AGENDA

RQIA Board Meeting
Boardroom, RQIA, 9ᵗʰ Floor, Riverside Tower, Belfast
7 July 2016, 11.00am

PUBLIC SESSION

Item		**Paper Ref**	
1	Welcome and Apologies		11.00am
2	Minutes of the meeting of the Board held on Thursday 9 June 2016	min/ June16/ public	11.05am **APPROVE**
3	Matters arising from minutes		11.10am
4	Declaration of Interests		11.15am
5	Chairman's Report **Chairman**	D/06/16	11.20am **NOTE**

STRATEGIC ISSUES

6	Update on Acute Hospital Inspection Programme and current reviews **Director of Reviews and Medical Director**		11.30am
7	Overview of Equality Scheme Commitments **Sandra Rafferty, Equality Business Partner, Business Services Organisation**		11.40am

OPERATIONAL ISSUES

8	Risk Management Strategy **Director of Corporate Services**	E/06/16	11.55am **APPROVE**
9	Corporate Risk Assurance Framework Report **Director of Corporate Services**	F/06/16	12.10pm **APPROVE**
10	Chief Executive's Performance Dashboard **Chief Executive**	G/06/16	12.25pm **NOTE**
11	Audit Committee Business **Committee Chairman** To include: • Approved Minutes of Meeting of 28 April 2016	H/06/16	12.40pm **NOTE**

- Verbal update on Meeting of 23 June 2016
- Audit Committee Annual Report 2015/16

12 Any Other Business   12.50pm

Date of next meeting: 22 September 2016, Boardroom, RQIA

RQIA Board Meeting

Date of Meeting	7 July 2016
Title of Paper	Public Session Minutes
Agenda Item	2
Reference	Min / June16 / public
Author	Katie Symington
Presented by	Dr Alan Lennon
Purpose	To share with Board members a record of the previous meeting of the RQIA Board.
Executive Summary	The minutes contain an overview of the key discussion points and decisions from the Board meeting on 9 June 2016.
FOI Exemptions Applied	None
Equality Impact Assessment	Not applicable
Recommendation/ Resolution	The Board is asked to **APPROVE** the minutes of the Board meeting of 9 June 2016.
Next steps	The minutes will be formally signed off by the Chairman and will be uploaded onto the RQIA website.

PUBLIC SESSION MINUTES

RQIA Board Meeting
Boardroom, RQIA
9 June 2016, 11.55am

Present	**Officers of RQIA in attendance**
Dr Alan Lennon OBE (Chair)	David Stewart (Acting Chief Executive)
Seamus Magee OBE	Maurice Atkinson (Director of Corporate Services)
Patricia O'Callaghan	Theresa Nixon (Director of Mental Health, Learning
Stella Cunningham	Disability and Social Work)
Daniel McLarnon	Kathy Fodey (Director of Regulation and Nursing)
Lindsey Smith	Malachy Finnegan (Communications Manager)
Gerry McCurdy	Katie Symington (Board and Executive Support
Sarah Havlin	Manager)
Dr John Jenkins CBE	
Robin Mullan	
Dr Norman Morrow OBE	

Apologies
Prof. Mary McColgan OBE
Denis Power

1.0   Agenda Item 1 - Welcome and Apologies

1.1   The Chairman welcomed all Board members and officers to the meeting.
        Apologies were noted from Professor Mary McColgan and Denis Power.

**2.0   Agenda Item 2 - Minutes of the meeting of the Board held on
        Thursday 12 May 2016 (min/May16/public)**

2.1   The Board **APPROVED** the minutes of the meeting of the Board held on
        Thursday 12 May 2016.

3.0   Agenda Item 3 - Matters arising from minutes

3.1   The Director of Regulation and Nursing informed Board members that in
        relation to action 101, work on the revised Enforcement procedures will
        commence with a workshop on 10 June 2016. The Acting Chief Executive
        noted that in relation to action 115, a paper on Specialist Inspections was
        presented to the Board in May 2016. Following an evaluation of the
        revised inspection policy, specialist inspections will be reconsidered.

3.2   Board members noted that a paper on the Workforce Plan, action 117, is
        on the agenda for this meeting. In relation to action 121, a meeting was
        arranged to review the strategic nature of corporate risks, however this

meeting has been postponed. Action 122 has been completed. Action 123 has been completed. Action 124 will be presented at the July Board meeting.

4.0   Agenda Item 4 - Declaration of Interests

4.1   The Chairman asked Board members if, following consideration of the agenda items, any interests were required to be declared in line with Standing Orders. No declarations were made.

5.0   Agenda Item 5 - Chairman's Report (C/04/16)

5.1   The Chairman drew Board members attention to the Chairman's Report. The Chairman noted the recent appointment of RQIA's Interim Chief Executive, Olive MacLeod, who will take up post on 1 July 2016. Mrs MacLeod will be in attendance at the Board meeting on 7 July.

5.2   The Chairman sought views on an August Board workshop. Board members agreed this proposal.

5.3   At this point in the meeting Board member Sarah Havlin joined.

5.4   The Communications Manager noted today's press release by RQIA to announce the appointment of the Interim Chief Executive.

5.5   The Chairman offered his thanks to Lianne Kelly and to BSO for their support in the recruitment of the Interim Chief Executive.

5.6   The Board **NOTED** the Chairman's Report.

6.0   Agenda Item 6 – EFQM Assessment and ISO 9001:2015 – Next Steps (C/05/16)

6.1   Christine Goan, Corporate Improvement and Public Engagement Manager, joined the meeting to provide a presentation to Board members on the EFQM Assessment and ISO 9001:2015.

6.2   The Acting Chief Executive noted the Senior Managers Workshop, 20 June, where there will be opportunity for further discussion in relation to actions arising following the EFQM Assessment.

6.3   The Board **NOTED** the EFQM Assessment and ISO 9001:2015 – Next Steps.

7.0   Agenda Item 7 - RQIA Consultation for Revised Inspection Policy for Regulated Services (D/05/16)

7.1   The Director of Regulation and Nursing presented the Consultation Report to Board members. The Director of Regulation and Nursing noted that this paper will be placed on the RQIA website and will be forwarded to DoH, alongside the draft revised inspection policy, for consideration as to any policy implications. The final Inspection Policy will be presented at a future Board meeting for approval.

7.2   The Director of Regulation and Nursing noted that RQIA are currently inspecting using the revised inspection policy and inspectors have been attending consistency meetings.

7.3   Board members discussed the issue of the timeframe for a second inspection of those establishments who are assessed as requiring improvement. This issue will be assessed following the review of fees and frequencies by DoH.

