

MANAGEMENT STATEMENT

BETWEEN

The Department of Health

And

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

June 2017



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1. INTRODUCTION

1.1 This document

- 1.1.1 This Management Statement and Financial Memorandum (MS/FM) has been drawn up by the Department of Health (DoH) in consultation with the Northern Ireland Practice Development Council (NIPEC), Centre House, 79 Chichester Street, Belfast BT1 4JE. The document is based on a model prepared by the Department of Finance (DoF).
- 1.1.2 The terms and conditions set out in the combined Management Statement and Financial Memorandum may be supplemented by guidelines or directions issued by the Department and the Minister in respect of the exercise of any individual functions, powers and duties of NIPEC.
- 1.1.3 A copy of the MS/FM for NIPEC should be given to all newly appointed Council Members, senior executive staff and departmental sponsor staff on appointment. Additionally the MS/FM should be tabled for the information of NIPEC Council Members at least annually at a full meeting of the Council. Amendments made to the MS/FM should also be brought to the attention of the full Council on a timely basis.
- 1.1.4 Subject to the legislation noted below, this Management Statement sets out the broad framework within which NIPEC will operate, in particular:
- NIPEC's overall aims, objectives and targets in support of the Department's wider strategic aims and the outcomes and targets contained in the Programme for Government (PfG);
 - the rules and guidelines relevant to the exercise of NIPEC's functions, duties and powers;
 - the conditions under which any public funds are paid to NIPEC; and
 - how NIPEC is to be held to account for its performance.
- 1.1.5 The associated Financial Memorandum sets out in greater detail certain aspects of the financial provisions which NIPEC shall observe. However, the Management Statement and Financial Memorandum do not convey any legal powers or responsibilities.

- 1.1.6 The document shall be periodically reviewed by the Department in accordance with the timetable referred to in Section 7 below.
- 1.1.7 NIPEC, the Department, or the Minister, may propose amendments to this document at any time. Any such proposals by NIPEC shall be considered in the light of evolving departmental policy aims, operational factors and the track record of NIPEC itself. The guiding principle shall be that the extent of flexibility and freedom given to NIPEC shall reflect both the quality of its internal controls to achieve performance and its operational needs. The Department shall determine what changes, if any, are to be incorporated in the document. Legislative provisions shall take precedence over any part of the document. Significant variations to the document shall be cleared with DoF Supply after consultation with NIPEC, as appropriate. (The definition of “significant” will be determined by the Department in consultation with DoF).
- 1.1.8 The MS/FM is approved by DoF Supply, and signed and dated by the Department and NIPEC’s Chief Executive.
- 1.1.9 Any question regarding the interpretation of the document shall be resolved by the Department after consultation with NIPEC and, as necessary, with DoF Supply.
- 1.1.10 Copies of this document and any subsequent substantive amendments shall be placed in the Library of the Assembly. (Copies shall also be made available to members of the public on NIPEC’s website).

1.2 Founding Legislation: Status

- 1.2.1 NIPEC was established with effect from 7 October 2002 under the powers of Section 2(1) of the Health and Personal Social Services Act (Northern Ireland) 2002. NIPEC does not carry out its functions on behalf of the Crown.

1.3 The functions, duties and powers of the NDPB

- 1.3.1 Article 2 of the Health and Personal Social Services Act (Northern Ireland) 2002 sets out the duties of NIPEC, which are reproduced in full at Appendix 1 (MS).

1.4 Classification

- 1.4.1 For policy / administrative purposes NIPEC is classified as an executive non-departmental public body (NDPB).
- 1.4.2 For national accounts purposes the NIPEC is classified to the central government sector.
- 1.4.3 References to NIPEC include (where they exist), all its subsidiaries and joint ventures that are classified to the public sector for national accounts purposes. If such a subsidiary or joint venture is created, there shall be a document setting out the arrangements between it and NIPEC.

2. AIMS, OBJECTIVES AND TARGETS

2.1 Aims

- 2.1.1 Within the founding legislation, the Minister has approved the following overall aim for NIPEC:

The Northern Ireland Practice and Education Council for Nursing and Midwifery (NIPEC) aims to improve the quality of health and care by supporting the practice, education and performance of nurses and midwives.

2.2 Objectives and key targets

- 2.2.1 The Department determines NIPEC's performance framework in light of the Programme for Government (PfG), the Department's wider strategic aims, and current PfG objectives and targets. The key targets, standards and actions to be delivered by NIPEC are set out in NIPEC's Annual Business Plan supported by their 5 year strategic plan.

3. RESPONSIBILITIES AND ACCOUNTABILITY

3.1 The Minister

- 3.1.1 The Minister is accountable to the Assembly for the activities and performance of NIPEC. The Minister's responsibilities include:

- approving NIPEC's strategic objectives and the policy and performance framework within which NIPEC will operate (as set out in this *Management Statement* and *Financial Memorandum* and associated documents);
- keeping the Assembly informed about NIPEC performance; as part of the HSC system;
- carrying out responsibilities specified in the founding legislation including appointments to the Council (including its Chairman) and laying of the annual report and accounts before the Assembly; and
- approving the remuneration scheme for Non-Executive Council members and setting the annual pay settlement each year under these arrangements.

3.2 The Accounting Officer of the Department

- 3.2.1 The Permanent Secretary, as the Department's principal Accounting Officer (the 'Departmental Accounting Officer'), is responsible for the overall organisation, management and staffing of the Department and for ensuring that there is a high standard of financial management in the Department as a whole. The Departmental Accounting Officer is accountable to the Assembly for the issue of any grant-in-aid to NIPEC. The Departmental Accounting Officer designates the Chief Executive of NIPEC as NIPEC's Accounting

Officer, and may withdraw the Accounting Officer designation if he/she believes that the incumbent is no longer suitable for the role.

3.2.2 In particular, the Departmental Accounting Officer of the Department shall ensure that:

- NIPEC's strategic aim(s) and objectives support the Department's wider strategic aims and current PfG objectives and targets;
- the financial and other management controls applied by the Department to NIPEC are appropriate and sufficient to safeguard public funds and for ensuring that NIPEC's compliance with those controls is effectively monitored ("public funds" include not only any funds granted to NIPEC by the Assembly but also any other funds falling within the stewardship of NIPEC);
- the internal controls applied by NIPEC conform to the requirements of regularity, propriety and good financial management; and
- any grant-in-aid to NIPEC is within the ambit and the amount of the Request for Resources and that Assembly authority has been sought and given.

3.2.3 The responsibilities of a Departmental Accounting Officer are set out in more detail in Chapter 3 of Managing Public Money Northern Ireland (MPMNI).

3.2.4 The Departmental Accounting Officer is also responsible for ensuring that arrangements are in place to:

- continuously monitor NIPEC's activities to measure progress against approved targets, standards and actions, and to assess compliance with safety and quality, governance, risk management and other relevant requirements placed on the organisation;
- address significant problems in NIPEC, making such interventions as he/she judges necessary to address such problems;
- periodically carry out an assessment of the risks both to the Department's and NIPEC's objectives and activities;
- inform NIPEC of relevant Government policy in a timely manner; and
- bring concerns about the activities of NIPEC to the full NIPEC Council; requiring explanations and assurances that appropriate action has been taken.

3.3 The Sponsoring Team in the Department

3.3.1 Within the Department, Nursing Midwifery and Allied Health Professionals (NMAHP) Directorate is the sponsoring team for NIPEC. The Team, in consultation as necessary with the relevant Departmental Accounting Officer, is

the primary source of advice to the Minister on the discharge of his/her responsibilities in respect of NIPEC, and the primary point of contact for NIPEC in dealing with the Department. The sponsoring team shall carry out its duties under the management of a senior officer, who shall have primary responsibility within the team for overseeing the activities of NIPEC.

3.3.2 NMAHP Directorate shall advise the Minister on:

- an appropriate framework of objectives and targets for NIPEC in the light of the Department's wider strategic aim(s) and current PfG objectives and targets; and
- an appropriate budget for NIPEC in the light of the Department's overall public expenditure priorities;
- how well NIPEC is achieving its strategic objectives and whether it is delivering value for money.

3.4 NIPEC's Council

3.4.1 The Council members are appointed for period of different duration not exceeding 4 years (The Northern Ireland Practice and Education Council for Nursing and Midwifery (Appointment and Procedures) Regulations (Northern Ireland) 2002 SR 2002 No 386 refers). The Council comprises a Chair, a Chief Executive and member up to a maximum of 16 in total (60% of non-executive members must be registered nurses or midwives and 40% not registered nurses or midwives). The Department of Health's Chief Nursing Officer shall be an ex-officio member of the Council.

3.4.2 The Council has corporate responsibility for ensuring that NIPEC fulfils the aims and objectives set by the Department and approved by the Minister, and for promoting the efficient, economic and effective use of staff and other resources by NIPEC. To this end, and in pursuit of its wider corporate responsibilities, the Council shall:

- establish the overall strategic direction of NIPEC within the policy and resources framework determined by the sponsor branch, Minister and Department;
- constructively challenge NIPEC's executive team in their planning, target setting and delivery of performance;
- ensure that the Department is kept informed of any changes which are likely to impact on the strategic direction of NIPEC or on the attainability of its targets, and determine the steps needed to deal with such changes;
- ensure that any statutory or administrative requirements for the use of public funds are complied with; that the Council operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the Council takes into account all relevant guidance issued by DoF and the Department;

- ensure that the Council receives and reviews regular financial information concerning the management of NIPEC; is informed in a timely manner about any concerns about the activities of NIPEC; and provides positive assurance to the Department that appropriate action has been taken on such concerns;
- demonstrate high standards of corporate governance at all times, including using the independent audit committee, (see paragraph 4.7) to help the Council to address the key financial and other risks facing NIPEC; and
- appoint, on the Minister's approval, a Chief Executive to NIPEC and, in consultation with the Department, set performance objectives and remuneration terms linked to these objectives for the Chief Executive, which give due weight to the proper management and use of public monies.

3.4.3 Individual Council Members shall act in accordance with their wider responsibilities as Members of the Council – namely to:

- comply at all times with the Code of Practice (see paragraph 3.5.5 - Guidance on Codes of Practice for Council Members of Public Bodies (February 2000), that is adopted by NIPEC and with the rules and guidance relating to the use of public funds and to conflicts of interest;
- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations; and to declare publicly and to the Council any private interests that may be perceived to conflict with their public duties;
- comply with the Council's rules on the acceptance of gifts and hospitality, and of business appointments; and
- act in good faith and in the best interests of NIPEC.

3.4.4 A list of matters, which are delegated by the Department for the Council's decision, should be maintained by the Council.

3.4.5 The Department shall have access to all Council meeting minutes. The Council's meeting agendas, minutes and papers should be forwarded to the sponsoring team approximately 2 weeks in advance of meetings.

3.4.6 The Department if appropriate may attend a NIPEC Council Meeting as an observer, and will not participate in any of the Council's discussion. The CNO will retain her Ex Officio role

3.5 The Chairman of NIPEC

3.5.1 The Chairman is appointed by the Minister, usually for a period of up to four years under Article 3 of the Northern Ireland Practice and Education Council for Nursing and Midwifery (Appointment and Procedure Regulations) (Northern

Ireland) 2002, the Department's Public Appointment Procedures and based on guidance issued by the Commissioner for Public Appointments.

3.5.2 The Chairman is accountable to the Minister of the Department. The Chairman shall ensure that NIPEC's policies and actions support the wider strategic policies of the Minister; and that NIPEC's affairs are conducted with probity. The Chairman shares with other Council members the corporate responsibilities set out in paragraph 3.4.2, and in particular for ensuring that NIPEC fulfils the aims and objectives set by the Department and approved by the Minister.

3.5.3 The Chairman has a particular leadership responsibility on the following matters:

- formulating the Council's strategy;
- ensuring that the Council, in reaching decisions, takes proper account of guidance provided by the Minister or the Department;
- promoting the efficient, economic and effective use of staff and other resources;
- encouraging and delivering high standards of regularity and propriety;
- representing the views of the Council to the general public;
- ensuring that the Council meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and, where appropriate, the views of individual Council Members; and
- ensuring that the dates for public Council meetings are advertised on NIPEC's website; and
- ensuring copies of public Council meeting agendas and minutes are also made available to members of the public on NIPEC's website.

