	<b>-</b>	<b>-</b>
<b>TOTAL TRADE AND OTHER RECEIVABLES</b>	<b>20,053</b>	<b>19,529</b>
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>17,028</b>	<b>10,007</b>
<b>TOTAL INTANGIBLE CURRENT ASSETS</b>	<b>-</b>	<b>-</b>
<b>TOTAL RECEIVABLES AND OTHER CURRENT ASSETS</b>	<b>37,081</b>	<b>29,536</b>

The balances are net of a provision for bad debts of £Nil (2018-19: £Nil).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 14 - TRADE PAYABLES AND OTHER CURRENT LIABILITIES

	2020 £	2019 £
<b>Amounts falling due within one year</b>		
Other taxation and social security	49,967	31,069
Bank overdraft	-	-
VAT payable	-	-
Trade capital payables – property, plant and equipment	4,931	-
Trade capital payables – intangibles	-	-
Trade revenue payables	708	15,149
Payroll payables	1,075	71
BSO payables	114	262
Other payables	99,710	-
Accruals and deferred income	232,610	134,051
Accruals and deferred income – relating to property, plant and equipment	-	-
Accruals and deferred income – relating to intangibles	-	-
Deferred income	-	-
<b>Trade and other payables</b>	<b>389,115</b>	<b>180,602</b>
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>	<b>-</b>	<b>-</b>
Carbon reduction commitment	-	-
<b>Intangible current liabilities</b>	<b>-</b>	<b>-</b>
<b>Total payables falling due within one year</b>	<b>389,115</b>	<b>180,602</b>
<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>	<b>-</b>	<b>-</b>
<b>TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES</b>	<b>389,115</b>	<b>180,602</b>



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 15 - PROVISIONS FOR LIABILITIES AND CHARGES – 2020

Name	Pensions relating to former directors		Pensions relating to other staff		Clinical Negligence		CSR Restructuring		Other	
	£	£	£	£	£	£	£	£	£	£
<b>Balance at 1 April 2019</b>	-	-	-	-	-	-	-	644,768	-	644,768
Provided in year (Provisions not required written back)	-	-	-	-	-	-	-	57,781	-	57,781
(Provisions utilised in the year)	-	-	-	-	-	-	-	-	-	-
Cost of borrowing (unwinding of discount)	-	-	-	-	-	-	-	(30,171)	-	(30,171)
<b>At 31 March 2020</b>	-	-	-	-	-	-	-	<b>672,378</b>	-	<b>672,378</b>

Comprehensive Net Expenditure Account Charges

	2020	2019
	£	£
Arising during the year	57,781	(10,399)
Reversed unused	-	-
Cost of borrowing (unwinding of discount)	-	-
<b>Total charge within Operating costs</b>	<b>57,781</b>	<b>(10,399)</b>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

NOTE 15 - PROVISIONS FOR LIABILITIES AND CHARGES – 2020

Analysis of expected timing of discounted flows as at 31 March 2020

	Pensions relating to former directors		Pensions relating to other staff		Clinical Negligence		CSR Restructuring		Other	
	£	£	£	£	£	£	£	£	£	£
Not later than one year	-	-	-	-	-	-	-	-	30,171	30,171
Later than one year and not later than five years	-	-	-	-	-	-	-	-	120,685	120,685
Later than five years	-	-	-	-	-	-	-	-	521,522	521,522
<b>At 31 March 2020</b>	-	-	-	-	-	-	-	-	<b>672,378</b>	<b>672,378</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.

NOTE 15 - PROVISIONS FOR LIABILITIES AND CHARGES – 2019

Name	Pensions relating to former directors £	Pensions relating to other staff £	Clinical Negligence £	Restructuring £	CSR £	Other £	2019 £
Balance at 1 April 2018	-	-	-	-	-	684,625	684,625
Provided in year (Provisions not required written back) (Provisions utilised in the year) Cost of borrowing (unwinding of discount)	-	-	-	-	-	(10,399)	(10,399)
<b>At 31 March 2019</b>	-	-	-	-	-	<b>644,768</b>	<b>644,768</b>

Analysis of expected timing of discounted flows as at 31 March 2019

	Pensions relating to former directors £	Pensions relating to other staff £	Clinical Negligence £	Restructuring £	CSR £	Other £	2020 £
Not later than one year	-	-	-	-	-	29,458	29,458
Later than one year and not later than five years	-	-	-	-	-	117,834	117,834
Later than five years	-	-	-	-	-	497,476	497,476
<b>At 31 March 2019</b>	-	-	-	-	-	<b>644,768</b>	<b>644,768</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 2020

NOTE 16 - CAPITAL COMMITMENTS

NIPEC had no capital commitments at either 31 March 2020 or 31 March 2019.

