



# **The Regulation and Quality Improvement Authority Annual Report and Accounts**

**1 April 2013 to 31 March 2014**

**Assurance, Challenge and Improvement in Health and Social Care**  
[www.rqia.org.uk](http://www.rqia.org.uk)

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**The Regulation and Quality Improvement  
Authority**

**Annual Report and Accounts**

**1 April 2013 to 31 March 2014**

Laid before the Northern Ireland Assembly under Article 3 (2) and Schedule 1, paragraph 12 (5) of The Health and Personal Social Services (Quality, Improvement and Regulation)(Northern Ireland) Order 2003 by the Department of Health, Social Services and Public Safety on 6 August 2014.

The Regulation and Quality Improvement Authority (RQIA) was established under The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003.

### **Our Vision**

To be a driving force for positive change in health and social care services in Northern Ireland.

### **Our Mission**

To provide independent assurance about the safety, quality and availability of health and social care services in Northern Ireland, encourage continuous improvement in these services and safeguard the rights of service users.

### **Our Values**

- independence
- inclusiveness
- integrity
- accountability
- professionalism
- effectiveness

# **RQIA Annual Report and Accounts**

## **1 April 2013 to 31 March 2014**

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## **Chairman's Foreword**

The Regulation and Quality Improvement Authority (RQIA) provides independent assurance about the safety, quality and availability of health and social care services in Northern Ireland. RQIA fulfils this responsibility by carrying out a planned programme of announced and unannounced inspections, and reviews of both health and social care services and independent establishments and agencies.

During 2013-14, RQIA conducted 2,680 announced and unannounced inspections at 1,480 regulated health and social care services, meeting its statutory requirements in relation to the minimum number of inspections for each service.

As an organisation committed to transparency, all RQIA's inspection reports for regulated adult health and social care services, infection prevention and control, mental health and learning disability and review reports are published on our website. At present some 9,000 RQIA inspection reports, and details of all enforcement activity at registered adult health and social care services, can be accessed online at [www.rqia.org.uk](http://www.rqia.org.uk).

Over the course of the year, RQIA took enforcement action in relation to breaches in regulation at 15 registered adult health and social care services, three children's residential care homes, and nine private dental practices.

Infection prevention and hygiene inspections at hospitals and other health care facilities in Northern Ireland continued, with 28 inspections across 51 clinical areas during the year.

In January 2014, RQIA was asked by the Minister for Health, Social Services and Public Safety (the Minister) to conduct an urgent inspection at the Royal Victoria Hospital in Belfast, and to undertake a review of unscheduled care in the Belfast Health and Social Care Trust. This followed the declaration of a major incident at the hospital, and concerns brought to our attention by medical staff at the hospital.

During the year, RQIA published eight reviews of health and social care services. These included reviews of: acute hospitals at night and weekends; management of controlled drug use in trust hospitals; specialist sexual health services; and statutory fostering services.

These activities, which may influence policy development locally, and may also have relevance elsewhere, have identified a range of recommendations to improve patient safety and the quality of services in Northern Ireland.

In discharging our statutory responsibilities under the Mental Health (Northern Ireland) Order 1986, RQIA continued to monitor the actions of those charged with safeguarding vulnerable people, through our oversight of all applications for detentions and guardianships.

We also monitor how health and social care trusts manage: the protection of the rights of individuals subject to detention; patients' property; and their response to serious adverse incidents involving those receiving treatment or care.

As a designated national preventive mechanism under the United Nations Optional Protocol for the Convention Against Torture (OPCAT), RQIA is required to monitor places of detention. During the year we carried out inspections of all psychiatric hospitals and, in conjunction with other regulators, we conducted a series of health care inspections at prisons in Northern Ireland.

It is in the public interest to ensure that health and social care services in Northern Ireland are subject to independent, proportionate and responsible regulation. The recommendations of the Francis Report, the public inquiry in England into the failings at Mid Staffordshire NHS Trust, challenge all health and social care organisations to review the effectiveness of the services they offer, and not least in the area of patient and service user experiences.

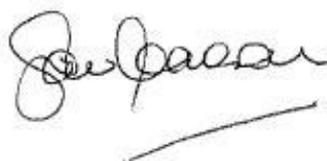
During 2013-14, RQIA maintained effective control of its financial resources and met all of its key performance management targets, including achieving break even on income and expenditure.

The capacity of RQIA to meet its objectives and increased responsibilities depends, above all, on the commitment and dedication of its workforce and the oversight and direction of the Board. I pay tribute to our staff who have made a significant contribution to meeting our business objectives and acknowledge their skill, professionalism and hard work during the year.

This Annual Report and Accounts outlines the work of The Regulation and Quality Improvement Authority for the period 1 April 2013 to 31 March 2014. It also highlights our key achievements during the year.

As I approach the end of my final term as Chairman, I am confident that the organisation is well positioned to provide the necessary public assurance in regard to the quality and safety of health and social care services in Northern Ireland

On behalf of RQIA's Board and Chief Executive, I am pleased to present this report to you.



**Dr Ian Carson**  
**Chairman**

## **INTRODUCTION**

The Regulation and Quality Improvement Authority Annual Report and Accounts 2013-14 provide an overview of the organisation's activities over the period 1 April 2013 to 31 March 2014.

### **The Regulation and Quality Improvement Authority**

The Regulation and Quality Improvement Authority (RQIA) is the independent health and social care regulator for Northern Ireland. It is responsible for monitoring and inspecting the availability and quality of health and social care services and encouraging improvements in the quality of these services through its programme of inspections and reviews.

Through its activities, RQIA makes an independent assessment of health and social care services to ensure these are safe, accessible, well managed and meet the required standards. RQIA works to ensure that there is openness, transparency and accountability in the management and delivery of all these functions.

RQIA is responsible for the registration and inspection of a range of regulated health and social care services. These include: nursing homes; residential care homes; children's homes; day care settings; residential family centres; nursing agencies; domiciliary care agencies (both conventional and supported living services); independent hospitals, hospices and clinics; dental practices providing private dental care or treatment; adult placement agencies; voluntary adoption agencies. RQIA also inspects boarding departments in schools.

RQIA works with statutory health and social care organisations across Northern Ireland to encourage the delivery of high quality services through a planned programme of governance, service and thematic reviews.

RQIA undertakes a range of responsibilities for people with mental ill health and those with a learning disability under the Mental Health (Northern Ireland) Order 1986 as amended by the Health and Social Care (Reform) Act (Northern Ireland) 2009. These include: preventing ill treatment; remedying any deficiency in care or treatment; terminating improper detention in a hospital or guardianship; and preventing or redressing loss or damage to a patient's property.

RQIA also has responsibilities under the Ionising Radiation (Medical Exposure) Regulations Northern Ireland 2000 to inspect services providing radiological procedures including x-rays and radiotherapy. These regulations and the associated inspections are in place to protect service users from inappropriate or unnecessary exposure to radiation.

RQIA promotes public and patient involvement to ensure that your views, concerns and priorities are taken into account.

## RQIA Board

RQIA has an independent board of 13 members, chaired by Dr Ian Carson. Each board member is appointed by the Minister for Health, Social Services and Public Safety for a four-year term, and may serve a maximum of two terms.

At 31 March 2014 RQIA's Board members were:

Dr Ian Carson (Chairman)  
Mrs Sarah Havlin  
Dr John Jenkins CBE  
Professor Mary McColgan OBE

Mr Daniel McLarnon  
Miss Patricia O'Callaghan  
Mr Denis Power  
Ms Lindsey Smith

In January 2013, five members (Richard Adams, Lilian Jennett, Allen McCartney, Colin Reid and Austin Smith), who had served two terms, had their appointments extended to 14 April 2013. A further four members (Geraldine Donaghy, Ruth Laird CBE, Patricia McCoy and Una O'Kane) who also served two terms had their appointments extended from 1 September 2013 until 28 February 2014. On 22 April 2013, the Minister appointed Brendan Garland, Mary McColgan OBE, Daniel McLarnon, and Patricia O'Callaghan, while Dr John Jenkins CBE was appointed on 6 May 2013. On 10 June 2013, Brendan Garland resigned his position, following his appointment as chief executive of a regulated service.



Dr Ian Carson (Chairman)



Mrs Sarah Havlin



Dr John Jenkins CBE



Professor Mary McColgan OBE



Mr Daniel McLarnon



Miss Patricia O'Callaghan



Mr Denis Power

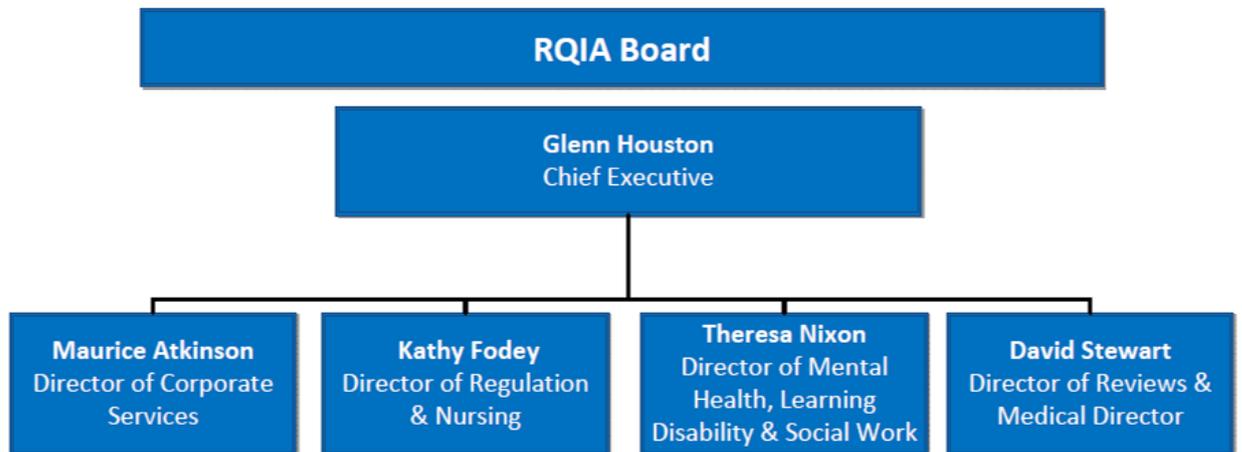


Ms Lindsey Smith

A profile of each member is included at Appendix 1.

## RQIA Executive Management Team

Glenn Houston is RQIA's Chief Executive and Accounting Officer. He is responsible to the Board through the Chairman for managing the organisation. The Chief Executive leads RQIA's Executive Management Team (EMT), who manage the activities of their directorates.



Maurice Atkinson



Kathy Fodey



Glenn Houston



Theresa Nixon



Dr David Stewart

## **Staff**

RQIA employed 141 people (134.8 whole time equivalent) (as at 31 March 2014), excluding board members, sessional, bank and agency staff. The gender profile of our staff was as follows: three male and two female directors; seven male and 15 female senior managers; 29 male and 85 female staff.

Staff are based at headquarters in Belfast, or in a second office in Omagh, Co Tyrone. RQIA's staff are responsible for the effective delivery of our work programme and the achievement of our corporate objectives.

## MANAGEMENT COMMENTARY

RQIA's Annual Report for the period 1 April 2013 to 31 March 2014 outlines progress against the organisation's four key priorities as set out in its Corporate Strategy 2012-15. These are:

- **Improving Care:** We encourage and promote improvements in the safety, quality and availability of health and social care services
- **Informing the Population:** We publicly report on the safety, quality and availability of health and social care
- **Safeguarding Rights:** We act to protect the rights of all people using health and social care
- **Influencing Policy:** We influence policy and standards in health and social care

## IMPROVING CARE

### Regulation of Services

The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003 defines RQIA's responsibilities for the regulation (registration and inspection) of specified health and social care services. RQIA is responsible for the regulation of service in the following categories:

- adult placement agencies
- children's homes
- day care settings
- domiciliary care agencies
- independent clinics
- independent hospitals
- nursing agencies
- nursing homes
- private dental practices
- residential care homes
- residential family centres
- voluntary adoption agencies

While there is no requirement for school boarding departments to register with RQIA, they are subject to annual inspection by RQIA.

At 31 March 2014, a total of 1,480 services were registered with RQIA, an increase of 32 services on the previous year. Table 1 provides details of the number of registered services by category, and where applicable by health and social care (HSC) trust location.

**Table 1: Number of Registered Services by Category and HSC Trust Location (at 31 March 2014)**

Type of Service	Belfast HSC Trust	Northern HSC Trust	South Eastern HSC Trust	Southern HSC Trust	Western HSC Trust	Total
Adult placement agency	n/a	n/a	n/a	n/a	n/a	4
Children's homes	13	10	10	9	9	51
Day care setting	31	28	28	38	63	188
Domiciliary care agency	n/a	n/a	n/a	n/a	n/a	122
Domiciliary care agency –supported living	n/a	n/a	n/a	n/a	n/a	179
Independent clinic*	5	0	1	1	0	7
Independent hospital*	20	8	4	6	6	44
Independent hospital - dental treatment	91	83	66	72	59	371
Independent medical agency	n/a	n/a	n/a	n/a	n/a	5
Nursing agency	n/a	n/a	n/a	n/a	n/a	28
Nursing home	51	68	60	53	36	268
Residential care home	42	51	55	20	39	207
Residential family centre	2	0	0	0	0	2
Voluntary adoption agency	n/a	n/a	n/a	n/a	n/a	4
<b>Overall Total</b>	<b>255</b>	<b>248</b>	<b>224</b>	<b>199</b>	<b>212</b>	<b>1,480</b>

\* In line with legal guidance from DHSSPS, independent hospitals include 29 former independent clinics which were recategorised as independent hospitals; three newly registered services and one deregistered service. The total for independent clinics reflects two newly registered services and 29 reregistered as independent hospitals.

Table 2 provides a breakdown of the maximum number of registered places in a range of adult and children's services. There is no registered maximum number of service users for adult placement agencies, domiciliary care agencies, nursing agencies, independent clinics, independent medical agencies and voluntary adoption agencies.

**Table 2: Number of Registered Places in a Range of Adult and Children's Services, by Location (HSC Trust Area) (at 31 March 2014)**

Category of Service	Belfast HSC Trust	Northern HSC Trust	South Eastern HSC Trust	Southern HSC Trust	Western HSC Trust	Total
Nursing home	2,070	3,240	2,520	2,402	1,672	11,904
Residential care home	1,153	954	1,127	422	606	4,262
Children's home	90	71	78	55	66	360
Independent hospital	125	10	0	14	51	200
Independent hospital – dental treatment	273	243	192	220	174	1,102
Day care setting	1,701	1,455	1,141	1,291	1,768	7,356
Residential family centre	35					35

\* including residential places within nursing homes

\*\* registered dental chairs (for private treatments)

\*\*\* maximum number of day care service users per day

During the year RQIA's registration team processed 514 applications for the registration of new services, responsible individuals or managers, or changes to a service's registration, including new services, managers or responsible persons, variations in registration and deregistrations.

Registration of dental services providing private dental care or treatment neared completion. RQIA has now registered 371 private dental practices; 12 have sought exemption from regulation as they provide no private dental treatment; and five practices were in the process of registration with RQIA by 31 March 2014.

Further information on registration activity is detailed at Table 3.

**Table 3: Changes to Registration Details of Services by Service Category (1 April 2013 to 31 March 2014)**

<b>Service Category</b>	<b>Manager</b>	<b>Responsible Person*</b>	<b>Variation to registration</b>	<b>New registration</b>	<b>Deregistration</b>
Adult placement agency		1			
Children's home	5	8		1	2
Day care setting	32	21	31	5	4
Domiciliary care agency	13	16	8	6	6
Domiciliary care agency – supported living	19	11	10	15	6
Independent clinic	2	1		8	1
Independent hospital	6		2	4	1
Independent hospital - dental treatment	15	13	25	28	6
Independent medical agency		1		4	
Nursing agency	9	2	1	2	2
Nursing homes	55	37	51	2	2
Residential care homes	28	16	47		13
Residential family centre					
Voluntary adoption agency					
<b>Total</b>	<b>184</b>	<b>127</b>	<b>175</b>	<b>75</b>	<b>43</b>

\*A total of 37 responsible persons across 127 registered establishments / agencies

## Inspection Activity

The minimum number of inspections for each category of service is determined by The Regulation and Improvement Authority (Fees and Frequency of Inspections) Regulations (Northern Ireland) 2005 and associated amendments. RQIA is required to inspect all nursing, adult residential care and residential children's homes on a minimum of two occasions each year, with all other regulated services subject to at least one inspection per year. These may be announced or unannounced, and examine compliance with regulations and the minimum standards in the areas of care, estates, finances and medicines management. RQIA's inspections are conducted by a team of qualified and experienced nurses, social workers, pharmacists, estates and finance officers.

RQIA's approach to inspection is underpinned by principles of good regulation first developed by the Better Regulation Commission, and also by the Hampton Principles that state regulation should be transparent, accountable, proportionate, consistent and targeted. RQIA's key focus in inspection is on encouraging improvement for those using the services. Each service is risk-assessed and reviewed on an ongoing basis - using our regulatory experience and expertise, and our intelligence about the service. This includes incident notifications, complaints and whistleblowing information, and allows us to ensure that our regulation programme is appropriately focused and proportionate.

Every year RQIA's primary (main) care inspections for each category of service focus on a range of specific standards and themes (see tables 4 - 11 for details for the 2013-14 inspection year). These are selected using our knowledge and experience of regulation within each particular sector during the previous twelve months. On an annual basis, each service must provide RQIA with a self-assessment of compliance with regulation and standards. This is quality assured and validated by RQIA during inspection. In addition, each service is required to provide an annual return on issues such as complaints management. Issues identified during previous inspection activity are also followed up to determine what actions have been taken to address these matters.

**Table 4: Children's Residential Care Homes: Standards for Primary (Main) Care Inspections, 2013-14**

Children's Residential Care Homes	
Standard 5	Each child has the right to privacy, dignity, fulfilment and choice
Standard 10	Each child has the right to education
Standard 18	The required records are maintained within the home

**Table 5: Day Care Settings: Standards for Primary (Main) Care Inspections, 2013-14**

<b>Day Care Settings</b>	
Standard 1:	The day care service contributes to the overall care review process
Standard 2:	Service users are safeguarded from abuse, exploitation or neglect
Theme 1	Assessing and monitoring the quality of service provision

**Table 6: Domiciliary Care Agencies (Conventional) : Standards for Primary (Main) Care Inspections, 2013-14**

<b>Domiciliary Care Agencies (Conventional)</b>	
Standard 14:	Protection of vulnerable adults. Service users are protected from abuse.
Standard 8:	Management and control of operations. Assessing and monitoring the quality of service provision
Standard 12:	Staff are trained for their roles and responsibilities; Staff Competence

**Table 7: Domiciliary Care Agencies (Supported Living): Standards for Primary (Main) Care Inspections, 2013-14**

<b>Domiciliary Care Agencies (Supported Living)</b>	
Theme 1	People receive care in their own home
Theme 2	Assessments, care plans, reviews and care practices reflect consideration of service users' human rights
Theme 3	Assessment and monitoring of quality of services
Theme 4	Adult protection concerns are identified by the agency and followed through

**Table 8: Independent Health Care: Standards for Primary (Main) Care Inspections, 2013-14**

<b>Independent Health Care</b>	
Standard C4	Patient Partnerships
Standard C5	Complaints
Standard C16	Management of Records
Other standards	Additional standards were examined during inspections of specific categories of independent health care services

**Table 9: Nursing Homes: Standards for Primary (Main) Care Inspections, 2013-14**

<b>Nursing Homes</b>	
Theme 1	Assessing and Monitoring the Quality of Service Provision The quality and safety of services provided in the home is monitored by the registered provider in line with regulations and minimum standards to ensure that the needs of patients/residents are met
Theme 2	Safeguarding of Vulnerable Adults Patients are protected from abuse, or the risk of abuse, and their human rights are respected and upheld.
Standards 5 and 11	Patients receive safe, effective nursing care based on a holistic assessment of their care needs that commences prior to admission to the home and continues following admission. Nursing care is planned and agreed with the patient, is accurately recorded and outcomes of care are regularly reviewed.

**Table 10: Residential Care Homes: Standards for Primary (Main) Care Inspections, 2013-14**

<b>Residential Care Homes</b>	
Standard 11:	Care review: The home contributes to or organises reviews of residents' placement in the home.
Standard 16:	Protection of vulnerable adults: Residents are protected from actual or potential abuse and their human rights are respected and upheld at all times.
Standard 19:	Recruitment of Staff: Staff are recruited and employed in accordance with relevant statutory employment legislation.

**Table 11: Residential Family Centres: Standards for Primary (Main) Care Inspections, 2013-14**

<b>Residential Family Centres</b>	
Standard 2:	Assessment Placement Plan and Review, families have their needs assessed and the placement plan outlines how the assessment of parenting skills will be undertaken and reviewed
Standard 7:	Safeguarding Children and Young People, arrangements are in place to safeguard children and young people

In order to gain a comprehensive insight into the quality of service being provided, during every announced or unannounced inspection RQIA's inspectors engage with a wide range of people. These include staff members at all levels; patients, residents or service users; friends and relatives; and visiting professionals – for example medical staff, social workers, allied health professionals, and care managers. Our inspections also focus on the quality of the management of a service.

We aim to drive continuous quality improvement in services, and at the end of an inspection we provide initial verbal feedback on our findings. This is followed by a written inspection report sent to the service provider, which includes a quality improvement plan. This identifies areas for improvement and makes time bound recommendations, based on the minimum care standards and/or legislative requirements based on service specific regulations as necessary. The service provider is required to provide a full response to the quality improvement plan, detailing the actions it will take to address the recommendations and requirements within stated timescales. This response is included in the report, forming an integral part of the published inspection report.