3.5.4 The Chairman shall also:

- Ensure that all members of the Council, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and responsibilities, and receive appropriate induction training, including on the financial management and reporting requirements of public sector bodies and on any differences which may exist between private and public sector practice.
- Advise the Department of the needs of NIPEC when Council vacancies arise, with a view to ensuring a proper balance of professional and financial expertise.
- Assess the performance of individual Council Members. Council Members will be subject to ongoing performance appraisal, with a formal assessment

being completed by the Chair of the Council at the end of each year (and prior to any re-appointment of individual Members taking place). Members will be made aware that they are being appraised, the standards against which they will be appraised, and will have an opportunity to contribute to and view their report. The Chair of the Council will also be appraised on an annual basis by the Departmental Accounting Officer or an official acting on his or her behalf.

- Ensure the completion of the Council Governance Self Assessment Tool on an annual basis. Assurance will be provided through the mid-year assurance statement, that the tool is being completed, actions are being addressed and that any exception issues will be raised with the Department.

3.5.5 The Chairman shall also ensure that a Code of Practice for Council Members is in place, based on the *Codes of conduct for board members of public bodies* (FD (DFP) 04/14 refers). The Code shall commit the Chairman and include a requirement for a comprehensive and publicly available register of Council Members' interests.

3.5.6 Communications between the Council, the Minister and the Department shall normally be through the Chairman. The Chairman shall ensure that the other Council Members are kept informed of such communications on a timely basis.

3.6 The Chief Executive's role as Accounting Officer

3.6.1 The Chief Executive of NIPEC is designated as the Accounting Officer by the Departmental Accounting Officer of the Department.

3.6.2 The Accounting Officer of NIPEC is personally responsible for safeguarding the public funds for which he/she has charge; for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of NIPEC.

3.6.3 As Accounting Officer, the Chief Executive shall exercise the following responsibilities in particular:

on planning and monitoring -

- establish, with approval of the Department, NIPEC corporate and business plans in support of the Department's wider strategic aims and current PfG objectives and targets;
- inform the Department of NIPEC's progress in helping to achieve the Department's policy objectives and in demonstrating how resources are being used to achieve those objectives;
- ensure that timely forecasts and monitoring information on performance and finance are provided to the Department; that the Department is notified promptly if overspends or under spends are likely and that corrective action is taken;

- that any significant problems, whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the Department in a timely fashion;

on advising the Council –

- advise the Council on the discharge of its responsibilities as set out in this document, in the founding legislation and in any other relevant instructions and guidance that may be issued from time to time by DoF or the Department;
- advise the Council on NIPEC’s performance compared with its aims and objectives;
- ensure that financial considerations are taken fully into account by the Council at all stages in reaching and executing its decisions, and that standard financial appraisal techniques are followed appropriately;
- take action in line with Section 3.8 of MPMNI if the Council, or its Chairman, is contemplating a course of action involving a transaction which the Chief Executive considers would infringe the requirements of propriety or regularity, or does not represent prudent or economical administration, efficiency or effectiveness;

on managing risk and resources –

- ensure that a system of risk management is maintained to inform decisions on financial and operational planning and to assist in achieving objectives and targets;
- ensure that an effective system of programme and project management and contract management is maintained;
- ensure compliance with the Northern Ireland Public Procurement Policy;
- ensure that all public funds made available to NIPEC including any income or other receipts, are used for the purpose intended by the Assembly, and that such monies, together with NIPEC’s assets, equipment and staff, are used economically, efficiently and effectively;
- ensure that adequate internal management and financial controls are maintained by NIPEC, including effective measures against fraud and theft;
- maintain a comprehensive system of internal delegated authorities that are notified to all staff, together with a system for regularly reviewing compliance with these delegations;
- ensure that effective personnel management policies are maintained;

on accounting for NIPEC's activities –

- sign the accounts and be responsible for ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Minister, the Department, or DoF;
- sign a Statement of Accounting Officer's responsibilities, for inclusion in the annual report and accounts;
- sign a Governance Statement regarding NIPEC's system of internal control, for inclusion in the annual report and accounts, that details significant internal control divergences;
- sign a mid-year assurance statement on the condition of NIPEC's system of internal control;
- ensure that effective procedures for handling complaints about NIPEC are established and made widely known within NIPEC;
- act in accordance with the terms of this document and with the instructions and relevant guidance in *MPMNI* and other instructions and guidance issued from time to time by the Department and DoF - in particular, Chapter 3 of *MPMNI* and the Treasury document *Regularity and Propriety and Value for Money* (a copy of which the Chief Executive shall receive on appointment). Section 9 of the *Financial Memorandum* refers to other key guidance;
- give evidence, normally with the Accounting Officer of the Department, if summoned before the Public Accounts Committee on the use and stewardship of public funds by NIPEC;
- ensure that an Equality Scheme is in place, reviewed and equality impact assessed as required by the Equality Commission and Executive Office;
- ensure that the requirements of the Data Protection Act 1998 and the Freedom of Information Act 2000 are complied with;
- reporting on compliance with controls assurance and quality standards to the Department ensuring that a business continuity plan is developed and maintained;
- ensuring that effective procedures for handling adverse incidents are established and made widely known within the ALB;
- copies of adverse inspection reports are shared with the Department;
- ensuring that the requirements of relevant statutes, court rulings, and departmental directions are fully complied with; and
- ensuring an acceptance and provision of Gifts and Hospitality Policy is in place that set out the principles and requirements under which gifts and hospitality can be received and in turn when such offers can be made.

3.7 The Chief Executive's role as Consolidation Officer

3.7.1 For the purposes of Whole of Government Accounts, the Chief Executive of NIPEC is normally appointed by DoF as the NIPEC's Consolidation Officer.

3.7.2 As NIPEC's Consolidation Officer, the Chief Executive shall be personally responsible for preparing the consolidation information, which sets out the financial results and position of NIPEC; for arranging for its audit; and for sending the information and the audit report to the Principal Consolidation Officer nominated by DoF.

3.7.3 As Consolidation Officer, the Chief Executive shall comply with the requirements of the NIPEC Consolidation Officer Letter of Appointment as issued by DoF and shall, in particular:

- ensure that NIPEC has in place and maintains sets of accounting records that will provide the necessary information for the consolidation process; and
- prepare the consolidation information (including the relevant accounting and disclosure requirements and all relevant consolidation adjustments) in accordance with the consolidation instructions and directions ("Dear Consolidation Officer" (DCO) and "Dear Consolidation Manager" (DCM) letters) issued by DoF on the form, manner and timetable for the delivery of such information.

3.8 Delegation of duties

3.8.1 The Chief Executive may delegate the day-to-day administration of his/her Accounting Officer and Consolidation Officer responsibilities to other employees in NIPEC. However, he/she shall not assign absolutely to any other person any of the responsibilities set out in this document.

3.9 The Chief Executive's role as Principal Officer for Ombudsman cases

3.9.1 The Chief Executive of NIPEC is the Principal Officer for handling cases involving the Northern Ireland Commissioner for Complaints. As Principal Officer, he/she shall inform the Permanent Secretary of the Department of any complaints about NIPEC accepted by the Ombudsman for investigation, and about NIPEC's proposed response to any subsequent recommendations from the Ombudsman.

3.10 Relationships

3.10.1 Relationships between NIPEC, the Minister and Department are governed by the "arm's length" principle, wherein the primary role of the Minister is to set NIPEC's legal and financial, policy and performance framework, including appointments to NIPEC and the structure of its funding and management. Within this framework, it is the role of NIPEC to determine its policy and activities, in keeping with its statutory responsibilities and the requirements of

the Northern Ireland Executive policy. The Department has the right of access to carry out any examinations of the internal financial control systems as may be required to enable the Department's Accounting Officer to discharge his/her responsibilities in a proper manner.

3.11 Consulting customers

3.11.1 NIPEC will work in partnership with its stakeholders and customers to deliver the services/programmes, for which it has responsibility, to agreed standards. It will consult regularly to develop a clear understanding of citizens' needs and expectations of its services and to seek feedback from both stakeholders and customers and will work to deliver a modern, accessible service.

4. PLANNING, BUDGETING AND CONTROL

4.1 The Corporate Plan

4.1.1 Consistent with the timetable for the NI Executive's Budget process reviews, NIPEC shall submit to the Department a draft of their Corporate Plan (normally) covering the three to five years ahead. The Department will agree a timeframe or specific dates for the submission and agreement of the corporate plan. NIPEC will also have agreed with the Department the issues to be addressed in the plan and the timetable for its preparation.

4.1.2 DoF reserves the right to ask to see and agree NIPEC's Corporate Plan.

4.1.3 The plan shall reflect NIPEC's statutory duties and, within those duties, the priorities set from time to time by the Minister. In particular, the plan shall demonstrate how NIPEC contributes to the achievement of the Department's strategic aims and PfG objectives and targets.

4.1.4 The Corporate Plan shall set out:

- NIPEC's key objectives and associated key performance targets for the forward years, and its strategy for achieving those objectives;
- a review of NIPEC's performance in the preceding financial year (together with comparable outturns for the previous 2-5 years), and an estimate of performance in the current year;
- alternative scenarios to take account of factors which may significantly affect the execution of the plan, but which cannot be accurately forecast;
- a forecast of expenditure and income, taking account of guidance on resource assumptions and policies provided by the Department at the beginning of the planning round. These forecasts should represent NIPEC's best estimate of all its available income not just any grant or grant-in-aid; and
- other matters as agreed between the Department and NIPEC – for example - statement of purpose of organisation as per legislation, strategic aims, performance in preceding corporate plan period, governance and

accountability arrangements, links with PfG and wider ministerial / departmental priorities.

- 4.1.5 The main elements of the plan, including the key performance targets, shall be agreed between the Department and NIPEC in the light of the Department's decisions on policy and resources taken in the context of the Executive's wider policy and spending priorities and decisions.

4.2 The Business Plan

- 4.2.1 Each year of the Corporate Plan, amplified as necessary, shall form the basis of the Business Plan for the relevant forthcoming year. The Department will agree a timeframe or specific dates for the submission and agreement of the Business Plan. The Business Plan shall include key targets and milestones for the year immediately ahead and shall be linked to budgeting information so that resources allocated to achieve specific objectives can readily be identified by the Department.

- 4.2.2 The business plan should include reference to SMART objectives that:

- support the delivery of Programme for Government (PfG) commitments;
- support the delivery of Departmental policy and strategy;
- deliver on the functions etc. specified in NIPEC 's founding legislation setting out the purposes for which NIPEC was created and the functions/services it is to deliver;
- address known areas of underperformance, the findings of inquiries etc. and respond to particular events, and serious adverse incidents; and
- support the training and development of staff.

- 4.2.3 DoF reserves the right to ask to see and agree NIPEC's annual Business Plan.

- 4.2.4 Corporate and Business Plans will be formally approved by the Senior Sponsor, Chief Nursing Officer, Nursing, Midwifery and AHP Directorate on behalf of the Permanent Secretary.

4.3 Publication of plans

- 4.3.1 The Corporate and Business Plans shall be made available on the Internet. It shall also be made available to staff.

4.4 Reporting performance to the Department

- 4.4.1 NIPEC shall operate management information and accounting systems which enable it to review in a timely and effective manner its financial and non-financial performance against the budgets and targets set out in its agreed corporate and business plans.

- 4.4.2 NIPEC shall take the initiative in informing the Department of changes in external conditions, which make the achievement of objectives more or less difficult, or which may require a change to the budget or objectives as set out in the corporate or business plans.
- 4.4.3 NIPEC's performance in helping to deliver Departmental policies, including the achievement of key objectives, shall be reported to the Department on a three-monthly basis. Performance will be formally reviewed twice yearly by officials of the Department. The Minister shall meet as appropriate NIPEC's Council formally to discuss NIPEC's performance, its current and future activities, and any policy developments relevant to those activities.
- 4.4.4 The Department may, at its discretion, request evidence of progress against key objectives at any time.
- 4.4.5 Senior Departmental officials will hold bi-annual Ground Clearing meetings with NIPEC. The purpose of these meetings is to discuss NIPEC's overall performance, its current and future activities, any policy developments relevant to those activities safety and quality, financial performance and corporate control/risk management performance, and other issues as prescribed by the Department.
- 4.4.6 Issues identified at the Ground Clearing meeting which cannot be resolved at the meeting or through other avenues will be escalated for discussion to the Accounting Officer Accountability meeting with the Chair and Chief Executive of NIPEC.
- 4.4.6 NIPEC's performance against key targets shall be reported in NIPEC's Annual Report and Accounts (see Section 5.1 below). Arrangements for the validation of reported performance will be agreed between NIPEC and the Department.

4.5 Budgeting procedures

- 4.5.1 NIPEC's budgeting procedures are set out in the Financial Memorandum.