7.4   Board members **NOTED** the RQIA Consultation for Revised Inspection Policy for Regulated Services.

8.0   Agenda Item 8 – Proposed arrangements for the inspection of Mental Health and Learning Disability Wards 2016/17 (E/05/16)

8.1   The Director of Mental Health, Learning Disability and Social Work presented the proposed arrangements for inspections of MHLD Wards to Board members. The inspection methodology has been revised following the recommendations made by Professor Roy McConkey.

8.2   The Director of Mental Health, Learning Disability and Social Work noted that a well led domain has been added to the inspection methodology, following discussions with CQC. This methodology will be reviewed following five multi-disciplinary inspections. An evaluation of the methodology will be completed by September 2016.

8.3   The Chairman requested that the 28 days factual accuracy checking, as provided by RQIA for inspected services, is reviewed for all Directorates.

8.4   Resolved Action (125)
Executive Management Team to review the time allowed for factual accuracy checking, as provided by RQIA, for inspected services.

8.5   Board members highlighted the need for a consistent approach to inspection across RQIA and the need for standardisation of inspection reports.

8.6   The Chairman requested that the use of themes within the inspection methodology is reviewed. The Chairman also requested that there is consistency in the use of language within the report.

8.7   Board members **APPROVED** the Proposed arrangements for the inspection of Mental Health and Learning Disability Wards 2016/17.

9.0   Agenda Item 9 – Update on Acute Hospital Inspection Process

9.1   The Acting Chief Executive provided an update on the Acute Hospital Inspection process to Board members. Board members noted that four inspections have now been completed, with one further inspection planned.

9.2   The Acting Chief Executive highlighted to Board members the evolvement of the inspection process with; longer inspections, an increased number of inspectors attending to include pharmacy inspectors, students from Queens and the Ulster University and junior Doctors. The inspection team now totals approximately 24 people.

9.3   The Acting Chief Executive noted members from the original Project Board have reflected on the completed inspection reports and have agreed that the first five inspection reports published by RQIA would be in the original format. The Acting Chief Executive advised Board members that the DoH has been advised of this outcome.

9.4   The Acting Chief Executive noted that two Board members have discussed the Communications Plan for publication of the inspection reports with the Communications Manager and the proposed date of publication is 28 June 2016. There will also be a press briefing before the first press release.

9.5   The Acting Chief Executive noted the core element of evaluation following completion of the acute hospital inspections. Adrian Gundy, EFQM Assessor, has agreed to attend the next acute hospital inspection to provide a systems view. The Acting Chief Executive confirmed that the evaluation of the acute hospital inspection process will be undertaken externally.

9.6   Board members supported the revision to the inspection report, as presented by the Acting Chief Executive.

9.7   Board members **NOTED** the Update on the Acute Hospital Inspection Process.

10.0   Agenda Item 10 – Board Governance Self-Assessment (F/05/16)

10.1   The Chairman tabled the Board Governance Self-Assessment document and associated case study. The Chairman asked Board members to review the self-assessment document and return any comments by email.

10.2   <u>Resolved Action (126)</u>
        Board members to return comments on the Board Governance Self-Assessment to the Chairman

11.0   Agenda Item 11 – Draft RQIA Workforce Plan 2016-17 (G/05/16)

11.1   The Director of Corporate Services presented the Workforce Plan to Board members. This Plan was written by the Leadership Centre and has been revised by the Executive Management Team. The Workforce Plan has been completed following a recommendation by RSM McClure Watters, in their Landscape Review of RQIA.

11.2   Board members noted Section Five of the Workforce Plan, detailing corporate actions and development priorities. Progress on the actions will be reported to the Board through the Corporate Performance Report.

11.3   The Acting Chief Executive noted that the development of the Workforce Plan was initially a five stage process; however, the process has ended at stage two, due to capacity constraints at the Leadership Centre.

11.4   The board agreed not to approve the plan. The Chairman requested a quantitative approach to the completion of any Workforce Plan. This proposed plan will be need to be discussed with the Interim Chief Executive and should also include a movement to zero based budgeting.
RQIA should not accept any new work without fully costing the impact on budgets. The Chairman agreed that some areas within the Workforce Plan, as presented, can be progressed, further to discussion.

12.0   Agenda Item 12 – Update on new RQIA Website (H/05/16)

12.1   The Communications Manager presented the new RQIA website to Board members and offered his thanks to the members of the Project Team for their work. The Communications Manager also thanked two members of the Board for their feedback on the new website.

12.2   The Communications Manager noted that the new website is due to go live in July 2016, following security testing and the finalisation of content.

12.3   Board members **NOTED** the Update on new RQIA Website.

13.0   Agenda Item 13 - Chief Executive's Performance Dashboard (I/05/16)

13.1   The Acting Chief Executive presented the Performance Dashboard to Board members and noted a revision to some of the dashboard indicators.

13.2   The Acting Chief Executive highlighted two notable areas of work within RQIA; the new RQIA website and the iConnect web portal, which will allow registered services to contact RQIA directly through the portal. It is anticipated that all services will have access to the portal by 2017.

13.3   The Acting Head of Finance informed Board members that until final accounts have been audited, it is not possible to advise of the current financial position. Confirmation was provided that RQIA are working towards a breakeven position for 2015/16.

13.4   Board members **NOTED** the Chief Executive's Performance Dashboard.

14.0   Agenda Item 14 – Any Other Business

14.1   A Board member requested an update on the work of the GAIN team.

14.2   **Resolved Action (127)**
         Board members to receive a presentation, at a future Board meeting, on the work of the GAIN team.

14.3   As there was no other business, the Chairman brought the public session of the Board to a close at 2.20pm.

Date of next meeting:
Thursday 7 July 2016, RQIA Boardroom

Signed _____

          Dr Alan Lennon
          Chairman

Date _____

Board Action List

Action number	Board meeting	Agreed action	Responsible Person	Date due for completion
101	9 July 2015	The Director of Regulation and Nursing will present the revised Enforcement procedures to the Board within Quarter 2.	Director of Regulation and Nursing	22 September 2016
115	18 February 2016	A management/ Board group will take forward the Specialist Inspection Policy Developments.	Chief Executive	Quarter 1 – Quarter 3
121	24 March 2016	Chief Executive, Director of Corporate Services and Audit Committee Chair to review the strategic nature of corporate risks.	Chief Executive	9 June 2016
124	12 May 2016	A paper detailing how RQIA will take forward the Savings Plan, to be presented at a future meeting of the Board.	Director of Corporate Services	7 July 2016
125	9 June 2016	Executive Management Team to review the time allowed for factual accuracy checking, as provided by RQIA, for inspected services.	Executive Management Team	7 July 2016
126	9 June 2016	Board members to return comments on the Board Governance Self-Assessment to the Chairman.	Board members	7 July 2016
127	9 June 2016	Board members to receive a presentation, at a future Board meeting, on the work of the GAIN team.	Acting Chief Executive	22 September 2016

RQIA Board Meeting

Date of Meeting	7 July 2016
Title of Paper	Chairman's Report
Agenda Item	5
Reference	D/06/16
Author	Dr Alan Lennon
Presented by	Dr Alan Lennon
Purpose	To inform the RQIA Board of the Chairman's external engagements and key meetings since the last Board meeting of RQIA.
Executive Summary	Between 9 June and 2 July 2016, I attended 2 meetings on behalf of RQIA.
FOI Considerations	None
Equality Impact Assessment	Not applicable
Recommendation/ Resolution	The Board is asked to **NOTE** this report.
Next steps	Not applicable

CHAIRMAN'S REPORT

Meetings Attended:

9 June 2016   NICON Joint Reps and Chairs Forum
28/ 29 June 2016   NICON Conference

The Chairman would like to use this board slot to lead a general discussion on matters of strategy and board operation.