During 2013-14 RQIA met its statutory requirements by conducting the minimum number of inspections in each registration category. During 2013-14, 2,680 inspections were conducted by RQIA at 1,480 services subject to regulation.

**Table 12: Inspection Activity by Category of Service and Type of Inspection for the Period 1 April 2013 to 31 March 2014**

<b>Category of Service</b>	<b>Care</b>	<b>Estates</b>	<b>Finance</b>	<b>Pharmacy</b>	<b>Total</b>
Adult placement agency	4	0	0	0	<b>4</b>
Boarding school	6	0	0	0	<b>6</b>
Children's residential care home	100	13	0	17	<b>130</b>
Day care setting	199	81	0	21	<b>301</b>
Domiciliary care agency	130	0	0	5	<b>135</b>
Domiciliary care agency – supported living	206	0	17	7	<b>230</b>
Independent clinic	9	0	0	5	<b>14</b>
Independent hospital	57	6	0	8	<b>71</b>
Independent hospital - dental treatment	416	48	0	0	<b>464</b>
Independent medical agency	5	0	0	0	<b>5</b>
Nursing home	446	106	46	133	<b>731</b>
Nursing agency	24				<b>24</b>
Residential care home	393	82	16	88	<b>579</b>
Residential family centre	2	0	0	0	<b>2</b>
<b>Total</b>	<b>1,981</b>	<b>336</b>	<b>79</b>	<b>284</b>	<b>2,680</b>

In addition to the announced and unannounced inspections, RQIA's finance inspectors conducted desktop assessments in relation to 16 services, reviewing financial documentation received from providers. RQIA also conducted inspections at 16 young adult supported accommodation services, and 85 mental health and learning disability services, which are not subject to regulation.

### **Incident Reporting**

The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003 and associated regulations, require service providers to notify RQIA of certain categories of incidents. This information is used to assist with RQIA's risk assessment of a service. During the year 18,960 statutory incident notifications were received by RQIA, of which 63 per cent were risk assessed within a seven day period.

Under protocols for safeguarding vulnerable adults and children, RQIA risk assesses each notification to determine what further action is required to ensure the safety, protection and wellbeing of all service users.

Follow-up actions may include: requests for further information from the service; an investigation undertaken in line with: the Protocol for the Joint Investigation of Alleged and Suspected Cases of Abuse of Vulnerable Adults, (July 2009) or the Protocol for Joint Investigation by Social Workers and Police Officers of Alleged or Suspected cases of Child Abuse, (April 2013); or further regulatory activity in the form of inspection or enforcement action as required.

### **Enforcement Action in Regulated Services**

We ensure that registered providers failing to meet the required standards; who are assessed as high-risk; or have breached regulations, receive appropriate attention. Where required we take proportionate intervention action to drive improvements, through the use of meaningful enforcement and associated sanctions.

To ensure the safety and wellbeing of the public, RQIA is committed to ensuring that all regulated services are operating in compliance with service specific regulations and minimum care standards. Under The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003 and its associated regulations, a range of enforcement measures and sanctions are available to RQIA to drive improvements in safety and quality for all those using the services.

Where significant and/or repeated failings are identified, whether through RQIA's inspection activity or through other intelligence such as complaints or whistle-blowing, RQIA may take enforcement action against any regulated service.

Under the legislation, there are a range of escalated actions, including: improvement notices - linked to minimum care standards and notices of failure to comply with regulations. Where required, RQIA may also undertake further enforcement actions, including placing conditions of registration, or exercise its authority to seek the urgent closure of a registered service.

RQIA may take prosecution action in conjunction with other enforcement activity. We may also consider prosecution for non-registration when a person carries on or manages an unregistered establishment or agency under the 2003 Order.

### **Services Subject to Formal Enforcement Action**

During 2013-14, RQIA undertook enforcement action against 27 services, including children’s residential care homes, domiciliary care agencies, nursing homes and private dental practices. These actions included: issuing notices of failure to comply with regulations; and notices to place conditions on registration; and to cancel registration. A detailed breakdown of enforcement action taken during the year is provided at Appendix 2.

**Table 13: Escalated Enforcement Action during 2013-14**

<b>Category of Service</b>	<b>Number of services subject to action</b>
Children’s residential care home	3
Domiciliary care agency	9
Nursing home	6
Private dental treatment	9
<b>Total</b>	<b>27</b>

As a result of enforcement activity, during the year conditions were placed on the registration of one nursing home, and the responsible individual for the service was deregistered. The registered person at a private dental practice was also deregistered as a result of enforcement action. (See Appendix 3 for details).

When RQIA takes enforcement action, whether through a notice of failure to comply with regulations or a notice to place conditions of registration, or to refuse or cancel registration, a provider may make representation to RQIA. In line with RQIA’s Standing Orders, representation panels comprise RQIA Board members and directors not previously involved in the enforcement decision. During 2013-14 RQIA received representations on three occasions, none of which were upheld.

In April 2013, RQIA introduced its revised Enforcement Policy and associated procedures, following approval by RQIA’s Board. The policy provides the framework and principles within which RQIA operates where there are concerns about the safety and quality of service provision in regulated establishments or agencies.

The enforcement actions governed by this policy are:

- an improvement notice where a service is failing to meet DHSSPS minimum standards
- a failure to comply notice, where there is a breach of regulations or where the service provided is in breach of regulations, including noncompliance with conditions of registration and an improvement notice
- a notice of proposal, setting out action RQIA intends to take with respect to registration or placing conditions of registration
- a notice of decision confirming actions outlined in the notice of proposal
- cancellation of registration
- an urgent procedure for cancellation of registration, or imposing/changing conditions, when RQIA believes there is serious risk to a person's life, health or wellbeing and urgent action is required
- prosecution for specified offences

### **Guidance on Transport Schemes for Service Providers**

In May 2013, in response to requests from providers for clarity on the provision of transport for service users, RQIA published guidance on transport schemes for nursing home, residential care home and supported living domiciliary care service providers. It is important that appropriate arrangements are in place to support individual service user's use of motorised transport. The aim of this new guidance is to assist registered providers who intend to operate a transport scheme to do so in a manner that is fair, transparent and proportionate to the needs of the service user.

### **Domiciliary Care – Service User Engagement and Consultation**

A part of the inspection of domiciliary care agencies RQIA asks service users and their representatives for their views on the domiciliary care service they are receiving. During the year, RQIA's user consultation officer conducted over 500 interviews, speaking with service user's in their homes or by telephone.

During interviews service users were able to discuss the standard of service being provided. It was encouraging to note that there was a high level of satisfaction from service users and their representatives on the standard of care being provided. There were, however, concerns raised in relation to staff attitude, quality of work, length and time of calls, and consistency of staffing. In each case the issues identified were noted in the inspection report and forwarded to the service's registered manager to be addressed, and where applicable, included in the quality improvement plan.

RQIA's inspection themes for domiciliary care services during the year included infection control and staff training. The majority service users interviewed stated that they had no concerns in respect to these issues.

During interviews in service users' homes the quality of the agency's documentation was examined, and the quality of documentation continues to be an area of concern. This included: out-of-date care plans; log sheets not being completed appropriately; and risk assessments not held in the service user's file. As a result of these issues; documentation has been identified as an inspection theme for domiciliary care agencies during the 2014-15.

## Engagement with Registered Service Providers

In February 2014, RQIA held its annual series of information events for all registered services. At these events, attended by over 1,000 registered providers and managers, RQIA provided an overview of its ongoing regulatory activities. Each event focused on an individual category of service: day care settings; domiciliary care; domiciliary care - supported living services; nursing homes; private dental services; and residential care homes.

The intelligence and information gathered by RQIA during the current inspection year informs the focus and themes for inspection activity during 2014-15. Examples of best practice from the current inspection year were shared with providers. Additional input was also provided by a range of individual services, and organisations including the Public Health Agency and Royal College of Nursing.

At these events providers were advised of RQIA's approach and focus for the year ahead, and all supporting materials were published on RQIA's website.

## Ionising Radiation (Medical Exposure) Regulations

Under the Ionising Radiation (Medical Exposure) (Amendment) Regulations (Northern Ireland) 2010 (IR(ME)R), RQIA inspects services performing x-rays and other radiological procedures, including nuclear medicine, cardiology, radiotherapy and diagnostic imaging services. During 2013-14, RQIA conducted eight IR(ME)R inspections, with support from Public Health England (PHE) (see table 14 below). All RQIA's IR(ME)R inspection reports are published on RQIA's website at [www.rqia.org.uk](http://www.rqia.org.uk).

**Table 14: IR(ME)R Inspections 2013-14**

Facility	Location	Service
Action Cancer	Belfast	diagnostic imaging
Great James Street Health Centre Dental Department	Londonderry	diagnostic imaging
Kingsbridge Private Hospital	Belfast	diagnostic imaging
Lagan Valley Hospital	Lisburn	diagnostic imaging
Lurgan Hospital	Lurgan	diagnostic imaging
Mid Ulster Hospital	Magherafelt	diagnostic imaging
Royal Victoria Hospital	Belfast	nuclear medicine
Tyrone County Hospital	Omagh	diagnostic imaging

## **RQIA Review Activity**

During 2013-14, RQIA's Review team worked on a wide range of service and thematic reviews. In addition to the planned programme of review detailed in RQIA's Three Year Review Programme, during the year the Minister for Health, Social Services and Public Safety commissioned RQIA to undertake four significant reviews.

Eight review reports were published during the year:

- Independent Review of the Management of Controlled Drug Use in Trust Hospitals
- Baseline Review of the Implementation Process of National Institute for Health and care Excellence (NICE) Guidance in HSC Organisations
- Independent Review of Acute Hospitals at Night and Weekends
- A Baseline Assessment and Review of Community Services for Adults with a Learning Disability
- A Baseline Assessment and Review of Community Services for Children with a Disability
- Independent Review of Specialist Sexual Health Services in Northern Ireland
- Independent Review of Statutory Fostering Services in Northern Ireland
- Independent Review of the Implementation of the Respiratory Service Framework

## **RQIA's Planned Service and Thematic Review Programme**

### **RQIA Independent Review of the Management of Controlled Drug Use in HSC Trust Hospitals**

In June 2013, RQIA published the Review of the Management of Controlled Drug Use in HSC Trust Hospitals, which considered the arrangements in place for the effectiveness of the management of controlled drug use in health and social care trust hospitals. The review found robust systems in place and made 15 recommendations to improve further what is already a comprehensive system.

### **RQIA Independent Review of Hospitals at Nights and Weekends**

In July 2013, RQIA published its Review of Hospitals at Nights and Weekends, which examined arrangements in hospitals across Northern Ireland for the management of acute medical and surgical patient admissions. The review team, which included senior clinicians from teaching hospitals in England and lay membership, considered a range of issues relating to the safe delivery of care in acute hospitals at nights and weekends. These included: handover arrangements, services available, nursing and medical staffing arrangements and safety.

During the review, RQIA found that there were differences between acute hospitals in the availability of services and staffing at nights and weekends. At times, pressures to accommodate emergency admissions led to the transfer of patients between wards, and difficulties were noted in providing staff to accompany patients who need to be transferred between hospitals at night.

RQIA consider that effective handovers are an essential component of safe practice in hospitals, and the review team welcomed the introduction of multidisciplinary Hospital at Night teams, which have enhanced coordination and handover arrangements. However, the review team recommended that HSC trusts examine arrangements for handover to staff coming on duty, particularly after night shifts.

During the review, RQIA engaged with patients to hear about their experiences. Whilst many reported a positive experience, others highlighted unnecessary noise as a significant factor in disturbing sleep, and some felt that wards were short staffed, creating pressures, particularly for nurses. This review made 29 recommendations, which have the potential to contribute positively to the delivery of safer care at all acute hospitals across Northern Ireland.

### **RQIA Baseline Review of the Implementation Process of National Institute for Health and Care Excellence (NICE) Guidance in Health and Social Care (HSC) Organisations**

RQIA published its Baseline Review of the Implementation Process of National Institute for Health and Care Excellence (NICE) Guidance in Health and Social Care (HSC) Organisations in July 2013. The review made 12 recommendations for improvement, to strengthen and improve the arrangements for dissemination and implementation of NICE guidance in the HSC.

### **RQIA Baseline Assessment and Review of Learning Disability Community Services for Adults with a Learning Disability and for Children with a Disability**

In August 2013, RQIA published two separate reports providing a baseline assessment and review of the composition and function of HSC trust disability services for adults with learning disabilities and for children with disabilities. The fieldwork for these reviews was carried out in 2012, and the reports made a number of recommendations for improvement throughout the service.

## **RQIA Independent Review of Specialist Sexual Health Services in Northern Ireland**

In October 2013, RQIA published its Independent Review of Specialist Sexual Health Services in Northern Ireland. The review team, which included four consultants and a lead nurse from Scottish sexual health services, made 16 recommendations for improvement, which included: the need for clear strategic direction for sexual health services; agreed standards for service delivery; an integrated commissioning plan for genitourinary medicine (GUM) and sexually and reproductive health (formerly known as family planning) services; the need for a workforce plan; consultant and nurse leadership; training to meet future service demands; and standardisation/review of processes for booking appointments and receiving test results.

## **RQIA Independent Review of Statutory Fostering Services in Northern Ireland in Northern Ireland**

In December 2013, RQIA published an independent review of statutory fostering services in Northern Ireland. The independent review team, included lay membership, and inspectors from the Scottish and Welsh care regulators, sought the views of foster carers, children and of staff supporting these services. The clear message coming from children and young people looked after by foster carers is the need to feel secure, and to be treated the same as children living with their own parents. Young people also told us they wanted more involvement in decisions about their lives.

The review team stated that fostering needs to be recognised as a modern, highly skilled, child-centred service, with foster carers as key part of the professional network. RQIA's review team made 46 recommendations for improvement in fostering services, including a call for agreed regional standards for fostering services in Northern Ireland. RQIA believes that the implementation of these recommendations can benefit all those involved in fostering services in Northern Ireland.

## **RQIA Independent Review of the Implementation of the Respiratory Service Framework**

In March 2014, RQIA published its Independent Review of the Implementation of the Respiratory Service Framework. RQIA found widespread support among stakeholders for the service framework approach; collaboration with service users, stakeholders and the public was well planned, and to the forefront of its development and implementation. Voluntary agencies considered the implementation process has shaped the way respiratory services are being taken forward, and the framework contributed significantly to improvements in these services. In this review, RQIA made six recommendations to further improve the implementation arrangements for future service frameworks.

## **Ongoing Review Activity**

RQIA also commenced or continued activities on a further ten reviews during the year. These were reviews of:

- access to services by disadvantaged groups
- care of clients with a learning disability (GAIN Guideline)
- care of older people on acute hospital wards
- care of patients following stroke
- discharge arrangements from hospital
- hospital theatre practice
- NICE: dementia care services
- oversight of patient finances in residential settings
- respite care / short break provision
- risk assessment: addiction services

It is anticipated that our findings will be published during 2014-15.

## **Reviews Commissioned by the Minister for Health, Social Services and Public Safety**

In addition to the planned programme of review, during the year the Minister for Health, Social Services and Public Safety commissioned RQIA to undertake four significant reviews.

- Independent Expert-Led Inquiry into Child Sexual Exploitation (CSE) in Northern Ireland
- Independent Review of Cherry Tree House Nursing and Residential Care Home, Carrickfergus
- Independent Review of the Implementation of the Dental Hospital Inquiry Action Plan
- Review of the Arrangements for the Management and Coordination of Unscheduled Care in the Belfast Health and Social Care Trust and across the wider HSC

## **Independent Expert-Led Inquiry into Child Sexual Exploitation (CSE) in Northern Ireland**

In September 2013, the Minister announced an independent expert-led Inquiry into Child Sexual Exploitation in Northern Ireland. This is facilitated jointly by RQIA and Criminal Justice Inspection Northern Ireland (CJI), and supported by the Education and Training Inspectorate.

The remit is wide-ranging and not confined to children in the care system. It is intended to address both broad concerns regarding child sexual exploitation and current responses to it, as well as specific concerns about the protection of children in care.

In November 2013 the Minister announced the appointment of Kathleen Marshall, former Scottish Commissioner for Children and Young People, to chair the independent inquiry. Terms of reference were also published which included seeking the views of children and young people, and engagement with parents. The inquiry team presented its initial plans for the inquiry to the Northern Ireland Assembly Committee for Health, Social Services and Public Safety in December 2013.

In December 2013, a call for evidence on the nature of child sexual exploitation in Northern Ireland was issued. The inquiry team sought views on the extent of child sexual exploitation; the effectiveness of protecting against, preventing, tackling child sexual exploitation; and future actions required. At the close of this call for evidence the inquiry team had received 48 submissions from both organisations and individuals.

Work continues on this review, and in line with the terms of reference a final report will be presented to the health and justice ministers in November 2014.

### **Independent Review of Cherry Tree House Nursing and Residential Care Home, Carrickfergus**

In September 2013, DHSSPS commissioned RQIA to conduct a review of Cherry Tree House, a nursing and residential care home in Carrickfergus, to examine actions taken by a number of agencies, including: DHSSPS; the Northern HSC Trust; and RQIA, to address whistleblower and other allegations over a period of years. These allegations related to: the quality of care; safeguarding; and employment issues between January 2005 and March 2013.

As part of this independent review, the Minister asked the review team to examine the manner by which expressions of concern from families and others made to various statutory bodies and other public authorities were acted upon by those bodies and authorities.

RQIA has appointed a team of experts wholly independent of RQIA to conduct this review, which will report to the Minister in June 2014.

### **Independent Review of the Implementation of the Dental Hospital Inquiry Action Plan**

In November 2013, the Chief Medical Officer commissioned RQIA to undertake an independent review of the arrangements for clinical governance and patient safety in the dental hospital of the Belfast Health and Social Care Trust. The review centred on the Dental Hospital Inquiry Action Plan that was developed in response to the inquiry report by the Department of Health, Social Services and Public Safety (DHSSPS).

The review team was asked to provide an opinion as to whether 22 of these actions from the plan could be considered implemented, and to provide a baseline on the current position on a further 13 actions. RQIA will report its findings to the Minister in early 2014-15.

### **Review of the Arrangements for the Management and Coordination of Unscheduled Care in the Belfast Health and Social Care Trust and across the wider HSC**

Following the declaration of a major incident in January 2014 at the Royal Victoria Hospital's Emergency Department, in February 2014, the Minister announced that RQIA would conduct a review of arrangements for the management and coordination of unscheduled care at the Belfast HSC Trust. The independent review team is chaired by Dr David Stewart, RQIA Director of Reviews and Medical Director, and includes relevant experts from across the United Kingdom. In line with the terms of reference for this review, RQIA will report its findings to the minister in June 2014.

### **Infection Prevention and Hygiene Inspection Programme**

RQIA's programme of infection prevention/hygiene inspections focus attention on practice in a range of areas crucial to the prevention of health care associated infections and measure compliance with standards. During the year, 28 inspections were conducted at hospitals across Northern Ireland (see table 15)

**Table 15: Infection Prevention/Hygiene inspections 2013-14**

<b>Inspection Type</b>	<b>Number of Inspections</b>	<b>Number of Clinical Areas</b>
Unannounced: acute hospitals	14	36
Unannounced: non-acute hospitals	7	8
Regional neonatal unit inspections	7	7
<b>Total</b>	<b>28</b>	<b>51</b>

During 2013-14, RQIA began a programme of inspections in augmented care, commencing with neonatal intensive care units and special care baby units, with inspections conducted at all seven neonatal intensive care units in Northern Ireland. These were based on a range of specialised audit tools for neonatal care settings developed by RQIA in partnership with a range of bodies following the outbreaks of pseudomonas aeruginosa in neonatal units in early 2012.

RQIA also developed an inspection methodology and associated inspection tools to support its review of the care of older people in hospitals, and conducted 10 unannounced inspections using this approach. RQIA's findings will be published during 2014-15.

RQIA has noted a continued improvement in compliance levels across wards and clinical areas inspected, with almost 90 per cent achieving an overall compliant level, and no areas scoring an overall non-compliant level (see table 16).

**Table 16: Overall Compliance Levels for Unannounced Infection Prevention/ Hygiene Inspections, 2011-14**

Overall Compliance Level	2011-12 (%)	2012-13 (%)	2013-14(%)
Compliant	72	73	88
Partially Compliant	19.5	27	12
Non-Compliant	8.5	0	0

All inspection reports are published on RQIA's website and include a quality improvement action plan, detailing the actions being taken by the service provider in response to concerns raised by RQIA. Progress is monitored through further inspection activity.

Table 17 highlights the number of clinical areas that were found to be non-compliant with regional standards during inspection.

**Table 17: Non-compliance with a Regional Infection Prevention/Hygiene Standard, 2013-14**

Standard	Areas non-compliant with standard
General Environment	8
Patient Linen	1
Sharps	6
Waste	0
Equipment	8
Hygiene Factors	0
Hygiene Practices	0

### **Inspection at The Royal Victoria Hospital's (RVH) Emergency Department and Acute Medical Unit**

Following the declaration of a major incident at the RVH, and concerns brought to RQIA's attention by medical staff at the hospital, on 30 January 2014, RQIA was asked by the Minister to conduct an inspection of the Emergency Department and Acute Medical Unit (in addition to a review of unscheduled care in the Belfast HSC Trust).

The inspection focused on a range of issues including: staffing levels for nursing and medical staff; safety; the environment and the patient experience. RQIA observed practice in departments and wards, observed team meetings and examined documentation and patient care records. The inspection team also spoke to over 100 staff from a wide range of disciplines, and to patients and their relatives.

RQIA will publish the findings of its inspection in April 2014, accompanied by an action plan detailing the Belfast HSC Trust's response to RQIA's recommendations for improvement at the hospital.