4.6 Internal audit

- 4.6.1 NIPEC shall establish and maintain arrangements for internal audit in accordance with the PSIAS (Public Sector Internal Audit Standards).
- 4.6.2 Departments should outline the arrangements that they have determined as appropriate for NIPEC taking account of DAO (DFP) 01/10 Internal Audit Arrangements between Departments and Arm's Length Bodies. This will include specifying the Department's requirements in terms of:
- having input to NIPEC planned internal audit coverage;
 - arrangements for the receipt of audit reports, assignment reports, the Head of Internal Audit's annual report and opinion etc;
 - arrangements for the completion of Internal and External Assessments of NIPEC's internal audit function against PSIAS including advising that the

Department reserves a right of access to carry out its own independent reviews of internal audit in NIPEC;

- the right of access to all documents prepared by NIPEC's internal auditor, including where the service is contracted out. Where NIPEC's audit service is contracted out NIPEC should stipulate this requirement when tendering for the services.

4.6.3 NIPEC shall consult the Department to ensure that the latter is satisfied with the competence and qualifications of the Head of Internal Audit and that the requirements for approving the appointment are in accordance with PSIAS and relevant DoF guidance.

4.6.4 The Department will review NIPEC's terms of reference for internal audit service provision. NIPEC shall notify the Department of any subsequent changes to internal audit's terms of reference.

4.6.5 The Sponsor Branch will have an annual meeting with NIPEC's internal audit to discuss the ALB's audit plan and strategy.

4.7 Audit Committee

4.7.1 NIPEC shall set up an independent audit committee as a committee of its Council, in accordance with current Cabinet Office Guidance and in line with the Audit and Risk Assurance Committee Handbook.

4.7.2 The audit committee's meeting agendas, minutes and papers shall be forwarded as soon as possible and at the same as circulated to committee members, to the sponsoring team.

4.7.3 The Audit Committee should complete the National Audit Office Checklist on an annual basis. Assurance on completion of the checklist will be provided through the mid-year assurance statement any exception issues should be reported to the Department.

4.7.4 The Department will review NIPEC's audit committee terms of reference. NIPEC shall notify the Department of any subsequent changes to the audit committee's terms of reference.

4.7.5 The Department will attend at least one NIPEC audit committee meeting per year as an observer, and will not participate in any Audit Committee discussion.

4.8 Fraud

4.8.1 NIPEC shall report immediately to the Counter Fraud and Probity Services (CFPS) within the BSO all frauds (proven or suspected); including attempted fraud CFPS shall then report the frauds immediately to DoF and the C&AG. In addition NIPEC shall forward to CFPS the annual fraud return, commissioned by DoF, on fraud and theft suffered by NIPEC.

4.8.2 All HSC bodies are required to have an Anti Fraud Policy and Fraud Response Plan in place. This should be reviewed at least every 5 years and sent to

CFPS for review. NIPEC shall notify the Department of any subsequent changes to the policy or response plan.

4.9 Additional Departmental Access to NIPEC

4.9.1 In addition to the right of access referred to in paragraph 4.6.2 above, the Department shall have a right of access to all NIPEC's records and personnel for purposes such as sponsorship audits, operational investigations and as deemed appropriate by the Departmental Accounting Officer. (Refer also to paragraphs 3.4.4 and 4.7.2 access to Council and Audit Committee minutes).

5. EXTERNAL ACCOUNTABILITY

5.1 The Annual Report and Accounts

5.1.1 After the end of each financial year NIPEC shall publish as a single document an annual report of its activities together with its audited annual accounts. The report shall also cover the activities of any corporate bodies under the control of NIPEC. A draft of the report shall be submitted to the Department in line with the timescale set by the Department before the proposed publication date although it is expected that the Department and NIPEC will have had extensive pre-publication discussion on the content of the report prior to formal submission to the Department.

5.1.2 The report and accounts shall comply with the most recent version of the Government Financial Reporting Manual (FRoM) issued by DoF. (*NOTE: This guidance is updated every year*). The accounts shall be prepared in accordance with any relevant statutes and the specific Accounts Direction issued by the Department.

5.1.3 The report and accounts shall outline NIPEC's main activities and performance during the previous financial year and set out in summary form NIPEC's forward plans. Information on performance against key financial targets shall be included in the notes to the accounts, and shall therefore be within the scope of the audit.

5.1.4 The report and accounts shall be laid before the Assembly and made available, in accordance with the guidance on the procedures for presenting and laying the combined annual report and accounts as prescribed in the relevant FD letter issued by DoF.

5.1.5 Due to the potential accounting and budgetary implications, any changes to accounting policies or significant estimation techniques underpinning the preparation of annual accounts, requires the prior written approval of the Department.

5.2 External Audit

5.2.1 The Comptroller and Auditor General (C&AG) audits NIPEC's annual accounts and passes the accounts to the Department who shall lay them before the Assembly, together with NIPEC's annual report. For the purpose of audit the

C&AG has a statutory right of access to relevant documents as provided for in Articles 3 and 4 of the Audit and Accountability (Northern Ireland) Order 2003.

5.2.2 The C&AG will liaise with NIPEC on the arrangements for completing the audit of the NIPEC's accounts. This will either be undertaken by staff of the NIAO or a private sector firm appointed by the C&AG to undertake the audit on his behalf. The final decision on how such audits will be undertaken rests with the C&AG, who retains overall responsibility for the audit.

5.2.3 The C&AG has agreed to share with Departments relevant information identified during the audit process including the report to those charged with governance at the end of the audit. This shall apply, in particular, to issues which impact on the Department's responsibilities in relation to financial systems within NIPEC. The C&AG will also consider, where asked, providing Departments and other relevant bodies with reports which Departments may request at the commencement of the audit and which are compatible with the independent auditor's role.

5.3 VFM Examinations

5.3.1 The C&AG may carry out examinations into the economy, efficiency and effectiveness with which NIPEC has used its resources in discharging its functions. For the purpose of these examinations the C&AG has statutory access to documents as provided for under Articles 3 and 4 of the Audit and Accountability (Northern Ireland) Order 2003. Where making payment of a grant, or drawing up a contract, NIPEC should ensure that it includes a clause which makes the grant or contract conditional upon the recipient or contractor providing access to the C&AG in relation to documents relevant to the transaction. Where subcontractors are likely to be involved, it should also be made clear that the requirements extend to them.

6. STAFF MANAGEMENT

6.1 General

6.1.1 The decision to fill vacant or new senior positions in NIPEC is subject to approval by the Department.

6.1.2 Approvals for any change to the remuneration of Senior Executives must be obtained from the Department.

6.1.3 Within the arrangements approved by the Minister and DoF, NIPEC shall have responsibility for the recruitment, retention and motivation of its staff. To this end NIPEC shall ensure that:

- its rules for the recruitment and management of staff create an inclusive culture in which diversity is fully valued; where appointment and advancement is based on merit; and where there is no discrimination on grounds of gender, marital status, domestic circumstances, sexual

orientation, race, colour, ethnic or national origin, religion, disability, community background or age;

- the level and structure of its staffing, including grading and numbers of staff, are appropriate to its functions and the requirements of efficiency, effectiveness and economy;
- the performance of its staff at all levels is satisfactorily appraised and NIPEC's performance measurement systems are reviewed from time to time;
- its staff are encouraged to acquire the appropriate professional, management and other expertise necessary to achieve NIPEC's objectives;
- proper consultation with staff takes place on key issues affecting them;
- adequate grievance and disciplinary procedures are in place;
- whistle blowing procedures consistent with the Public Interest (Northern Ireland) Order 2003 are in place; and
- a code of conduct for staff is in place based on Annex 5A of Public Bodies: A Guide for NI Departments (available at www.finance-ni.gov.uk).

7. REVIEWING THE ROLE OF NIPEC

7.1 NIPEC shall be reviewed periodically, in accordance with the business needs of the Department and NIPEC. Reference should be made to Chapter 9 of the Public Bodies: a Guide for Northern Ireland Departments.

7.2 The Department shall in good time before NIPEC is to be wound up:

- ensure that procedures are in place in NIPEC to gain independent assurance on key transactions, financial commitments, cash flows and other information needed to handle the wind-up effectively and to maintain the momentum of work that is to be inherited by any residuary body;
- specify the basis for the valuation and accounting treatment of NIPEC assets and liabilities at wind-up, distinguishing between actual and potential assets and liabilities, in order to provide a clear basis for assessing NIPEC's financial legacy; and
- if necessary, secure representation on NIPEC's Council to ensure that the wind-up is conducted in a proper and satisfactory manner.

7.3 NIPEC shall provide the Department with full details of all agreements where the NIPEC or its successors have a right to share in the financial gains of developers. It should also pass to the Department details of any other forms of claw back due to NIPEC.

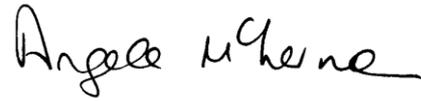
**SIGNED ON BEHALF OF THE
DEPARTMENT OF HEALTH**



**RICHARD PENGELLY
PERMANENT SECRETARY**

DATE: 15/06/17

**SIGNED ON BEHALF OF
NIPEC**



**ANGELA MCLERNON
CHIEF EXECUTIVE**

DATE: 21/06/17

The Health and Social Services Act (Northern Ireland) 2002

Article 2

Duties of NIPEC

- (1) There shall be a body corporate known as the Northern Ireland Practice and Education Council for Nursing and Midwifery (referred to in the Act as “the Council”).
- (2) It is the duty of the Council to Promote-
 - (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 the best practice for nurses and midwives; and
 - (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 DHSSPS; and
 - (b) under the general guidance of DHSSPS.

What do sponsor branches need to see and how frequently?

Documentary requirements

Documentation to be sent to the Sponsor Branch

Monthly (or as the occasion arises)

- Council meeting papers (including draft minutes) for each meeting as and when issued to Council members.
- Audit Committee papers (including draft minutes) for each meeting as and when issued to Committee members.
- Monthly financial monitoring returns to Finance Directorate in the Department.

Bi-annual

- Corporate Risk Register every six months.

Annually

- Annual Governance Statement.
- Mid-year Assurance Statement (by end-October).
- Annual report on Compliance with Controls Assurance Standards.
- Annual Internal Audit work-plan.
- Internal Audit Progress Report.
- Annual Fraud return.
- Business plan for departmental approval.
- The Head of Internal Audit's end-of-year and mid-year opinion on risk management, control and governance.
- Register of Council members' interests.
- The annual report, with the draft submitted to the Department two weeks before the publication date (*separate timetable for the annual accounts, Governance Statement etc, set by Finance Directorate*).
- The Assurance Framework (annually).

Once and then when revised

- Code of Conduct for Council members.
- Code of Practice for staff.
- Audit Committee Terms of Reference.
- Audit Strategy.
- Complaints procedure.
- Anti-Fraud Policy.
- Fraud Response Plan.
- Whistle-blowing procedures.
- Grievance and Disciplinary procedures.
- Equality scheme.
- Publication scheme.
- Consultation Scheme.
- Business Continuity Plan.

As specified

- Corporate Plan for approval.

Once

- Adverse inspection reports by external bodies.
- Internal Audit reports with less than satisfactory assurance.
- Reports charged to those with governance.

FINANCIAL MEMORANDUM

BETWEEN

The Department of Health

And

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

June 2017



FINANCIAL MEMORANDUM
BETWEEN
THE DEPARTMENT OF HEALTH (DoH)
AND
NIPEC

Agreement of Terms

This Financial Memorandum sets out the strategic control framework within which NIPEC is required to operate, including the conditions under which government funds are provided as detailed in Managing Public Money Northern Ireland (MPMNI). It aims to achieve prudent and effective management of resources by NIPEC, combined with a reasonable degree of day-to-day freedom for NIPEC to manage its operations.

The Memorandum has been drawn up by the Department of Health, in consultation with NIPEC, who agree to conduct their finances within the conditions contained therein. The contents of the Memorandum have been approved by the Department of Finance (DoF). It will remain in force and binding on NIPEC until such time as it is reviewed and/or revised by the Department of Health.

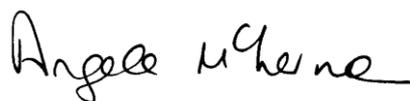
**SIGNED ON BEHALF OF THE
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**RICHARD PENGELLY
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DATE: 15/06/17

**SIGNED ON BEHALF OF
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**ANGELA MCLERNON
CHIEF EXECUTIVE**

DATE: 21/06/17

1. INTRODUCTION

- 1.1 This Financial Memorandum sets out certain aspects of the financial framework within which NIPEC is required to operate.
- 1.2 The terms and conditions set out in the combined Management Statement and Financial Memorandum (MS/FM) may be supplemented by guidelines or directions issued by the Department / Minister in respect of the exercise of any individual functions, powers and duties of NIPEC.
- 1.3 NIPEC shall follow the standards, rules, guidance and advice in MPMNI and satisfy the conditions and requirements set out in the combined MS/FM document, together with such other conditions as the Department / Minister may, from time to time, impose.