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	2020 £	2019 £
<b>Land</b>		
Not later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<b>300,411</b>	<b>48,360</b>
<b>Buildings</b>		
Not later than one year	124,308	48,360
Later than one year but not later than five years	176,103	-
Later than five years	-	-
	<b>300,411</b>	<b>48,360</b>
<b>Other</b>		
Not later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<b>-</b>	<b>-</b>

17.2 Finance Leases

NIPEC had no finance leases at either 31 March 2020 or 31 March 2019.

17.3 Operating Leases

NIPEC did not issue any operating leases at either 31 March 2020 or 31 March 2019

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### 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 2020 or 31 March 2019.

#### 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 2020 or 31 March 2019.

### NOTE 19 - OTHER FINANCIAL COMMITMENTS

NIPEC did not have any other financial commitments at 31 March 2020 or 31 March 2019.

### NOTE 20 - CONTINGENT LIABILITIES

NIPEC did not have any quantifiable contingent liabilities at either 31 March 2020 or 31 March 2019.

#### 20.1 - FINANCIAL GUARANTEES, INDEMNITIES AND LETTERS OF COMFORT

NIPEC did not have any financial guarantees, indemnities and letters of comfort at 31 March 2020 or 31 March 2019.

### NOTE 21 - RELATED PARTY TRANSACTIONS

NIPEC is an arm's length body of the Department of Health, and as such the Department is a related party with which NIPEC has various material transactions during the year – see Note 23 for annual RRL. In addition there were material transactions throughout the year with the Business Services Organisation who are a related party by virtue of being an arm's length body with the Department of Health – the value of the 2019-20 SLA was £87,922 plus VAT.

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

### NOTE 22 - THIRD PARTY ASSETS

NIPEC held no assets at either 31 March 2020 or 31 March 2019 belonging to third parties.

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### NOTE 23 - Financial Performance Targets

#### 23.1 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:

	2020 Total £	2019 Total £
DoH (excludes non cash)	2,313,400	1,267,033
Other Government Department		-
Non cash RRL (from DoH)	89,325	14,273
<b>Total agreed RRL</b>	<b>2,402,725</b>	<b>1,281,306</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>2,402,725</b>	<b>1,281,306</b>

#### 23.2 Capital Resource Limit

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

	2020 £	2019 £
Gross capital expenditure by NIPEC (Receipts from sales of fixed assets)	4,931	48,359
Net capital expenditure	4,931	48,359
Capital Resource Limit	4,944	48,359
Overspend/(Underspend) against CRL	<b>(13)</b>	-

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020

### 23.3 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.

	2019-20 £	2018-19 £
Net Expenditure	(2,384,912)	(1,267,458)
RRL	2,402,725	1,281,306
Surplus/(Deficit) against RRL	17,813	13,848
Break Even cumulative position (opening)	111,549	97,701
Break Even Cumulative position (closing)	129,362	111,549

#### Materiality Test:

	2019-20 %	2018-19 %
Break Even in year position as % of RRL	0.74%	1.08
Break Even cumulative position as % of RRL	5.38%	8.71

## APPENDICES

### NOTE 24 - POST 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 28<sup>th</sup> July 2020.

## Appendix 1

### References

- Chief Nursing officers for the UK and Nursing and Midwifery Council (2017) *Enabling Professionalism in Nursing and Midwifery*. [Bit.ly/CNOsProfessionalism](https://bit.ly/CNOsProfessionalism)
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- Guindo, L., Wagner, M., Baltussen, R., Rindress, D., Van Til, J., Kind, P, and 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)
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- Northern Ireland Executive. (2016). Draft Programme for Government Framework 2016 – 2021. Available for download at: <https://www.northernireland.gov.uk/sites/default/files/consultations/newnigov/draft-pfgframework-2016-21.pdf>
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- Nursing and Midwifery Council (2015b) *The Code: Professional Standards of Practice and Behaviour for Nurses and Midwives*. London: NMC
- Smith, J. and Coveney, S. *New Decade New Approach*. Belfast: Northern Ireland Office.
- Tague, N. (2004) *The quality toolbox. Second Edition*. Wisconsin: ASQ Quality Press

