

BSO BUSINESS PLAN 2015/16

Year One of BSO Corporate Strategy 2015/18



Introduction to BSO Annual Business Plan 2015-16

Background

The Business Services Organisation (BSO) was established on 1 April 2009 to provide a wide range of business and specialist professional services to the wider HSC environment. Our mission is *“to deliver value for money and high quality business services to Health and Social Care, so contributing to the health and well-being of the people of Northern Ireland.”* The functions and duties of the BSO are set out in the Management Statement which is available on our website: www.hscbusiness.hscni.net. Our organisation is an integral part of the HSC. This requires us to be familiar with the priorities which relate directly to the health and well-being of the public and to understand our role in delivering these improvements. The BSO is conscious of the strategic context within which it operates and aims to support the overarching Programme for Government and Public Health agendas. We aim to do this through a framework of good governance and which takes account of our social and environmental responsibilities. At the same time we are very aware of the particular challenges presented by the longer-term economic environment to our customers as well as ourselves.

Programme for Government and Public Health Agenda

The Northern Ireland Executive Programme for Government, Economic and Investment Strategy 2011-15 sets out a commitment to creating the conditions for individuals, families and communities to take greater control over their lives and be enabled and supported to lead healthy lives. In turn, the Department of Health, Social Services and Public Safety (DHSSPS) outlined a vision of health and social care services so that they might better meet the needs of individuals. The new model of person-centred care is articulated in three strategic documents: *‘Transforming Your Care’* (2011), *‘Quality 2020’* (2011) and the new strategic framework for public health, *‘Making Life Better’* (2013 - 23). The new way of working outlined in these three strategic documents will mean more emphasis is placed on preventing ill-health, as well as supporting people to make healthier choices and live independently for as long as possible.

Economic Environment

As Northern Ireland's health and social care (HSC) system endeavours to care for more people who are living longer, it must also cope with significant cost pressures. In January 2014, the Chancellor announced plans to steadily reduce public spending by £25bn after the next general election in 2015; this is in order to reduce the Deficit by 2019. All the main UK political parties are committed to deficit reduction, with public expenditure expected to fall in real terms. Particular financial challenges facing Northern Ireland include Welfare Reform, Public Sector Workforce Levels and Pay Strategy, Corporation Tax, Major Capital Projects, Asset Sales and other Revenue Raising Opportunities. To ensure that the HSC meets the major challenges it faces now and in the future and continue to work effectively, we must keep working to transform the services it provides.

Financial and Business Planning Environment

In the autumn/winter of each year, the DHSSPS would normally be engaging on the setting of business plan objectives for all Arms' Length Bodies (ALBs). This year, the draft Budget for 2015-16 was endorsed by the NI Executive on 30 October 2014 and proposed that DHSSPS would be allocated an additional £200m for direct health services. In addition, it was proposed that front-line health and social care elements of the DHSSPS budget should be protected from reductions. However, the draft Budget also highlighted that remaining areas (including ALBs) should be subject to budget reductions as per other NI Departments, amounting to £49.5m. Given the scale of the challenges facing DHSSPS, there will still be consequences for the provision of health and social care services. The budget pressures will clearly have a significant impact on business plans and the setting of objectives for the year ahead need to be considered in the overall financial context.

The DHSSPS advised, in correspondence dated 7 November 2014, that it "*wishes to take a more strategic approach to business planning, with the focus on the statutory basis for each ALB, i.e. what is the fundamental purpose of the organisation and what are the business objectives to support that*". The DHSSPS further advised, in correspondence dated 9 February 2015 that it would not be setting a wide range of specific Departmental objectives for inclusion in 2015-16 business planning documents. The Annual Business Plan should contain strategic objectives focused on core organisational purpose and include appropriate objectives and targets relating to corporate governance, quality, resources

and service delivery/improvement. Sponsor branch engagement should ensure that all statutory, PFG, Ministerial and MSFM requirements are addressed.