1. Bengoa Review of HSC/ Departmental Review of HSC Board/ Hybrid Regulation

2. RQIA strategic plan update - clarifying next steps

3. RQIA fitness for purpose/ costs/ cost savings - update and clarifying next steps

4. August board workshop, purpose and agenda

Dr Alan Lennon
Chairman

7 July 2016

RQIA Board Meeting

Date of Meeting	7 July 2016
Title of Paper	Risk Management Strategy
Agenda Item	8
Reference	E/06/16
Author	Stuart Crawford
Presented by	Maurice Atkinson
Purpose	The purpose of this document is to outline an overall approach to risk management that addresses the risks facing RQIA in pursuing its strategy and which will facilitate the effective recognition and management of such risks.
Executive Summary	As above
FOI Considerations	None
Equality Impact Assessment	Not applicable
Recommendation/ Resolution	The Risk Management Strategy was approved by the Audit Committee on behalf of the Board, on 23 June 2016. It is recommended that the Board should **APPROVE** the Risk Management Strategy.
Next steps	Not applicable

Risk Management Strategy 2016/17

Policy Type:	Strategy
Directorate Area:	Corporate Services
Policy Author / Champion:	Planning & Corporate Governance Manager
Equality Screened:	N/A
Date Approved by Audit Committee:	23 June 2016
Date Approved by RQIA Board:	
Date of Issue to RQIA Staff:	
Date of Review:	

Definitions

Risk is an event or uncertainty that may enhance (i.e. opportunity) or impede our ability to achieve objectives effectively.

Strategic risks are those that need to be taken into account in decisions about medium to long-term key business objectives.

Operational risks are those that managers and staff will encounter in the daily course of their work.

Internal Control is a means of reducing a risk rather than living with it or transferring it to a third party. The whole system of risk management can be considered a system of internal control.

Risk management is the management of integrated or holistic business risk in a manner consistent with the virtues of best value, economy, efficiency and effectiveness. In essence it is about making the most of opportunities (making effective and consistent decisions) and about achieving objectives once those decisions are made. This is achieved through:
- *Treating risk (to avoid, eliminate or reduce)*
- *Transferring risk*
- *Tolerating or living with risk*
- *Terminating Risk*

Key

CAS   Controls Assurance Standards

DOH   Department of Health

EMT   Executive Management team

HSC   Health and Social Care

MHLD   Mental Health & Learning Disability

MoU   Memorandums of Understanding

NDPB   Non Departmental Public Body

NIAO   Northern Ireland Audit Office

SLA   Service Level Agreement

Contents

1.0   Introduction

Managing Public Money states that 'embedded in each public sector organisation's internal systems there should be arrangements for recognising, managing and tracking its opportunities and risks'[1].   The Regulation and Quality Improvement Authority (RQIA) and all other Non-Departmental Public Bodies (NDPB) are required by Government to have in place a policy and strategy for the management of risk.

1.1   Purpose

The purpose of this document is to outline an overall approach to risk management that addresses the current and potential risks facing RQIA in pursuing its corporate strategy and business objectives and which will also facilitate the effective recognition and management of such risks.

1.2 Corporate Governance

'Corporate Governance' is the system by which an Arms-Length Body (ALB) is directed and controlled, at its most senior levels, in order to achieve its objectives and meet the necessary standards of accountability, probity and openness.

Internal control is fundamental to the management of risk, with a sound system of internal control which depends upon thorough and regular evaluation of the nature and extent of risks that an ALB is exposed to.

1.3 What is Risk Management?

Risk is the possibility of an event or activity impacting adversely on an organisation, preventing it from achieving organizational objectives and outcomes. It includes consideration of what, when, where and how events and or activities could prevent, degrade, delay or enhance the achievement of organizational objectives.

Risk is the chance of something happening that will have an impact on RQIA's business or objectives

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[1] Managing Public Money Northern Ireland (June 2008), Section 4.3 ' Opportunity and Risk'

Risk management is the process by which risks are identified and the activities required to control exposure to uncertainty which may impact on the achievement of objectives.

'Risk management is the term applied to a logical and systematic method of establishing the context, identifying, analysing, evaluating, treating, monitoring and communicating risks associated with any activity, function or process in a way that will enable organisations to minimise losses and maximize opportunities', the Australia/New Zealand Standard 4360:2004 Risk Management.

> ***The process of identifying and managing risk in RQIA is to increase the probability of success and reduce the opportunity of failure***

1.4 Why Manage Risk in RQIA?

Risk management should be embedded within the daily operation of RQIA from strategy formulation through to business planning and processes. Through understanding risks, decision-makers will be better able to evaluate the impact of a particular decision or action on the achievement of RQIA's objectives thus ensuring:

- Delivery of RQIA's corporate and business objectives.
- Creation of a safe working environment for all staff, visitors, stakeholders and service users.
- Reputation of RQIA by conducting all of our relationships with openness and honesty and delivering effective and efficient services.
- Compliance with all applicable legislation and relevant guidance.
- A comprehensive approach to risk assessment and management within RQIA that assists the Board in meeting its governance commitments.

1.5 Policy Statement on Risk Management

> *RQIA is committed to its vision, which is to provide independent assurance about the quality, safety and availability of health and social care services in Northern Ireland. In achieving this vision, RQIA will face risks to its corporate strategy, operational risks and risks associated with the protection of its people, property and reputation.*
>
> *RQIA's Risk Management policy is to adopt best practice in the identification, evaluation and cost-effective control of risks, to ensure that they are either eliminated or reduced to an acceptable level.*
>
> *In order to minimise risks, RQIA is committed to ensuring that appropriate systems, processes and controls are in place and are subject to continuous review.*

2.0 Risk Management Strategy

Risk management in RQIA, will be implemented in a systematic manner which makes best use of existing expertise and structures, and which provides clear direction, guidance and support through all levels of the organisation.

It is important that the Risk Management Strategy does not focus upon risk avoidance but on the identification and management of an acceptable level of risk.