2. INCOME AND EXPENDITURE - GENERAL

2.1 The Departmental Expenditure Limit (DEL)

- 2.1.1 NIPEC's current and capital expenditure form part of the Department's Resource DEL and Capital DEL respectively.

2.2 Expenditure not proposed in the Budget / Delegated Limits

- 2.2.1 NIPEC must not enter into any commitments or incur expenditure above pre defined limits as set out in the delegated arrangements or which incur expenditure which is not provided for in the annual budget as approved by the Department. This reflects the general principles set out in MPMNI relating to the authority for expenditure, regularity, propriety and value for money which applies to all public expenditure.
- 2.2.2 NIPEC shall not, without prior Departmental approval, enter into any undertaking to incur any expenditure outside the remit of NIPEC, or which may be likely to bring either NIPEC or the Department into disrepute.

2.3 Novel, Contentious or Repercussive Proposals

- 2.3.1 NIPEC must obtain the approval of the Department and Department of Finance (DoF) for any transactions which set precedents, are novel, potentially contentious or could cause repercussions elsewhere in the public sector. Departmental and DoF approval must be obtained even where such transactions are within NIPEC's delegated limits which appear to offer value for money. Examples include:
 - a. incurring expenditure for any purpose which is or might be considered novel or contentious, or which has or could have significant future cost implications, including on staff benefits;
 - b. making any significant change in the scale of operation of funding of initiatives or particular schemes previously approved by the Department;

- c. unusual financing transactions, especially those with lasting commitments;
- d. making any change of policy or practice which has wider financial implications (e.g. because it might prove repercussive among other public sector bodies), or which might significantly affect the future level of the resources required. (The Department will advise on what constitutes 'significant' in this context).

2.3.2 NIPEC must identify any factors that might set precedents or make expenditure novel, contentious or repercussive to the Department when submitting such proposals for approval, whether capital, IT, DAC, consultancy, gifting etc., and irrespective of any existing delegations.

2.4 Procurement

2.4.1 NIPEC's procurement policies shall reflect the public procurement policy adopted by the Northern Ireland Executive in May 2002 (refreshed May 2009); Procurement Guidance Notes and any other guidelines or guidance issued by the Department, Central Procurement Directorate (CPD) and the Procurement Board. NIPEC shall also ensure that it complies with any relevant UK, EU or other international procurement rules.

2.4.2 In particular, NIPEC shall reflect in its policies the Department's and DoF's Guidance on procurement which addresses the appropriate market testing and evidence retention that should take place for all levels of purchase, irrespective of value, as small expenditures may not require CoPE involvement, but nonetheless require a form of market testing.

2.4.3 Periodically and wherever practicable, NIPEC's procurement policies shall be benchmarked against best practice elsewhere.

2.4.4 NIPEC's procurement activity should be carried out by means of a Service Level Agreement (SLA) with a recognised and approved Centre of Procurement Expertise (CoPE). The relevant CoPEs are: the Business Services Organisation – Procurement and Logistics Service (BSO PaLS) for Goods and Services and Central Procurement Directorate – Health Projects (CPD HP) for Construction Works/Services. If another CoPE or equivalent is to be used for a specific project, this should be consented to in advance by either BSO PaLS or CPD HP depending on the subject matter.

2.4.5 The Accounting Officer may decide on the level of internal delegation required for approval of purchases subject to delegated limits set by departmental or DoF guidance, and subject to any additional SLA requirements regarding, or formal guidance on, lowest acceptable delegations given by the relevant CoPE.

2.4.6 Delegations for the approval of purchases should be formally recorded within NIPEC's scheme of delegation.

2.5 Competition

- 2.5.1 Competition promotes economy, efficiency and effectiveness in public expenditure. Works, goods and services should be acquired through public competition unless there are convincing reasons to the contrary, and where appropriate should comply with EU and domestic advertising rules and policy. The form of competition chosen should be appropriate to the value and complexity of the goods or services to be acquired.
- 2.5.2 Contracts shall be placed on a competitive basis and tenders accepted from suppliers who provide best value for money overall.
- 2.5.3 Where a contract is awarded to an economic operator (i.e. supplier, contractor) without competition, this is referred to as a Direct Award Contract (DAC). In light of their exceptional nature, all DACs should be dealt with in accordance with the advice requirements and delegations set out in Departmental and DoF guidance and in accordance with the SLA or any formal general guidance on direct awards given by the relevant CoPE (in addition to complying with any other applicable delegations not arising as a result of DAC status e.g. capital or IT delegations).
- 2.5.4 NIPEC shall send to the Department on a bi-annual basis (or on such other basis as shall be required by the Department) a report of contracts above the current de minimis limit for procurement expenditure in which competitive tendering was not employed.

2.6 Best Value for Money

- 2.6.1 Procurement by NIPEC of work, supplies and services shall be based on best value for money. It is defined as the most advantageous combination of costs, quality and sustainability to meet customer and NIPEC's requirements. In this context, cost means consideration of the whole life cost; quality means meeting a specification which is fit for purpose and sufficient to meet the customer's requirements; and sustainability means economic, social and environmental benefits. It is not about minimising up front prices. Whether in conventional procurement, market testing, private finance or some other form of public private partnership, finding value for money involves an appropriate allocation of risk.
- 2.6.2 In accordance with MPMNI / NIGEAE, where appropriate a full options appraisal should be carried out before procurement decisions are taken.

2.7 Timeliness in Paying Bills

- 2.7.1 NIPEC shall collect receipts and pay all matured and properly authorised invoices in accordance with applicable terms, MPMNI and any guidance issued by the Department or DoF.

2.8 Payments in Advance

2.8.1 NIPEC should control its commitments and expenditure to provide value for money. Payments made in advance of the delivery of a service are not value for money and should only be made in exceptional circumstances and require the approval of DoF. There are occasions where advance payments are acceptable and examples are listed in MPMNI.

2.9 Deferred Payments

2.9.1 Any proposal for deferred payments is considered novel and contentious and must receive DoF approval.

2.10 Risk Management

2.10.1 NIPEC shall ensure that it has systems in place for identifying and managing risk and that the risks it faces are dealt with in an appropriate manner, in accordance with relevant aspects of best practice in corporate governance, and shall develop a risk management strategy, in accordance with the Treasury guidance *The Management of Risk: Principles and Concepts (the Orange Book)* and MPMNI.

2.10.2 NIPEC shall take proportionate and appropriate steps to assess the financial and economic standing of any organisation or other body with which it intends to enter into a contract or which it intends to give grant or grant-in-aid.

2.11 Fraud

2.11.1 NIPEC shall adopt and implement policies and practices to safeguard itself against fraud, and ensure it has adequate controls to detect and deter fraud in accordance with MPMNI and Departmental and DoF guidance which includes DoF's guide *Managing the Risk of Fraud*. In line with this NIPEC should develop a fraud policy statement and fraud response plan which should be updated every 5 years.

2.11.2 NIPEC should identify, and assess how it might be vulnerable to fraud (including bribery), and evaluate the possible impact and likelihood of each fraud risk. Fraud should be always considered as a risk within the risk register.

2.11.3 All cases of attempted, suspected or proven fraud shall be reported to the BSO in line with BSO procedures, who shall report it to DoF and the C&AG (see section 4.8 in the Management Statement) as soon as they are discovered, irrespective of the amount involved.

2.12 Wider Markets

2.12.1 In line with MPMNI, NIPEC shall seek to maximise receipts and seek out and implement wider market opportunities, provided that this is consistent with both (a) its main functions and core objectives and (b) its corporate plan as agreed with the Department. All such proposals must be supported by a

business case and are subject to Departmental approval and, DoF approval where appropriate.

2.12.2 NIPEC must ensure that services are priced fairly and competition law and the rules on state aid are considered. NIPEC must not however acquire assets just for the purpose of engaging in, or extending, commercial activity. If the wider markets activity demands further investment to keep it viable, NIPEC must ensure the activity is reappraised.

2.13 State Aid

2.13.1 Any funding favouring a particular company or sector or seen to distort competition could be subject to the EU rules and, in certain circumstances, require notification to the European Commission. Article 107(1) of the EU Treaty prohibits in principle any form of preferential government assistance – state aid - to commercial undertakings. The purpose is to prevent distortion of competition within the EU. When designing policies, NIPEC should consider early whether state aids rules apply and seek advice from the Department.

2.14 Fees and Charges

2.14.1 Fees or charges for any services supplied by NIPEC, including services provided between HSC bodies shall be determined in accordance with MPMNI and should be based on a full cost recovery basis. Where it is decided to charge less than full costs, this will require Ministerial and DoF approval and there should be an agreed plan to achieve full cost recovery within a reasonable period. If the subsidy is intended to last the decision should be documented and periodically reviewed.

2.14.2 All fees and charges should be disclosed in the annual accounts in line with MPNMI / FReM.

2.15 Commercial Services

2.15.1 Charges for commercial services should be set at a commercial rate in line with market practice and reflect fair competition with private sector providers. The requirements of competition law and State Aid must be considered. Decisions to set rates at below market practice must have Ministerial and DoF approval.

2.16 Shared Services

2.16.1 Active engagement should be undertaken with the BSO to continue improving, enhancing and extracting value from existing and new services with consideration to consolidating services through shared service provisioning.

2.16.2 NIPEC should always use BSO in the first instance where it can provide the relevant service. Where it is not possible to avail of BSO services then

Enterprise Shared Services (ESS) should be / always be considered as a viable alternative and must be appraised in the business case.

2.16.3 All charges should be at cost in accordance with fees and charges guidance in MPMNI.

3. NIPEC INCOME

3.1. Grant-in-Aid

3.1.1 Grant-in-aid will be paid to NIPEC in regular instalments as agreed on the basis of a written application from NIPEC showing evidence of need. The application shall certify that the conditions applying to the use of grant-in-aid have been observed to date and that further grant-in-aid is now required for purposes appropriate to NIPEC's functions. The forecast grant-in-aid provided by NIPEC and included in the Department's spring supplementary estimates cannot be exceeded.

3.1.2 Where grant-in-aid is drawn by a service provider party on behalf of NIPEC, NIPEC should seek assurances throughout the period about monies drawn on their behalf.

3.1.3 NIPEC should have regard to the general guidance and principles enshrined in MPMNI that it should seek grant-in-aid according to need. Grant-in-aid should not be drawn down in advance of need.

3.1.4 Cash balances during the year shall be held at the minimum consistent with the efficient operation of the functions of NIPEC. Grant-in-aid not drawn down by the end of the year shall lapse. However, where draw-down of grant-in-aid is delayed to avoid excess cash balances at year-end, the Department will make available in the next financial year, (subject to approval by the Assembly of the relevant Estimates provision), any such grant-in-aid required to meet any liabilities at year end, such as creditors.

3.2 Fines and Taxes as Receipts

3.2.1 Most fines and taxes (including levies and some licences), do not provide additional DEL spending power and should be surrendered to the Department.

3.3 Receipts from Sale of Goods or Services

3.3.1 Receipts from the sale of goods and services (including certain licences), rent of land and dividends normally provide additional spending power. If NIPEC wishes to retain a receipt or utilise an increase in the level of receipts, it must gain the prior approval of the Department.

3.3.2 If there is any doubt about the correct classification of a receipt, NIPEC shall consult the Department, which may consult DoF as necessary.

3.4 Interest earned

- 3.4.1 Interest earned on cash balances cannot necessarily be retained by NIPEC without Departmental approval. Depending on the budgeting treatment of this receipt, and its impact on NIPEC's cash requirement, it may lead to commensurate reduction of grant-in-aid or be required to be surrendered to the NI Consolidated Fund via the Department.

3.5 Unforecast Changes in In-Year Income

- 3.5.1 If the negative DEL income realised or expected to be realised in-year is less than estimated, NIPEC shall, unless otherwise agreed with the Department, ensure a corresponding reduction in its gross expenditure so that the authorised provision is not exceeded. (NOTE: For example, if NIPEC is allocated £100 resource DEL provision by the Department and expects to receive £10 of negative DEL income, it may plan to spend a total of £110. If income (on an accruals basis) turns out to be only £5, NIPEC will need to reduce its expenditure to £105 to avoid breaching its budget. If NIPEC still spends £110, the sponsor Department will need to find £5 of savings from elsewhere within its total DEL to offset this overspend).
- 3.5.2 If the negative DEL income realised, or expected to be realised, in the year is more than estimated, NIPEC may apply to the Department to retain the excess income for specified additional expenditure within the current financial year without an offsetting reduction to grant-in-aid. The Department shall consider such applications, taking account of competing demands for resources, and will consult with DoF in relation to any significant amounts. If an application is refused, any grant-in-aid shall be commensurately reduced or the excess receipts shall be required to be surrendered to the NI Consolidated Fund via the Department.