BSO Planning and Performance Monitoring Cycle

As part of its annual planning cycle, the BSO held a series of Strategic and Business Planning Workshops with BSO Board members and senior staff in Autumn 2014 which included input from key stakeholders and customers. The results of our annual Customer Satisfaction Survey were also scheduled in order to ensure that account was taken of customer feedback in planning our services for next year. The outcome of our planning has been the creation of a new three-year Corporate Strategy to cover the period 2015-18) which will include our Strategic Objectives, Mission and Values and will be supported by an annual Business Plan setting out the key priorities and targets to be delivered during that year. The BSO's mission, which is *"to deliver value for money and high quality business services to Health and Social Care, so contributing to the health and well-being of the population in Northern Ireland"*, remains particularly relevant in the increasingly challenging economic environment.

A summary of progress on how well the organisation is delivering on its key actions identified within the annual business plan is provided to the BSO Board on a quarterly basis as well as to DHSSPS Sponsor Branch. A Traffic Light System Rating is used which is a summary of progress to date and an indication of the level of confidence that actions identified in the Business Plan will be delivered by the completion date. A Summary Exception Report to the BSO Board includes a brief commentary against all those actions where the rating is Red or Amber. This outlines the remedial action being taken to ensure achievement by year end and reasons for any extension of timeline or any cancellation of action. This is in addition to monthly reporting on performance through the BSO Corporate Balanced Scorecard.

BSO Strategic Objectives 2015-18

In this context, the BSO has reviewed its Strategic Objectives for the period 2015-18 to be the focus of everything we do over the next three years:

- **To Deliver Value for Money Services to our Customers;**
- **To Grow our Services and Customer Base;**

- **To Pursue and Deliver Excellence through Continuous Improvement and**
- **To Enhance the Contribution and Development of Our People.**

The proposed new Strategy for 2015-18 is diagrammatically represented on page 6 of this document.

BSO Key Priorities/Actions/Targets for 2015-16

In considering all of the above, the five Key Priorities proposed for BSO within 2015-16 are:

- 1. Identify and agree a programme of efficiencies and cost reduction in BSO services which will assist customers in reducing spend e.g. in Procurement and Logistics Service**
- 2. Identify and agree a programme of cost reduction measures in core BSO running costs (Transforming Organisational Performance [TOPS 2])**
- 3. Identify new business opportunities.**
- 4. Shared Services to meet Outline Business Case targets by March 2016.**
- 5. Identify and implement a second phase of digitisation in BSO.**