## **Complaints about Health and Social Care Services**

Under regional guidance for complaints (Complaints in Health and Social Care: Standards and Guidelines for Resolution and Learning, DHSSPS, 2009), RQIA does not investigate complaints. However, we take all concerns brought to our attention seriously. We share these with the inspector for the service and consider any information to determine whether there are any potential breaches in regulation, which may result in regulatory activity.

In line with the DHSSPS complaints procedure, responsibility for investigating a complaint about any regulated service rests with the provider. The provider is required by legislation to ensure that complaints are fully investigated and to make every attempt to achieve local resolution. The local HSC trust also has a continuing duty of care to the service user and should assist in resolving complaints by using either expert advisors or acting as an honest broker. This is known as enhanced local resolution. Complainants can also receive advice and support in pursuing a complaint from the Patient and Client Council (PCC) at freephone: 0800 917 0222 or email: [info.pcc@hscni.net](mailto:info.pcc@hscni.net).

Where local resolution is unsuccessful, the complainant can refer their concerns to the Northern Ireland Ombudsman. RQIA's role is to ensure that providers have an appropriate complaints and investigations procedure in place, and to follow up any alleged failure by a provider to comply with regulations and standards.

## **Whistleblowing**

In line with The Public Interest Disclosure (Northern Ireland) Order 1998 and RQIA's responsibilities to ensure maximum protection for vulnerable service users, RQIA treats all reports that indicate potential breaches in regulations and standards seriously.

During the year RQIA was contacted by staff members of health and social care services wishing to raise concerns about the quality and safety of services being provided in identified establishments and agencies. RQIA followed up these disclosures, where necessary through unannounced inspections and in certain instances this led to enforcement action to drive improvements in the quality of services.

In October 2013, RQIA published guidance to help health and social care staff who wish to make a protected disclosure about wrongdoing in their workplace. This guidance, and information on how to make a whistleblowing disclosure, is available at [www.rqia.org.uk](http://www.rqia.org.uk).

## INFORMING THE POPULATION

### Partnership with Stakeholder Organisations

Throughout the year, RQIA continued, and further developed, effective working relationships with DHSSPS, HSC Board, HSC trusts and agencies including the Public Health Agency and Patient and Client Council, through regular liaison meetings to discuss areas of common interest.



Dr Ian Carson, RQIA Chairman, Professor Maureen Edmondson, OBE, Patient and Client Council Chair, Glenn Houston, RQIA Chief Executive, at a joint meeting of RQIA's and PCC's boards in July 2013

We also continued to work with a wide range of stakeholders. These included: the Commissioner for Older People for Northern Ireland; CJI; Education and Training Inspectorate; Northern Ireland Commissioner for Children and Young People; Northern Ireland Social Care Council; and, The Prisoner Ombudsman for NI.

Since its establishment, RQIA has developed strong partnerships with peer health and social care systems regulators, inspectorates and professional regulatory bodies across the United Kingdom, Ireland and Europe. These provide an opportunity to share best practice in regulation and to benchmark our practice with peer organisations.

In October 2013, RQIA, in partnership with the DHSSPS, held a workshop to discuss information sharing across health and social care bodies in light of the recommendations of the Francis Report, the public inquiry into the failings at Mid Staffordshire NHS Trust. At the workshop, representatives from both HSC organisations and systems and professional regulators considered: how best to improve information sharing; and how to utilise information to drive improvements for all service users.



RQIA/DHSSPS Information sharing workshop attended by systems and professional regulators and health and social care organisations, October 2013

## **Political Engagement**

RQIA also continued its engagement with political representatives, through meetings with party political health and social care spokespersons; responses to assembly questions; and appearances before the Northern Ireland Assembly Committee for Health, Social Services and Public Safety.

In December 2013, RQIA provided a briefing to the Northern Ireland Assembly Committee for Health, Social Services and Public Safety in relation to commencement of the Independent Inquiry into Child Sexual Abuse in Northern Ireland.

In February 2014, RQIA appeared at the Northern Ireland Assembly committee in relation to the initial findings of its inspection at the Royal Victoria Hospital's Emergency Department and Acute Medical Unit, which took place over four days from 31 January to 3 February 2014.

## Communication

In its engagement with the media, RQIA provides open and comprehensive briefings to ensure clarity on the nature, breadth and complexity of health and social care regulation activities.

Throughout the year media interest in all aspects of the work of RQIA continued, with significant coverage of regulation, review and mental health and learning disability activities in print, broadcast and online outlets.

RQIA continued to develop its website [www.rqia.org.uk](http://www.rqia.org.uk), taking account of user feedback, to ensure relevant information was made available in an accessible and timely manner.

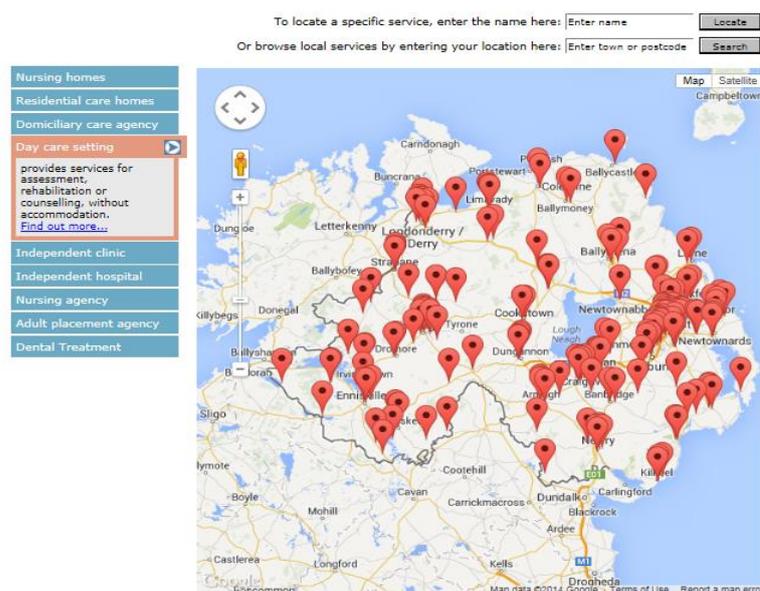


To view inspection reports for regulated adult services, use the map below.

To view inspection reports for mental health and learning disability facilities click [here](#).

To view current enforcement activity click [here](#).

To use this map, please select a category of care from the left hand side of the page, then using the search function at the top of the page, enter a service name or location



Details of all adult regulated services, including inspection reports and enforcement action, can be accessed online through an interactive map at: [www.rqia.org.uk](http://www.rqia.org.uk).

From April 2013 to 31 March 2014 the RQIA website received some 125,000 visitors, viewing over 530,000 webpages. The interactive map/inspection reports page received over 200,000 views, whilst around 30,000 visited our enforcement pages.

All RQIA inspection and review reports are published online, providing easy access for the public to information on the quality of health and social care services. At present some 9,000 inspection reports of adult regulated services are available online.

## **Patient and Public Involvement**

RQIA is committed to engaging effectively with the public and stakeholders to achieve improvements in the safety and quality of services. RQIA continued to involve patients and the public in a wide range of activities within its regulation, review and mental health and learning disability activities. This is strengthened through RQIA's Patient and Public Involvement (PPI) Forum, which includes lay membership and leads all RQIA's PPI activities.

During the year, the Mental Health and Learning Disability Directorate engaged with service users to develop an easy read inspection report following inspection of a ward in Muckamore Abbey Hospital. The response from service users to this report format was very positive.

From April 2014 easy read versions of all RQIA's inspection reports for mental health and learning disability services will be produced. These will be published on RQIA's website and also made available within the hospital wards.

RQIA's User Consultation Officer continued to ensure that the views of individual service users were gathered prior to the inspection of domiciliary care agencies. Service user feedback helped to identify issues impacting on service delivery and was also included in our inspection reports. In addition this information is used to inform and improve our inspection methodology and themes for our future inspection programme.

In January 2014, RQIA advertised for the recruitment of lay assessors to work alongside our inspectors and reviewers. A cohort of lay assessors was appointed, and from 2014-15 onwards they will be involved in obtaining service users views and experiences within regulated services, mental health and learning disability facilities, infection prevention/hygiene inspections and reviews.

## **Freedom of Information and Data Protection**

As a public body, RQIA is required to respond to requests for information under the Freedom of Information Act 2000 and the Data Protection Act 1998. During the year, RQIA received and responded to 70 freedom of information requests within 20 working days, and nine subject access requests within 40 calendar days. One personal data incident was recorded and reported to the Information Commissioner's Office (ICO), however, no personal data was lost or shared inappropriately.

## **SAFEGUARDING RIGHTS**

Safeguarding the rights of all those who access health and social care services is central to RQIA's approach to all its functions. RQIA places a clear focus on delivering good quality and safe outcomes for service users.

### **Mental Health and Learning Disability**

RQIA has a range of responsibilities for people with a mental ill health and those with a learning disability under The Mental Health (Northern Ireland) Order 1986, as amended by the Health and Social Care Reform (Northern Ireland) Act 2009. These are:

- preventing ill treatment
- remedying any deficiency in care or treatment
- terminating improper detention in a hospital or guardianship
- preventing or redressing loss or damage to a patient's property

In line with the provisions of the Mental Health (NI) Order 1986, RQIA continued to monitor the appropriateness of all applications for detention and guardianship, through an analysis of all prescribed detention and guardianship forms received from HSC trusts. During the year, RQIA monitored almost 6,300 prescribed forms, with an error rate of 1.78 per cent. Where any error was detected, the relevant HSC trust was advised as a matter of priority.

A human rights-based approach is embedded in the work of RQIA's mental health and learning disability team and informs our monitoring role. During the 2013-14, RQIA inspected 75 mental health and learning disability wards as part of our planned programme of inspection and in response to concerns raised through complaints and whistleblowing.

RQIA strives to ensure that dignity and respect are the primary focus of all those involved in the care of detained patients. During RQIA's programme of individual patient experience reviews inspectors met with 142 people subject to detention under the Mental Health (NI) Order 1986, to gain their views on their care. In general, most were satisfied with information given in relation to their rights and their right of referral to the Mental Health Review Tribunal. However, RQIA found that information in relation to independent advocacy services was not always available. The information gained through these interviews helped inform the focus of future inspections, and constructive feedback was provided to ward staff concerning any issues raised.

RQIA also examined and reviewed treatment plans for patients who had been detained for over three months. An audit was also undertaken of around 130 treatment plans, however, a significant number of these failed to meet the required standards. In December 2013, RQIA held workshop involving the five HSC trusts to disseminate the learning and improvements required.

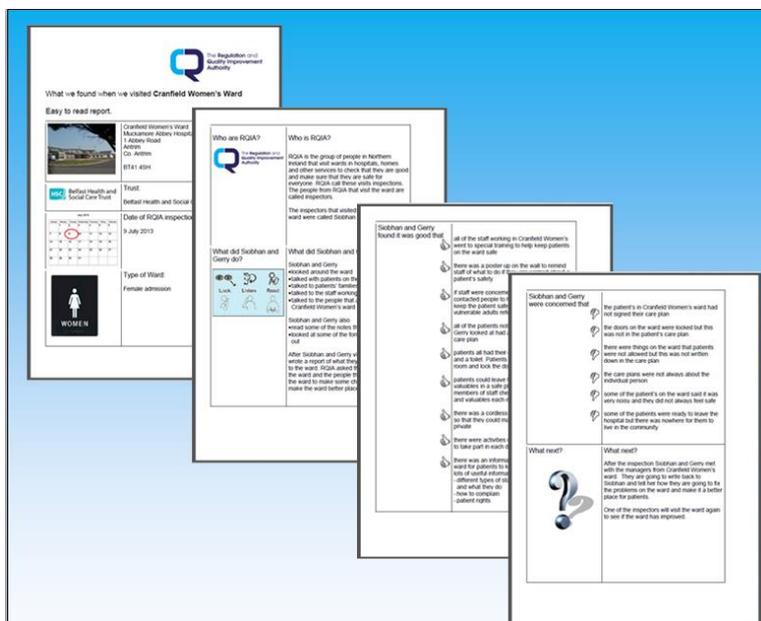
In June 2013, RQIA held a series of roadshows for service providers to share the learning from inspection activity, and to highlight both areas for improvement and examples of good practice.

RQIA monitor all serious adverse incidents (SAIs) relating to patients known to mental health and learning disability services, and followed these up where there were potential concerns relating to ill treatment or deficiencies in care or treatment. RQIA shared concerns with the HSC Board relating to cases where there was: underreporting of SAIs, delays in completing investigation into SAIs; and a lack of involvement of families in the review process.

During the year RQIA undertook a review of access to psychological therapies for patients who subsequently took their own lives. RQIA highlighted that lessons learned are important to improve services and help staff recognise where risks exist. Key findings were shared with Part II and Part IV medical practitioners at a workshop in December 2013, and with the Public Health Agency and Health and Social Care Board.

During the year RQIA introduced new policies and procedures for the appointment of Part II and Part IV medical practitioners, who under these policies are now appointed by independent RQIA appointment panels.

RQIA continues to seek the views of a wide range of stakeholders and are committed to putting people at the heart of what we do and reflect the things that matter most to patients and the public.



An easy read inspection report for Cranfield Women's Ward, Muckamore Abbey Hospital

Following a request from patients in Muckamore Abbey Hospital TiLii (Tell it like it is) group for RQIA to make available easy read inspection reports, RQIA's inspectors worked closely with this group to develop an easy read report template. This will be introduced from April 2014.

## **Human Rights**

RQIA takes a human rights approach to all its work. Human rights principles are embedded in all our inspection and review activities, with a clear focus on positive outcomes for service users.

Under the United Nations Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT) RQIA is designated as a national preventive mechanism (NPM). This international human rights treaty aims to strengthen protection for people deprived of their liberty. OPCAT requires NPMs to carry out visits to places of detention, to monitor the treatment of and conditions for detainees and to make recommendations regarding the prevention of ill-treatment. During the year RQIA visited a range of services including mental health hospitals, prisons and police custody suites under its responsibilities as a designated NPM.

During the year, RQIA continued to work in partnership with the Care Quality Commission, Mental Welfare Commission for Scotland and Healthcare Inspectorate Wales on the issue of de facto detention, where an individual who, while not formally detained by law, may be deprived of liberty.

## **Prison Health and Social Care**

The independent inspection of prisons is part of the mechanism by which the UK fulfils its obligations as a signatory to OPCAT. During the year, prison inspection activity focused on a joint review of prisoner safety, in partnership with CJI, which commenced in September 2013.

RQIA also commenced a programme of providing assurance on the completion of recommendations relating to health services from Dame Anne Owers' review of the Northern Ireland Prison Service.

## **Inspections of Hydebank Wood Young Offenders' Centre and Ash House Women's Prison**

In October 2013 reports on the inspections of Hydebank Wood Young Offenders' Centre (YOC) and Ash House, Northern Ireland's women's prison, conducted in early 2013 by RQIA, CJI, HMIP and ETI were published.

Inspectors raised significant concerns around the performance of these prison facilities and their ability to deliver positive outcomes for prisoners within their care. While some positive healthcare initiatives had been introduced they were not yet fully delivering effective outcomes for prisoners. The inspection reports contained over 150 recommendations for improvement, which outline the challenges to be addressed by the management teams in place at both the YOC and Ash House to deliver positive outcomes for the vulnerable prisoner groups within their care.

## **Equality**

During the year RQIA continued to implement its equality and disability action plans. An annual progress report on Section 75 of the Northern Ireland Act 1998 and Section 49A of The Disability Discrimination (Northern Ireland) Order 2006 was submitted to the Equality Commission in August 2013.

## **INFLUENCING POLICY**

Throughout the year, RQIA's work contributed to the development of a range of regional policies and guidance.

Following recommendations within RQIA's review of children under 18 admitted to adult hospital wards, published in December 2012, the HSC Board, in partnership with HSC trusts, is working towards setting a child's 16<sup>th</sup> birthday as the minimum age for admission to adult wards.

Following the publication of RQIA's review of specialist sexual health services, DHSSPS wrote to the HSC Board, HSC trusts and PHA, asking them to work collaboratively to progress the implementation of RQIA's recommendations.

RQIA's independent review of implementation of service frameworks (cardiovascular services in November 2012 and respiratory services in March 2014) and NICE guidelines have informed the processes for consideration of future implementation of similar frameworks and guidelines.

During the year RQIA attended regular meetings with DHSSPS to address the implications of the new proposed mental health capacity legislation.

### **Development of Standards and Guidelines**

During the year RQIA participated in working groups to develop and review DHSSPS minimum care standards for nursing homes, children's residential care homes and independent health care services.

In April 2013, RQIA commenced its programme of infection control and hygiene-inspection in augmented care settings, based on audit tools developed by a working group chaired by RQIA and including membership from the Public Health Agency (PHA). During the year all neonatal units in Northern Ireland were inspected, and the inspection reports were published online.

In December 2013, the Guidelines, Audit and Implementation Network (GAIN) palliative and end of life care guidelines for nursing and residential care homes were published. RQIA participated in the project team that developed the guidance, which included membership from a range of HSC bodies and independent health and social care providers.

In March 2014, See Me, Hear Me, Know Me: Guidelines to Support the Needs of Lesbian, Gay, Bisexual and Transgender (LGBT) People in Care Homes, Day Care Centres and Those in Receipt of Domiciliary Care was published. These guidelines were developed by the Public Health Agency in partnership with: Age NI; Lesbian Advocacy Services Initiative; independent health care providers; The Rainbow Project; RQIA; and UNISON.



Dr Carolyn Harper, Director of Public Health, PHA, John O'Doherty, Director The Rainbow Project, Christine Goan, RQIA, Duane Farrell, Director of Policy Age NI, and Fidelma Carolan, Unison

## Responses to Consultations

During the year, RQIA responded to a number of consultations which were relevant to the work of RQIA. These included:

- Custodial Arrangements for Children in Northern Ireland (Department of Justice)
- Draft Minimum Independent Healthcare Standards (DHSSPS)
- Foster Placement and Fostering Agencies Regulations (Northern Ireland) 2014 (DHSSPS)
- Enhancing Healthcare Services For Children and Young People in Northern Ireland (From Birth to 18 Years) - A Review Of Paediatric Healthcare Services Provided In Hospitals And In The Community (DHSSPS)
- Proposal to place the Prisoner Ombudsman for Northern Ireland on a statutory footing (Department of Justice)
- Supporting People – Housing Related Support Strategy (Department of Social Development)
- Who Cares? The Future of Adult Care and Support in Northern Ireland (DHSSPS)

## **CORPORATE ACTIVITIES**

### **Strategic Performance Management**

RQIA's Corporate Strategy 2012-15 sets out its vision, core values and strategic objectives and our Annual Business Plan 2013-14 detailed specific actions to deliver RQIA's strategic objectives, the timescale for action and associated resources.

On a quarterly basis, a corporate performance report was presented to RQIA's Board, providing progress on the delivery of the actions identified within the annual business plan. This provided detail of RQIA's progress in delivering 112 business actions and 57 key performance indicators, including financial and non-financial measures, linked to our strategic objectives and priorities.

The corporate performance report for the period 2013-14 reported the completion of 99 actions by 31 March 2014. Seven key performance indicators required exception reports, detailing how the outstanding actions were to be addressed.

During the year, RQIA's Business Plan 2014-15 was developed, and this was endorsed and approved by the RQIA Board in January 2014. The plan also incorporated a range of business objectives for the year ahead set by DHSSPS.

RQIA's Risk Management Strategy 2013-14 sets out our approach to ensuring the effective identification and management of risks to the delivery of corporate objectives. During the year, these risks were monitored and managed by RQIA's Board through consideration of the Corporate Risk Assurance Framework Report.

To ensure continuity of service in an unplanned emergency situation, RQIA tests its business continuity plan on a regular basis. To reflect learning from these tests, RQIA produces an action plan and revises the plan as necessary.

### **Steps to Excellence Programme (STEP)**



RQIA is on a journey of excellence and continuous improvement using the EFQM excellence model as our quality framework. Throughout 2013-14 RQIA has focused on embedding a culture of continuous improvement across the organisation, and making improvements based on the feedback from the EFQM assessment conducted the previous year.

An Improvement and Efficiency Operational Plan 2013-14 was developed, which identified how improvements and comprehensive spending review (CSR) efficiency savings would be delivered by RQIA.

Key improvement initiatives included the launch of RQIA’s culture charter; the development of a new information management system (iConnect); streamlining of procedures within RQIA’s Mental Health and Learning Disability directorate through a LEAN project; a review of measures of success contained within RQIA’s Business Plan; and the submission of an application for Investors in People accreditation. These improvement initiatives are monitored through an improvement action log, and communicated to staff via STEP bi-monthly meetings.

## People

Following a staff workshop held in April 2013, an action plan was developed and communicated to staff to support the development of key people issues and this was shared with staff on 3 July. A Culture Charter, Living our Values Every Day was also developed by staff across the organisation, providing a framework of agreed behaviours for all staff.

**Living Our Values Every Day**

We, at **RQIA**, can make a **real difference to people’s lives**. By being individually valued, supported and respected we can avail of opportunities to **improve patient outcomes** and as an organisation **we can learn**.