This strategy and the supporting documents set out RQIA's objectives and a framework for achieving them. It clearly identifies where responsibility for risk management lies.

2.1 Aims & Objectives

RQIA's Risk Management Strategy aims to:

- Integrate risk management into the culture of the organisation
- Manage risk in accordance with best practice
- Ensure compliance with DOH guidelines
- Ensure compliance with legal and regulatory requirements
- Minimise the cost of identified risks and maximize the benefit of opportunities
- Anticipate and respond to changing social, political, environmental, technological and legislative requirements; and
- Raise awareness of the need for risk management and provide clarity on how risk is to be approached and managed

This will be achieved by:

- Establishing clear roles, responsibilities and reporting lines within RQIA for risk management
- Embedding risk management into organisational decision making processes, activities, programmes and all levels of planning
- Providing opportunities for training and shared learning on risk management across the organisation, including Board Members and Audit Committee
- Providing a framework to identify key risk areas, including the provision of risk registers at Corporate and Directorate level
- Implementing best practice risk management arrangements in accordance with Controls Assurance Standards (CAS) in the following areas; Corporate Governance, Financial Management, ICT, Risk Management, Records Management, Business Continuity and Health & Safety
- Holistic review of the risk profile of RQIA on a regular basis by Executive Management Team (EMT), Board and Audit Committee Independent validation of Risk Management processes by Internal / External Audit to ensure they are robust and in line with best practice

2.2 Benefit of a Risk Management Strategy

RQIA Risk Management Strategy provides assurance to the Accounting Officer, Board, Audit Committee and Management on the adequacy of arrangements for delivering RQIA services and programmes and the use and application of resources. The implementation of the strategy leads to a greater risk awareness, improved control environment and protection of RQIA's integrity and reputation with service users and the wider Health community.

The Risk Management strategy also supports RQIA with the successful delivery of its Corporate Strategy and is an integral part of RQIA's Performance Management Framework.
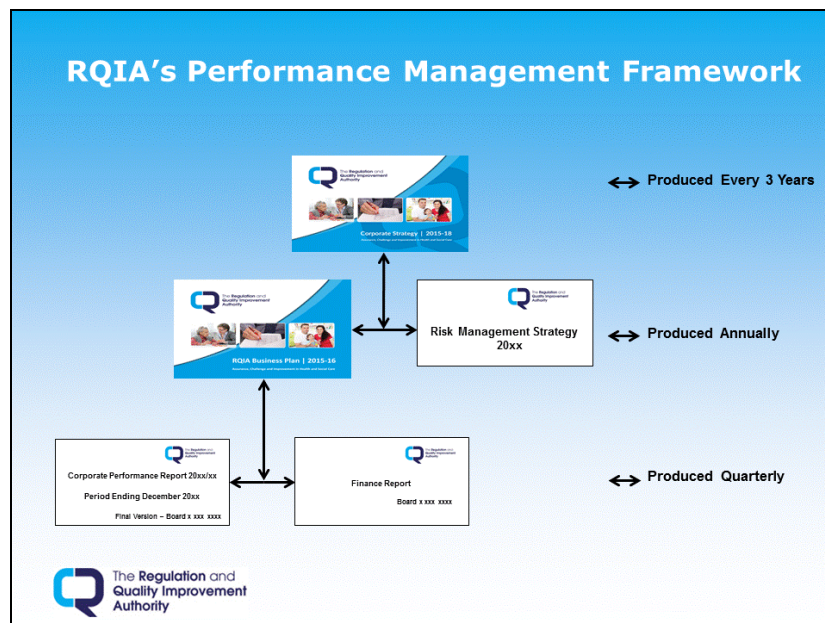
3.0   Risk Management Framework

A **robust structure** of accountability and responsibility is required as part of a control environment (i.e. governance, risk management and internal control).

In RQIA, the Accounting Officer (Chief Executive) has responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and RQIA's assets. This involves putting a system in place to ensure that all Directorates identify the key risks to the achievement of RQIA's objectives. The Accounting Officer reports annually on RQIA's system of internal control in the Statement on Internal Control.

Strong leadership and clear ownership at Accounting Officer level is essential in embedding an organisational risk management culture. RQIA's risk management strategy outlines the roles and responsibilities for the risk management process.

3.1 Risk Management in practice: Roles and Responsibilities

Accounting Officer:

- Retains ultimate responsibility for RQIA's system of internal control and ensures that an effective risk management process is in place and is regularly reviewed
- Provides clear direction to staff
- Establishes, promotes and embeds an organisational risk culture
- Reports to the Board and Audit Committee

Board:

- Establishes and oversees risk management procedures
- Approves the risk management strategy annually
- Ensures appropriate monitoring and management of significant risks within RQIA
- Challenges the Executive Management Team (EMT) to ensure that all key risks have been identified and managed appropriately
- Receives and approves the Corporate Risk Assurance Framework Report quarterly
- Ensures that an effective internal audit function is established and maintained

Audit Committee:

- Reports to the Board on the effectiveness of the system of internal control and alerts the Board to any emerging issues
- Recommends the risk management strategy for approval by the Board
- Takes responsibility for the oversight of the risk management process
- Oversees internal audit, external audit and the implementation of the Controls Assurance Standards (CAS)

- Reviews and recommends the Corporate Risk Assurance Framework Report for approval by the Board
- Engages with EMT to conduct annual horizon scanning of risk environment impacting on services of RQIA

Executive Management Team:

- Determines RQIA's approach to risk management
- Ensures risk management is embedded into all processes and manages / reviews the Risk Assurance Framework Report on behalf of the Board and Audit Committee
- Implements policies on risk management and internal control
- Identifies issues that significantly affect RQIA's risk profile or exposure
- Continually monitors the identification and management of significant risks and ensure that actions to remedy control weaknesses are implemented
- Reports to Audit Committee and the Board on risk management matters
- Annually reviews RQIA's approach to risk management and recommends changes or improvements to key elements of its processes and procedures to Board and Audit Committee
- Engages with Audit Committee to conduct annual horizon scanning of risk environment impacting on RQIA
- Consider which risks should be escalated to the Corporate Risk Register

Directorates:

- Ensure risk management is embedded into all processes and activities
- Identify and assess individual risks
- Ensure that actions to manage risks are carried out within their designated area and is adequately reflected in the directorate risk register with an appropriate risk rating
- Ensure that risks are captured appropriately on Directorate Risk Registers

Corporate Services (Risk Management Function):

- Facilitates regular review of the Corporate Risk Assurance Framework and Risk Management Strategy on behalf of the Board and Audit Committee
- Maintains the risk register under the direction of risk owners and updates or amends the risk register as necessary
- Regularly reviews the contents of risk registers with a view to ensuring that risk actions are being completed and monitored

Staff:

- Responsibility for the identification of risk and report the risk to the appropriate line manager or Director
- Carry out risk actions identified and delegated by the risk owners
- Maintains awareness of RQIA's risk management strategy and key risks faced by RQIA and attend risk management training
- Ensures that duties and responsibilities relating to controls are fully discharged

Internal Audit:

- Provides independent opinion on the overall adequacy and effectiveness of RQIA's framework of governance, risk management and Controls Assurance Standards (CAS) to the Accounting Officer, Board and Audit Committee
- Provides support and guidance on risk management best practice

4.0 RQIA's Risk Management Process - Assessment & Review Cycle

The model in the next page describes the risk management process adopted within RQIA and has been adapted from the Australia/New Zealand Standard 4360:1999 Risk Management, Standards Australia 1999. It is important to note that there is a continuous 'cycle' to the risk management process.