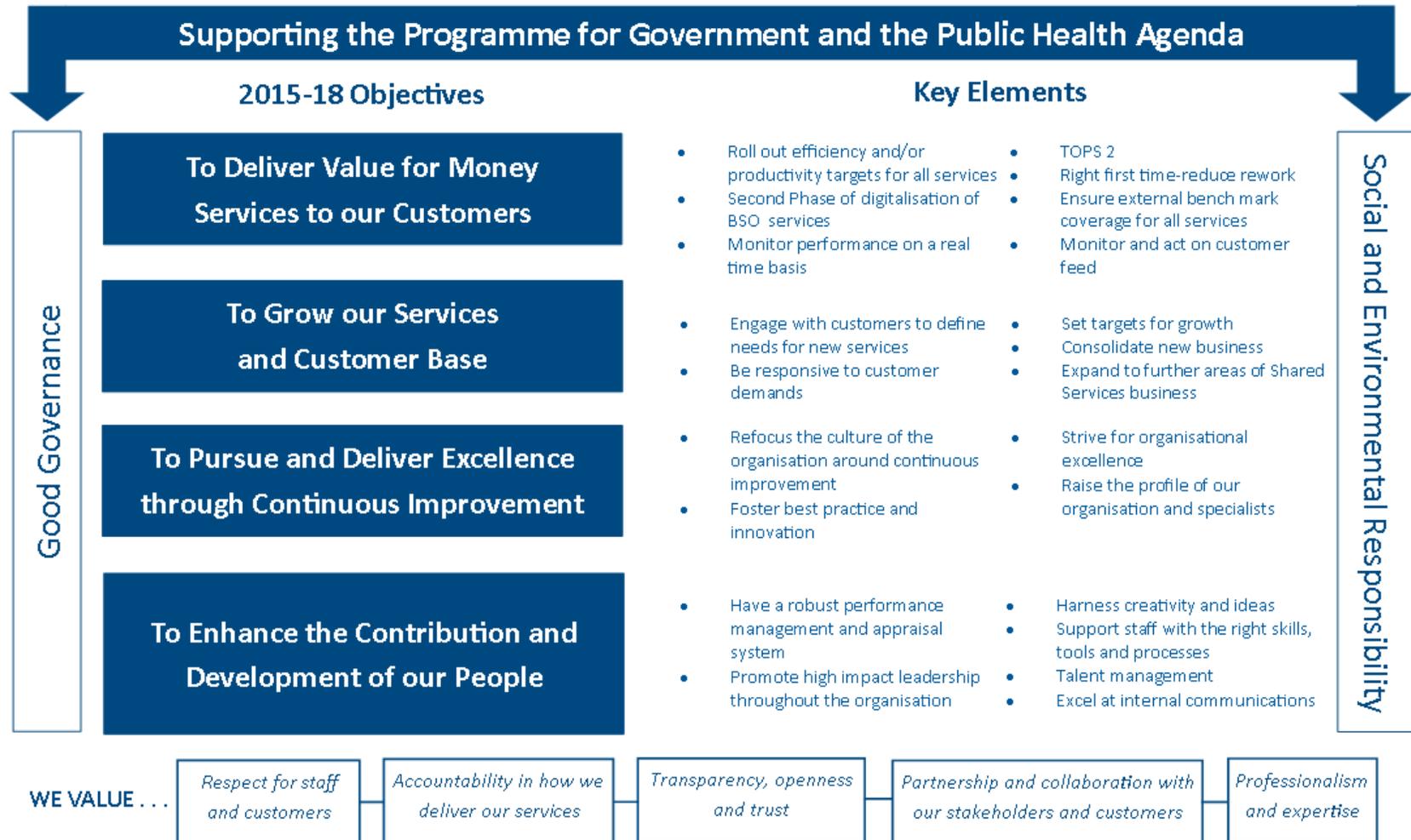
These Priorities are described in more detail with regard to the action we will take in our Annual Business Plan 2015-16.

Potential Extension of Shared Services

At a time of rapidly changing and increasing customer demands, BSO is involved in identifying and scoping new business opportunities to meet those needs. These may include the extension of Shared Services, further expansion of the e-health agenda and the development of services to meet changing leadership demands across the HSC. The potential expansion of Shared Services merits particular reference in this Plan as it includes not only the extension of those services currently provided to all regional HSC bodies, but the concept of expanding functions within the BSO in order to improve efficiency and effectiveness. This concept is referenced in the DHSSPS Review of HSC Administrative Structures which is currently on-going.

STRATEGIC OBJECTIVES, MISSION & VALUES 2015-18

"to deliver value for money and high quality business services to Health and Social Care so contributing to the health and well being of the population in Northern Ireland"



BSO Strategic Objective 1: *To Deliver Value for Money Services to our Customers*