<p>I show initiative and take <b>INDEPENDENT</b> decisions</p> <p><b>I WILL</b></p> <ul style="list-style-type: none"> <li>Take responsibility and ownership for my own work, actions, decisions and behaviours</li> <li>Demonstrate willingness and embrace new ideas, new tasks and concepts</li> <li>Take responsibility for implementing change</li> <li>Give assistance to my colleagues</li> <li>Take responsibility for my own professional development</li> </ul>	<p>I promote <b>INCLUSIVENESS</b> and build effective partnerships with my colleagues</p> <p><b>I WILL</b></p> <ul style="list-style-type: none"> <li>Actively listen to and communicate effectively with others taking consideration of workload pressures</li> <li>Be approachable and show sincere appreciation for others</li> <li>Be proactive in developing good working relationships</li> <li>Be guided by best practice values, recognise and respect the capabilities of my colleagues</li> </ul>	<p>I act with <b>INTEGRITY</b> by being honest, open, fair and transparent</p> <p><b>I WILL</b></p> <ul style="list-style-type: none"> <li>demonstrate fairness</li> <li>communicate with and treat others with respect and dignity</li> <li>Have an open and honest approach to my work and others</li> <li>Respect the working environment</li> <li>Be patient in dealing with challenging issues</li> </ul>	<p>I am <b>ACCOUNTABLE</b> and take responsibility for my actions</p> <p><b>I WILL</b></p> <ul style="list-style-type: none"> <li>Be on time for meetings and training sessions</li> <li>Be accountable for my work and learn both for mistakes and good practice</li> <li>Provide feedback in a respectful and appropriate manner</li> <li>Be open to constructive criticism</li> <li>Challenge relevant decisions respectfully</li> </ul>	<p>I provide <b>PROFESSIONAL</b> effective, efficient services in all aspects of my work</p> <p><b>I WILL</b></p> <ul style="list-style-type: none"> <li>Maintain a professional attitude at all times</li> <li>demonstrate tolerance and patience</li> <li>promote the qualities of good leadership</li> <li>Bring a positive, optimistic attitude to my work</li> <li>Maintain good working relationships and deliver on my agreed work plan/goals</li> </ul>	<p>I develop my <b>EFFECTIVENESS</b> by constantly seeking to improve the service I deliver</p> <p><b>I WILL</b></p> <ul style="list-style-type: none"> <li>Work to ensure that the work I carry out is effective and efficient</li> <li>Contribute to improvements in a positive way</li> <li>Show resourcefulness</li> <li>Respect others views, opinions, expertise</li> <li>Embrace and welcome change and respond positively to ideas/initiatives for improvement</li> </ul>
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In July 2013 RQIA’s Board approved RQIA’s new Human Resources and Organisational Development Strategy. Progress continued in working towards the achievement of Investors in People (IiP) accreditation.

The management of sickness absence continued throughout the year, with sickness absence recorded at 3.9% (4.96% in 2012/13) against a target of 4.8%. During the year, staff turnover was recorded at 10% (6% in 2012/13), with 15 people leaving the organisation (9 people in 2012/13).

RQIA is committed to a partnership approach to working with staff, in conjunction with the trade unions and professional associations through its Joint Negotiating and Consultative Forum (JNCF). The JNCF met twice during the year, acting as a reference group for good practice and a focus for consultation and negotiation on policies and issues affecting the organisation.

A staff survey was conducted in late 2012 across all HSC organisations including RQIA to examine a range of issues, including: team working; work-life balance; value, respect and involvement; and learning and development. The results of this survey were reported in 2013, and a complementary annual Staff Pulse Survey was conducted in late 2013.

### **Information and Communication Technology**

During the year, significant work was undertaken in relation to technical refresh of RQIA's ICT system, including RQIA's network, infrastructure, operating systems and associated equipment.

During 2013-14, the development of iConnect, a new information management system for RQIA, neared completion. It is anticipated that the core system will go live in July 2014.

### **Sustainable Development**

RQIA is committed to delivering its organisational objectives in a sustainable manner. During the year we demonstrate this commitment with the completion of a diverse range of actions in the sustainable development delivery plan. This included an energy efficiency audit of RQIA's offices in Belfast and Omagh, which established baseline energy consumption information. The resultant report outlined a number of energy reduction measures, and these will be implemented in the year ahead. An air quality audit was also conducted of our Belfast office.

RQIA continues to implement a range of environmental improvement measures. All office waste including photocopying cartridges and consumables are recycled, and a number of measures to reduce paper consumption. During the 2013-14 all office printers were replaced by a smaller number of centrally networked photocopiers, with energy efficiency features.

RQIA promotes sustainable transport initiatives and staff are encouraged to make use of annualised rail tickets, TaxSmart bus services and the cycle to work scheme. A Translink corporate travel awareness event was also held, which was well attended by staff.

## Complaints about RQIA

During the year, seven complaints were received about RQIA relating to the work of the organisation and our staff. These were handled in line with RQIA's complaints policy. To ensure learning from complaints, RQIA disseminates any lessons learned to its staff.

## Financial Summary

<u>Income</u>	£
Fees and recharged costs	914,670
<u>Expenditure</u>	
Staff costs	6,166,905
Other operating expenses	1,466,732
Total Expenditure	7,633,637
Net Expenditure	6,718,967
Revenue Resource Limit	6,719,574
Surplus	607

Capital expenditure amounted to £409,997, financed by DHSSPS.

## Going Concern Basis

As illustrated in our Statement of Financial Position, RQIA operates with a net liability position, largely generated by our trade and other payables liability compared to a small capital asset base. As a non-departmental public body, RQIA is mainly funded through DHSSPS. As DHSSPS funding will continue for the foreseeable future this ensures that the preparation of our accounts as a going concern is the correct basis.



**Glenn Houston**  
Chief Executive

**Date: 3 July 2014**

## **Appendix 1: RQIA Board Members' Profiles (as at 31 March 2014)**

**Dr Ian Carson** MB BCH BAO, MD, FFARCSI was appointed as RQIA Chairman in June 2006. Dr Carson is a former Deputy Chief Medical Officer with the Department of Health Social Services and Public Safety, holding this post from 2002 to his retirement in April 2006. He lives in Belfast.

**Mrs Sarah Havlin** was appointed to RQIA's Board in December 2011 for a four-year term as the legal member. A solicitor by profession, Sarah is a freelance legal consultant. She holds several quasi-judicial positions on tribunals/appeals panels and also carries out formal arbitration and mediation work. She is a visiting tutor at Queen's University and a law lecturer with the Open University. Sarah is a member of RQIA's Appointments and Remuneration Committee. She lives in Bangor.

**Dr John Jenkins CBE** was appointed to RQIA's Board in May 2013 for a four-year term. He is a retired Consultant Paediatrician and was a senior lecturer in child health. He has relevant experience for over 25 years in a wide range of professional medical bodies, including the General Medical Council. Dr Jenkins is Chair of the Part II and Part IV Medical Practitioner Panels. Dr Jenkins lives in Ballymena.

**Professor Mary McColgan OBE** was appointed to RQIA's Board in April 2013 for a four-year term. She is Head of School of Sociology and Applied Social Studies at the University of Ulster. She is also a former Chair on the Board of Directors for Bryson Care West. Professor McColgan lives in Limavady.

**Mr Daniel McLarnon** was appointed to RQIA's Board in April 2013 for a four-year term. Prior to his retirement, Daniel acquired significant experience in strategic management and planning at executive director level and as a board member with a number of leading private sector businesses. His experience covers human resources, legal services, internal audit and corporate governance, and he is a Fellow of the Institute of Directors. He is currently a member of Northern Ireland Audit Office Advisory Board and sits on their audit committee. Daniel is a member of the Part II Medical Practitioner Panel. He lives in Greenisland.

**Miss Patricia O'Callaghan** was appointed to RQIA's Board in April 2013 for a four-year term. She is a registered nurse and was Director of Nursing and Clinical Effectiveness at the former Greenpark Health Care Trust. Patricia is a member of the International Board of Holy Innocents Children's Hospital in Uganda, and returns there regularly for monitoring, teaching and further development. She also holds a public appointment for the Department of Employment and Learning. Patricia is a member of the Audit Committee. Patricia lives in Belfast.

**Mr Denis Power** was appointed to RQIA's Board in December 2011 for a four-year term as the financial member. Denis has a background in credit and operational risk management, quality assurance and project management, and prior to his retirement, was a senior manager with the First Trust Bank, a Division of AIB Group (UK) plc. Denis is Chair of RQIA's Audit Committee. He lives in Lisburn.

**Ms Lindsey Smith** was appointed to RQIA's Board in December 2011 for a four-year term as a lay member. Lindsey is a self-employed organisational development consultant, working with the public, private and voluntary sectors, providing leadership and management development, business improvement interventions, change management and executive coaching. She is a chartered member of the Institute of Personnel and Development. Lindsey is a part-time associate lecturer in change management, organisational behaviour and human resources at the University of Ulster. She is also a governor for the Belfast Metropolitan College. Lindsey was previously the Head of the Identity and Passport Service for Northern Ireland. Lindsey is a member of the Audit Committee. She lives in Belfast.

## Appendix 2: Enforcement Action: 1 April 2013 - 31 March 2014

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance/ conditions imposed
47 Somerton Road Nursing Home, Belfast (Somerton Homes Ltd)	1 February 2013	Two notices of failure to comply with regulations issued, relating to: provision of statement of fees and payment; record of financial arrangements.	4 April 2013 (one notice) 3 May 2013 (one notice)
Ashley Grove Supported Living Domiciliary Care Agency, Dunmurry (Autism Initiatives)	20 September 2013  Compliance required by 18 November 2013  Compliance achieved	One notice of failure to comply with regulations issued, relating to: the prevention of service users being harmed or suffering abuse or neglect.	18 November 2013
Boyd's Row Domiciliary Care Agency, Armagh (Autism Initiatives)	12 September 2013  Compliance required by 12 November 2013	One notice of failure to comply with regulations issued, relating to: safeguarding service users against abuse or neglect.	12 November 2013
Bradbury Dental Surgery, Belfast (Robert McMitchell, Dental World Ltd)	28 March 2014	Two notices of failure to comply with regulations issued, relating to: radiology and radiation safety and the cleaning, disinfection, inspection, packaging, sterilisation, transportation and storage of reusable medical devices.	Ongoing at 31 March 2014
Bryansford Road Domiciliary Care Agency, Newcastle (Autism Initiatives)	12 September 2013	One notice of failure to comply with regulations issued, relating to: safeguarding service users against abuse or neglect.	7 November 2013

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance/ conditions imposed
Chester Nursing Home, Whitehead (Chester Homes Ltd)	10 January 2014	Notice of proposal to place conditions of registration relating to: the hours worked in the home by the nurse manager and reports of senior management monitoring visits being provided to RQIA within three working days of the visit having been completed.	Ongoing at 31 March 2014
	12 February 2014	Notice of decision to impose conditions of registration	
	4 March 2014	Appeal lodged with Care Tribunal	
Clandeboyne (Nursing) Care Home, Bangor (Four Seasons Health Care)	6 February 2013	Four notices of failure to comply with regulations issued, relating to: health and safety; the assessment of patient needs; patient and nursing plans; staffing.	8 April 2013
Crumlin Road Dental Surgery, Belfast (R McMitchell Dental World Ltd)	17 December 2013	One notice of failure to comply with regulations issued, relating to: the cleaning, disinfection, inspection, packaging, sterilisation, transportation and storage of reusable medical devices.	20 March 2014
Donaghadee Dental Surgery, Donaghadee (R McMitchell Dental World Ltd)	23 January 2014	Notice of proposal to refuse to register Donaghadee Dental Surgery due to a failure to make provision as to the fitness of the premises to be used as an establishment.	Ongoing at 31 March 2014
	4 March 2014	Notice of decision to refuse to register Donaghadee Dental Surgery.	
	18 March 2014	Appeal lodged with Care Tribunal	
Dympna House Domiciliary Care Agency, Belfast (Cedar Foundation)	8 July 2013	Three notices of failure to comply with regulations issued, relating to: staffing; induction and training; and quality monitoring.	22 July 2013 (one notice) 25 July 2013 (one notice) 30 August 2013 (one notice)

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance/ conditions imposed
Enable Care Services Domiciliary Care Agency, Bessbrook (Enable Care Services)	5 July 2013	Two notices of failure to comply with regulations issued, relating to: staffing and training.	19 August 2013
Faith House Nursing Home, Belfast (Faith House Board of Trustees)	27 February 2014	One notices of failure to comply with regulations issued, relating to: medicines management.	Ongoing at 31 March 2014
Finaghy Dental Practice, Belfast (Joseph Scullion)	4 March 2014	One notice of failure to comply with regulations issued relating to: the cleaning, disinfection, inspection, packaging, sterilisation, transportation and storage of reusable medical devices.	Ongoing at 31 March 2014
Glen Road Supported Living Domiciliary Care Agency, Belfast (Autism Initiatives)	20 September 2013	Two notices of failure to comply with regulations issued, relating to: safeguarding service users against abuse or neglect; and the prevention of service users being harmed or suffering abuse or neglect.	14 November 2013
Lisburn Dental Surgery, Lisburn (R McMitchell Dental World Ltd)	6 January 2014	One notice of failure to comply with regulations issued, relating to the cleaning, disinfection, inspection, packaging, sterilisation, transportation and storage of reusable medical devices.	Ongoing at 31 March 2014
Loy Dental Care, Cookstown (Paul Warwick)	25 February 2014	One notice of failure to comply with regulations issued, relating to the cleaning, disinfection, inspection, packaging, sterilisation, transportation and storage of reusable medical devices.	28 March 2014
Maguire McCann Dental Surgeons, Enniskillen (Mr J McCann)	21 January 2014	One notice of failure to comply with regulations issued, relating to the cleaning, disinfection, inspection, packaging, sterilisation, transportation and storage of reusable medical devices.	24 March 2014

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance/ conditions imposed
Maine Nursing Home, Randalstown (Adarra Developments Ltd)	<p>21 March 2013</p> <p>16 July 2013</p> <p>30 August 2013</p>	<p>Two notices of failure to comply with regulations issued, relating to: training staff or other measures to prevent patients being harmed, suffering abuse, or placed at risk of harm, abuse notifications of adverse events to RQIA.</p> <p>Notice of proposal to cancel the registration of the responsible individual.</p> <p>Notice of decision to cancel the registration of the responsible individual.</p> <p>RQIA deregistered Mrs Mary McGoldrick, as responsible individual at Maine Nursing Home with effect from 30 August 2013.</p>	<p>22 May 2013 (one notice)</p> <p>30 August 2013</p>
Maine Nursing Home, Randalstown (Adarra Developments Ltd)	<p>22 April 2013</p> <p>24 May 2013</p> <p>24 June 2013</p>	<p>Notice of proposal to place three conditions of registration in relation to: restriction of new admissions; nurse manager's hours dedicated to undertaking management/supervisory duties; provision to RQIA of regulation 29 monthly reports and other monitoring reports within three working days of the monitoring visits</p> <p>Notice of decision to place three conditions of registration</p> <p>Three conditions of registration were placed on Maine Nursing Home (see appendix 3 for details)</p>	<p>24 June 2013</p>
Miss Frances McCann BDS Dental Surgery, Ballyclare ( Miss Frances McCann)	<p>26 November 2013</p>	<p>One notice of failure to comply with regulations issued, relating to: the cleaning, disinfection, inspection, packaging, sterilisation, transportation and storage of reusable medical devices.</p>	<p>10 February 2014</p>

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance/ conditions imposed
Meadowbank Nursing Home, Londonderry (Four Seasons Health Care)	18 September 2013	One notice of failure to comply with regulations issued, relating to: transport services and transport policy.	13 December 2013
Philip Murphy and Associates, Armagh, Private Dental Care (Philip Murphy)	11 September 2013 21 October 2103	Notice of proposal to cancel the registration of registered person.  Notice of decision to cancel the registration of registered person.  RQIA deregistered Mr Philip Murphy, as registered person of Philip Murphy and Associates with effect from 21 October 2013.	21 October 2103
Orchard House Nursing Home, Belfast (Mr J A Bailie)	12 March 2014	One notice of failure to comply with regulations issued, relating to: medicines management.	Ongoing at 31 March 2014
PCG Kimberley House Domiciliary Care Agency, Newtownards (Praxis Care Group)	5 July 2013	Three notices of failure to comply with regulations issued, relating to: staffing; evaluating the quality of the services; and the statement of purpose.	19 July 2013 (one notice) 2 August 2013 (two notices)
Rathgill Link Domiciliary Care Agency, Bangor (Autism Initiatives)	9 September 2013	Two notices of failure to comply with regulations issued, relating to: safeguarding service users against abuse or neglect; the prevention of service users being harmed or suffering abuse or neglect.	4 November 2013 (One notice) 29 November 2013 (One notice)
Sperrin Drive Domiciliary Care Agency, Belfast (Autism Initiatives)	9 September 2013	Two notices of failure to comply with regulations issued, relating to: safeguarding service users against abuse or neglect; the prevention of service users being harmed or suffering abuse or neglect.	1 November 2013 (One notice) 29 November 2013 (One notice)
Three Rivers Care Centre, Nursing Home, Omagh (Zest Care Homes Ltd)	4 February 2014	One notice of failure to comply with regulations issued, relating to: medicines management.	Ongoing at 31 March 2014

## Enforcement at Children’s Residential Care Services

Two children’s homes operated by health and social care trusts, and a further service operated by an independent provider received notices of failure to comply with regulations relating to the statement of purpose for the service, while one of the statutory services also received a notice relating to duration of short stay placements. All achieved compliance in line with deadlines set by RQIA.

### Appendix 3: Conditions of Registration and Deregistrations as a result of Enforcement Action, 2013-14

Service	Condition of Registration/ Deregistration	Date action took effect	Additional Information
Maine Nursing Home, Randalstown (Adarra Developments Ltd)	<p>Three conditions of registration were placed on Maine Nursing Home.</p> <ol style="list-style-type: none"> <li>1. There will be no new admissions to the home until RQIA are satisfied that there are robust governance and management arrangements of the home in place, and there is compliance with The Nursing Homes Regulations (Northern Ireland) 2005 and the DHSSPS Nursing Homes Minimum Standards 2008.</li> <li>2. The hours worked in the home by the nurse manager will be supernumerary and dedicated to undertaking management/supervisory duties.</li> <li>3. The registered provider must ensure that regulation 29 monthly reports and copies of any other monitoring reports are provided to RQIA within three working days of the visits/reports having been completed. This condition will continue until such times that RQIA is satisfied that the home is operating in sustained compliance with The Nursing Homes Regulations (Northern Ireland) 2005 and the DHSSPS Nursing Homes Minimum Standards 2008.</li> </ol>	24 June 2013	<p>Ongoing at 31 March 2014</p> <p>(Condition 1 removed on 9 December 2013 following an inspection. Conditions 2 and 3 remain in place)</p>
Maine Nursing Home, Randalstown (Adarra Developments Ltd)	RQIA deregistered Mrs Mary McGoldrick, as responsible individual at Maine Nursing Home	30 August 2013	
Philip Murphy and Associates, Armagh, Private Dental Care (Philip Murphy)	RQIA deregistered Mr Philip Murphy, as registered person of Philip Murphy and Associates.	21 October 2013	

## **DIRECTORS' REPORT**

### **Brief History and Statutory Background**

Provision for a Health and Personal Social Services Regulation and Improvement Authority was made on 1 September 2003 under Part II of The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003. It is known as, the Regulation and Quality Improvement Authority (RQIA).

The Health and Personal Social Services (Quality, Improvement and Regulation) (Order 2003) (Commencement No.3 and Transitional Provisions) (Northern Ireland) Order 2005 made the provisions of the 2003 Order, effective from 1 April 2005. RQIA is a non-departmental public body, established by DHSSPS from 1 April 2005 as part of DHSSPS's drive to see clear standards applied, with accountability for high quality delivery held at a local level.

RQIA has responsibility for registering health and social care services in Northern Ireland, monitoring and inspecting their availability and quality, and encouraging improvements in the quality of those services.

Under the Mental Health (Northern Ireland) Order 1986, as amended by the Health and Social Care Reform (Northern Ireland) Act 2009, RQIA has a range of responsibilities for people with a mental ill health and those with a learning disability.

### **Principal Activities**

In discharging its responsibilities, RQIA exercises two main functions.

- to inspect the quality of health and social care services provided by health and social care (HSC) bodies in Northern Ireland. These inspections take the form of reviews of clinical and social care governance arrangements within HSC bodies
- to regulate (register and inspect) a wide range of health and social care services delivered by HSC bodies and by the independent sector. The regulation of services is based on minimum care standards introduced for Northern Ireland to ensure that service users know what quality of services they can expect to receive and that service providers have a benchmark against which to measure the quality of their services.

Registration, inspection and enforcement are carried out to consistent standards across Northern Ireland, for the HSC and independent sectors alike.

### **Chairman and Chief Executive**

The Chairman of RQIA is responsible to the Minister for Health and Social Services and Public Safety. Dr Ian Carson was Chairman during 2013-14.

The Chief Executive is an officer of RQIA and not a member of the Board. The Chief Executive is responsible to the Board, through the Chairman, for managing RQIA as

a corporate body. The post holder has specific financial responsibilities and duties for which he or she is accountable to the DHSSPS Permanent Secretary in his or her role as the designated Accounting Officer of RQIA's sponsor department. Glenn Houston was appointed as Chief Executive on 1 March 2009. He is designated as the Accounting Officer for 2013-14 and has responsibility for the Annual Report and Accounts for the financial year to 31 March 2014.

### **The Board of the RQIA**

Appointments to the Board are made with the agreement of the Minister for Health, Social Services and Public Safety. There are no specific qualifications required for appointment. Each person is appointed to act in a personal capacity, and not to represent any particular interest or group.

The following Board members were reappointed for a second four-year term on 1 January 2009. This second term was subsequently extended until the 14 April 2013:

Dr Richard Adams  
Mrs Lilian Jennett  
Mr Allen McCartney  
Mr Colin Reid  
Mr Austin Smith

The following Board members were reappointed for a second 4 year term on the 1 September 2009. This second term was subsequently extended until the 28 February 2014:

Ms Geraldine Donaghy  
Mrs Ruth Laird CBE  
Professor Patricia McCoy  
Mrs Una O'Kane

The following Board members were appointed on the 19 December 2011 for a four year term:

Mrs Sarah Havlin  
Mr Denis Power  
Ms Lindsey Smith

The following Board Members were appointed on the 22 April 2013 for a four year term:

Mr Brendan Garland (Resigned on the 10 June 2013 to take up another post)  
Professor Mary McColgan OBE  
Mr Daniel McLarnon  
Miss Patricia O'Callaghan

Dr John Jenkins CBE was appointed on the 6 May 2013 for a four year term.