In adopting this structured approach to the identification, analysis and control of risks the Board can be assured that risks are being properly managed and that public monies are being spent appropriately.

Each element of the assessment and review process is described in more detail in the following sections.

RQIA's Risk Management Process
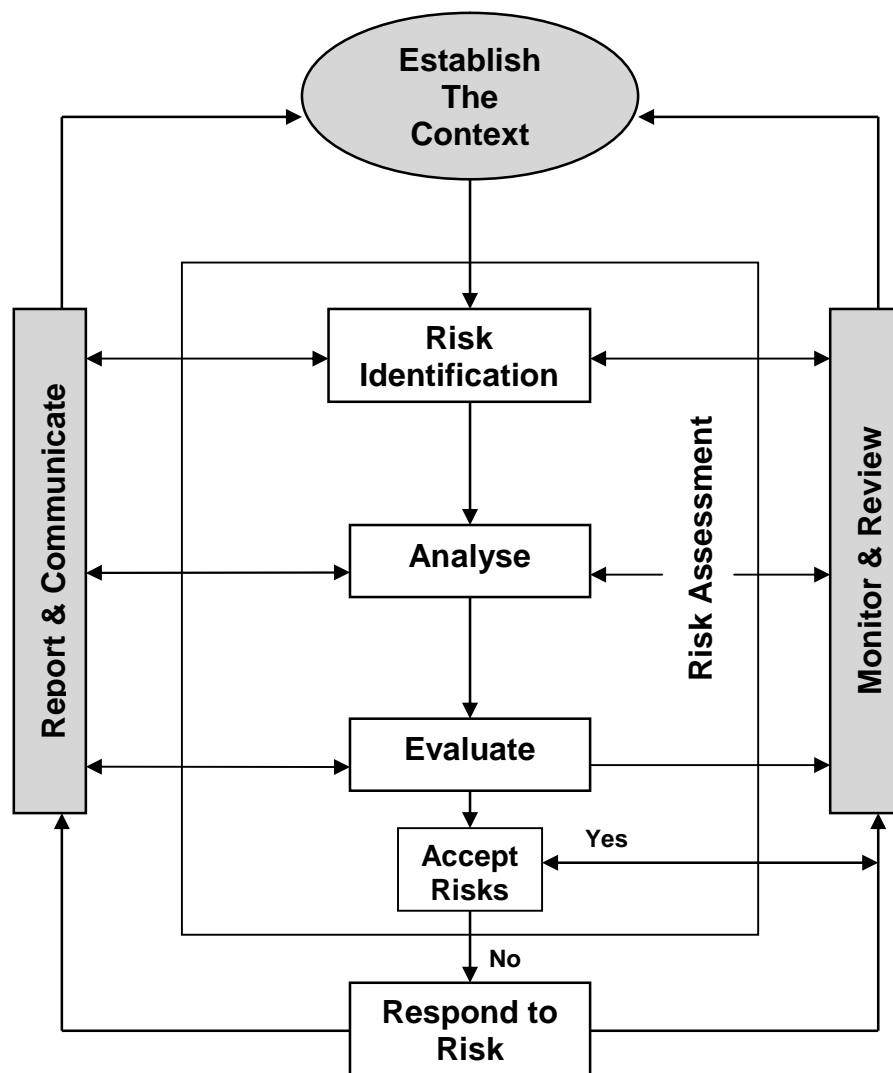
4.1   Establish the Context

Risk management should be integral to the planning and achieving of objectives and to being accountable – it is not something that is done "on top of everything else we have to do."   The linking of risks to RQIA's strategic themes 2015-18 is inherent in the way RQIA plans and manages its business. RQIA's Strategy Map 2015-18 detailing the organisations corporate objectives is included in **Appendix 1**.

In order to deliver the strategy, RQIA produces an annual business plan, setting out our key business objectives and describes how we will deploy our staff and financial resources to best effect in achieving these objectives. Performance against the strategy is monitored on a regular basis and progress is reported to the RQIA Board quarterly through the Corporate Performance Report.

A strategic approach to risk management depends on identifying risks against key organisational objectives and activities. Risks relevant to these objectives are then considered and evaluated allowing a number of key risks to be identified, analysed and evaluated.

4.2   Risk Identification

Risk identification sets out to identify an organisation's exposure to uncertainty. This requires an intimate knowledge of the organisation, the sector in which it operates, the legal, political, cultural environment in which it exists, as well as the development of a sound understanding of its strategic and operational objectives, including factors critical to its success and the threats and opportunities related to the achievement of these objectives.

Risk identification should be approached in a methodical way to ensure that all significant actions within the RQIA have been identified and all the risks flowing from these activities defined.   Understanding the breadth of risks facing RQIA will help all staff with identifying all the potential risks associated with providing our services efficiently and effectively.   Subdividing risks into the following categories provides a useful checklist:

At **Strategic level** – risks that need to be taken into account in judgements about the medium to long-term goals and objectives of RQIA.   Managing corporate risks through the Corporate Risk Assurance Framework is a core responsibility of the Board in cooperation with the EMT in liaison with other key stakeholders.

RQIA's Audit Committee members and EMT attend an annual horizon scanning workshop to identify a range of potential corporate risks that may impact the RQIA.   The feedback received at the workshop is collated and used by the EMT to determine which potential risks should be included in the Corporate Risk Assurance Framework Report.

On an annual basis a workshop is held with Board Members from the Audit Committee to complete an Audit Committee self-assessment checklist.   The

workshop is used to determine if the Audit Committee has complied with all the principles within the Audit Committee self-assessment checklist and to identify any gaps or potential risks that require further action.

At **Directorate level -** managers and staff identify potential risks which may hinder the achievement of directorate objectives. All Directorate Risk Registers should identify the key risks faced by individual service areas in achieving their objectives as well as any measures and actions to manage these risks. The risks identified are:

- Those that could significantly impact on the achievement of RQIA's overall objectives and priorities.
- Recorded in each Directorate's Risk Register;
- Used to inform both corporate and directorate risk identification as appropriate.