Key Priorities/Targets	Key Actions
<p>1. Identify and agree a programme of efficiencies and cost reduction in BSO services provided to customers and stakeholders which will assist in reducing spend</p>	<ul style="list-style-type: none"> • By June 2015, develop alternative means of delivering clinical education programmes (Responsibility: Chief Executive – Head of Clinical Education Centre to co-ordinate); • By July 2015, identify a programme of improvement for the newly acquired Regional Translation and Interpreting Service (Responsibility: Chief Executive – Head of Shared Services to co-ordinate); • By August 2015 a first tranche of proposals to be developed for Procurement and Logistics business opportunities (i.e. standardisation of product) which will benefit customers (Responsibility: Director of Operations); • By October 2015, improve accessibility to HSC Leadership Centre courses via technology (Responsibility: Chief Executive – Head of Leadership Centre to co-ordinate); • By March 2016, meet Shared Services OBC targets for cost reduction (Responsibility: Chief Executive – Head of Shared Services to co-ordinate);

	<ul style="list-style-type: none"> • Provide consistent and reliable clinical negligence settlement forecasts throughout the year on-going to March 2016 (Responsibility: Chief Legal Adviser).
<p>2. Reduce Internal Operating Costs within BSO.</p>	<ul style="list-style-type: none"> • By May 2015, Transforming Organisational Performance programme (TOPS 2) to have delivered a number of internal cost efficiencies (Responsibility; Senior Management Team) • By May 2015 , assimilate business systems e.g. BSTP into regional data warehouse (Responsibility: Director of Customer Care & Performance); • By June 2015, adopt and develop a ‘Digital First’ programme beginning with a systematic examination of transactions, prioritising those with clear savings/benefits and investing to save where appropriate (Responsibility: Chief Executive); • By June 2015, commence a dashboard programme of analytics throughout BSO (Responsibility: Chief Executive).

BSO Strategic Objective 2: *To Grow our Services and Customer Base*

Key Priorities/Targets	Key Actions
<p>3. Identify and scope potential new business opportunities</p>	<ul style="list-style-type: none"> • By April 2015, develop new Leadership training products linked to key themes (High Impact Leadership, Culture and Engagement, Building Service Reform and Efficiency): <ul style="list-style-type: none"> - Senior Leadership across the public sector - Leadership (compassionate leadership) with SLA customers - Quality 2020 Attributes Framework - Data Analytics - Management Skills - Extend the current provision of leadership development to senior staff to first line and middle managers across the HSC <p>(Responsibility: Chief Executive: Head of HSC Leadership Centre to co-ordinate);</p> <ul style="list-style-type: none"> • By April 2015, develop a proposal to take on responsibility for representation at Conduct Committees within NISCC (Responsibility: Chief Legal Adviser); • By May 2015, scope the feasibility of providing desktop support and/or out-of- hours support to HSC (Responsibility: Director of Customer Care & Performance);

- **By June 2015**, develop the feasibility of a Joint Leadership Initiative with the wider public sector
(Responsibility: Chief Executive: Head of HSC Leadership Centre to co-ordinate);
- **By September 2015**, prepare formal proposals templates to be used in bids for provision of year-end Accounts and Financial Accounting services to potential new customers **(Responsibility: Director of Finance);**
- **By September 2015**, develop options for rationalisation of data centres **(Responsibility: Director of Customer Care & Performance);**
- **By March 2016**, work with Enterprise Shared Services to scope out areas of potential collaboration **(Responsibility: Senior Management Team)**
- Scope, if required, a single Regional Employment Bank of all HSC Professionals (including Nurse Bank and Locums) to manage the provision of short and longer term cover for vacancies in HSC **(Responsibility: Chief Executive – Head of Shared Services to co-ordinate)**
- Scope, if required, a regional business intelligence service, including reporting to replace existing performance monitoring arrangements **(Responsibility: Director of Customer Care & Performance)**