Dr Ian Carson was first appointed as a Board member and Chairman on 1 June 2006 and was re-appointed for a second term on 1 June 2010.

## **Board Committee Structure and Composition**

### Audit Committee

Mrs Ruth Laird CBE (Chairman)	01/04/13 - 27/06/13
Mr Denis Power (Chairman)	28/06/13 - 31/03/14
Mr Denis Power	01/04/13 – 27/06/13
Dr Richard Adams	01/04/13 - 14/04/13
Ms Geraldine Donaghy	01/04/13 - 28/02/14
Mrs Lilian Jennett	01/04/13 - 14/04/13
Mr Austin Smith	01/04/13 - 14/04/13
Mr Daniel McLarnon	27/06/13 - 24/10/13
Ms Patricia O’Callaghan	27/06/13 – 31/04/14
Ms Lindsey Smith	27/06/13 – 31/04/14

### Appointments and Remuneration Committee

Dr Ian Carson (Chairman)	01/04/13 - 31/03/14
Mr Allen McCartney	01/04/13 - 14/04/13
Mrs Sarah Havlin	01/04/13 - 09/05/13
Professor Patricia McCoy	01/04/13 - 28/02/14
Mrs Una O’Kane	01/04/13 - 28/02/14
Dr John Jenkins CBE	09/05/13 - 31/03/14

## **Role of the Board**

The Board has corporate responsibility: for ensuring that RQIA complies with statutory and administrative requirements for the use of public funds; to fulfil the aims and objectives set by DHSSPS; and for promoting the efficient and effective use of staff and other resources. The Board's responsibilities include:

- establishing the overall strategic direction of RQIA within the policy and resources framework set by DHSSPS
- informing DHSSPS of any changes that may affect the strategic direction of RQIA and the attainability of its targets together with any remedial action required
- ensuring that RQIA operates within the limits of its statutory authority and any delegated authority agreed with DHSSPS
- receiving and reviewing regular financial information and informs DHSSPS of any concerns
- making certain that high standards of corporate governance are observed at all times including the use of an independent audit committee to address key financial and other risks
- appointing a chief executive with the approval of DHSSPS and set performance objectives and remuneration terms linked to these objectives

## **Register of Interests**

RQIA maintains a register of interests. This register details interests which may conflict with the management responsibilities of members of RQIA, senior managers and staff and is recorded as necessary. Information held on the register may be obtained by application to the following address:

Director of Corporate Services  
The Regulation and Quality Improvement Authority  
9<sup>th</sup> Floor  
Riverside Tower  
5 Lanyon Place  
Belfast  
BT1 3BT

## **Sickness Absence Data**

Sickness absence data is included in the People section of the RQIA Annual Report.

## **Personal Data Related Incidents**

One personal data incident was recorded and reported to the Information Commissioner's Office (ICO), however, no personal data was lost or shared inappropriately.

Further details are contained within section 10 of the Governance Statement.

## **Pension Scheme for All Staff**

Details of the scheme for staff and the treatment of pension liabilities in the accounts are included in the Remuneration Report section of this document and also in Accounting Note 1.20.

## **Auditors**

Under Schedule 1, paragraph 12 (4) of The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003, the Comptroller and Auditor General has been appointed as auditor of RQIA. NIAO has engaged the accounting firm ASM to perform the audit fieldwork. The notional cost of the audit of the 2013/14 annual accounts was £14,000. During 2013/14 RQIA made no payments to NIAO for work outside their audit responsibilities.

The Accounting Officer has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that it is made known to RQIA's auditors. So far as the Accounting Officer is aware, there is no relevant audit information of which RQIA's auditors have not been advised.

The Internal Audit Unit of the HSC Business Services Organisation is appointed to provide an internal audit service to RQIA. The cost for this service in 2013/14 was £14,586. All reports by internal and external audit are considered by the Audit Committee.

### **Payment policies**

RQIA has sought to meet the Departmental prompt payment compliance target that 95% of invoices should be paid within 30 days. RQIA paid 76.5% of invoices within this target during 2013/14. The reduced performance in 2013/14 is mainly attributed to the implementation of the e-Financials finance systems as part of the Business Services Transformation Project. The movement of payment services to the BSO Shared Service in February 2014 also had a detrimental impact on our invoice payment performance.

The Departmental 30 day target does not remove the Northern Ireland Executive's commitment to pay suppliers within 10 days whenever possible. RQIA makes every effort to meet this more demanding target and to pay its suppliers as quickly as possible. During 2013/14 RQIA paid 57.0% of its invoices within 10 days.

Additional information in relation to RQIA's prompt payment performance is contained within note 15 to the Accounts.

The Late Payment of Commercial Debts Regulations 2002 provides qualifying businesses with a statutory right to claim interest on the late payment of commercial debt. During 2013/14, RQIA incurred £108 of charges in relation to 8 overdue invoices.

### **Related party transactions**

These are disclosed at Note 23 to the accounts.

### **Research and development**

RQIA did not carry out any research and development work.

### **Charitable / Political donations**

RQIA did not receive or make any charitable or political donations.

### **Fixed Assets**

Transactions during the year relating to fixed assets are set out at Notes 6 and 7 to the financial statements.

### **Commitments under PFI Contracts**

RQIA does not have any commitments under PFI contracts.

### **Post Balance Sheet Events**

Any such events are disclosed at Note 27 to the financial statements.

### **Annual Accounts**

Under The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003, RQIA is to prepare a statement of accounts for each financial year. An Accounts Direction issued by the Department of Health, Social Services and Public Safety (DHSSPS), dated 3 August 2010 required that RQIA should prepare annual accounts for the year ended 31 March 2010 and subsequent financial years.



**Glenn Houston**  
**Chief Executive**

**Date: 3 July 2014**

## **REMUNERATION REPORT**

### **Remuneration Report for the Year Ended 31 March 2014**

#### **Scope of the Report**

This remuneration report sets out the overall remuneration policy of the Regulation and Quality Improvement Authority (RQIA) and its application to board members and senior executives. It also discloses the payments (in specified bands as required) made to board members and senior executives together with the pension entitlements of the latter. In line with Departmental guidance introduced in 2011/12, a disclosure is also made in relation to the ratio between the salary of the highest paid Director and the salary of the median member of staff.

#### **Remuneration Policy**

The Appointments and Remuneration Committee of the Board has been given delegated functions in Standing Orders including the monitoring of the remuneration of senior executives in accordance with the guidance issued by the Department of Health, Social Services and Public Safety (DHSSPS). Standing Orders specify that the Appointments and Remuneration Committee is comprised of RQIA's Chairman and at least three board members. The membership for 2013/14 is detailed in the Directors' Report.

The Committee considers the remuneration policy as directed by circular HSS (SM) 3/2001 issued by the DHSSPS in respect of senior executives which specifies that they are subject to the HSC Individual Performance Review system. Within this system, each participant agrees objectives with the Chief Executive and the Chief Executive agrees his with the Chairman. At the end of each year performance is assessed and a performance pay award is recommended on the basis of that performance. This recommendation is submitted to the Chairman of the Board for approval and to the Boards Appointments and Remuneration Committee for endorsement. There are no elements of senior executives' remuneration that are not subject to performance conditions.

#### **Contracts of Employees**

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

#### **Notice Periods**

Up to 3 months notice is to be provided by either party except in the event of summary dismissal. There is nothing to prevent either party waiving the right to notice or from accepting payment in lieu of notice.

## **Retirement Age**

Under the Equality (Age) Regulations (Northern Ireland) 2006 employees are now able to request to work beyond age 65 years. Occupational pensions are normally effective from age 60 years.

## **Compensation for Premature Retirement**

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

- efficiency of the service
- redundancy
- organisational change

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

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

There is also provision within the scheme for early retirement with benefits on health grounds subject to confirmation of permanent incapacity by HSC Medical Advisors.

## Senior Executives with Date of Appointment

- Glenn Houston, Chief Executive - 1 March 2009.
- Maurice Atkinson, Director of Corporate Services - 1 October 2008.
- Theresa Nixon, Director of Mental Health & Learning Disability - 17 October 2005.
- David Stewart, Director of Reviews - 1 November 2007.
- Kathy Fodey, Director of Regulation - 1 February 2013.

## Senior Executives' Salary and Pension Benefits

The salary and the value of any taxable benefits in kind of RQIA senior executives were as follows (Audited):

Name	2013/14				
	Salary	Bonus or Performance Pay	Benefits in Kind (to nearest £100)	Pension Benefits	Total
	£'000	£'000	£	£'000	£'000
Glenn Houston	105 - 110	-	-	29	135 - 140
Maurice Atkinson	65 - 70	-	-	16	80 - 85
Kathy Fodey	60 - 65	-	-	14	75 - 80
Theresa Nixon	75 - 80	-	-	19	90 - 95
David Stewart	145 - 150	-	-	(30)	115 - 120

Name	2012/13				
	Salary	Bonus or Performance Pay	Benefits in Kind (to nearest £100)	Pension Benefits	Total
	£'000	£'000	£	£'000	£'000
Glenn Houston	105 - 110	-	-	22	125 - 130
Maurice Atkinson	65 - 70	-	-	14	80 - 85
Kathy Fodey * <sup>1</sup>	10 - 15 (60-65 Full Year Equivalent)	-	-	-	10 - 15 (60-65 Full Year Equivalent)
Theresa Nixon	70 - 75	-	-	15	85 - 90
David Stewart	145 - 150	-	-	(11)	135 - 140

\*<sup>1</sup> Kathy Fodey joined RQIA as the Director of Regulation on the 1 February 2013.

The monetary value of benefits in kind covers any benefits provided by the employer and treated by the HM Revenue and Customs as a taxable emolument. No such benefits or bonuses were paid in 2013/14 or 2012/13.

In line with revised guidance for 2013/14 the table above now reports a pension benefits figure and a total band of remuneration for each executive. The value of pension benefits accrued during the year is calculated as the real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual during 2013/14. The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights. The total band of remuneration figure would also include severance packages however no severance payments were made in either 2013/14 or 2012/13.

Where the in-year accrued pension benefit has declined or where its growth has been exceeded by the employee's personal pension contribution a negative figure will be reported.

The total remuneration banding reported does not include employer pension contributions or the cash equivalent transfer value of pensions.

### Pension Entitlements

The pension entitlements of RQIA senior executives are as follows (Audited):

Name	Real Increase in Pension and related lump sum at age 60 (Bands of £2,500)	Accrued Pension at age 60 as at 31/03/14 and related lump sum (Bands of £5,000)	Cash Equivalent Transfer Value (CETV) at 31/03/14	Cash Equivalent Transfer Value (CETV) at 31/03/13	Real increase in CETV	Employer Contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Glenn Houston	5.0 - 7.5	180 - 185	944	864	38	-
Maurice Atkinson	2.5 - 5.0	75 - 80	389	351	21	-
Kathy Fodey	0.0 - 2.5	40 - 45	203	181	14	-
Theresa Nixon	2.5 - 5.0	110 - 115	594	542	26	-
David Stewart	(5.0) - (2.5)	275 - 280	1516	1473	(29)	-

### HSC Superannuation Scheme

RQIA participates in the HSC Superannuation Scheme. Under this multi-employer defined benefit scheme both the RQIA and employees pay specified percentages of pay into the scheme and the liability to pay benefit falls to the DHSSPS. During 2013/14 RQIA paid £572K into the HSC superannuation scheme. RQIA is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis.

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary

reviews the most recent actuarial valuation at the Statement of Financial Position date and updates it to reflect current conditions. A full valuation for Resource Accounts purposes as at 31 March 2012 was completed in 2014 and will be used in the 2013/14 accounts.

Further information regarding the HSC Superannuation Scheme can be found in the HSC Superannuation Scheme Statement in the Departmental Resource Account for the Department of Health, Social Services and Public Safety.

The costs of early retirements are met by RQIA and charged to the Statement of Comprehensive Net Expenditure Account at the time RQIA commits itself to the retirement. No early retirements occurred in 2013/14.

### **Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the HSC pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

### **Real increase in CETV**

This reflects the increase in CETV effectively funded by the employer. The figure does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

### **Compensation for Loss of Office**

No compensation for loss of office has been paid.

### **Other**

There is no compensation payable to former senior executives. There have been no awards of compensation made to past senior executives. There were no "off payroll" engagements at a cost of over £58,200 per annum in place throughout 2013/14.

## Hutton Fair Pay Review Disclosure

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid Director in their organisation and the median remuneration of the organisations workforce. This relationship is detailed in the table below (Audited):

	<b>Total Remuneration 2013/14</b>	<b>Total Remuneration 2012/13</b>
<b>Highest Earners Total Remuneration (Bands of £5K)</b>	£145K - £150K	£145K - £150K
<b>Median Total Remuneration</b>	£40,588	£40,157
<b>Ratio</b>	3.63	3.67

In 2013/14 the banded remuneration of the highest paid Director was £145K - £150K which is unchanged from 2012/13. The median employee in 2013/14 was a Band 7 which also remains unchanged from 2012/13.

Both the highest earner and the median earner received a 1% pay award in 2013/14. The ratio calculation is based on the mid-point of the highest earners reported band (i.e. £147,500) divided the actual salary of the median employee. Therefore the small reduction in the ratio reported is entirely due to the mid-point calculation and does not represent a change in remuneration policy.

In 2013/14 and 2012/13 no RQIA staff received remuneration in excess of the highest paid Director.

### **Appointment of Chairman and Members of RQIA's Board**

The Chairman of RQIA and Board Members are appointed by the DHSSPS under the terms of the founding legislation of RQIA and in line with the Code of Practice for appointments to Public Bodies issued by the Commissioner for Public Appointments for Northern Ireland. Appointments to the Board of RQIA have been made as set out in the Directors' Report above.

## Remuneration of Chairman and Members of RQIA

The amounts paid in 2013/14 together with those for the previous year are detailed in the following table (Audited):

Name	2013/14		2012/13	
	Remuneration Bands of £5,000	Benefits in Kind (to nearest £100)	Remuneration Bands of £5,000	Benefits in Kind (to nearest £100)
	£'000	£	£'000	£
Dr Ian Carson	15 - 20	-	15 - 20	-
Richard Adams * <sup>1</sup>	0 - 5	-	5 - 10	-
Lilian Jennett * <sup>1</sup>	0 - 5	-	5 - 10	-
Allen McCartney * <sup>1</sup>	0 - 5	-	5 - 10	-
Colin Reid * <sup>1</sup>	0 - 5	-	5 - 10	-
Austin Smith * <sup>1</sup>	0 - 5	-	5 - 10	-
Geraldine Donaghy * <sup>1</sup>	5 - 10	-	5 - 10	-
Ruth Laird * <sup>1</sup>	5 - 10	-	5 - 10	-
Patricia McCoy * <sup>1</sup>	5 - 10	-	5 - 10	-
Una O'Kane * <sup>1</sup>	5 - 10	-	5 - 10	-
Sarah Havlin	5 - 10	-	5 - 10	-
Denis Power	5 - 10	-	5 - 10	-
Lindsey Smith	5 - 10	-	5 - 10	-
Brendan Garland * <sup>2&amp;1</sup>	0 - 5	-	0	-
John Jenkins * <sup>2</sup>	5 - 10	-	0	-
Mary McColgan * <sup>2</sup>	5 - 10	-	0	-
Daniel McLarnon * <sup>2</sup>	5 - 10	-	0	-
Patricia O'Callaghan * <sup>2</sup>	5 - 10	-	0	-

\*1 Leavers during 2013/14, \*2 Board Members Joining in 2013/14.

Full details of Board Members appointments can be found in the Directors Report.

As non-executive members do not receive pensionable remuneration, there are no entries in respect of pensions.



**Glenn Houston**  
Chief Executive

**Date: 3 July 2014**

## **STATEMENT OF ACCOUNTING OFFICER RESPONSIBILITIES**

Under the Health and Personal Social Services (Quality improvement and Regulation) (Northern Ireland) 2003, the Department of Health, Social Services and Public Safety has directed RQIA to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The financial statements are prepared on an accruals basis and must provide a true and fair view of the state of affairs of RQIA of its income and expenditure, changes in taxpayers equity and cash flows for the financial year.

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

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

The Permanent Secretary of the Department of Health, Social Services and Public Safety as Accounting Officer for health and personal social services resources in Northern Ireland has designated Glenn Houston of The Regulation and Quality Improvement Authority as the Accounting Officer for RQIA. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding RQIA's assets, are set out in the Accountable Officer Memorandum, issued by the Department of Health, Social Services and Public Safety.

## **GOVERNANCE STATEMENT**

### **1. Introduction / Scope of Responsibility**

As Accounting Officer and Chief Executive of RQIA, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the organisation's strategic priorities, statutory obligations, and business objectives, whilst safeguarding the public funds and assets for which I am responsible, in accordance with the responsibilities assigned to me by the Department of Health, Social Services and Public Safety (DHSSPS).

As Chief Executive I am accountable to RQIA's Board for the day-to-day operations and management of RQIA and as the designated Accounting Officer I am accountable to the Permanent Secretary of the DHSSPS. I am personally responsible for safeguarding the public funds for which I am responsible and for ensuring propriety and regularity in the handling of those funds. As Chief Executive and Accounting Officer I establish, in agreement with the Department and RQIA's Board, the corporate strategy and business plan in the context of the Department's wider strategic aims, Departmental requirements and current PSA objectives and targets.

The Chief Executive provides a formal report to RQIA's Board covering matters of strategic importance, including updates on key targets and business objectives, information on enforcement actions, progress in respect of planned and commissioned reviews, serious incidents, complaints and whistleblowing. Board meetings are held six times a year and a number of Board Workshops are held during the year to consider issues of strategic importance.

The Chief Executive chairs a weekly meeting of the Executive Management Team which provides strategic oversight of all operational issues impacting on the day to day management of the organisation.

The Chair and Chief Executive along with members of RQIA's Executive Management Team (EMT) attend biannual accountability reviews with the Permanent Secretary, Chief Medical Officer, Director of Safety Quality and Standards and other senior executives of DHSSPS.

The Chief Executive and Directors attend bimonthly liaison meetings with Sponsor Branch (DHSSPS) to discuss matters of strategic importance relating to regulation and quality improvement across health and social care.

### **2. Compliance with Corporate Governance in Central Government Departments: Code of Good Practice NI 2013**

RQIA applies the principles of good practice in corporate governance and continues to further strengthen its governance arrangements. RQIA does this by undertaking continuous assessment of its compliance with corporate governance best practice by ensuring that it has proper and independent assurances on the soundness and effectiveness of the systems and processes in place for meeting its strategic objectives and delivering appropriate outcomes.

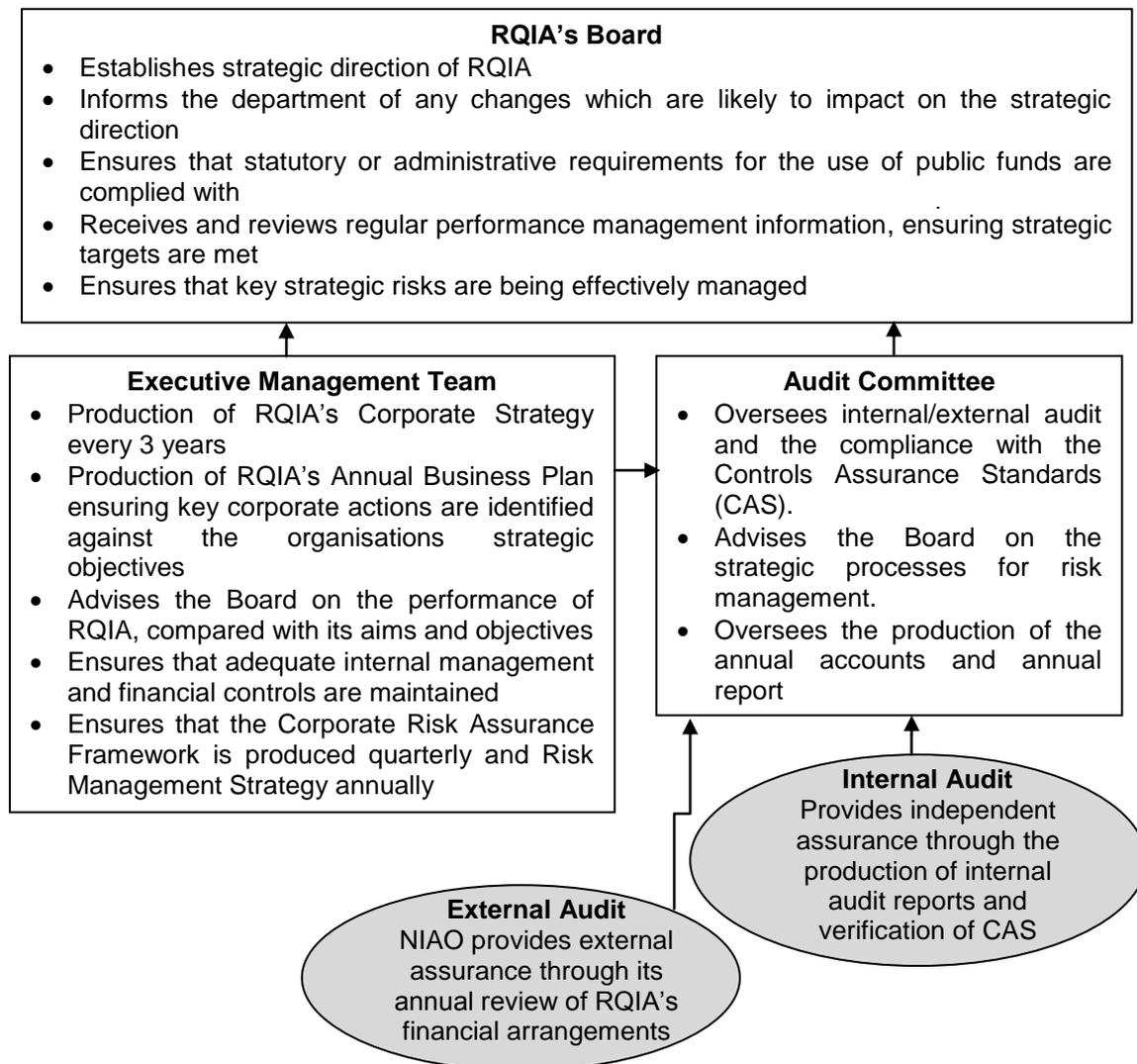
The Board of RQIA exercises strategic control over the operation of the organisation through a system of corporate governance which includes:

- a schedule of matters reserved for Board decisions;
- a scheme of delegation, which delegates decision making authority, within set parameters, to the Chief Executive and other officers;
- standing orders and standing financial instructions;
- the establishment and operation of an effective audit committee; and
- the establishment and operation of an effective appointments and remuneration committee.