3.6 Build-up and draw-down of deposits

- 3.6.1 NIPEC shall comply with the rules that any DEL expenditure financed by the draw-down of deposits counts within DEL. NIPEC shall maintain and manage cash balances as working balances only. These shall be held at a minimum level throughout the year. Any interest earned on overnight deposits must be returned to the Department.

3.7 Proceeds from Disposal of Assets

- 3.7.1 Disposals of land and buildings are dealt with in Section 6 below.

3.8 Gifts and Bequests received

- 3.8.1 NIPEC is free to retain any gifts, bequests or similar donations subject to paragraph 3.8.2. These shall be capitalised at fair value on receipt and must be notified to the Department.

3.8.2 Before accepting a gift, bequest or similar donation, NIPEC shall consider if there are any costs associated in doing so or any conflicts of interest arising. NIPEC shall not accept a gift, bequest or similar donation if there are conditions attached to its acceptance that would be inconsistent with NIPEC's function.

3.8.3 NIPEC must keep a register detailing gifts they have received, their estimated value and what happened to them (whether they were retained, disposed of, etc). NIPEC should liaise with Department as to whether the gifts received need to be noted in annual report and accounts.

3.8.4 Donations, sponsorship or contributions, e.g. from developers should also be treated as gifts and should be treated in line with guidance in Managing Public Money NI on Gifts and accounted for in accordance with FReM requirements.

3.9 Other Receipts

3.9.1 NIPEC should ensure that effective control is maintained, and records kept, of receipts from other sources (e.g. provision of fire certificates, reports etc).

3.10 Borrowing

3.10.1 Normally NIPEC is not permitted to borrow funds, however if doing so must observe the principles in MPMNI. NIPEC should seek the approval of the Department and, where appropriate DoF, to ensure it has the necessary authority and budgetary cover for borrowing or the expenditure to be financed for such borrowing.

4. EXPENDITURE ON STAFF

4.1 Staff Costs

4.1.1 Subject to its delegated limits of authority, NIPEC will ensure that the creation of any new/additional posts does not incur future commitments which will exceed its ability to pay for them.

4.1.2 The number of staff appointed by NIPEC will be subject to a staffing ceiling approved by the Department. The ceiling may be varied from time to time to reflect changes in the scale of NIPEC's operations or functions.

4.1.3 NIPEC shall submit a summary of its establishment levels to the Department at the end of the financial year.

4.2 Pay and Conditions of Service

4.2.1 NIPEC shall operate a pay scheme within the terms and conditions permitted for HSC staff and set by the Department. Employees of NIPEC, whether on permanent or temporary contract, will be subject to levels of remuneration, and terms and conditions of service (including Superannuation) as approved by the Department and DoF; NIPEC has no delegated power to amend these

terms and conditions. Current terms and conditions for employees are set out in the NHS Terms and Conditions of Service Handbook.

- 4.2.2. Annual pay increases of NIPEC staff must be in accordance with the annual FD letter on Pay Remit Approval Process and Guidance issued by DoF. All proposed pay awards must have prior approval of the Ministers of both the Department and DoF before implementation.
- 4.2.3 Payments shall be made to Board members in respect of travelling expenses, fees or other allowances in accordance with the relevant (Payment of Allowances to Members) Determination and Direction (Northern Ireland), which the Department may from time to time amend. NIPEC shall ensure that a comprehensive set of guidelines on all expenditure on travel and subsistence is in place.
- 4.2.4 Recruitment exercises to fill vacant or new senior positions in NIPEC should proceed only where there are exceptional circumstances which have been agreed by the Department in advance.
- 4.2.5 Any change to the remuneration of Senior Executives must have Department and DoF Ministerial approval. Organisations are encouraged to continue to work within the existing arrangement.

4.3 Pension Costs

- 4.3.1 NIPEC's staff shall be eligible to join the Health and Social Care (HSC) Pension Scheme.
- 4.3.2 Staff may opt out of the HSC Pension Scheme provided by NIPEC. However, the employer's contribution to any personal pension arrangement, including a stakeholder pension, shall be limited to the national insurance rebate level.
- 4.3.3. Any proposal by NIPEC to move from the existing pension arrangements, or to pay any redundancy, or compensation for loss of office, requires the approval of the Department and DoF. Proposals on severance payments must comply with MPMNI and any related DoF/ Departmental guidance.

5. NON-STAFF EXPENDITURE

5.1 Economic Appraisal

- 5.1.1 NIPEC is required to apply the principles of economic appraisal, with appropriate and proportionate effort, to all decisions and proposals concerning spending or saving public money, including European Union (EU) funds, and any other decisions or proposals that involve changes in the use of public resources. For example, appraisal must be applied irrespective of whether the relevant public expenditure or resources:

- involve capital or current spending, or both;
- are large or small;

- are above or below delegated limits.
- 5.1.2 All business cases must be approved internally in line with the scheme of delegation. Those business cases above the delegated limits must be submitted for Departmental approval prior to any expenditure being committed. Business cases submitted to the sponsor Department for approval must be approved by NIPEC's Board and signed off by its Accounting Officer.
- 5.1.3 All business cases for external consultancy, including those below delegated limits, must be submitted to the Department in advance of any expenditure. All business cases for Direct Award Contracts should be advised on by the CoPE and appropriately approved in advance of expenditure.
- 5.1.4 Delegations do not remove the need for appraisal or evaluation. All expenditure, including that below delegation limits, must be appraised and evaluated with effort that is proportionate to the resources involved, with due regard to the specific nature of the case. NIGEAE provides more detailed guidance on the application of appropriate and proportionate effort.
- 5.1.5 Business cases and appraisals should be prepared in accordance with the following guidance, using the pro forma templates or full business case as required:
- The Northern Ireland Guide to Expenditure Appraisal and Evaluation (NIGEAE).
 - The HM Treasury Guide, The Green Book: Appraisal and Evaluation in Central Government.
 - Sponsor Department circulars.
 - Business cases below delegated limits will be subject to an annual test drilling exercise by the Department and DoF.

5.2 Capital Expenditure

- 5.2.1 Subject to being above an agreed capitalisation threshold, all expenditure on the acquisition or creation of fixed assets shall be capitalised on an accruals basis in accordance with relevant accounting standards.
- 5.2.2 Proposals for large scale capital projects or acquisitions will normally be considered within NIPEC's corporate and business planning process. Applications for approval within the Corporate/Business Plan by the Department, and DoF if necessary, shall be supported by formal notification that the proposed project or purchase has been examined and duly authorised by the Council. Regular reports on the progress of projects shall be submitted to the Department in accordance with current instructions.
- 5.2.3 Approval of the corporate/business plan does not obviate NIPEC's responsibility to abide by the economic appraisal process.

5.3 Capital Projects

- 5.3.1 The Accounting Officer or appropriate officer as notified to the Department may authorise capital or IT expenditure on discreet capital projects of up to the agreed delegated limits. Capital or IT projects over this amount require the approval of the Department and where necessary DoF.
- 5.3.2 The principles of appraisal, evaluation and management apply equally to proposals supported by information communication technology (ICT) as to all other areas of public expenditure. The appraisal of Information Technology (IT) projects should include the staffing and other resource implications.
- 5.3.3 Any novel and / or potentially contentious projects, regardless of the amount of expenditure, require the approvals of the Department and DoF.
- 5.3.4 Transfers of assets between government Departments should generally be at full current market value; assets transferred under a transfer of functions order to implement a machinery of government change are generally made at no charge.

5.4 Transfer of Funds within Budgets

- 5.4.1 Unless financial provision is subject to specific Departmental or DoF controls (e.g. where provision is ring-fenced for specific purposes such as contractually committed projects) or delegated limits, transfers between budgets within the total capital budget, or between budgets within the total revenue budget, do not need Departmental approval. The one exception to this is that, due to HM Treasury controls, any movement into, or out, of depreciation and impairments within the resource budget will require Departmental and possibly DoF approval.
- 5.4.2 Virement of funding from capital to resource budgets shall not be permitted without prior approval from the Department, DoF and the Executive.

5.5 Lending, Guarantees, Indemnities, Contingent Liabilities: Letters of Comfort

- 5.5.1 NIPEC shall not, without the prior written consent of the Department (and where necessary DoF), lend money, charge any asset or security, give any guarantees or indemnities or letters of comfort, or incur any other contingent liability (as defined in Managing Public Money Northern Ireland), whether or not in a legally binding form.

5.6 Grants or Loans by NIPEC (if applicable)

- 5.6.1 Unless covered by a delegated authority, all proposals to make a loan to a third party, whether one-off or under a scheme, together with the terms and conditions under which such a loan is made, shall be subject to prior approval by the Department and, where necessary, DoF. If loans are to be made under a continuing scheme, statutory authority is likely to be required.

5.6.2 The terms and conditions of such grants or loans shall include the requirement on the recipient organisation to prepare accounts and to ensure that its books and records in relation to the grant or loan are readily available for inspection by NIPEC, the Department and the Comptroller and Auditor General.

5.7 Gifts Made

5.7.1 Departmental and DoF approval is needed for all gifts above delegated limits and those exceeding £250,000 also require Estimate cover and notified to the Assembly. Gifts include transfers of assets or leases at below market value. Public money must not be used to provide for gifts to members of staff. This shall also apply to members of the Council. Gifts by management to staff are subject to the requirements of DAO (DoF) 05/03.

5.7.2 Gifts should be noted in the annual report and accounts in line with MPMNI and the latest FReM requirements.

5.8 Write-offs, Losses and Other Special Payments

5.8.1 Proposals for write off's losses or other special payments including ex gratia and compensation payments (outside the delegated limits) must have the prior approval of the Department and where necessary DoF. Furthermore it is important to consult with the Department if payments are made, irrespective of delegations, which:

- involve important questions of principle;
- raise doubts about the effectiveness of existing systems;
- contain lessons which might be of wider interest;
- might create a precedent for other departments; or
- arise because of obscure or ambiguous instructions issued centrally.

5.8.2 Losses shall not be written off until all reasonable attempts to make a recovery have been made and have proved unsuccessful and there is no feasible alternative.

5.8.3 Overpayments – NIPEC should always pursue recovery of overpayments, irrespective of how they came to be made.

5.8.4 Special payments should only be authorised after careful appraisal of the facts and when satisfied that the best course has been identified. NIPEC should ensure that full, justification is provided together with the necessary legal advice where appropriate and lessons learned clearly identified.

5.8.5 Details of all losses and special payments should be recorded in a Losses and Special Payments Register, which will be available to auditors. The Register should be kept up-to-date and should show evidence of the approval by the appropriate officer as notified to the Department, for amounts below the delegated limit, and the Department, where appropriate.

5.8.6 Losses and special payments should be reported in the annual accounts in accordance with MPMNI and the latest FReM requirements.

5.9 Remedy

5.9.1 NIPEC should operate a clear accessible complaints process which should respond promptly and consistently and consider whether a remedy is appropriate in line with MPMNI.

5.10 Leasing

5.10.1 Prior Departmental and DOF approval is required for all property and finance leases as delegated authority has been removed. NIPEC must have DEL provision for finance leases and other transactions that are, in substance, a form of borrowing.

5.10.2 Before acquiring a new lease or continuing with an existing lease term, NIPEC must, at expiry or break option dates, submit a proportionate business case at least 12 months before either the lease expiry date or landlord / tenant notice date whichever is earlier. NIPEC must ensure that the lease demonstrates value for money and that this is appropriately demonstrated in the business case through analysis of options including leasing of alternative property assets and purchase.

5.10.3 Business cases must be submitted for Departmental approval in the first instance. The Department will then seek approval from DoF before expenditure is committed.

5.11 Public Private Partnerships

5.11.1 NIPEC should seek opportunities to enter into public / private partnerships where this would be more affordable and offer better value for money than conventional procurement.