At **Partnership / 3rd Party Level –** The successful delivery of our objectives also often depends on our partnership work (such as HSC Trusts, Department of Health (DOH) and organisations with agreed Memorandums of Understanding (MoUs) and Service Level Agreements (SLAs)) with supporting the implementation of our policies on the ground. We must therefore; look beyond the boundary of the RQIA to identify risks to our objectives from these sources and recognise that good risk management requires stakeholder involvement.

A **systematic approach** to the identification and assessment of risks is essential and in RQIA this is an on-going process of self-assessment. This will ensure that RQIA has a better capability of identifying potential threats and opportunities in its business and establish appropriate responses. On an annual basis Board Members from the Audit Committee support by the EMT complete an annual horizon scan to identify and mange future risks. To help in ensuring that all potential risks are evaluated, **Appendix 2** includes a list of potential categories and example risks.

4.3   Analyse / Evaluate the Risks

When risks are systematically assessed, it is common to find more problems than can be fixed at once. It is important to prioritise and tackle the biggest risks first. Two factors need to be considered when analysing risks.

Impact/Consequences
Impact is assessed on a scale of low (1) to very high (5) indicating increasing seriousness. The impact is assessed looking at credible scenarios (taking prevailing circumstances into consideration) and evaluating the impact of the risks that arise from these scenarios. The examples against each category are for guidance purposes and should be thought of as the consequences that would be likely to occur if things were left to go out of control. The guidance detailed below is based on the Australia/New Zealand Standard 4360:1999 Risk Management, Standards Australia 1999.

Impact Criteria

Level of impact	Quality/ system failure	Public confidence and reputation	Complaint or claim	Financial loss
Very Low (Insignificant)	Negligible service deficit, Minor non-compliance, No impact on public health or social care, Minimal disruption to routine organisation activity, No long term consequences	Issue of no public or political concern	Legal challenge, Minor out-of-court settlement	Less than £5,000
Low (Minor)	Significant failure to meet internal standards or follow protocol, No impact on public health or social care Impact on organisation readily absorbed, No long term consequences	Local press interest, Local public or political concern	Civil action – no defence Improvement notice	£20,000
Medium (Moderate)	Repeated failures to meet internal standards or follow protocols, Minimal impact on public health and social care, Impact on the organisation absorbed with significant level of intervention, Minimal long term consequences	Limited damage to reputation, Extended local/ regional press interest, Regional public or political concern	Class action, Criminal prosecution, Prohibition notice	£20,000 – £50,000
High (Major)	Failure to meet national/ professional standards, Significant impact on public health and social care, Impact on the organisation absorbed with some formal intervention by other organisations, Significant long term consequences	Loss of credibility and confidence in the organisation, National press interest, Independent external enquiry, Significant public or political concern	Criminal prosecution – no defence, Executive officer dismissed	£50,000 – £250,000
Very high (Catastrophic)	Gross failure to meet professional/ national standards, Major impact on public health and social care Impact on the organisation absorbed with significant formal intervention by other organisations, Major long term consequences	Full public enquiry, Public Accounts Committee hearing, Major public or political concern	Criminal prosecution – no defence, Executive officer fined or imprisoned	Over £250,000

Likelihood/Probability of Occurrence

Following the identification of a risk through looking at the impact of particular scenarios, the likelihood of the risk occurring is estimated on the basis of historic evidence or experience that such situations have materialised or are likely to. The following table gives example details of how the likelihood is assessed. The likelihood needs to be assessed in terms of has it happened before and is it expected to happen in the near future.

Impact Criteria

	Probability	Description
Very High (Almost Certain)	1 in 10 chance	Likely to occur
High (Likely)	1 in 100 chance	Will probably occur
Medium (Possible)	1 in 1,000 chance	May occur occasionally
Low (Unlikely)	1 in 10,000 chance	Do not expect to happen
Very Low (Rare)	1 in 100,000 chance	Do not believe will ever happen

The result of the risk analysis process can be used with the Risk Scoring Matrix to give a significance rating to each of the risks. It also provides a tool for prioritising risk treatment efforts by ranking each identified risk so as to give a view of its relative importance. The Risk Scoring Matrix is shown below:

IMPACT	Risk Scoring Matrix				
5 - Very High (VH)	High	High	Extreme	Extreme	Extreme
4 - High (H)	High	High	High	High	Extreme
3 - Medium (M)	Medium	Medium	Medium	Medium	High
2 - Low (L)	Low	Low	Low	Medium	Medium
1 - Very Low (VL)	Low	Low	Low	Low	Low
	A Very Low (VL)	B Low (L)	C Medium (M)	D High (H)	E Very High (VH)
	Likelihood				

4.4   Respond to Risks

There are numerous ways by which risks can be controlled, many of which require little or no financial outlay such as producing up-to-date policies and procedures and ensuring that management and staff know about and understand them by improving communication, training and induction.

Most risks present four possible courses of action (not exclusive):

Response	
Transfer	Some risks can be transferred to an insurer e.g. legal liability, property and vehicles etc. Service delivery risks can be transferred to a partner. Some risks cannot be transferred e.g. reputational risks.
Treat	Some risks will need additional treatment to reduce or mitigate their likelihood or impact. This response is most likely where the likelihood or impact is such that a risk has been identified as a high/red risk.
Terminate	In some instances, a risk could be so serious that there is no other option but to terminate the activity that is generating the risk.
Tolerate	This response will be appropriate where you judge that the control measures in place are sufficient to reduce the likelihood and impact of a risk to a tolerable level and there is no added value in doing more.

The relationship between the cost of controlling risk, and the benefits to be gained, must be considered, as there will always be a limited budget to address the issues. At this stage it is necessary to compare the estimated risks against criteria, which RQIA has established. The risk criteria may include associated costs and benefits, legal requirements, socio-economic and environmental factors, concerns of stakeholders etc. An evaluation of the risks therefore, is used to make decisions about the significance of risks to the RQIA and whether each specific risk should be avoided, accepted or treated. It is not possible to create an environment that is entirely risk free.

A properly implemented risk analysis process assists the effective and efficient operation of RQIA by identifying those risks, which require attention by management. They will need to prioritise risk control actions in terms of their potential to benefit and protect RQIA.

The proposed controls need to be measured in terms of potential economic effect if no action is taken versus the cost of the proposed action(s) and there may be occasions when the cost of reducing a risk may be totally disproportionate to the costs associated with the risk if it were to occur.

Compliance with laws and regulations is not optional. RQIA must understand the applicable laws and will implement a system of controls to achieve compliance.

4.5   Monitor and Review

The prime responsibility for ensuring there are adequate and effective controls to manage risk lies fully with all staff. Managers at all levels need, therefore, to ensure that monitoring of processes and systems that act as early warning signals takes place to highlight problems or changes in risks.