The system of internal financial control is based on a framework of production of regular financial information, robust administrative procedures including the segregation of duties and a system of delegation and accountability, supported by key management oversight processes. In particular it includes:

- comprehensive budgeting systems with an annual budget;
- regular reviews by the Board of periodic financial reports which indicate financial performance against the forecast;
- setting and monitoring targets of financial and other performance measures
- clearly defined capital investment control guidelines;
- as appropriate, formal budget management disciplines; and
- production of RQIA's Property Asset Management Report.

A robust structure of accountability and responsibility is required as part of a control environment (i.e. governance, risk management and internal control). The respective responsibilities in relation to corporate governance are detailed in the following sections:



RQIA assessed its compliance with best practice in Corporate Governance using the following tools:

- Audit Committee Self-Assessment
- Self-assessment against the Governance Controls Assurance Standard
- The Board Governance Self-Assessment Tool

The outcomes of the self-assessments showed that RQIA continues to follow best practice in Corporate Governance.

### 3. Governance Framework

RQIA recognises that to deliver its strategic aims, objectives and priorities successfully, it needs sound corporate governance arrangements in place. Corporate governance is founded in statute, policies, processes, systems, organisational culture and behaviours and together they provide a system for the way in which an organisation is directed, administered controlled and goes about its business.

RQIA's governance framework sets out the roles, responsibilities and procedures for the effective and efficient conduct of its business.

As an Arms-Length Body (ALB) RQIA is committed to governance excellence and is accountable for its decisions and activities.

### **RQIA's Responsibility**

RQIA is a non-departmental public body, and provides independent assurance about the safety, quality and availability of health and social care services in Northern Ireland. RQIA is also responsible for encouraging improvements in the quality of these services.

RQIA works within a robust statutory framework. The Health and Personal Social Services (Quality, Improvement and Regulation) (NI) Order 2003, provides a statutory mandate to RQIA, and defines its roles and functions. RQIA has a statutory duty to inspect and review services and to report its findings to the Department of Health, Social Services and Public Safety (DHSSPS).

As an ALB, RQIA's approach to governance mirrors the Seven Principles of Standards in Public Life - the 'Nolan Principles'.

RQIA demonstrates accountability to the DHSSPS through:

- RQIA's annual report which is laid before the NI Assembly;
- annual auditing of RQIA's accounts by the NIAO;
- independent scrutiny of RQIA's procedures and processes through BSO Internal Audit;
- publicly reporting performance in respect of its corporate goals and business targets;
- consulting before introducing major new policies or operational practices;
- its public Board Meetings
- publishing information regarding the operation of the Board, and where appropriate minutes of meetings and reports;
- quarterly production of RQIA's Corporate Risk Assurance Framework; and
- having a robust and accessible complaints process.

### **Board Responsibility**

RQIA has an independent board of 13 members including the Chairman. Each board member is appointed by the Minister for Health, Social Services and Public Safety for an initial four-year term. Board members can serve a maximum of two terms.

The Board is ultimately responsible for all that RQIA does. In order for RQIA to discharge its responsibilities appropriately and effectively, day-to-day and operational management is delegated to the Chief Executive. A number of matters, however, remain reserved to the Board. These are:

- ensuring that RQIA fulfills its statutory objectives, general functions and duties and appropriately exercises the legal powers vested in it, under the Health and Personal Social Services (Quality, Improvement and Regulation) (NI) Order 2003 and other legislation;
- determining the overall strategic direction of RQIA within resource limits;

- monitoring the performance of the Chief Executive and his team, holding them to account for the exercise of their delegated powers and delivery against plans and budgets;
- promoting and protecting RQIA's values, integrity, and reputation; and
- ensuring high standards of governance which command the confidence of all of RQIA's staff and stakeholders.

In fulfilling its responsibilities, the Board pays particular attention to:

- maximising the impact and effectiveness of RQIA;
- identifying and managing risks and harnessing opportunities;
- listening and responding to stakeholders;
- ensuring its independence;
- ensuring the prudent use of public funds; and
- ensuring RQIA acts fairly, responsibly, transparently, proportionately and ethically.

In exercising the responsibilities set out above, Board members are required to meet the following obligations:

- The Board acts collectively in making decisions.
- The Board actively pursues learning and self-development opportunities.
- The Board expects the Executive Management Team (EMT) to provide appropriate, accurate and timely information and advice to enable informed decision making.
- The Board seeks to achieve consensus on major decisions. However, where this is not possible, collective decisions will be based on a majority vote with the Chair holding a casting vote.
- The Board delegates authority through the Chief Executive to the EMT and staff, for the efficient and effective operation of RQIA and prudent use of public funds.

The Board has established clear levels of delegated authority within which:

- some decisions are reserved to the Board;
- the Chief Executive is empowered to make decisions and delegate authority to the EMT and staff for the day-to-day operation of RQIA; and
- the Chief Executive is required to escalate high risk and /or high impact issues for the timely attention and consideration of the Board.

A total of 6 Board meetings were held during 2013-14 with an average of 82% of Board Members in attendance. In addition, Board workshops took place on seven occasions in 2013-14, addressing a range of relevant themes including the Francis Report, the role of the Safeguarding Board (SBNI), Protocol for Joint Investigation of Alleged and Suspected Cases of Abuse of Vulnerable Adults, RQIA's enforcement policy and procedures and corporate risk. The workshop on 4 July 2013 was a joint event with the Board of the Patient Client Council. To assess the performance of the Board a workshop was held on 13 February 2014 to complete the Board Governance Self-Assessment Tool. This workshop concluded that RQIA can provide assurance in relation to the various leading indicators of effective Board governance. The Board also assessed its performance and the quality of the reports it receives through an internal audit of RQIA's Board Effectiveness and Performance Management which was completed during 2013/14 by BSO. The audit concluded

that RQIA can provide management with a satisfactory level of assurance. A number of priority 2 and 3 recommendations were made and have been incorporated into RQIA's Audit Action Plan 2014-15.

<b>Attendance at 2013/14 Board Meetings and Workshops</b>		
	<b>6 Board Meetings</b>	<b>7 Board Workshops</b>
Dr Ian Carson	6	7
Richard Adams*	n/a	1 (of 1)
Geraldine Donaghy**	3 (of 5)	7
Sarah Havlin	5	5
Lilian Jennett*	n/a	1 (of 1)
Ruth Laird**	4 (of 5)	7
Allen McCartney*	n/a	1 (of 1)
Patricia McCoy**	2 (of 5)	6
Una O'Kane**	4 (of 5)	5
Denis Power	6	7
Colin Reid*	n/a	1 (of 1)
Austin Smith*	n/a	0 (of 1)
Lindsey Smith	5	6
Brendan Garland****	1 (of 1)	1 (of 1)
John Jenkins***	3	4 (of 6)
Mary McColgan***	5	5 (of 6)
Daniel McLarnon***	6	5 (of 6)
Patricia O'Callaghan***	6	6 (of 6)
* 5 Board members end of tenure 14 April 2013		
** Board member tenure ended on 28 February 2014		
*** Board members appointed in May 2013		
**** Newly appointed Board member – resigned June 2013		

### **Audit Committee Responsibility**

The Board has established an Audit Committee as a Committee of the Board to assist in discharging its responsibilities for issues of risk control and governance. The Audit Committee reviews the comprehensiveness of assurances in meeting the Board and Accounting Officer's assurance needs and reviews the reliability and integrity of these assurances.

The Audit Committee comprises of 6 non-executive Board members, including the Chairman. The Audit Committee Chairman and members are appointed to the Audit Committee as per Standing Orders 5.3 and 5.4.

The Audit Committee advises the Board and Accounting Officer on:

- the strategic processes for risk management, internal control, governance and the mid-year Assurance Statement and the Governance Statement;
- the adherence to accounting policies, the preparation of annual accounts and the annual report of the organisation, including the process for review of the accounts prior to submission for audit and the extent of adjustments arising from audit findings;

- the planned activity and recommendations of both internal and external auditors;
- adequacy of management response to issues identified by internal audit activity, and those included in external audit's management letter;
- assurances relating to the corporate governance requirements for the organisation;
- (where appropriate) proposals for appointments for either Internal or External Audit services and for the commissioning of non-audit services from contractors who provide audit services;
- anti-fraud policies, whistle-blowing processes, and arrangements for special investigations;
- the extent to which processes and procedures provide value for money;
- a periodic review of its own effectiveness and an annual review of its own terms of reference; and
- consideration of write off of losses and authorisation of special payments before submission to the Board for approval.

The Audit Committee met 4 times during 2013-14 with an average of 96% of Board Members in attendance. A workshop was held with Board Members from the Audit Committee on 15 August 2013 to complete an Audit Committee self-assessment checklist. The workshop concluded that RQIA had complied with all the principles within the Audit Committee self-assessment checklist.

### **The Appointment and Remuneration Committee Responsibility**

The main functions of the Committee are:

- Consider and agree the framework or broad policy for the appointment and pay (remuneration) of the Chief Executive and second tier officers. This will include the basic pay principles and overall approach to remuneration including governance and disclosure.
- In considering this policy, take into account all factors, which it decides are necessary, including the provisions of any national agreements for staff where appropriate. The objective of this policy shall be to ensure that the senior management of RQIA are:
  - remunerated at a level sufficient to attract, retain and motivate senior staff of the quality required, whilst avoiding paying more than necessary for the purpose; and
  - provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the organisation.
- Consider and recommend to RQIA the framework or broad policy for the pay (remuneration) of staff below second tier level, including the policy or broad approach for pay uplifts for RQIA staff and pension policies.
- Be informed of and review any major changes in employee benefit structures, including pensions, throughout RQIA;
- Monitor and evaluate the performance of the Chief Executive and agree targets for any performance related pay schemes operated by RQIA;
- Within the terms of the agreed policy, receive reports from the Chief Executive on the total individual remuneration package of each Director including, where

appropriate, bonuses and incentive payments. These packages shall be determined within the framework or policy set by the Committee;

- Agree the framework or broad policy for the terms and conditions of service for Directors, including termination payments and compensation commitments, taking account of such national guidance as is appropriate.
- Consider and recommend to RQIA disciplinary and grievance procedures applicable to and possible disciplinary action involving the Chief Executive including the dismissal of the post-holder.

The Appointments and Remuneration Committee met once during 2013-14 with 3 out of 4 Board Members (75%) in attendance.

### **Chief Executive and EMT Responsibility**

The Chief Executive has delegated authority for the day-to-day management of RQIA. The Chief Executive is responsible for leading the EMT and staff in:

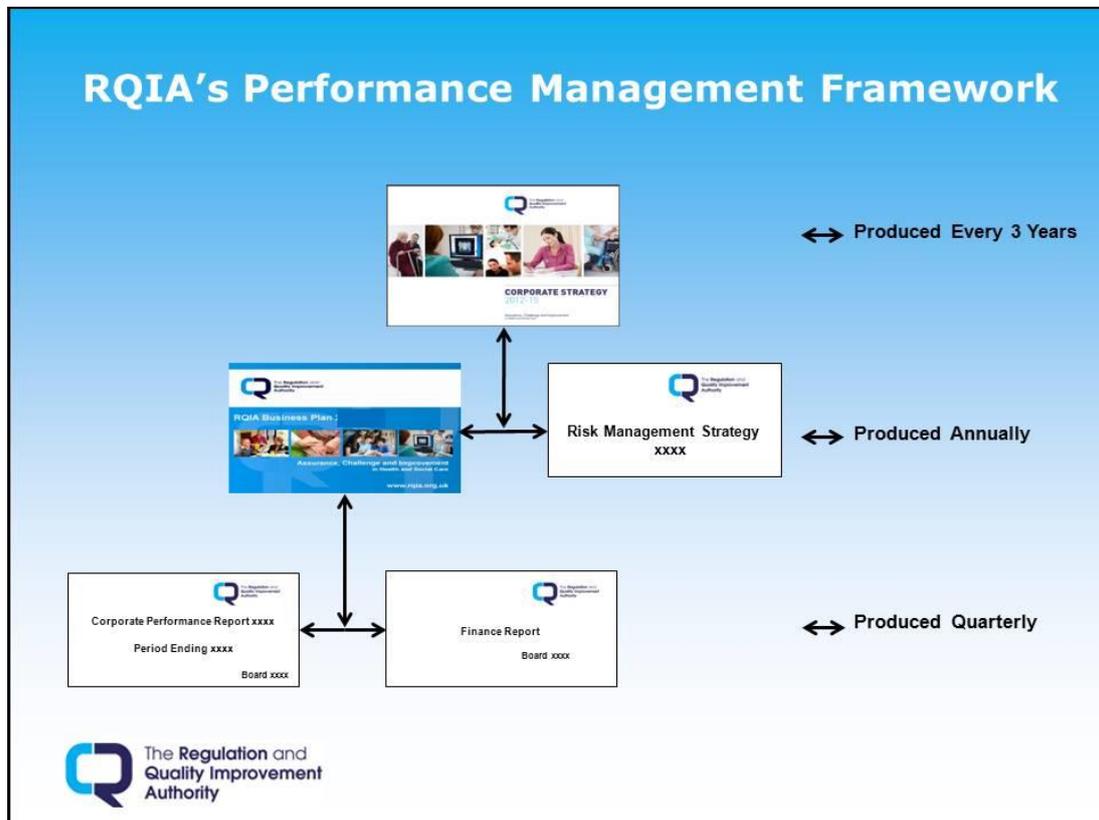
- fulfilling RQIA's statutory objectives, general functions and duties and exercising its legal powers;
- developing plans, programmes and policies for Board approval;
- delivering RQIA's services in line with targets and performance indicators agreed by the Board;
- developing RQIA's relationships with key stakeholders;
- communicating RQIA's plans and achievements to stakeholders, RQIA's staff, DHSSPS and the general public;
- acting as RQIA's Accounting Officer, reporting to the DHSSPS on the use of public funds and with personal accountability and responsibility for RQIA's:
  - propriety and regularity;
  - prudent and economical administration;
  - avoidance of waste and extravagance;
  - efficient and effective use of available resources; and
  - the organisation, staffing and management of RQIA;
- ensuring that the EMT:
  - acts within the levels of authority delegated by the Board, escalating any high risk and /or high impact issues for the timely attention and consideration of the Board;
  - provides accurate and timely information to enable the Board to fulfill its governance responsibilities effectively; and
  - supports the Board in fulfilling its role and responsibilities as set out in this governance statement.

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

Business planning and risk management are at the heart of governance arrangements to ensure that statutory obligations and ministerial priorities are properly reflected in the management of business at all levels within RQIA.

RQIA's Performance Management Framework brings together the Corporate Strategy, Business Plan, Risk Management Strategy, Finance Reports and Corporate Performance Reports.

The diagram below demonstrates how RQIA's three year strategy is delivered through the annually produced Risk Management Strategy and Business Plan which sets out how RQIA intends to deliver its strategic objectives through time bound business actions and also details how it intends to use the resources at its disposal. The status of the Business Plan actions, measures of success and current financial positions are presented quarterly to RQIA's Board for approval.



The Corporate Performance Report enables the Board to assess how RQIA is performing against the achievement of strategic objectives. It is produced quarterly and is presented to the Board for discussion and approval. It is also made available to RQIA's stakeholders on RQIA website.

The Risk Management Strategy outlines an overall approach to risk management that addresses the current risks facing RQIA in pursuing its strategy, which will also facilitate the effective recognition and management of such risks.

Leadership for risk management is provided by the Board, Audit Committee and EMT. The EMT has developed a corporate Risk Assurance Framework report which is reviewed, updated and reported upon regularly. Directorates within RQIA develop and review continually directorate specific risk registers which provide a clear linkage between directorate and corporate risks. RQIA Board provides leadership through its governance arrangements, annual reviews, approval of the Risk Management Strategy and Corporate Risk Assurance Framework reports with a specific focus on a review and challenge of the Corporate Risk Register on a quarterly basis, and has oversight of the risk management process through the Audit Committee. An annual review of the risk landscape both external and internal (Horizon Scanning) was

completed in February 2014 at a Board Workshop. During 2013/14 a number of new risks were added to the Corporate Risk Assurance Framework report and a few risks were de-escalated to the appropriate Directorate Risk Registers. None of the new risks added to the Corporate Risk Assurance Framework Report were determined to have a major impact on the organisation and actions were agreed at the EMT and Board to address the risks.

Risk Management procedures and a concept known as Risk-On-A-Page have been developed and made available to all staff to support them with understanding their risk management roles and responsibilities. The procedures are reviewed annually to reflect any developments or amendments made to the Risk Management Strategy. Compulsory Risk Awareness E-learning is also to be completed by all staff every three years. By 31 March 2014 100% of relevant staff had completed the Risk Awareness E-learning training.

## **5. Information Risk**

The management and control of the risk of loss of electronic information is safeguarded by the provision of secure remote access to a protected ICT environment, encryption of portable media and adherence to corporate security policies for ICT and Data Protection. RQIA also achieved substantive compliance with the HSC CAS in Information Management and ICT during 2013/14.

RQIA has nominated a Personal Data Guardian, Senior Information Risk Owner, Information Asset Owner and information Asset Assistants. It has appointed a Head of Information and an Information Governance and Records Manager.

All RQIA officers are provided with induction and annual training in information and ICT policies and procedures and have relevant clauses in the contracts of employment. RQIA is committed to the principles of the DHSSPS Code of Confidentiality and the Protocol for Information sharing and is a registered data controller with the Information Commissioners Office (ICO).

RQIA has introduced a suite of information and ICT policies including:

- Information and ICT Security Policy
- Use of Electronic Mail (E-mail) Policy
- Use of the Internet Policy
- Use of ICT Equipment Policy
- Records Management Policy
- Retention and Disposal of Documents Schedule
- Version Control Policy and Guidelines for Electronic Documents
- Information Incident Reporting Policy

RQIA has the following reporting and accountability mechanisms in place

- Reporting to DHSSPSNI Information and Analysis Unit on statutory processing of DPA and FOI requests
- DHSS Controls Assurance Standards
- Internal Audit
- Governance Statement

## **6. Public Stakeholder Involvement**

RQIA engages with a wide range of members of the public and other stakeholders as part of its routine inspection and review programmes. It engages with services users and carers using a variety of methods (as appropriate) including, one to one meetings, questionnaires and focus groups. It gathers information from a user/carer/stakeholder perspective for the purpose of making clear and informed judgments when assessing associated risks.

RQIA also engages with stakeholders at a corporate level. This allows it to plan activities in advance and to take into consideration the views of the public, service users and carers. During April 2014 RQIA engaged in a series of pre-consultation events, with its external stakeholders to develop and agree RQIA's Corporate Strategy 2015-18 and Three Year Review programme 2015-18.

RQIA embeds Personal and Public Involvement (PPI) as a fundamental part of its work. During 2013-14 RQIA progressed a number of actions flowing from the PPI Annual Plan. Key Actions included:

- Engagement with service users to develop an easy read Mental Health and Learning Disability Inspection Report. Feedback from service users in relation to this report was very positive and so from April 2014 all inspection reports within the Mental Health and Learning Disability team will be produced in easy read versions and posted on notice boards in the hospital for ease of access;
- The User Consultation Officer continued to ensure that service users' views were gathered and used to inform and improve inspection methodology and future inspection themes for Domiciliary Care Agencies; and
- RQIA advertised and recruited a number of Lay Assessors in April 2014. The role of Lay Assessors will be to obtain service users' views and experiences within regulated services, mental health and learning disability facilities, hygiene inspections and reviews.

## **7. Assurance**

Assurances on the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within RQIA who have responsibility for the development and maintenance of the internal control framework, and by considerations made by the external auditors in their management letter and other reports.

The key elements of assurance in relation to the effectiveness of the system of internal control are:

- Executive managers review performance regularly against the actions and measures of success within RQIA's Annual Business Plan.
- Ten controls assurance standards are reviewed annually against the departmental guidance.
- Internal audit is provided by the Internal Audit Unit of BSO which operates to defined standards and whose work is informed by an analysis of risk to which RQIA is exposed. There is continued coverage of the financial systems through its finance review, corporate risk-based audit and governance audits.

- A Service Level Agreement exists with the Business Services Organisation to provide human resources, equality, internal audit, finance, legal and procurement services to RQIA and assurance concerning the operation of these systems is provided annually by its Chief Executive;
- The report by the external auditor to those charged with governance;
- An audit action plan charting progress in implementing the agreed recommendations of internal and external audit reports is regularly reviewed by the Audit Committee which also advises on the review of the effectiveness of the system of internal control, and is presented to the Board for noting.