5.11.2 All such proposals require Departmental / DoF approval, NIPEC must consult with the Department when considering any proposal to enter into such arrangements. Procurement by private finance is only considered suitable for capital projects of £50million and above, because less capital intensive projects seldom justify the relatively high procurement and management costs involved. For instance, PFI solutions are not usually considered appropriate for Information Communication Technology (ICT) projects. Private finance should only be used after the rigorous scrutiny of all alternative procurement options, where:

- the use of private finance offers better value for money for the public sector compared with other forms of procurement.; and
- the public sector partner is able to predict the nature and level of its long term service requirements with a reasonable degree of certainty.

5.11.3 NIPEC should ensure adherence to DoF guidance on value for money assessments of alternative procurement options.

5.11.4 NIPEC should consult with the Department over the accounting and budgeting treatment for any private finance initiative. Where judgement over the level of control is difficult, the Department will consult DoF (who may need to consult with the Office of National Statistics over national accounts treatment).

5.12 Subsidiary Companies and Joint Ventures

5.12.1 NIPEC shall not establish subsidiary companies or joint ventures without the express approval of the Department and DoF. In judging such proposals, the Department will have regard to its own wider strategic aims, objectives and those of the Government.

5.12.2 For public expenditure accounts purposes, any subsidiary company or joint venture controlled or owned by NIPEC shall be consolidated with it in accordance with guidance in the FReM, subject to any particular treatment required by the FReM. Where the judgement over the level of control is difficult, the Department will consult DoF (who may need to consult with the Office of National Statistics over national accounts treatment). Unless specifically agreed with the sponsor Department and DoF, such subsidiary companies or joint ventures shall be subject to the controls and requirements set out in this MS/FM and to the further provisions set out in supporting documentation.

5.13 Financial Investments

5.13.1 NIPEC shall not make any financial investment without the prior written approval of the Department and, where appropriate, DoF, nor should it build up cash balances or net assets in excess of what is required for operational purposes. Funds held in bank accounts or as financial investments may be a factor for consideration when grant-in-aid is determined. Equity shares in ventures which further the objectives of NIPEC shall equally be subject to Departmental and DoF approval unless covered by a specific delegation.

5.14 Unconventional Financing

5.14.1 NIPEC shall not enter into any unconventional financing arrangement without the approval of the Department and DoF. If NIPEC is using a new or non-standard technique, it should ensure that it has the competence to manage, control and track its use and any resulting financial exposures, which may vary with time. In particular, NIPEC should consult the sponsor Department before using derivatives for the first time. NIPEC must evaluate any such financing techniques carefully, especially to assess value for money and any proposal must be assessed in line with MPMNI chapter on funding.

5.15 Commercial Insurance

5.15.1 NIPEC shall not take out any insurance without the prior approval of the Department and DoF, other than third party insurance required by the Road

Traffic (NI) Order 1981 (as amended) and any other insurance which is a statutory obligation or which is permitted in Managing Public Money Northern Ireland. Decisions on whether to buy insurance should be based on objective cost-benefit analysis, using guidance in the *Northern Ireland Guide to Expenditure Appraisal and Evaluation (NIGEAE)* (supported by additional DoF guidance).

5.15.2 In the case of a major loss or third-party claim, the Department shall liaise with NIPEC about the circumstances in which an appropriate addition to budget out of the Department's funds and / or adjustment to NIPEC targets shall be considered. The Department will liaise with DoF Supply where required in such cases.

5.15.3 Employers Liability. NIPEC is listed in the exemption Regulations made by the Department of Enterprise, Trade and Investment (now the Department for the Economy) under the 1972 Order/Employer's Liability (Compulsory Insurance) Regulations (Northern Ireland) 1999, as amended and therefore is not required to insure against liability for personal injury suffered by its employees.

5.16 Payment/Credit Cards

5.16.1 NIPEC, in consultation with the Department, shall ensure that procedures on the issue of payment cards (including credit cards) are in place. No payment / credit cards should be issued without the prior written approval of the Accounting Officer.

5.17 Hospitality

5.17.1 NIPEC shall ensure that a comprehensive set of guidelines on the provision of hospitality is in place. Reference should be made to Departmental guidance.

5.18 Use of Consultants

5.18.1 NIPEC must notify the Department of any occasion when it intends to use consultants, for what purpose, and submit consultancy business case in advance of any expenditure being committed. Prior Departmental / DoF approval must be sought in line with current delegated limits. NIPEC shall also comply with current Departmental and DoF guidance on the Use of Consultants.

5.19.2 NIPEC will provide the Department with a quarterly statement on the status of all consultancies completed and / or started in each financial year.

5.19.3 Care should be taken to avoid actual, potential, or perceived conflicts of interest when employing consultants.

6. MANAGEMENT AND DISPOSAL OF FIXED ASSETS

6.1 Asset Management Strategy

- 6.1.1 Each public sector organisation is expected to develop and operate an asset management strategy underpinned by a reliable and up to date asset register. The Accounting Officer should review the strategy annually as part of the corporate or business plan.
- 6.1.2 NIPEC should develop and operate an asset management strategy which should be reviewed annually as part of the corporate planning process.
- 6.1.3 NIPEC must ensure effective use, maintenance, acquisition and disposal of the public sector assets under its control.
- 6.1.4 NIPEC should keep an asset register of all the capital assets it owns and uses.

6.2 Asset transfer between public bodies

- 6.2.1 Public sector organisations may transfer property among themselves without placing the asset on the open market, provided they do so at market prices and in appropriate circumstances and accounted for in compliance with MPMNI.
- 6.2.2 Machinery of Government changes. Some assets transfer due to machinery of government changes. The relevant legislation (Transfer Order) should prescribe the terms of any such transfer.
- 6.2.3 NIPEC should maintain information asset registers as part of their asset management strategy.

6.3 Register of Assets

- 6.3.1 NIPEC shall maintain an accurate and up to date register of fixed assets.

6.4 Disposal of Assets

- 6.4.1 NIPEC shall dispose of those assets that are surplus to its requirements in compliance with current policy. Assets should be sold for best price, as advised by Land & Property Services. Assets shall be sold by auction or competitive tender as advised by Land & Property Services (unless otherwise agreed by the sponsor Department) and in accordance with the principles of Managing Public Money Northern Ireland provided that:
 - a. NIPEC is satisfied that the articles are spent, redundant or surplus to requirements; and

- b. other than at a public auction, no article shall pass into the possession of any member of staff of NIPEC or member of the Board without approval of the Department.

6.4.2 All receipts derived from the sale of assets (including grant financed assets, see below) must be declared to the Department, which will consult with DoF on the appropriate treatment.

6.5 Recovery of Grant – Financed Assets

6.5.1 Where NIPEC has financed expenditure on capital assets by third parties, NIPEC shall set conditions and make appropriate arrangements to ensure that assets are not disposed of without NIPEC's prior consent.

6.5.2 NIPEC shall ensure that any grants to third parties for the acquisition of assets should normally include a clawback condition under which they can recoup the proceeds if the recipient of the grant later sells the asset.

6.5.3 NIPEC shall ensure that, if the assets created by grants made by the Board cease to be used by the recipient of the grant for the intended purpose, a proper proportion of the value of the asset shall be repaid to NIPEC for surrender to the Department. The amount recoverable shall be calculated by reference to the best possible value of the asset and in proportion to the NI Consolidated Fund's original investment(s) in the asset.

7. BUDGETING PROCEDURES

7.1 Setting the Annual Budget

7.1.1 Each year, in the light of decisions by the Department on NIPEC's updated draft corporate plan, the Department will send to NIPEC:

- a. a formal statement of the annual budgetary provision allocated by the Department in the light of competing priorities across the Department and of any forecast income approved by the Department; and

- b. where applicable, a statement of any planned change in policies affecting NIPEC.

7.1.2 NIPEC approved annual Business Plan will take account both of its approved funding provision and any forecast receipts, and will include a budget of estimated payments and receipts together with a profile of expected expenditure and of draw-down of any Departmental funding and / or other income over the year. These elements will form part of the approved Business Plan for the year in question (Section 4.1 of the Management Statement).

7.1.3 Any grant-in-aid provided by the Department for the year in question will be voted in the Department's Estimate and will be subject to Assembly control.

7.2 General Conditions for the Authority to Spend

7.2.1 Once NIPEC's budget has been approved by the Department (and subject to any restrictions imposed by Statute / the Minister / this MSFM or any other circulars, directives, and best practice guidance that may issue from, or by way of, the Department), NIPEC shall have authority to incur expenditure approved in the budget without further reference to the Department, on the following conditions:

- NIPEC shall comply with the delegations issued by the Department in HSC(F) 52-2016 or subsequent revisions (Appendix 1(FM)). These delegations shall not be altered without the prior agreement of the Department and DoF.
- NIPEC shall comply with the conditions set out in paragraph 2.3 above regarding novel, contentious or repercussive proposals.
- Inclusion of any planned and approved expenditure in NIPEC's budget shall not remove the need to seek formal Departmental (and, where necessary, DoF) approval where such proposed expenditure is above the delegated limits, or is for new schemes not previously agreed.
- NIPEC shall provide the Department with such information about its operations, performance, individual projects or other expenditure as the sponsor Department may reasonably require (see paragraph 7.3 below).
- NIPEC shall comply with NI Procurement Policy and carry out procurement via a recognised and approved CoPE.

7.3 Providing Monitoring Information to the Sponsor Department

7.3.1 NIPEC shall provide the Department with information on a regular basis which will enable the satisfactory monitoring by the Department of:

- NIPEC's cash management;
- its draw-down of any grant-in-aid;
- the expenditure for that month;
- forecast outturn by resource headings; and
- other data required for the DoF Outturn and Forecast Outturn Return
- other information requirements are listed at Appendix 2 (FM).

8. BANKING

8.1 Banking Arrangements

8.1.1 NIPEC's Accounting Officer is responsible for ensuring that NIPEC's banking arrangements are in accordance with the requirements of Chapter 5 of *MPMNI*. In particular, the Accounting Officer shall ensure that the arrangements safeguard public funds and that their implementation ensures efficiency, economy and effectiveness. This responsibility remains even with the current banking pool arrangements. Accounting Officers are responsible for the credit risk to which public funds are exposed when held in commercial banks. It is important that they manage this risk actively, so that it is kept to a minimum. This means using the most efficient and cost effective money transmission methods and securing the best terms possible from banks. NIPEC should seek the advice of the Department before opening new bank accounts.

8.1.2 NIPEC's Accounting Officer shall therefore ensure that:

- these arrangements are suitably structured and represent value-for-money, and are reviewed at least every two years, with a comprehensive review, usually leading to competitive tendering, at least every three to five years;
- sufficient information about banking arrangements is supplied to the Department's Accounting Officer to enable the latter to satisfy his/her own responsibilities;
- NIPEC's banking arrangements shall be kept separate and distinct from those of any other person or organisation; and
- adequate records are maintained of payments and receipts and adequate facilities are available for the secure storage of cash.

9. COMPLIANCE WITH INSTRUCTIONS AND GUIDANCE

9.1 Relevant Documents

9.1.1 NIPEC shall comply with the following general guidance documents:

- This document (both the *Financial Memorandum* and the *Management Statement*).
- *Managing Public Money Northern Ireland (MPMNI)*.
- *Public Bodies - a Guide for NI Departments* issued by DoF.
- *Government Internal Audit Standards*, issued by DoF.
- *Managing the Risk of Fraud* issued by DoF.

- *The Government Financial Reporting Manual (FReM)* (Treasury document) issued by DoF.
- Treasury guidance *Management of Risk: A Strategic Overview (The “Orange Book”)*.
- Relevant DoF Dear Accounting Officer and Finance Director letters.
- Relevant Dear Consolidation Officer and Dear Consolidation Manager letters issued by DoF.
- *Regularity, Propriety and Value for Money*, issued by Treasury.
- The Consolidation Officer Letter of Appointment, issued by DoF.
- *PFI - Working Together in Financing our Future: Policy Framework for Public Private Partnerships in Northern Ireland* available at <http://webarchive.prони.gov.uk/20141007005953/http://www.ofmdfmni.gov.uk/maindoc.pdf>.
- Other relevant instructions and guidance issued by the central Departments (DoF/DEO) including Procurement Board and CPD guidance.
- Specific instructions and guidance issued by the sponsor Department.
- Recommendations made by the Public Accounts Committee, or by other Assembly/Parliamentary authority, which have been accepted by the Government and which are relevant to NIPEC.

10. REVIEW OF FINANCIAL MEMORANDUM

- 10.1 This Financial Memorandum will normally be formally reviewed every five years, or following a review of NIPEC’s functions as provided for in the Management Statement.
- 10.2 The Department of Finance (DoF) will be consulted on any significant variation proposed to the Management Statement and Financial Memorandum.