Key Indicators used to indicate that problems might be arising include:
- staff turnover by area
- customer complaints
- sick leave taken by staff group or directorate
- budget overspend / underspend
- not achieving performance milestones
- underachieving Measures of Success
- not meeting statutory requirements
- increase in SAIs
- the number of disciplinary cases
- the number of unsuccessful recruitment programmes
- the number of H&S or fire incidents or outcomes of assessments
- level of complaints received against RQIA

Whatever indicators are used, the early warning signals should be brought to the attention of staff who need to take corrective or preventative action and escalated to the appropriate Director. All managers are responsible for identifying risk, implementing and monitoring any appropriate risk management control measures within their areas and scope of responsibility.

Risk management is not a one off exercise – it needs to become an integral part of the way we work. To achieve this, the following monitoring frequency has been agreed:

At a **Corporate Level** - The Executive Management Team will review and progress the Corporate Risk Assurance Framework on a quarterly basis, with the actions continuing to progress monthly. RQIA's Board will receive and review the updated Corporate Risk Assurance Framework and progress report quarterly and the Audit Committee will receive the reports when the timing of their meetings permits it.

At a **Directorate Level** - Monitoring is undertaken by individual directorate management teams supported by the directorate risk coordinator. The directorate management teams will meet bi-monthly to review and progress the Directorate Risk Registers and will feed updates on the progress of actions to the Directorate Risk Coordinator.

Annual Reviews – The Risk Management Strategy, Corporate Risk Assurance Framework will be subject to annual review and approval from RQIA's Board.

External Reviews - Assurance on the effectiveness of the risk management process will be sought through the annual review of the Risk Management CAS, annual Internal Audit of RQIA's Risk Management Processes and the compilation of RQIA's Governance Statement and Mid-Year Governance Statement.

4.6   Report and Communicate

Two key outputs from the implementation of RQIA's Risk Management Strategy are the Corporate Risk Assurance Framework Report and Directorate Risk Registers.

Corporate Risk Assurance Framework Report
As an output of its risk management arrangements, RQIA will maintain a robust Corporate Risk Assurance Framework with the aim of providing our Board with assurance that key strategic risks are being effectively managed. These risks represent those that, if not managed effectively, could have serious consequences to RQIA achieving its high-level, strategic objectives.

The assurance process, which is driven by the Corporate Strategy objectives, is as depicted below:

1. Establish and approve RQIA's Corporate Strategy.
2. Identify potential risks impacting on achievement of corporate objectives.
3. Identify "controls" (systems and processes) in place to manage and mitigate risks (Terminate, Transfer, Treat or Tolerate)
4. Evaluate effectiveness of controls through a range of "assurances".
5. Identify any gaps in "controls" and "assurances".
6. Take action to address gaps in "controls" and "assurances".

The Corporate Risk Assurance Framework will be reviewed and scrutinised by RQIA's Board, Audit Committee and EMT on a regular basis.

Directorate Risk Registers
Each Directorate will establish, review and update their risk register bi-monthly. Each register will include the following information:
- Details of each individual risk, cross-referenced to the relevant corporate objective(s). A scoring for each risk, taking into account the impact that risk will have on RQIA if it is not effectively managed and therefore materialises, and the likelihood of the risk occurring if no action is taken.
- Details of the specific actions and controls in place to manage and mitigate each individual risk
- Details of the further action required to manage and mitigate each risk, including responsibilities and timescales.
- A separate risk log detailing changes to the register will be completed.

Inter-relationship between the Corporate and Directorate Risk Registers

The decision as to whether a risk is placed on the Corporate or one of the Directorate Risk Registers should be based on the "Level of Impact/likelihood" of the risk together with a judgement as how best to manage the risk.

1. If the risk is categorised as "low" or "medium" it should be placed on a Directorate Risk Register.
2. If the risk is categorised as "high" or "extreme" is should be considered for escalation to the Corporate Risk Assurance Framework.

If a Director feels the risk and mitigating actions can be adequately managed within their span of authority and control, the risk should be placed on their Directorate Risk Register.

However, if a Director feels the risk and mitigating actions cannot be adequately managed within their span of authority and control and the risk has a genuine corporate dimension i.e. could damage the Authority's reputation, ability to deliver services or financial standing, they should highlight the risk to the EMT. The EMT will consider the risk for inclusion in the Corporate Risk Assurance Framework and decide whether or not it is appropriate to move the risk from a Directorate Risk Register to the Corporate Risk Assurance Framework.

The Risk Scoring Matrix below is used to demonstrate where a risk should be placed:

IMPACT	*Risk Scoring Matrix*				
5 - Very High (VH)			Corporate Risk		
4 - High (H)	Corporate Risk				
3 - Medium (M)	Directorate Risk unless authorised				
2 - Low (L)				by EMT	
1 - Very Low (VL)	Directorate Risk				
	A Very Low (VL)	B Low (L)	C Medium (M)	D High (H)	E Very High (VH)
	Likelihood				

5.0   Risk Appetite

Through our programmes of inspections and reviews RQIA is concerned with monitoring and assessing a range of different risks in relation to the safe, effective, compassionate and well-led delivery of health and social services to service users. We must also manage the risks to RQIA in terms of understanding and controlling the amount of risk the organisation can bear.

As part of managing risk it is important to clearly formalise and articulate RQIA's risk appetite. Risk appetite may be defined as the amount of risk an organisation is willing to accept in pursuit of its strategic objectives.

The RQIA Board is responsible for setting the risk appetite of the organisation. RQIA generally has a low tolerance for risk. This statement will inform all RQIA plans which must be consistent with it. The adoption of a low tolerance to risk is designed to ensure RQIA maintains its independence and high levels of public confidence in our regulatory and improvement activities. However, we do recognise that there will be occasions when we need to take risks to protect the public. We will take these risks in a deliberate and thoughtful way. RQIA's lowest risk tolerance relates to our statutory obligations and the health and safety of all employees, with a marginally higher risk tolerance towards our strategic, business and individual project objectives.

The range of risks which RQIA faces falls into five major categories:

- Financial
- Information
- Regulatory & Legal
- Operational
- Reputational

These risks can impact us strategically or operationally and they are not distinct. For example, taking risks to maintain our reputation as a regulator may expose us to legal risk.

Risk can never be completely eliminated in an organisation but high performing organisations ensure that they focus on the right risks and use consideration of risk to drive the decisions they make.

The Board will review this risk appetite statement and agree any changes on an annual basis, unless it requires revision in response to any significant risks being realised.

6.0   Training and Development

Knowledge of risk management is essential to successfully embed and maintain the risk management process.   General awareness training will continue to be provided to all staff and board members at staff briefings, board workshops, during induction of new recruits and also through Elearning risk awareness training that has been rolled out to all staff.   Risk Management Procedures have also been developed along with a summary of RQIA's Risk Management Process (Risk-On-A-Page) and provided to all staff.   The Audit and Risk Assurance Committee Handbook has also been issued to all Board Members from the Audit Committee.