<p>4. Continue scoping and implementation of potential new services to NIFRS, in conjunction with DHSSPS and DOJ.</p>	<ul style="list-style-type: none"> • Formal agreement to provide IT Services* to NIFRS by April 2015 • Agreed implementation plan for NIFRS IT projects and services for 2015-16 (subject to SLA) by May 2015; • PaLS to agree new service development in NIFRS Procurement Service (subject to SLA) by June 2015, with implementation by October 2015; • Explore the potential and develop a proposal to provide Legal Services to NIFRS by June 2015 subject to engagement with DHSSPS and DOJ; • Scope and develop potential agreement with NIFRS to provide Pensions service by January 2016 subject to engagement with DHSSPS and DOJ. <p>Responsibility: Directors of Customer Care & Performance, Operations and Chief Legal Adviser</p>
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***DHSSPS has advised that this should be treated as an interim arrangement**

BSO Strategic Objective 3: *To Pursue and Deliver Excellence through Continuous Improvement*

Key Priorities / Targets	Key Actions
<p>5. Use benchmarking, external review and customer survey results to drive continuous improvement for all BSO services.</p>	<ul style="list-style-type: none"> • Facilitate completion of benchmarking questionnaires and annual customer satisfaction survey by service area and analysis of results for reporting to BSO Board and customers (on-going to March 2016). <p>Responsibility: Director of Customer Care & Performance</p>
<p>6. Produce a BSO 2014/15 Annual Quality Report by November 2014.</p>	<p>Report to be brought to BSO Board for approval by September 2015.</p> <p>Responsibility: Director of Customer Care & Performance</p>
<p>8. Achieve the minimum standard of paying 95% of undisputed invoices within 30 days throughout 2015-16.</p>	<p>Monitored monthly through the Corporate Scorecard and reports to customers.</p> <p>Responsibility: Chief Executive (Head of Shared Services to co-ordinate)</p>
<p>9. Achieve the 10-day prompt payment target of 70% for undisputed invoices.</p>	<p>Monitored monthly through the Corporate Scorecard and reports to customers.</p> <p>Responsibility: Chief Executive (Head of Shared</p>

	Services to co-ordinate)
<p>10. Deliver accurate financial reports and financial forecasts on a timely basis in accordance with Departmental timescales:</p> <p>The actual end-year forecast and monthly profiled financial forecast of expenditure provided to DHSSPS each month to be prepared on a robust basis and any variance +/- 5% of the previous month's forecast fully explained.</p>	<p>Forecast Outturns showing expenditure to date and forecast spend profiled over 12 months must be submitted to DFP six working days after the month end.</p> <p>On-going to March 2016</p> <p>Responsibility: Director of Finance</p>
<p>11. Deliver accurate financial reports and financial forecasts on a timely basis in accordance with Departmental timescales:</p> <p>The monthly year-end financial forecast as at September 2015 (and subsequent months) should be within -/0.5% of the final outturn.</p>	<p>The monthly year-end financial forecast as at September 2015 (and subsequent months) should be within -/0.5% of the final outturn.</p> <p>On-going to March 2016</p> <p>Responsibility: Director of Finance</p>
<p>12. Deliver productivity and cash releasing efficiencies as set out in 2014/15 Savings Plans, by March 2016.</p>	<p>Achieve year-end break-even position (by March 2016)</p> <p>Responsibility: Senior Management Team/Director of Finance to co-ordinate</p>
<p>13. Achieve the financial breakeven target of 0.25% or £20k (whichever is the greater) of revenue allocation by March 2016.</p> <p>Annual Report and Accounts for 2014/15 to be certified by the C&AG and laid in the Assembly before the 2015 summer recess.</p>	<p>Formal forecasting regime generates a Latest Best Estimate for BSO at three formal checkpoints during the year. This process acts as a key enabler in assisting BSO to meet its statutory breakeven obligations.</p> <p>The DHSSPS issues a circular annually to confirm the timescales and provide general guidance for the preparation, audit, approval and certification of the annual accounts The Annual Report and Accounts should be</p>