Revision of HSC and NIFRS Delegated Limits and requirements for Departmental/ DoF approval

1. DoF has updated some of the delegated limits per (DAO (DPF) 06/12) providing guidance on the revised arrangements for Departmental delegations, following the restructuring of the new nine Departments, and the associated requirements for DoF approval. The revised DAO can be found at: https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/daodfp0612_revised%20280716_0.pdf
The principles of DAO (DFP) 06/12 still remain and reminds organisations of the guidance contained in MPMNI relating to the authority for expenditure, regularity, propriety and value for money and the requirement to ensure that the principles of appraisals are applied when expending resources. The relevant extracts are included at **Annex A**.
2. This circular sets out the delegations between DoH and Health and Social Care bodies and NIFRS and conveys delegated authority to commit and incur expenditure subject to the restrictions set out at table A below and per **Annex B and Annex C**.
3. The main changes to delegated limits are:
 - Capital Projects
 - DoH delegated limit excluding hospital schemes has increased from £1m to £2m
 - Trusts delegated limit, excluding hospital schemes, has increased from £500k to £1.5m
 - New delegated limit introduced for PHA lead Research and development of £1.5m
 - Trusts delegated limit for hospital schemes has also increased from £500k to £1.5m
 - Gifts has increased from £100 to £250 for all bodies;
 - Ex-Gratia Financial Remedy Payments (i.e. those made to complainants through an organisation's internal complaints procedures/processes increased from £250 to £500;

- Overpayments - Foregoing the recoupment of overpayments of pay, pensions and allowances; Pensions from £500 to £1,000;
- Clinical negligence – delegated limit increased from £500k to £1m;
- Delegated limit for all leases for Office / warehouse / storage accommodation is nil for all bodies;
- DoH Delegated limit for EU Peace IV and In VA Programmes has increased from £2m to £5m. Delegated limits for all bodies remains NIL;

4. The table below summarises the main financial delegated limits where the Department has given delegated authority to HSC and NIFRS to spend within those limits. This must be read in conjunction with **Annex B** and **Annex C** which **contains a full list of delegations for which HSC bodies and NIFRS have NO delegated authority other than those listed below.**

All proposed expenditure which is set to exceed the HSC/NIFRS delegated limit must receive the appropriate prior approval before commitment to spend.

TABLE A

Area of Delegation	HSC/NIFRS Delegated Limit	DoH Delegated Limit
Use of External Consultants	HSC Bodies - £10,000 NIFRS - £10,000	£75,000
Capital Expenditure (excluding hospital schemes)	HSC Board & Trusts - £1,500,000	£2,000,000
	BSO £250,000	
	PHA - £50,000	
	PHA R&D - £1,500,000	
	NIBTS - £200,000	
	Other HSC Bodies - £10,000	
Hospital Schemes – New Build, Extension, Refurbishment and Equipment involving capital expenditure	NIFRS - £250,000	£5,000,000
	HSC Board & Trusts - £1,500,000	
	BSO - £250,000	
	PHA - £50,000	
	NIBTS - £200,000	
	Other HSC Bodies - £10,000	
IT Projects	HSC Board; Trusts; BSO; PHA; £250,000	£1,000,000

Area of Delegation	HSC/NIFRS Delegated Limit	DOH Delegated Limit
	NIBTS - £200,000	
	NIMDTA - £20,000	
	Other HSC Bodies - £10,000	
	NIFRS - £250,000	
Gifts	£250	£250
Losses – write off of cash losses and cash equivalents, bookkeeping losses, exchange rate fluctuations, fruitless payments and constructive losses, property in stores or in use due to any deliberate act	HSC Bodies £10,000 NIFRS - £1,000	n/a*
Losses - The write off of losses relating to pay, allowances, superannuation benefits, social security benefits, grants, subsidies and the failure to make adequate charges for use of public property or services and loans - as per guidance in MPMNI	All HSC Bodies and NIFRS - Nil**	Nil**
Losses - Waived of Abandoned claims	HSC Bodies £10,000 NIFRS - £1,000	£100,000
Special payments / Ex-Gratia Payments	All HSC Bodies - £10,000 NIFRS - £1,000	£100,000
Overpayments - Foregoing the recoupment of overpayments of pay, pensions and allowances	All HSC Bodies and NIFRS - £1,000 (pay & allowances) £1,000 (pensions)	£20,000
Overpayments - Foregoing the recoupment of overpayments of grants	All HSC Bodies and NIFRS - Nil**	Nil**
Special severance payments	All HSC Bodies and NIFRS - Nil**	Nil**
Ex-Gratia Financial Remedy Payments (i.e..those made to complainants through an organisation's internal complaints procedures/processes)	All HSC Bodies and NIFRS - £500	£500
Ex-Gratia Payments to be made as a result of a recommendation from the NI Public Services Ombudsman	All HSC Bodies - £10,000 NIFRS - £1,000	£50,000
Compensation payments for Clinical Negligence (to include interim payments if overall settlement is expected to exceed delegated limits) To include agreement of Periodic Payment Orders (PPOs)	HSC Bodies £1,000,000 NIFRS n/a	£2,000,000
Compensation payments following legal advice (This would include all personal injury and public liability claims)	HSC Bodies - £25,000 NIFRS - £1,000	£100,000
Compensation payments without legal advice	All HSC Bodies and NIFRS - Nil	£10,000
Extra-Statutory and Extra-Regulatory payments	All HSC Bodies and NIFRS - Nil	£100,000

Area of Delegation	HSC/NIFRS Delegated Limit	DoH Delegated Limit
Confidentiality Agreements	Nil	Nil
Grants: Revenue Capital	All HSC Bodies and NIFRS £500k per annum £200k in total	£500k per annum £200k in total
Leases for office accommodation/ warehousing / storage	All HSC Bodies and NIFRS Nil	Nil
Pay remits	All HSC Bodies and NIFRS Nil	Nil
Revenue Business cases	NIFRS - £250,000 All other HSC Bodies – fully delegated	Nil

* DoH has full delegated authority

** Prior DoH and DoF approval required in all cases

5. It is mandatory for HSC bodies and NIFRS to obtain prior Departmental approval for expenditure above those limits outlined above and per Annex B & C attached. Failure to obtain the required DoF approvals will result in regularity and propriety issues. Any expenditure which falls outside a Department's delegated authority and which has not been approved by DoF is deemed irregular and could result in qualified accounts and investigation by PAC.
6. Where expenditure proposals exceed the Department's delegated limits, DoF Supply will act as the approving authority.
7. All expenditure which is novel, contentious, repercussive or which could set a potentially expensive precedent, irrespective of size, even if it appears to offer value for money taken in isolation **must** have Departmental and DoF approval before expenditure is committed.

Further Guidance

8. For further details on these categories of expenditure, including approvals procedures, HSC Bodies and NIFRS should refer to Managing Public Money. Northern Ireland¹ and NIGEAE², as well as current Departmental finance guidance on:

- The use of professional services (including consultants)
- Losses and special payments
- Claims handling (including clinical negligence and personal injury litigation)
- Fraud
- Capital

Process for approval of expenditure

9. Any payments / expenditure that require Departmental approval must be submitted through Financial Policy and Accountability Unit, who will act as a single point of contact through whom all liaison with DoF on significant financial matters, including approvals, should be conducted. This is to ensure that appropriate Departmental approvals have been obtained and that regularity, propriety and VFM have been adhered to.
10. It has been agreed that the Infrastructure Investment Director will be the contact point for all such submissions concerning capital.

Should you have any queries please contact the following

Paula Shearer 02890 765689
Sharon Allen (Capital) 02890 523169

Action Required

11. HSC Bodies and NIFRS to note the requirements to obtain prior Departmental approval before committing expenditure outside the delegations conveyed by this letter. This circular should therefore be circulated as appropriate throughout your organisation and schemes of delegation revised and updated accordingly.

Yours sincerely

PAULA SHEARER
Financial Policy, Accountability and Counter Fraud Unit

¹ <https://www.finance-ni.gov.uk/articles/managing-public-money-ni-mpmni>
² <https://www.finance-ni.gov.uk/topics/finance/northern-ireland-guide-expenditure-appraisal-and-evaluation-nigeae>

Extract from revised DAO (DFP) 06/2012

Expenditure Appraisal and Evaluation

1. FD(DFP) 20/09 draws departments' attention to the Northern Ireland Guide to Expenditure Appraisal and Evaluation (NIGEAE), which contains DoF's core guidance on the appraisal, evaluation, approval and management of policies, programmes and projects. The principles of appraisal should be applied, with proportionate effort, to every proposal for spending or saving public money, or proportionate changes in the use of public sector resources. For example, appraisal must be applied irrespective of whether the relevant public expenditure or resources:
 - involve capital or current spending, or both;
 - are large or small;
 - are above or below delegated limits.

2. Appraisal is a systematic process for examining alternative uses of resources. It is designed to assist in defining problems and finding the solutions which offer the best value for money. It is a way of thinking expenditure proposals through, right from the emergence of the need for a project through its implementation, to post-project evaluation. It is the established vehicle for planning and approving projects and other expenditures. Good appraisal leads to better decisions and use of resources. It facilitates good project management and project evaluation. Appraisal is not optional; it is an essential part of good financial management, which is vital to decision-making and crucial to accountability. But it must also be proportionate.

3. It is important to begin applying appraisal early in the gestation of any proposal which has expenditure or resource implications. The justification for incurring any expenditure at all should be considered. Appraisal should be applied from the emergence of a need right through to the recommendation of the most cost-effective course of action. It should not be regarded merely as the means to refine the details of a predetermined option.

4. It should be noted that delegations do not remove the need for appraisal or evaluation. All expenditure, including that below delegation limits, must be appraised

and evaluated with effort that is proportionate to the resources involved, with due regard to the specific nature of the case. NIGEAE provides more detailed guidance on the application of appropriate and proportionate effect.

Implementation of delegated authority

5. This DAO restates a number of working arrangements which are intended to facilitate the efficient implementation of delegated authority and the achievement of accountability and value for money. They are part of the internal controls of a department and should facilitate an Accounting Officer in signing the Governance Statement.

Management Arrangements

6. Departments should nominate a senior official, preferably the Departmental Finance Director, to assist in the discharge of all aspects of the delegation arrangements within the department. This official should act as a single point of contact through whom all liaison with DoF on significant financial matters, including approvals, should be conducted, unless alternative arrangements are agreed with DoF. Departments should inform DoF of the name and job title of this point of contact and notify DoF of any subsequent change.
7. Expenditure above delegated limits generally requires DoF approval. The normal procedure for seeking DoF approval is to submit a suitable business case to the appropriate DoF Supply Division in accordance with the guidance in NIGEAE.
8. All cases presented to DoF for approval must confirm that the department is content with the regularity, propriety and value for money of the project and the project has the necessary approvals within the departmental Accounting Officer's delegated arrangements. Where it is clear to DoF that a case has been submitted without proper departmental approval procedures being followed, the case will be returned without consideration
9. It should be noted that where DoF approval is required, expenditure should not be committed until DoF approval has been granted. Where DoF's approval has not been sought, DoF will not generally grant retrospective approval where the relevant expenditure has already been committed or the works have commenced.

10. The practice of consulting DoF informally during the course of development of a project is strongly encouraged, particularly where the project is deemed to be complicated, novel or contentious. However, such informed consultation does not remove the need for a department to formally submit the project for DoF approval if that is required. DoF will not confirm its formal view of any proposal unless the department has provided confirmation of its Accounting Officer's view (under the responsibility of the Accounting Officer) on the regularity, propriety and value for money of the relevant proposed expenditure.

Appraisals and Post Project Evaluation

11. All departments should ensure that their operating procedures and guidance on conducting economic appraisals comply with NIGEAE, are recorded in a Finance Manual, that this Manual is kept updated regularly, and that those who are involved in the economic appraisal process have access to it.

12. The Departmental Finance Director should ensure that commensurate Post Project Evaluations (PPEs) are completed in accordance with the principles set out in NIGEAE that lessons learnt are shared within the department (and, where appropriate, with other departments). A copy of the PPE should be forwarded to DoF Supply if it formed a condition of the approval. Departmental Finance Manuals should ensure that appropriate procedures are established for PPEs.

Review of Processes

13. Each department should carry out an annual review (independent of the spending areas) of the processes in relation to the appraisal of cases and PPEs that fall within its delegated limits, to ensure that the proper processes are being followed and the delegation limits set out in this DAO adhered to. If a department has evidence-based confidence in its internal controls, it may decide to implement a cycle of reviews, taking a different part of the department each year.