## Controls Assurance Standards

RQIA assessed its compliance with the applicable Controls Assurance Standards which were defined by the Department and against which a degree of progress is expected in 2013/14.

RQIA achieved the following levels of compliance for 2013/14:

Standard	DHSS&PS Expected Level of Compliance	Level of Compliance	Reviewed by
<b>Financial Management</b> (Core Standard)	75% - 99% (Substantive)	85% Substantive	Internal Audit Unit BSO
<b>Management of Purchasing &amp; Supply</b> (Core Standard)	75% - 99% (Substantive)	82% Substantive	Internal Audit Unit BSO
<b>Governance</b> (Core Standard)	75% - 99% (Substantive)	86% Substantive	Internal Audit Unit BSO
<b>Risk Management</b> (Core Standard)	75% - 99% (Substantive)	87% Substantive	Internal Audit Unit BSO
<b>Health &amp; Safety</b> (Core Standard)	75% - 99% (Substantive)	88% Substantive	Internally within RQIA
<b>Security Management</b>	75% - 99% (Substantive)	87% Substantive	Internally within RQIA
<b>Fire Safety</b>	75% - 99% (Substantive)	89% Substantive	Internally within RQIA
<b>Information Management</b>	75% - 99% (Substantive)	86% Substantive	Internally within RQIA
<b>Information Communications Technology</b>	75% - 99% (Substantive)	82% Substantive	Internally within RQIA
<b>Human Resources</b>	75% - 99% (Substantive)	86% Substantive	Internally within RQIA

## 8. Sources of Independent Assurance

RQIA obtains Independent Assurance from:

- Internal Audit
- Northern Ireland Audit Office (NIAO)

### Internal Audit

The internal audit function operates to defined standards and whose work is informed by an analysis of risk to which the body is exposed. Annual audit plans are based on this analysis.

In 2013-14 Internal Audit reviewed the following systems:

- Risk Management – (satisfactory level of assurance received)
- Information Governance – (satisfactory level of assurance received)
- Board Effectiveness and Performance Management - (satisfactory level of assurance received)
- Procurement and Contract Management - (satisfactory level of assurance received)
- Financial Review - (satisfactory level of assurance received)

There was one significant (priority one) weakness in control identified in the internal audit of Information Governance. In the annual report, the Internal Auditor reported that there is a satisfactory system of internal control designed to meet the Authority's objectives. Internal Audit also completed two consultancy assignments in relation to Selection and Recruitment and iConnect.

### **Northern Ireland Audit Office**

The financial audit of RQIA was undertaken by the Northern Ireland Audit Office (NIAO). NIAO's approach to the 2013-14 Audit was delivered in accordance with the Audit Strategy presented to the Audit Committee in February 2014. The NI Audit Office draft Report to Those Charged with Governance 2013-14 is now substantially complete and it is anticipated that NIAO will recommend to the C&AG that he certifies the 2013-14 financial statements with an unqualified audit opinion, without modification.

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

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

## **10. Significant Internal Control Issues**

In October Internal Audit identified the following significant (Priority 1) audit recommendations in relation to Information Governance:

- All staff should be reminded of their responsibility to complete mandatory training. Line-managers and directors should review training completion figures and follow up with those who have not completed any course; and
- Upon receipt of regional guidance, Information Asset Assistants should be appointed and trained.

Staff compliance with the requirement to complete mandatory training was monitored by the Executive Management Team and an almost 100% completion rate was achieved by the end of March 2014. Furthermore, RQIA completed a review of the

approach to the delivery of all mandatory training and the outcome of this review was reported to the Executive Management Team in April 2014. The recommendations from the review will be taken forward from 2014/15 onwards.

It is our understanding that regional training for Information Asset Assistants will not be provided. In 2014/15 RQIA will therefore identify Information Asset Assistants and provide in-house training.

On 4th September 2013 an unprotected attachment containing details of MHLDP patients was emailed in error to a member of staff within a HSC Trust instead of internally to a RQIA member of staff. Immediately upon realising the error a recall of the initial email was performed successfully and no data loss resulted from this incident.

The ICO was notified of the incident and an investigation was conducted. The incident was reported to the Audit Committee and Board. An internal report on the incident was presented to the Audit Committee on 24 October 2013 and implementation of the recommendations in the report was managed by the Executive Management Team (EMT).

The outcome of the ICO investigation was communicated on 20 January 2014 and it concluded *'After careful consideration of the facts of this case, and based on the information you have provided, it does not seem appropriate for the Information Commissioner to take any formal regulatory action on this occasion'*.

## **11. Conclusion**

RQIA has a rigorous system of accountability which I can rely on as Accounting Officer to form an opinion on the probity and use of public funds, as detailed in Managing Public Money NI.

Further to considering the accountability framework within the Body and in conjunction with assurances given to me by the Head of Internal audit, I am content that RQIA has operated a sound system of internal governance during the period 2013 -14.



**Glenn Houston**  
Chief Executive

**Date: 3 July 2014**

## **REGULATION AND QUALITY IMPROVEMENT AUTHORITY**

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

I certify that I have audited the financial statements of the Regulation and Quality Improvement Authority for the year ended 31 March 2014 under the Health and Personal Social Services (Quality Improvement and Regulation) (Northern Ireland) Order 2003. The financial statements comprise the Statements of Comprehensive Net Expenditure, Financial Position, Changes in Taxpayers' Equity, Cash Flows and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

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

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Quality Improvement and Regulation) (Northern Ireland) Order 2003. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

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

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

#### **Opinion on regularity**

In my opinion, in all material respects the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

#### **Opinion on financial statements**

In my opinion:

- the financial statements give a true and fair view of the state of the Regulation and Quality Improvement Authority's affairs as at 31 March 2014 and of the net expenditure, cash flows and changes in taxpayers' equity for the year then ended; and
- the financial statements have been properly prepared in accordance with the Health and Personal Social Services (Quality Improvement and Regulation) (Northern Ireland) Order 2003 and Department of Health, Social Services and Public Safety directions issued thereunder.

### **Opinion on other matters**

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Department of Health, Social Services and Public Safety directions made under the Health and Personal Social Services (Quality Improvement and Regulation) (Northern Ireland) Order 2003; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

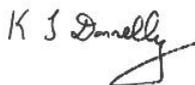
### **Matters on which I report by exception**

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

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

### **Report**

I have no observations to make on these financial statements.



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

1 August 2014

**The Regulation and Quality Improvement  
Authority Statement of Accounts**

**For the year ended 31 March 2014**

**STATEMENT OF COMPREHENSIVE NET EXPENDITURE  
for the year ended 31 March 2014**

	Note	2014 £	2013 £
<b>Expenditure</b>			
Staff costs	3.1	(6,166,905)	(6,073,952)
Depreciation	4	(38,093)	(50,348)
Other expenditures	4	(1,428,639)	(1,351,673)
		<u>(7,633,637)</u>	<u>(7,475,973)</u>
<b>Income</b>			
Income from activities	5.1	0	0
Other income	5.2	914,670	889,643
Deferred income	5.3	0	0
		<u>914,670</u>	<u>889,643</u>
<b>Net Expenditure</b>		<b><u>(6,718,967)</u></b>	<b><u>(6,586,330)</u></b>
Revenue Resource Limit (RRL)	25.1	6,719,574	6,588,932
<b>Surplus / (Deficit) against RRL</b>		<b><u>607</u></b>	<b><u>2,602</u></b>

**OTHER COMPREHENSIVE EXPENDITURE**

	Note	2014 £	2013 £
Net gain/(loss) on revaluation of property, plant and equipment	6.1/6.2/10	1,225	1,541
Net gain/(loss) on revaluation of intangibles	7.1/7.2/10	0	0
Net gain/(loss) on revaluation of available for sales financial assets		0	0
<b>TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March 2013</b>		<b><u>(6,717,742)</u></b>	<b><u>(6,584,789)</u></b>

The notes on pages 84 to 114 form part of these accounts.

**STATEMENT OF FINANCIAL POSITION  
as at 31 March 2014**

		2014		2013	
	Note	£	£	£	£
<b>Non Current Assets</b>					
Property, plant and equipment	6.1/6.2	606,650		257,770	
Intangible assets	7.1/7.2	<u>24,439</u>		<u>4,000</u>	
<b>Total Non Current Assets</b>			631,089		261,770
<b>Current Assets</b>					
Trade and other receivables	12.1	29,936		17,700	
Other current assets	12.1	22,940		31,268	
Cash and cash equivalents	13	<u>3,292</u>		<u>8,063</u>	
<b>Total Current Assets</b>			56,168		57,031
<b>Total Assets</b>			<u><b>687,257</b></u>		<u><b>318,801</b></u>
<b>Current Liabilities</b>					
Trade and other payables	14.1	(791,452)		(1,394,054)	
Other liabilities	14.1	<u>0</u>		<u>0</u>	
<b>Total Current Liabilities</b>			(791,452)		(1,394,054)
<b>Non Current Assets plus/less Net Current Assets / Liabilities</b>			<u><b>(104,195)</b></u>		<u><b>(1,075,253)</b></u>
<b>Non Current Liabilities</b>					
<b>Total Non Current Liabilities</b>			0		0
<b>Assets less Liabilities</b>			<u><b>(104,195)</b></u>		<u><b>(1,075,253)</b></u>
<b>Taxpayers' Equity</b>					
Revaluation reserve		2,766		1,541	
SoCNE reserve		<u>(106,961)</u>		<u>(1,076,794)</u>	
			<u><b>(104,195)</b></u>		<u><b>(1,075,253)</b></u>



**Glenn Houston  
Chief Executive**

**Date: 3 July 2014**



**Alan Lennon  
Chairman**

**Date: 3 July 2014**

The notes on pages 84 to 114 form part of these accounts.

**STATEMENT OF CASH FLOWS**  
for the year ended 31 March 2014

	Note	2014 £	2013 £
<b>Cash flows from operating activities</b>			
Net expenditure after interest		(6,718,967)	(6,586,330)
Adjustments for non cash costs	25.1	55,903	74,131
(Increase)/decrease in trade and other receivables	12.1	(3,908)	(13,833)
<b>Less movements in receivables relating to items not passing through the SCNE</b>			
Movements in receivables relating to the sale of property, plant and equipment		0	0
Movements in receivables relating to the sale of intangibles		0	0
Movements in receivables relating to finance leases		0	0
Movements in receivables relating to PFI and other service concession arrangement contracts		0	0
(Increase)/decrease in inventories		0	0
Increase/(decrease) in trade payables		(602,602)	883,465
<b>Less movements in payables relating to items not passing through the SCNE</b>			
Movements in payables relating to the purchase of property, plant and equipment		(73,092)	(38,355)
Movements in payables relating to the purchase of intangibles		0	0
Movements in payables relating to finance leases		0	0
Movements in payables relating to PFI and other service concession arrangement contracts		0	0
Use of provisions		0	0
<b>Net cash outflow from operating activities</b>		<b>(7,342,666)</b>	<b>(5,680,922)</b>
<b>Cash flows from investing activities</b>			
(Purchase of property, plant & equipment)	6	(336,905)	(95,682)
(Purchase of intangible assets)		0	0
Proceeds of disposal of property, plant & equipment		0	0
Proceeds on disposal of intangibles		0	0
Proceeds on disposal of assets held for resale		0	0
<b>Net cash outflow from investing activities</b>		<b>(336,905)</b>	<b>(95,682)</b>
<b>Cash flows from financing activities</b>			
Grant in aid		7,674,800	5,760,540
Cap element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements		0	0
<b>Net financing</b>		<b>7,674,800</b>	<b>5,760,540</b>
<b>Net increase (decrease) in cash &amp; cash equivalents in the period</b>		<b>(4,771)</b>	<b>(16,064)</b>
<b>Cash &amp; cash equivalents at the beginning of the period</b>	13	8,063	24,127
<b>Cash &amp; cash equivalents at the end of the period</b>	13	3,292	8,063

The notes on pages 84 to 114 form part of these accounts.

**STATEMENT OF CHANGES IN TAXPAYERS EQUITY  
for the year ended 31 March 2014**

	Note	SoCNE Reserve	Revaluation Reserve	Total
		£	£	£
<b>Balance at 31 March 2012</b>		(265,004)	0	(265,004)
<b>Changes in Taxpayers Equity 2012-13</b>				
Grant from DHSSPS		5,760,540	0	5,760,540
Transfers between reserves		0	0	0
(Comprehensive expenditure for the year)		(6,586,330)	1,541	(6,584,789)
Transfer of asset ownership		0	0	0
Non cash charges - auditors remuneration	4	14,000	0	14,000
<b>Balance at 31 March 2013</b>		(1,076,794)	1,541	(1,075,253)
<b>Changes in Taxpayers Equity 2013-14</b>				
Grant from DHSSPS		7,674,800	0	7,674,800
Transfers between reserves		0	0	0
(Comprehensive expenditure for the year)		(6,718,967)	1,225	(6,717,742)
Transfer of asset ownership		0	0	0
Non cash charges - auditors remuneration	4	14,000	0	14,000
<b>Balance at 31 March 2014</b>		(106,961)	2,766	(104,195)

The notes on pages 84 to 114 form part of these accounts.

## **NOTE 1 - STATEMENT OF ACCOUNTING POLICIES**

### **1. Authority**

These accounts have been prepared in a form determined by the Department of Health, Social Services and Public Safety based on guidance from the Department of Finance and Personnel's Financial Reporting manual (FReM) and in accordance with the requirements of The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003.

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

#### **1.1 Accounting convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment where appropriate.

#### **1.2 Currency and Rounding**

These accounts are presented in UK Pounds sterling.

#### **1.3 Property, Plant and Equipment**

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

##### **Recognition**

Property, plant and equipment must be capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, RQIA;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £1,000, where the assets are functionally interdependent, they had broadly simultaneous purchase

dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

- Items form part of the initial equipping and setting-up cost of a new building or Department, irrespective of their individual or collective cost

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

### **Valuation of Land and Buildings**

RQIA does not own any land or buildings nor does it occupy any provided to it by the DHSSPS.

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

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

### **Short Life Assets**

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

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

### **Revaluation Reserve**

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

## 1.4 Depreciation

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

Asset Type	Asset Life
Equipment	3 – 5 years
Information Technology	3 – 5 years
Furniture and Fittings	3 – 15 years
Intangible assets	3 – 10 years

Items under construction are not depreciated until they are commissioned.

## 1.5 Impairment loss

If there has been an impairment loss due to a general change in prices, the asset is written down to its recoverable amount, with the loss charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure within the Statement of Comprehensive Net Expenditure. If the impairment is due to the consumption of economic benefits the full amount of the impairment is charged to the Statement of Comprehensive Net Expenditure and an amount up to the value of the impairment in the revaluation reserve is transferred to the Statement of Comprehensive Net Expenditure Reserve. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal of the impairment loss is credited firstly to the Statement of Comprehensive Net Expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

## 1.6 Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure which meets the definition of capital restores the asset to its original specification, the expenditure is capitalised and

any existing carrying value of the item replaced is written-out and charged to operating expenses.

### **1.7 Intangible assets**

Intangible assets includes any of the following held - software, licences, trademarks, websites, development expenditure, Patents, Goodwill and intangible Assets under Construction. Software that is integral to the operating of hardware, for example an operating system is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

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

Intangible assets, such as software licences, are amortised over 5 years as short life assets.

### **Recognition**

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

The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date of commencement of the intangible asset, until it is complete and ready for use.

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

### **1.8 Donated assets**

Income for donated assets would be recognised when received. RQIA has no donated assets.

### **1.9 Non-current assets held for sale**

RQIA does not hold any non-current assets for sale.

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

### **1.10 Inventories**

RQIA does not hold any inventories.

### **1.11 Income**

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

#### **Grant in aid**

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

### **1.12 Investments**

RQIA does not have any investments.

### **1.13 Other expenses**

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

### **1.14 Cash and cash equivalents**

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

cash with insignificant risk of change in value. RQIA holds no cash equivalent investments.

### **1.15 Leases**

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

#### **RQIA as lessee**

RQIA does not hold any Finance Leases. Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

#### **RQIA as lessor**

RQIA does not act as a lessor.

### **1.16 Private Finance Initiative (PFI) transactions**

RQIA has no PFI transactions.

### **1.17 Financial instruments**

#### **Financial assets**

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

Financial assets are initially recognised at fair value.

#### **Financial liabilities**

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

Financial liabilities are initially recognised at fair value.

#### **Financial risk management**

IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in

undertaking its activities. Due to our relationships with HSC Commissioners, and the manner in which we are funded, financial instruments play a more limited role within RQIA in creating risk than would apply to a non public sector body of a similar size. Therefore RQIA is not exposed to the degree of financial risk faced by business entities. RQIA has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day to day operational activities rather than being held to change the risks facing RQIA in undertaking activities. Therefore the HSC is exposed too little credit, liquidity or market risk.

### **Currency risk**

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

### **Interest rate risk**

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

### **Credit risk**

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

### **Liquidity risk**

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

## **1.18 Provisions**

In accordance with IAS 37, provisions are recognised when RQIA has a present legal or constructive obligation as a result of a past event, it is probable that the RQIA will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

RQIA had no provisions at the 31 March 2014 or the 31 March 2013.

## **1.19 Contingencies**

Under IAS 37, RQIA discloses contingent liabilities where there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of RQIA, or a present obligation that is not recognised because it is not probable that a

payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

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

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

RQIA had no contingent liabilities or assets at 31 March 2014.

## **1.20 Employee benefits**

### **Short-term employee benefits**

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

### **Retirement benefit costs**

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

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

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required at intervals not exceeding four years. The actuary reviews the most recent actuarial valuation at the Statement of Financial Position date and updates it to reflect current conditions. A full valuation for Resource Accounts purposes as at 31 March 2012 was completed in 2014 and will be used in the 2013/14 accounts.

## 1.21 Reserves

### **Statement of Comprehensive Net Expenditure Reserve**

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

### **Revaluation Reserve**

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

## 1.22 Value Added Tax

RQIA, as a Non-Departmental Public Body, cannot recover VAT incurred through the central VAT agreement.

VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets.

## 1.23 Third party assets

RQIA does not hold material assets belonging to third parties.

## 1.24 Government Grants

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

DFP issued new guidance effective from 1 April 2011. Government grant reserves are no longer permitted. Income is generally recognised when it is received. In exceptional cases where there are conditions attached to the use of the grant, which, if not met, would mean the grant is repayable, the income should be deferred and released when obligations are met. The note to the financial statements distinguishes between grants from UK government entities and grants from European Union.

## 1.25 Losses and Special Payments

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

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

#### **1.26 Accounting standards that have been issued but have not yet been adopted**

Under International Accounting Standard (IAS) 8 there is a requirement to disclose those standards issued but not yet adopted.

The International Accounting Standards Board (IASB) have issued new and amended standards (IFRS 10, IFRS 11 & IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures. These standards have an effective date of January 2013, and EU adoption is due from 1 January 2014. The application of these IFRS changes is subject to further review by Treasury and the other Relevant Authorities before due process consultation.

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury. A review of the NI financial process is currently under discussion with the NI Executive. Should this go ahead, the impact on DHSSPS and its Arms length bodies is expected to focus around the disclosure requirements under IFRS 12.

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

**NOTE 2 - ANALYSIS OF NET EXPENDITURE BY SEGMENT**

The core business and strategic purpose of RQIA is to monitor the availability, organisation and standards of health and social care services in Northern Ireland and act as a driving force in promoting improvements in the quality of these services. RQIA's Board acts as the chief operating decision maker, receives financial information on RQIA as a whole, and makes decisions on that basis. RQIA therefore reports on a single operational segment basis.

## NOTE 3 - STAFF NUMBERS AND RELATED COSTS

### 3.1 - Staff Costs

Staff Costs comprise:

Staff costs comprise:	2014			2013
	Permanently employed staff £	Others £	Total £	Total £
Wages and salaries	5,080,028	122,974	5,203,002	5,127,074
Social security costs	424,809	0	424,809	411,563
Other pension costs	572,426	0	572,426	578,980
<b>Sub-Total</b>	<b>6,077,263</b>	<b>122,974</b>	<b>6,200,237</b>	<b>6,117,617</b>
Capitalised staff costs	33,332	0	33,332	43,665
<b>Total staff costs reported in Statement of Comprehensive Expenditure</b>	<b>6,043,931</b>	<b>122,974</b>	<b>6,166,905</b>	<b>6,073,952</b>
Less recoveries in respect of outward secondments			45,527	49,128
<b>Total net costs</b>			<b>6,121,378</b>	<b>6,024,824</b>

Staff Costs exclude £33,332 charged to capital projects during the year (2013 £43,665).

Staff costs represent 81% of RQIA's expenditure.

### 3.2 - Average number of persons employed

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

	2014			2013
	Permanently employed staff No.	Others No.	Total No.	Total No.
Administrative & clerical	146	5	151	148
<b>Total average number of persons employed</b>	<b>146</b>	<b>5</b>	<b>151</b>	<b>148</b>
Less average staff number relating to capitalised staff costs	1	0	1	1
Less average staff number in respect of outward secondments	1	0	1	1
<b>Total net average number of persons employed</b>	<b>144</b>	<b>5</b>	<b>149</b>	<b>146</b>

### **3.3 - Senior Employees' Remuneration**

Details of senior employees' remuneration are included within the remuneration report.

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

There were no early retirements or awards of any compensation packages in 2013/14 or 2012/13.

### **3.5 - Staff Benefits**

RQIA does not make any payments in relation to staff benefits.

### **3.6 - Trust Management Costs**

Not applicable to RQIA.

### **3.7 Retirements due to ill-health**

During 2013/14 or 2012/13 there were no early retirements agreed on the grounds of ill-health. Therefore there are no additional pension liabilities to be borne by the HSC Pension Scheme.