	<p>approved by the BSO Governance and Audit Committee and Board to ensure laying at the NI Assembly in line with the Department's faster closing timetable.</p> <p>Responsibility: Directors of Finance and Customer Care & Performance</p>
<p>14. During 2015/16 test and review arrangements to maintain the required standard of emergency preparedness to respond safely and effectively to a range of threats, hazards and disruptive events.</p>	<p>Work with PHA/HSCB in the annual review and validation of the Joint Emergency Response Plan by March 2016</p> <p>Responsibility: Director of Human Resources & Corporate Services</p>
<p>15. During 2015/16 test and review business continuity management plans to ensure arrangements to maintain services to a pre-defined level through a business disruption.</p>	<p>Carry out annual desktop exercise in Legal, Information Technology and Procurement and Logistics Services, along with corporate BSO exercise (by March 2016).</p> <p>Responsibility: Director of Human Resources & Corporate Services</p>
<p>16. Meet the timescales of the Department's ALB business planning process.</p>	<ul style="list-style-type: none"> • Arrange BSO Planning Timetable/Events to coincide with publication of Departmental Requirements (by October 2015); • Draft BSO Business Plan to be submitted to DHSSPS by February 2016. <p>Responsibility: Director of Customer Care & Performance</p>
<p>18. Deliver a Procurement and Logistics contracting programme on behalf of HSC for 2015/16 within the new regulations and minimising successful legal challenges.</p>	<ul style="list-style-type: none"> • 98% of all contracts managed by PaLS to be compliant with NI public procurement policy; • 98% of regional or multi-organisations contracts not subject to legal challenge to be renewed on time;

	<ul style="list-style-type: none"> No more than 2% of tenders stood down as a result of a challenge (all by March 2016) <p>Responsibility: Director of Operations</p>
<p>19. Support implementation of the recommendations of the HSC Task and Finish Group on Social Care Procurement. This will include scoping and implementing service arrangements for BSO Pals new Social Care Procurement Service.</p>	<ul style="list-style-type: none"> Prepare proposal/business case for the future role of the Social Care Procurement Unit (SCPU) in line with the recommendations of the Task and Finish Group (by September 2015); Secure recurrent funding for SCPU based on model of service accepted in proposal (by March 2016) <p>Responsibility: Director of Operations</p>
<p>20. ALTAIR system developed to meet HSC Pension Service responsibilities re Pension Reform and new reporting requirements to Pension Board.</p>	<ul style="list-style-type: none"> System functionality signed off with software provider by March 2016 <p>Responsibility: Director of Operations</p>
<p>21. Ensure that necessary steps are being taken by Clinical Education Centre to prepare for the introduction of revalidation of Nurses and Midwives from 31 December 2015.</p>	<ul style="list-style-type: none"> Full and active CEC participation in DHSSPS Programme Board and its Working Group Prepare a model for revalidation and training programme Support CEC nursing and midwifery staff to revalidate <p>(all by December 2015)</p> <p>Responsibility: Chief Executive (Head of Clinical Education Centre to lead and co-ordinate)</p>

BSO Strategic Objective 4: *To Enhance the Contribution and Development of our People*

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Key Priorities / Targets	Key Actions
<p>22. By 30 June 2015, 90% of staff to have had an annual appraisal of their performance in 2014/15 and an agreed personal development plan for 2015/16.</p>	<p>Monitored monthly through BSO Corporate Scorecard.</p> <p>Responsibility: Director of Human Resources & Corporate Services</p>
<p>23. Develop a training plan to meet the identified personal development needs of the staff arising from the appraisal process</p>	<ul style="list-style-type: none"> • Managers to advise of recurring themes regarding development needs of staff by August 2015; • Plan to be agreed by Senior Management Team by September 2015 <p>Responsibility: Director of Human Resources & Corporate Services</p>
<p>24. Implement the agreed action plan arising from the Employee Engagement Framework.</p>	<p>On-going to March 2016.</p> <p>Responsibility: Director of Human Resources & Corporate Services</p>
<p>25. Assess the viability of an on-going staff suggestion scheme following the pilot in February 2015</p>	<p>(Pilot exercise to be completed in February 2015)</p> <p>Decision for full implementation to be made by April 2015</p> <p>Responsibility: Director of Human Resources & Corporate Services</p>
<p>26. Complete rollout of further Team development programmes to targeted groups</p>	<p>Deliver and evaluate the end phases of the Team Effectiveness Programmes by September 2015</p> <p>Responsibility: Director of Human Resources & Corporate Services</p>