Appraisals and Post Project Evaluations

14. In addition to the annual review of processes described at (viii) above, departments should conduct ad hoc 'test drilling' of economic appraisals and PPEs that fall (a) within their delegated limits and (b) within the delegated limits given to their

sponsored bodies, to ensure that the appropriate appraisal standards have been applied in accordance with NIGEAE guidance and that decisions have been taken on a proper basis. The review should be undertaken independent of the spending area. A department may undertake a cycle of reviews concentrating on the higher risk areas. A report of the findings of the examination of individual cases should be provided by departments to the Departmental Accounting Officer and DoF Supply on an annual basis, by 30 June each year. This should provide further assurance to the Departmental Accounting Officer in signing off the Annual Governance Statement.

15. Departments should submit to DoF Supply a list of all appraisals above the level agreed with their Supply Officer. Supply may request a sample of those cases for review, to confirm the effectiveness of departments' control systems (in line with the criteria in MPMNI A.2.3.8. Any necessary corrective action identified should be implemented within an agreed timescale.

AREAS REQUIRING DoF APPROVAL FOR ALL DEPARTMENTS

	Details	Reference
Where DoF approval (in writing) is required:		
Use of Resources		
1	Public statements which might imply a willingness on the part of the Executive to commit resources or incur expenditure beyond agreed levels	MPMNI Box A.2.3.A
2	Guarantees, indemnities or general statements/ letters of comfort which could create a contingent liability	MPMNI Box A.2.3.A
3	All expenditure which is novel, contentious, repercussive or which could set a potentially expensive precedent, irrespective of size, even if it appears to offer value for money taken in isolation	MPMNI Box A.2.3.A Box 2.3
4	Expenditure that could create pressures which could lead to a breach of: <ul style="list-style-type: none"> 1. Departmental Expenditure Limits (DELs); 2. resource limits or capital limits; or 3. Estimates provision. 	MPMNI Box A.2.3.B
5	Expenditure that would entail contractual commitments to significant levels of spending in future years for which plans have not been set	MPMNI Box A.2.3.B
6	Legislation with financial implications as per guidance in MPMNI	MPMNI A.2.2.1
7	New services under the sole authority of the Budget Act	MPMNI A.2.5.15
8	Loans – on borrowing from the Northern Ireland Consolidated Fund for Contingencies	MPMNI A.2.5.9 MPMNI A.2.5.11
Accounting Officers		
9	Appointment of the permanent head of each central government department to be its Accounting Officer	MPMNI 3.2.1
10	Appointment of an Accounting Officer for a Trading Fund (TF)	Financial Provisions NI Order 1993 and MPMNI 3.2.2
Internal Management		
11	Gifts – Giving any individual gift in excess of £250. Refer to Table A for HSC and NIFRS Delegation	MPMNI A.4.12.3
12	Insurance – Decision to purchase commercial insurance.	MPMNI 4.4.1 – 4.4.2

	Details	Reference
13	Losses – The write off of losses relating to pay, allowances, superannuation benefits, social security benefits, grants, subsidies and the failure to make adequate charges for use of public property or services and loans - as per guidance in MPMNI - Refer to Table A for HSC and NIFRS Delegation	MPMNI Annex A.4
14	Losses - Waived or Abandoned claims above £100,000 and Special payments e.g. ex gratia over £100,000. To include the foregoing the recoupment of overpayments of pay, pensions and allowances over £20,000 and the recoupment of overpayments of grants. Refer to Table A for HSC and NIFRS Delegation	MPMNI A.4.10.2 & Box A.4.10.A MPMNI A.4.11
15	Payments – Advance payments excluding those allowed under the guidance in MPMNI	MPMNI A.4.6.5
16	Payments – Deferred payments excluding those allowed under the guidance in MPMNI	MPMNI A.4.6.9
17	Payments - Special severance payments - Refer to Table A for HSC and NIFRS Delegation	MPMNI A.4.13.9
18	Payments – Financial Remedy Payments over £500 (ie payments made to complainants through an organisations internal complaints procedures/processes) and payments over £50,000 to be made as a result of a recommendation from the Northern Ireland Public Services Ombudsman	MPMNI A.4.14.8
Funding		
19	Banking – Proposals to open an account outside the pool or any proposed changes to Banking Pool arrangements	MPMNI 5.8.2 MPMNI A.5.7.3 MPMNI Box A.5.7.B
20	Banking – Requests for indemnities that commercial banks may seek to replace their normal arrangements	MPMNI Box A.5.7B
21	Borrowing from the Private Sector for all Arms Length Bodies (ALBs)	MPMNI 5.7.1
22	Borrowing on terms more costly than those usually available to government	MPMNI A.5.6.11
23	Borrowing – foreign borrowing	MPMNI A.5.6.12
24	Foreign Currency - Any proposals to negotiate contracts in foreign currencies other than the euro, yen or US dollar	MPMNI A.5.7.13
25	Income - Use of income and cash by departments to meet expenditure needs if there is no specific legislation	MPMNI A.5.3.1 MPMNI A.5.3.5
26	Income & Receipts - Increases to the amount that can be treated as an accruing resource	MPMNI A.5.3.8 MPMNI A.5.3.9

	Details	Reference
	during a financial year in order to finance a comparable increase in expenditure as per in-year monitoring/budgeting guidance	
27	Liabilities – Departments seeking statutory authority to accept liabilities	MPMNI A.5.5.5
28	Liabilities – Assuming statutory liabilities including the liabilities of any sponsored bodies in excess of £1 million for any single transaction	MPMNI A.5.5.14
29	Liabilities – Reporting non-statutory, where required, to the Assembly	MPMNI A.5.5.23
30	Liabilities – Reporting a contingent liability in confidence by writing to the Chair of the PAC	MPMNI A.5.5.28
31	Liabilities – Departments should consult DoF about reporting a liability during recess and outside Assembly sessions during a dissolution	MPMNI A.5.5.30 MPMNI A.5.5.34
32	Loans – proposals to make voted loans and premature repayment	MPMNI 5.6.1 MPMNI A.5.6.2
Fees, Charges and Levies		
33	Charges - Primary legislation to empower charging	MPMNI 6.2.1
34	Charges - Restructuring charges using the Fees and Charges (NI) Order 1988 No. 929 (N.I.8) in line with guidance in MPMNI	MPMNI Box 6.2
35	Charges - Public sector supplier moving away from full cost charging	MPMNI A.6.4.8
36	Interdepartmental Transactions – where the transaction may require legislative procedures or where DoF agreement is required under statute	MPMNI A.6.6.3
Working with Others		
37	Agency framework documents and the methods of financing an agency	MPMNI 7.4.2 & Box 7.2
38	All Management Statements and Financial Memorandums (MSFM) or other relationship documents	MPMNI 7.7.6
39	The establishment or termination of an NDPB	Public Bodies: A Guide for NI Departments
40	The establishment and operation of a Trading Fund including sources of capital	Financial Provisions NI Order 1993 and MPMNI A.6.6.3, MPMNI 7.5.2, 7.5.4 & Box 7.3
41	Provision of funding by way of an Endowment Fund	A.5.1.10
42	Grants to Councils under the Local Government (Finance) Act (NI) 2011	Local Government (Finance) Act (NI) 2011
Other Delegations		
43	Wider market projects where the full annual cost or aggregated annual income from such	MPMNI A.7.6.6

	Details	Reference
	services exceeds, or is expected to exceed thresholds agreed by DoF	
44	Assets - Transfer or disposal of assets at less than market value.	
45	Assets – to appropriate any sums realised as a result of selling an asset above the deminimis level in the DoF Budget/In-year Monitoring Guidance	
46	Assets – to allow an organisation to retain receipts arising from the sale of assets funded by grant or grant-in-aid above the deminimis level in the DoF Budget/In-year Monitoring Guidance	
47	Compensation payments without legal advice - Individual compensation claims settled out of court over £10,000. - Refer to Table A for HSC and NIFRS Delegation	
48	Compensation payments following legal advice - Individual compensation claims settled out of court over £100,000 where the legal advice is that the department will not win the case if contested in court. - Refer to Table A for HSC and NIFRS Delegation	
49	Consultants – Expenditure on external consultancy projects over £75,000 Expenditure on external consultancy assignments co-funded by the Strategic Investment Board over £150k – Refer to Table A for HSC and NIFRS Delegation	FD(DOF)07/12 Minute to Principal Finance Officers dated 19 April 2004
50	Estimates – form and content of Main and Supplementary Estimates.	Supply Estimates in Northern Ireland – A Guidance Manual
51	Virement	Supply Estimates in Northern Ireland – A Guidance Manual
52	Fraud – any departure from immediate reporting (not including National Fraud Initiative (NFI) for which separate arrangements have been agreed	FD(DFP) 02/13
53	IT projects over £1 million Refer to Table A for HSC and NIFRS Delegation	CONSIDER AGAINST AGILE
54	Capital Projects - All other expenditure on Capital Projects involving over £2million of Central Government expenditure unless other delegations specifically allow - Refer to Table A for HSC and NIFRS Delegation	
55	Projects - All PFI + 3PD projects at key stages as stipulated in NIGEAE	NI Guide to Expenditure Appraisal and Evaluation MPMNI A.7.5.4 FD(DFP) 20/09 FD(DFP) 17/11

	Details	Reference
56	Receipts – repayment of CFERs from the Northern Ireland Consolidated Fund	
57	Redundancy – All staff redundancy schemes not covered by existing regulations or which are more generous than existing NICS scheme.	
58	EU - All expenditure over £5 million under the EU Programmes for which the Special EU Programmes Body is responsible rather than with a threshold of £2 million.	Letter to Finance Directors & EUSG Members 2 March 2011
59	Pay Remits - Refer to Table A for HSC and NIFRS Delegation	FD Letter - Pay Remit Approval Process and Guidance
60	All leases for Office Accommodation (including supporting storage or warehousing) – both new and existing extension or renewal beyond break points. Excluding offices outside Northern Ireland - Refer to Table A for HSC and NIFRS Delegation	Letter to Accounting Officers 28 July 2014

Specific DEPARTMENT OF HEALTH delegations

Ref number	Details	Reference
Where DFP approval (in writing) is required:		
1	Hospital Schemes – New Build, and Extension, Refurbishment, capital Equipment involving all expenditure over £5m. Refer to Table A for HSC and NIFRS Delegation.	
2	Third Party Development schemes for health and social care/ service provision.	
3	All grants/awards to the Voluntary and Community Sector: Revenue Grants £500,000 per annum Capital Grants £200,000 - Refer to Table A for HSC and NIFRS Delegation.	
4	Medical/Clinical Negligence settlements over £2m. - Refer to Table A for HSC and NIFRS Delegation	
5	Staff redundancy schemes.	
6	Provisions concerning appointment of officers.	Fire Services (NI) Order 1984
7	Doctors Qualifications.	HPSS Order 1972 Article 107(6)
8	Doctors Rights/Working Conditions.	HPSS Order 1972 Article 107(6)
9	Requirement to maintain list of Doctors/Dentists by Boards/Departments.	HPSS Order 1972 Article 107(6)
10	Terms of Service for Medical Professionals.	HPSS Order 1972 Article 107(6)
11	Prescription Charges.	HPSS Order 1972 Article 98 (2) Schedule 15
12	Optical Charges.	HPSS Order 1972 Article 98 (2) Schedule 15
13	Dental Charges.	HPSS Order 1972 Article 98 (2) Schedule 15

Core Departmental Information Requirements

1. *INFORMATION TO BE PROVIDED ROUTINELY DURING THE FINANCIAL YEAR*
 - 1.1 Minutes of Board and all Committee meetings (to be forwarded to the Department as soon as possible following each meeting).
 - 1.2 Internal audit reports where substantive assurance not achieved (immediately following report).
 - 1.3 Inspection/review reports (immediately following receipt of report by NIPEC).
 - 1.4 Monthly financial monitoring returns (to enable the Department to exercise both Estimate and budgetary control.).

2. *OTHER INFORMATION TO BE PROVIDED*
 - 2.1 Corporate/Business Plan (to be forwarded to the Department, in draft form, prior to sign-off by NIPEC in February/March).
 - 2.2 Internal audit work plan for the forthcoming year (to be forwarded in February/March).
 - 2.3 Internal audit report for the previous year (to be forwarded in May/June).
 - 2.4 Business Continuity plan (to be updated, at least annually, and forwarded to the Department thereafter).
 - 2.5 Risk register (to be updated at, least annually, and forwarded to the Department in March/April).
 - 2.6 Assurance Framework (to be updated, at least annually, and forwarded to the Department in March/April).
 - 2.7 Mid-year Assurance Statement, end of year Governance Statement (to be forwarded to the Department in October/November and May/June respectively).