## Appendix 2

### Glossary

#### Abbreviations

AHP  
ALB

BSO

CETV  
CFPS  
CNAC  
CNMAC  
CNO  
CRL

DoF  
DoH

ECNI

FReM

GAIN  
GDPR  
GNG

HEI  
HEIG  
HR  
HSC  
HSCB  
HSCT

ICT  
IGAG  
iIP  
ITS

KPIs

NDPB  
NES  
NI  
NIAO  
NICS  
NIPEC

NMC  
NOAT

#### Full Wording

Allied Health Professional  
Arm's Length Body

Business Services Organisation

Cash Equivalent Transfer Value  
Counter Fraud and Probity Services  
Central Nursing Advisory Committee  
Central Nursing and Midwifery Advisory Committee  
Chief Nursing Officer  
Capital Resource Limit

Department of Finance  
Department of Health

Equality Commission for Northern Ireland

Financial Reporting Manual

Guidelines & Audit Implementation Network  
General Data Protection Regulations  
Governance Network Group

Higher Education Institutions  
Health Estates Investment Group  
Human Resources  
Health and Social Care  
Health and Social Care Board  
Health and Social Care Trusts

Information & Communication Technology  
Information Governance Advisory Group  
Investors in People  
Information Technology Services

Key Performance Indicators

Non-Departmental Public Body  
NHS Education for Scotland  
Northern Ireland  
Northern Ireland Audit Office  
Northern Ireland Civil Service  
Northern Ireland Practice and Education Council for  
Nursing and Midwifery  
Nursing and Midwifery Council  
NIPEC Online Audit Tool

<b>PaLS</b>	Purchasing and Logistic Service
<b>PAMP</b>	Property Asset Management Plan
<b>PHA</b>	Public Health Agency
<b>PPI</b>	Patient Public Involvement
<b>QA</b>	Quality Assurance
<b>RCN</b>	Royal College of Nursing
<b>RQIA</b>	Regional and Quality Improvement Authority
<b>RRL</b>	Revenue Resource Limit
<b>SLA</b>	Service Level Agreement
<b>SMT</b>	Senior Management Team
<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 3

### 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 DoH. 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.
- (3) Without prejudice to the generality of subsection (2) the Council may:
  - (a) provide guidance on best practice for nurses and midwives
  - (b) provide advice and information on matters relating to nursing and midwifery.
- (4) The Council shall, in the exercise of its functions, act:
  - (a) in accordance with any directions given to it by the Department
  - (b) under the general guidance of the Department.”

## Appendix 4

### 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, DoH (ex officio member).

The Council met on 4 occasions during the year plus a business planning workshop prior to the November 2019 meeting.

#### The Professional Members are:



(4/4)  
Prof. Carol Curran, OBE  
(Chair of NIPEC)



(1/4)  
Ms Deirdre O'Donnell



(2/4)  
Mrs Lisa Houlihan



(4/4)  
Ms Catherine Rice  
(Deputy Chair of Audit & Risk Committee)



(2/4)  
Mrs Deborah Oktar-Campbell

#### The Lay Members are:



(3/4)  
Mrs Alison Baxendale  
(Deputy Chair of NIPEC)



(4/4)  
Dr Vinod Tohani  
(Chair of Audit & Risk Committee)



(3/4)  
Mr Paul Davidson



(0/2)  
Mrs Maureen Clark  
(Term of Office Expired June 2019)



(4/4)  
Mrs Angela McLernon, OBE  
Chief Executive  
(Executive Member)



Prof. Charlotte McArdle  
CNO  
(Ex-Officio Member)

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

There were three vacancies in the Council Lay membership as at 31 March 2020.

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

There were five vacancies in the Council Professional membership as at 31 March 2020.

## Appendix 5

### Membership of Audit and Risk Committee

The Audit and Risk Committee met on four occasions during 2019-20: 28 May, 25 June, 8 October and 11 February 2020.

The membership of the Audit and Risk Committee consists of:



**(4/4)**  
Dr Vinod Tohani  
(Lay Member of  
Council)  
**(Chair of Audit & Risk  
Committee )**



**(4/4)**  
Mrs Alison  
Baxendale  
(Lay Member of  
Council)  
**(Deputy Chair of NIPEC )**



**(2/4)**  
Ms Catherine  
Rice  
(Professional Member of  
Council)  
**(Deputy Chair of Audit &  
Risk Committee)**



**(2/4)**  
Mrs Deborah Oktar-  
Campbell  
(Professional Member of  
Council)

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

Further copies of the Annual Report and Accounts for 2019-20 can be downloaded from our website: <https://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)

**Note:** Figures in brackets indicate number of Council 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 Northern Ireland Audit Office, Internal Audit, BSO, and a financial representative from the BSO.









**NIPEC**

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