<p>27. Deliver range of mandatory training programmes throughout the year including</p> <ul style="list-style-type: none"> • Fire Safety (annual) • Information Governance (Bi-annually) • Customer Care (tri-annually) • Manual handling as appropriate 	<ul style="list-style-type: none"> • Ensure staff meet mandatory training requirements • Programme mandatory training events <p>(on-going to March 2016).</p> <p>Responsibility: Director of Human Resources & Corporate Services</p>
<p>28. Deliver and subsequently evaluate management Training programmes as set out in the HR strategy including</p> <ul style="list-style-type: none"> • Financial Management Skills • Communicating to People • Motivational and Leadership Skills • Developing Customer Relationships • Working Collaboratively • Building Highly Effective Teams • Decision Making Skills • Managing Performance • Managers as coaches 	<p>Completion by March 2016</p> <p>Responsibility: Director of Human Resources & Corporate Services</p>
<p>29. Develop a succession planning framework for the organisation</p>	<p>Identify with Directors the key succession planning issues by March 2016.</p> <p>Responsibility: Director of Human Resources & Corporate Services</p>
<p>30. Review current range of competency frameworks with a view to ensure consistency of approach and relevance to BSO objectives</p>	<ul style="list-style-type: none"> • Assess the number of competence frameworks which currently exist among workforce including KSF and LQF and other professional frameworks by September 2015

	<ul style="list-style-type: none"> • Bring forward a planned core competence framework for the organisation by March 2016. <p>Responsibility: Director of Human Resources & Corporate Services</p>
<p>31. Deliver a full range of health promoting activities and support for staff such as Annual Health Fairs</p>	<p>Events held across four main geographical locations for BSO by March 2016.</p> <p>Responsibility: Director of Human Resources & Corporate Services</p>

1. Introduction

- 1.1 This section of the plan sets out the anticipated financial context for 2015/16 and describes the expected income and expenditure position for the year.

2. Income

- 2.1 BSO earns its income from provision of services to a range of HSC organisations including the HSC Board, HSC Trusts and other HSC Agencies and Bodies. It also administers funds on behalf of other organisations such as DHSSPSNI and the HSC Board.
- 2.2 A BSO Service Offering, which contains information on all of the services we deliver to clients, is compiled and issued to customers on an annual basis. This document, importantly, outlines the efficiencies that each service area offers to its client base. In advance of drafting the 2015/16 Service Offering, BSO embarked on a series of bi-lateral meetings with clients during the months of January and February 2015, to agree cash and non-cash efficiencies for the new financial year. These efficiencies have been incorporated into the final 2015/16 Service Offering and will drive the preparation of the Service Level Agreements (SLAs) for 2015/16.
- 2.3 In preparing the current 2015/16 budgeted income and expenditure position for this document, the outworkings of these discussions have been factored into 2015/16 budgeted income and expenditure positions, resulting in an anticipated release of £1.9m cash efficiencies.
- 2.4 Based on these planned efficiencies, the expected income from HSC SLAs is £46.0m. This includes a level of assumed pay and price uplift for 2015/16 and anticipated income in 2015/16 in the region of £11.1m relating to the provision of Shared Services, along with associated system maintenance costs, to HSC organisations.