## NOTE 4 - OPERATING EXPENSES

Operating Expenses are as follows:

	2014	2013
	£	£
<b>Operating Expenses are as follows:-</b>		
Supplies and services - General	48,754	41,029
Establishment	315,036	343,772
Premises	172,891	187,017
Bad debts	0	0
Rentals under operating leases	203,186	203,290
BSO services	244,398	190,864
Training	79,129	77,679
ICT Maintenance	117,188	116,949
ICT Hardware and Software	66,453	78,934
Miscellaneous expenditure	163,794	88,357
<b>Non cash items</b>		
Depreciation	38,093	50,348
Amortisation	2,000	9,333
Loss on disposal of property, plant & equipment (including land)	1,810	449
Loss on disposal of intangibles	0	0
Auditors remuneration	14,000	14,000
<b>Total</b>	<b><u>1,466,732</u></b>	<b><u>1,402,021</u></b>

There were no non audit services purchased from RQIA's external auditor (NIAO) during 2013/14.

Miscellaneous expenditure includes expenditure on staff substitution where staff substitution is largely made up of specialists engaged to contribute to RQIA's review programme. Expenditure on staff substitution is directly related to the nature and scope of the review work performed. In 2013/14 RQIA spent £132K on staff substitution compared to £61K in 2012/13. The increase in expenditure is explained by a number of additional significant reviews commissioned by the Minister in 2013/14. Details of these are contained in the Annual Report.

## NOTE 5 - INCOME

### 5.1 - Income from Activities

RQIA did not receive income from activities in 2013/14 or 2012/13.

### 5.2 - Other Operating Income

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Other income from non-patient services	0	5,409
Seconded staff	46,990	50,211
Donations / Government grant / Lottery funding for non current assets	0	0
Other income from Fees Levied on registered bodies	867,680	834,023
<b>Total</b>	<b>914,670</b>	<b>889,643</b>

£21,571 of the income from Secondments in 2014 relates to work placements at the DHSSPS.

### 5.3 - Deferred income

RQIA did not receive any deferred income in 2013/14 or 2012/13.

## NOTE 6 – PROPERTY, PLANT & EQUIPMENT

### 6.1 – Property, plant & equipment – year ended 31 March 2014

	<b>Plant and Machinery (Equipment)</b>	<b>Asset Under Construction</b>	<b>Information Technology (IT)</b>	<b>Furniture and Fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost or Valuation</b>					
At 1 April 2013	103,729	89,779	320,453	105,133	619,094
Indexation	0	0	0	1,630	1,630
Additions	0	289,122	98,435	0	387,557
Disposals	(68,130)	0	(124,181)	0	(192,311)
At 31 March 2014	<b>35,599</b>	<b>378,901</b>	<b>294,707</b>	<b>106,763</b>	<b>815,970</b>
<b>Depreciation</b>					
At 1 April 2013	90,703	0	244,537	26,084	361,324
Indexation	0	0	0	404	404
Disposals	(68,130)	0	(122,371)	0	(190,501)
Provided during the year	6,515	0	20,902	10,676	38,093
At 31 March 2014	<b>29,088</b>	<b>0</b>	<b>143,068</b>	<b>37,164</b>	<b>209,320</b>
<b>Carrying Amount</b>					
At 31 March 2014	<b>6,511</b>	<b>378,901</b>	<b>151,639</b>	<b>69,599</b>	<b>606,650</b>
At 31 March 2013	<b>13,026</b>	<b>89,779</b>	<b>75,916</b>	<b>79,049</b>	<b>257,770</b>

During 2013/14 an exercise was performed to harmonise the Asset Register with the General Ledger. The in-year disposals reported against equipment relate solely to this exercise, while the disposals of IT include a balance of £108,181 relating to this exercise.

In terms of asset financing RQIA owns all assets carried. None of RQIA's assets were purchased through Finance leases, PFI, or other service concession arrangements.

Where appropriate assets in 2013/14 have been amended for indexation as per circular HSC(F)19-2014. Short life assets (useful life not exceeding 5 years) are not subject to indexation.

## 6.2 – Property, plant & equipment – year ended 31 March 2013

	<b>Plant and Machinery (Equipment)</b>	<b>Asset Under Construction</b>	<b>Information Technology (IT)</b>	<b>Furniture and Fittings</b>	<b>Total</b>
	£	£	£	£	£
<b>Cost or Valuation</b>					
At 1 April 2012	103,729	0	281,558	103,325	488,612
Indexation	0	0	0	1,808	1,808
Additions	0	89,779	44,257	0	134,036
Disposals	0	0	(5,362)	0	(5,362)
At 31 March 2013	<b>103,729</b>	<b>89,779</b>	<b>320,453</b>	<b>105,133</b>	<b>619,094</b>
<b>Depreciation</b>					
At 1 April 2012	83,583	0	216,735	15,304	315,622
Indexation	0	0	0	267	267
Disposals	0	0	(4,913)	0	(4,913)
Provided during the year	7,120		32,715	10,513	50,348
At 31 March 2013	<b>90,703</b>	<b>0</b>	<b>244,537</b>	<b>26,084</b>	<b>361,324</b>
<b>Carrying Amount</b>					
At 31 March 2013	<b>13,026</b>	<b>89,779</b>	<b>75,916</b>	<b>79,049</b>	<b>257,770</b>
At 1 April 2012	<b>20,146</b>	<b>0</b>	<b>64,823</b>	<b>88,021</b>	<b>172,990</b>

In terms of asset financing RQIA owns all assets carried. None of RQIA's assets were purchased through Finance leases, PFI, or other service concession arrangements.

Where appropriate assets in 2012/13 were amended for indexation as per circular HSC(F)11-2013. Short life assets (useful life not exceeding 5 years) are not subject to indexation.

## NOTE 7 - INTANGIBLE ASSETS

### 7.1 – Intangible assets – year ended 31 March 2014

	<b>Software Licenses</b>
	<b>£</b>
<b>Cost or Valuation</b>	
At 1 April 2013	141,623
Indexation	0
Additions	22,439
Disposals	(65,295)
At 31 March 2014	<b>98,767</b>
<b>Amortisation</b>	
At 1 April 2013	137,623
Indexation	0
Disposals	(65,295)
Provided during the year	2,000
At 31 March 2014	<b>74,328</b>
<b>Carrying Amount</b>	
At 31 March 2014	<b>24,439</b>
At 31 March 2013	<b>4,000</b>

During 2013/14 an exercise was performed to harmonise the Asset Register with the General Ledger. The reported disposals figure relates entirely to this exercise.

In terms of asset financing, RQIA owns all assets carried. None of RQIA's assets were purchased through Finance leases, PFI, or other service concession arrangements.

Circular HSC(F)19-2014 details the requirements in relation to asset indexation in 2013/14. All our intangible assets are categorised as short life assets (useful life not exceeding 5 years) and therefore are not subject to indexation.

## 7.2 – Intangible assets – year ended 31 March 2013

	<b>Software Licenses</b>
	<b>£</b>
<b>Cost or Valuation</b>	
At 1 April 2012	141,623
Indexation	0
Additions	0
Disposals	0
At 31 March 2013	<b>141,623</b>
<b>Amortisation</b>	
At 1 April 2012	128,290
Indexation	0
Disposals	0
Provided during the year	9,333
At 31 March 2013	<b>137,623</b>
<b>Carrying Amount</b>	
At 31 March 2013	<b>4,000</b>
At 1 April 2012	<b>13,333</b>

In terms of asset financing, RQIA owns all assets carried. None of RQIA's assets were purchased through Finance leases, PFI, or other service concession arrangements.

Circular HSC(F)11-2013 details the requirements in relation to asset indexation in 2012/13. All our intangible assets are categorised as short life assets (useful life not exceeding 5 years) and therefore are not subject to indexation.

**NOTE 8 - FINANCIAL INSTRUMENTS**

RQIA is a non-departmental public body funded by its sponsor body in the DHSSPS and holds no powers to borrow funds or invest surplus funds. RQIA does not hold any financial instruments and is not exposed to credit, interest rate, or currency risk.

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

RQIA did not hold any assets classified as held for sale in 2013/14 or 2012/13.

**NOTE 10 - IMPAIRMENTS**

There were no impairments in 2013/14.

**NOTE 11 - INVENTORIES**

RQIA does not hold any inventories.

## NOTE 12 - TRADE RECEIVABLES AND OTHER CURRENT ASSETS

### 12.1 - Trade receivables and other current assets

	2014 £	2013 £
<b>Amounts falling due within one year</b>		
Trade receivables	29,936	17,700
<b>Trade and other receivables</b>	<u>29,936</u>	<u>17,700</u>
Prepayments and accrued income	22,940	31,268
<b>Other current assets</b>	<u>22,940</u>	<u>31,268</u>
<b>Amounts falling due after more than one year</b>		
Trade and other receivables	0	0
Prepayments and accrued income	0	0
<b>Other current assets falling due after more than one year</b>	<u>0</u>	<u>0</u>
<b>Total Trade and Other Receivables</b>	<u>29,936</u>	<u>17,700</u>
<b>Total Other Current Assets</b>	<u>22,940</u>	<u>31,268</u>
<b>Total Receivables and other Current Assets</b>	<u><u>52,876</u></u>	<u><u>48,968</u></u>

### 12.2 - Trade receivables and other current assets: Intra-Government balances

	Amounts falling due within 1 year 2013/14 £	Amounts falling due within 1 year 2012/13 £	Amounts falling due after more than 1 year 2013/14 £	Amounts falling due after more than 1 year 2012/13 £
Balances with other central government bodies	0	0	0	0
Balances with NHS/HSC Trusts	0	12,753	0	0
<b>Intra-government balances</b>	<u>0</u>	<u>12,753</u>	<u>0</u>	<u>0</u>
Balances with bodies external to government	52,876	36,215	0	0
<b>Total receivables and other current assets at 31 March</b>	<u><u>52,876</u></u>	<u><u>48,968</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

**NOTE 13 - CASH AND CASH EQUIVALENTS**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Balance at 1st April	8,063	24,127
Net change in cash and cash equivalents	(4,771)	(16,064)
<b>Balance at 31st March</b>	<b>3,292</b>	<b>8,063</b>

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>The following balances at 31st March were held at</b>		
Commercial banks and cash in hand	3,292	8,063
<b>Balance at 31st March</b>	<b>3,292</b>	<b>8,063</b>

## NOTE 14 - TRADE PAYABLES AND OTHER CURRENT LIABILITIES

### 14.1 - Trade payables and other current liabilities

	2014 £	2013 £
<b>Amounts falling due within one year</b>		
Other taxation and social security	208,907	223,239
Trade capital payables - property, plant and equipment	146,886	73,794
Trade revenue payables	163,112	272,982
Payroll payables	144,008	103,521
BSO payables	49,345	695,745
Other payables	79,194	24,773
<b>Trade and other payables</b>	<u>791,452</u>	<u>1,394,054</u>
<b>Other current liabilities</b>	0	0
<b>Total payables falling due within one year</b>	<u>791,452</u>	<u>1,394,054</u>
<b>Amounts falling due after more than one year</b>		
<b>Total non current other payables</b>	<u>0</u>	<u>0</u>
<b>Total Trade Payables and Other Current Liabilities</b>	<u><u>791,452</u></u>	<u><u>1,394,054</u></u>

### 14.2 - Trade payables and other current liabilities - Intra-government balances

	Amounts falling due within 1 year 2013/14 £	Amounts falling due within 1 year 2012/13 £	Amounts falling due after more than 1 year 2013/14 £	Amounts falling due after more than 1 year 2012/13 £
Balances with other central government bodies	266,975	918,984	0	0
Balances with local authorities	0	1,588	0	0
Balances with NHS / HSC Trusts	1,214	753	0	0
Balances with public corporations and trading funds	0	0	0	0
<b>Intra-government balances</b>	<u>268,189</u>	<u>921,325</u>	<u>0</u>	<u>0</u>
Balances with bodies external to government	523,263	472,729	0	0
<b>Total payables and other liabilities at 31 March</b>	<u><u>791,452</u></u>	<u><u>1,394,054</u></u>	<u><u>0</u></u>	<u><u>0</u></u>

### 14.3 – Loans

RQIA did not have any loans payable at either 31 March 2014 or 31 March 2013.

## NOTE 15 - PROMPT PAYMENT POLICY

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

The Department requires that NDPB's pay their non HSC trade creditors in accordance with the Better Payments Practice Code and Government Accounting Rules. RQIA's payment policy is consistent with the Better Payments Practice code and Government Accounting rules and its measure of compliance is:

	<b>2013</b>	<b>2013</b>
	<b>Number</b>	<b>£</b>
Total bills paid	948	1,301,475
Total bills paid within 30 day target or under agreed payment Terms	908	1,210,600
% of bills paid within 30 day target or under agreed payment terms	95.8%	93.0%
	<b>2014</b>	<b>2014</b>
	<b>Number</b>	<b>£</b>
Total bills paid	1,232	1,125,783
Total bills paid within 30 days of receipt of an undisputed invoice	943	938,666
% of bills paid within 30 days of receipt of an undisputed invoice	76.5%	83.4%

During 2012/13 prompt payment was measured against the greater of 30 days from receipt of an undisputed invoice or other agreed payment terms. Revised late payment legislation (Late Payment of Commercial Debts Regulations 2013) came into force on 16 March 2013. Therefore prompt payment in 2013/14 is now measured against 30 days from receipt of an undisputed invoice.

The Regulation and Quality Improvement Authority  
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	<b>2014 Number</b>	<b>2014 £</b>	<b>2013 Number</b>	<b>2013 £</b>
Total Bills Paid	1,232	1,125,783	315	633,575
Total bills paid within 10 days of receipt of an undisputed invoice	702	730,898	214	507,972
% of bills paid within 10 days of receipt of an undisputed invoice	57.0%	64.9%	67.9%	80.2%

10 Day payment monitoring commenced on the 1st of November 2012. The Total Bills Paid figures reported for 2013 in the table directly above therefore represent 1 November 2012 to 31 March 2013 only.

### 15.2 - The Late Payment of Commercial Debts Regulations 2002

	£
Amount of compensation paid for payment(s) being late	108
Amount of interest paid for payment(s) being late	0
<b>Total</b>	<u>108</u>

This is also reflected as a fruitless payment in note 26.

## NOTE 16 - PROVISIONS FOR LIABILITIES AND CHARGES - 2014 & 2013

RQIA did not hold any provisions in 2013/14 or 2012/13.

## NOTE 17 - CAPITAL COMMITMENTS

	2014 £	2013 £
Intangible Assets	102,863	0
Contracted capital commitments at 31 March not otherwise included in these financial statements	<u>102,863</u>	<u>0</u>

This contractual commitment relates exclusively to the construction of the i-Connect system which is scheduled to be commissioned in August 2014.

## NOTE 18 - COMMITMENTS UNDER LEASES

### 18.1 - Operating Leases

Total future minimum lease payments under operating leases are given in the table below.

<b>Obligations under operating leases comprise</b>	<b>2014 £</b>	<b>2013 £</b>
<b>Buildings</b>		
Not later than 1 year	193,800	193,800
Later than 1 year and not later than 5 years	775,200	775,200
Later than 5 years	374,326	568,126
	<u>1,343,326</u>	<u>1,537,126</u>
<b>Other</b>		
Not later than 1 year	8,564	8,716
Later than 1 year and not later than 5 years	6,528	14,721
Later than 5 years	0	0
	<u>15,092</u>	<u>23,437</u>

### 18.2 - Finance Leases

RQIA does not hold any finance leases.

### 18.3 - Lessor Commitments

RQIA does not act as a lessor.

**NOTE 19 - COMMITMENTS UNDER PFI AND OTHER SERVICE CONCESSION ARRANGEMENT CONTRACTS**

**19.1 - Off balance sheet PFI and other service concession arrangements schemes**

RQIA has no commitments under PFI or other service concession arrangement contracts.

**NOTE 20 - OTHER FINANCIAL COMMITMENTS**

RQIA did not have any other financial commitments at either 31 March 2014 or 31 March 2013.

**NOTE 21 - FINANCIAL GUARANTEES, INDEMNITIES AND LETTERS OF COMFORT**

RQIA is a non-departmental public body funded by its sponsor body in the DHSSPS and holds no powers to borrow funds or invest surplus funds. Therefore RQIA does not require or hold any financial guarantees, indemnities or letters of comfort. Similarly RQIA has not provided any guarantees, indemnities or letters of comfort.

**NOTE 22 - CONTINGENT LIABILITIES**

RQIA has no contingent liabilities.

**NOTE 23 - RELATED PARTY TRANSACTIONS**

RQIA is a non-departmental public Body sponsored by the Department of Health, Social Services and Public Safety (DHSSPS) and is regarded as a related party.

During the 2013/14 RQIA has had various material transactions with the DHSSPS and with other entities for which the DHSSPS is regarded as the parent department, particularly with the Business Services Organisation (BSO) which provides financial, human resources, procurement and legal services to RQIA through Service Level Agreements.

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

## NOTE 24 - THIRD PARTY ASSETS

RQIA did not hold any third party assets at the 31 March 2014.

## NOTE 25 - FINANCIAL PERFORMANCE TARGETS

### 25.1 - Revenue Resource Limit

RQIA is given a Revenue Resource Limit which it is not permitted to overspend. The Revenue Resource Limit (RRL) for RQIA is calculated as follows:

	<b>2014</b>	<b>2013</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
HSCB	43,700	0
DHSSPS (excludes non cash)	6,619,971	6,514,801
Non cash RRL (from DHSSPS)	55,903	74,131
<b>Total Revenue Resource Limit to Statement</b>	<hr/>	<hr/>
<b>Comprehensive Net Expenditure</b>	<b>6,719,574</b>	<b>6,588,932</b>
	<hr/> <hr/>	<hr/> <hr/>

### 25.2 - Capital Resource Limit

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

	<b>2014</b>	<b>2013</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Gross capital expenditure	409,997	134,036
(Receipts from sales of fixed assets)	0	0
Net capital expenditure	<hr/>	<hr/>
	409,997	134,036
Capital Resource Limit	415,523	137,346
<b>Overspend/(Underspend) against CRL</b>	<hr/>	<hr/>
	<b>(5,526)</b>	<b>(3,310)</b>
	<hr/> <hr/>	<hr/> <hr/>

**NOTE 25.3 - Financial Performance Targets**

RQIA is required to ensure it breaks even on an annual basis by containing its net expenditure to within £20,000 of RRL.

	<b>2013/14</b>	<b>2012/13</b>
	<b>£</b>	<b>£</b>
Net Expenditure	(6,718,967)	(6,586,330)
RRL	6,719,574	6,588,932
Surplus / (Deficit) against RRL	<u>607</u>	<u>2,602</u>
Break Even cumulative position(opening)	(19,385)	(21,987)
Break Even cumulative position (closing)	<u><u>(18,778)</u></u>	<u><u>(19,385)</u></u>

**Materiality Test:**

	<b>2013/14</b>	<b>2012/13</b>
	<b>%</b>	<b>%</b>
Break Even in year position as % of RRL	<u>0.01%</u>	<u>0.04%</u>
Break Even cumulative position as % of RRL	<u>-0.28%</u>	<u>-0.29%</u>

## NOTE 26 - LOSSES & SPECIAL PAYMENTS

Type of loss and special payment	2013/14		2012/13	
	No. of Cases	£	No. of Cases	£
<b>Cash losses</b>				
Theft, fraud etc				
Overpayments of salaries, wages and allowances				
Other causes				
<b>Claims abandoned</b>				
Waived or abandoned claims				
<b>Administrative write-offs</b>				
Bad debts	0	0	2	430
Other				
	<b>0</b>	<b>0</b>	<b>2</b>	<b>430</b>
<b>Fruitless payments</b>				
Late Payment of Commercial Debt	8	108	12	213
Other fruitless payments and constructive losses	0	0	0	0
	<b>8</b>	<b>108</b>	<b>12</b>	<b>213</b>
<b>Stores &amp; Inventory losses</b>				
Losses of accountable stores through any deliberate act				
Other stores losses				
Other Equipment & Property	5	1,810	2	449
	<b>5</b>	<b>1,810</b>	<b>2</b>	<b>449</b>
<b>Special Payments</b>				
Compensation payments				
- Clinical Negligence				
- Public Liability				
- Employers Liability				
- Other				
Ex-gratia payments				
Extra contractual				
Special severance payments				
<b>TOTAL</b>	<b>13</b>	<b>1,918</b>	<b>16</b>	<b>1,092</b>

### 26.1 - Special Payments

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

### 26.2 - Other Payments

There were no other payments made during the year.

**NOTE 27 - EVENTS AFTER THE REPORTING PERIOD**

There are no events, between the end of the reporting period and the date the financial statements are authorised for issue, having a material effect on the accounts.

**NOTE 28 - DATE AUTHORISED FOR ISSUE**

The accounting officer authorised these financial statements for issue on 1 August 2014.

**THE REGULATION AND QUALITY IMPROVEMENT AUTHORITY**

**ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2014**

**CERTIFICATES OF DIRECTOR OF FINANCE, CHAIRMAN AND CHIEF EXECUTIVE**

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 84 to 114) which I am required to prepare on behalf of the Regulation and Quality Improvement Authority have been compiled from and are in accordance with the accounts and financial records maintained by the Regulation and Quality Improvement Authority and with the accounting standards and policies for HSC bodies approved by the DHSSPS.



.....Director of Corporate Services  
(Including Finance)

3 July 2014

.....Date

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 84 to 114) as prepared in accordance with the above requirements have been submitted to and duly approved by the Board.



.....Chairman

3 July 2014

.....Date



.....Chief Executive

3 July 2014.....Date







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ISBN: 978-1-908660-39-8