- 2.5 The BSO also receives funding from DHSSPSNI in respect of the core services it delivers to both the DHSSPSNI and other HSC Organisations, for example the Business Services Transformation Programme and the HSC Clinical Education Centre. In November 2014, DHSSPS wrote to BSO and other HSC Arms-Length Bodies (ALBs) asking for savings proposals to meet three separate planning scenarios for 2015/16. These planning scenarios referenced a 5%, 10% or 15% cut to the recurrent Revenue Resource Limit (RRL) funding it receives in the 2015/16 financial year.
- 2.6 The BSO response to DHSSPS in December 2014 outlined a number of savings proposals which would enable BSO to respond to a funding cut to the level outlined described in each scenario. BSO has subsequently received confirmation that a 15% cut to the BSO recurrent RRL has been applied, effective from April 2015. In preparing the budgeted income for 2015/16, this 15% reduction has been applied to BSO RRL funding. Based on this and a level of assumed pay and price uplift for 2015/16, the expected level of Revenue Resource Limit (RRL) funding for BSO Core Services is c£9.2m for 2015/16.
- 2.7 In addition to the funding sources described above, there are a number of other areas from which BSO derives income. These include services such as HSC Leadership Centre consultancy and training, miscellaneous Legal recharges and staff recharges which attract an additional £2.4m annually.
- 2.8 The BSO, through its Procurement and Logistics Service (PaLS), manages stock issues for the HSC Organisations. This fluctuates with demand and turnover is estimated at c£45m, based on 2014/15 expected full year activity. There is no surplus or deficit anticipated in these transactions.
- 2.9 The regional ITS Programme revenue and capital expenditure, commissioned by the HSC Board, is also administered through the BSO. The revenue expenditure, which is recharged in full to the HSC Board, is expected to be in the region of £14.5m in 2015/16, based on 2014/15 anticipated out-turn. Any capital expenditure is funded by way of Capital Resource Limit (CRL) funding from DHSSPSNI and is currently in the region of £6m annually.

2.10 In addition, the BSO administers expenditure on (Non-Core) Services on behalf of the DHSSPSNI such as Nursing Bursaries and Healthy Start programme expenditure. This expenditure funded by DHSSPSNI by way of RRL funding and is in the region of £17.9m per annum. BSO also administers expenditure for other organisations of £0.7m, which is also recharged in full.

3. Expenditure

3.1 This section deals with the projected expenditure in 2015/16. The cash releasing efficiencies outlined in section 2 and an estimated inflationary uplift have been incorporated into the overall expenditure budgets.

3.2 Detailed budgets will be agreed with BSO Directorates and final budgets will be provided for approval to the BSO Board in May 2015.

3.3 It is assumed that the non-core expenditure related to the regional ITS Programme, PaLS Trading and those services administered on behalf of DHSSPSNI and others will be fully funded.

4. Income and Expenditure Position

4.1 Based on the current income assumptions and the anticipated expenditure budgets, the combined income and expenditure position for 2015/16 is shown in Table 1, overleaf. It should be noted that the impact of the planned increase in the rate of Employers Superannuation from 13.3% to 16.3% in 2015/16 is not factored into the income or expenditure budgets at this time. It is assumed that the necessary costs will be fully funded by DHSSPS.

TABLE 1 – BSO Budgeted Income and Expenditure Position 2015/16

	Core Services £'000	Non Core Services £'000	BSO Total £'000
Income Sources;			
Management Fees / SLA	45,974		45,974
RRL - Core Services	9,194		9,194
RRL - Non Core Services		17,895	17,895
Other Income	2,440	720	3,160
ITS Programme		14,500	14,500
PaLS Trading		45,000	45,000
			-
Total Income	57,608	78,115	135,723
Expenditure;			
Payroll	43,630		43,630
Non Pay	13,978		13,978
Administered expenditure		78,115	78,115
Total Expenditure	57,608	78,115	135,723
Surplus / (Deficit)	-	-	-

5. Conclusion

5.1 The resultant position is an anticipated breakeven position for 2015/16 based on assumptions made, and previously documented, regarding the levels of income, expenditure and ability to deliver the assumed efficiencies in the year ahead.