7.0   Review of Risk Management Strategy

The Risk Management Strategy is subject to board approval and annual review.   Any revisions to the Risk Management Strategy will take account of on-going self-assessment, developments in the functions for which RQIA has responsibility, legislative changes, government initiatives, best practice and experience gained within RQIA.

To be a driving force for improvement in the quality of health and social care in Northern Ireland

RQIA is the independent health and social care regulator in Northern Ireland

We provide assurance about the quality of care, challenge poor practice, promote improvement, safeguard the rights of service users and inform the public through the publication of our reports

Our stakeholders require us to make independent and robust assessments to determine:

Is Care Safe?
Avoiding and preventing harm to patients and clients from the care, treatment and support that is intended to help them

Is Care Effective?
The right care, at the right time in the right place with the best outcome

Is Care Compassionate?
Patients and clients are treated with dignity and respect and should be fully involved in decisions affecting their treatment, care and support

Is the Service Well-led?
Effective leadership, management and governance which creates a culture focused on the needs and experiences of service users in order to deliver safe, effective and compassionate care

To deliver our corporate strategy over the next three years, RQIA will focus on the following themes:

Deliver Operational Excellence
Improving the delivery of our core functions, taking account of best practice

Develop and Execute New Capabilities
Adapting our inspection and review programmes to address emerging needs and priorities

Use Resources Effectively
Concentrating our talents and resources where they are most required, in activities which have the greatest impact for service users

Continuously Improve Key Systems and Processes
Developing and delivering quality improvement work-streams

Focus Improvement Activities on Outcomes
Pursuing opportunities to drive quality improvement across health and social care

Develop and Enhance Effective External Relationships
Communicating effectively with all our stakeholders and sharing information with other organisations

Actively Lead Change and Manage Risk
Implementing RQIA's strategic change programme, whilst managing known risks and maintaining a strong focus on our core activities

Independence ◆ **Inclusiveness** ◆ **Integrity** ◆ **Accountability** ◆ **Professionalism** ◆ **Effectiveness**

Vision | Purpose | Stakeholder Outcomes | Strategic Themes | Values

Vision | Purpose | Stakeholder Outcomes | Strategic Themes | Values

Appendix 1

Checklist for Identifying Risks

Risks – Strategic	
These are examples of risks under each category	
Political	**Financial/Economic**
Wrong strategic priorities Not meeting government agenda Too slow to innovate/modernise Decisions based on incomplete or faulty information Unfulfilled promises to stakeholders Community planning oversights/errors	General economic problems Regional economic problems High costs of capital Treasury risks Missed business and service opportunities Failure of major project(s) Failure to deliver within budget
Social	**Technological**
Impact of demographic changes Employment challenges Lack of development Failures in partnership working Problems in delivering life-long learning Civil unrest	Obsolescence of technology Security policies: prevention of hacking, denial of use or corruption of data Breach of confidentiality Failure in communications
Legislative	**Environmental**
Judicial review Human Rights Act Breaches Inadequate response to new legislation Intervention by regularity bodies and inspectorates (Ombudsman, NIAO etc.)	Noise, contamination and pollution Impact of planning and transportation policies Domestic/Trade Waste
Competitive	**Customer**
Takeover of services by government/agencies Failure to show best value Failure of bids for government funds	Lack of appropriate consultation Impact of social policies Bad public and media relations

Risks - Directorate/Operational	
These are examples of risks under each category	
Professional	**Financial**
Failure to recruit/retain qualified staff Lack of training Over reliance on key officers Inefficient/ineffective management processes Inability to implement change Lack of employee motivation/efficiency Bad management of partnership working	Failure of project Failure to prioritise, allocate appropriate budgets and monitor Inefficient/ineffective processing of documents
Legal	**Physical**
Not meeting statutory duties/deadlines Breach of confidentiality/Data Protection Act Failure to comply with European Directives on procurement of works, supplies and services Failure to implement legislative change	Attacks on personnel Loss of intangible assets Non-compliance with health and safety legislation Loss of physical assets
Contractual	**Technological**
Over reliance on key suppliers/contractors Failure of outsource provider to deliver Quality issues Non-compliance with procurement policies	Failure of big technology-related project Crash of IT systems affecting service delivery Breaches of security of network and data Bad management of intranets and web site
Environmental	**Information**
Crime and Disorder Act implications Noise, contamination and pollution	Systems and management data not up to date Ineffective prediction of trends and forecasting of service needs

RQIA Board Meeting

Date of Meeting	7 July 2016
Title of Paper	Corporate Risk Assurance Framework Report
Agenda Item	9
Reference	F/06/16
Author	Stuart Crawford
Presented by	Maurice Atkinson
Purpose	The purpose of the Corporate Risk Assurance Framework, which is a combination of the Corporate Risk Register and Corporate Assurance Framework, is to enable RQIA to assure itself that identified risks related to the delivery of key objectives are monitored and managed effectively.
Executive Summary	A detailed change log is enclosed at pages 2 of the report. The risks are now grouped into five major categories which RQIA faces: • Financial • Information • Regulatory & Legal • Operational • Reputational
FOI Exemptions Applied	None
Equality Impact Assessment	Not applicable
Recommendation/ Resolution	It is recommended that the Board should **APPROVE** the Corporate Risk Assurance Framework Report.
Next steps	The next updated Framework Report will be presented to the Board on 22 September 2016.

CORPORATE RISK ASSURANCE FRAMEWORK

RQIA Board Meeting July 2016

CONTENTS   **Page**

Risk Log – June 2016					
LOW RISKS	**MEDIUM RISKS**	**HIGH RISKS**	**EXTREME RISKS**	**TOTAL NUMBER OF RISKS**	
0	6		0	6	
Risk ID	**Description of Change**	**Details**		**Date Changed**	**Risk Rating**
Operational Risks					
Risk 4 There is a risk that the outsourcing of a range of corporate functions to BSO in 2016/17 - Finance, Administration of Income, ICT, Information Governance, Premises Management, Organisational Development, Equality & Disability Discrimination Order and Health & Safety- may impact on the continuity and quality of the service delivered by RQIA.	**Reworded**	Risk reworded to reflect the current position in relation to the outsourcing of corporate functions.		15/06/16	**Unchanged H/M**
	4 actions added	• Project management of the service change consisting of 6 work-streams: ➢ HR/TUPE ➢ Agreement of SLAs ➢ Transfer of Services ➢ Impact on Corporate Services and other Directorates ➢ Training and Support ➢ Communication and Engagement • Work collaboratively with BSO during the period of transition • Review the performance of the delivery of the new services • Coordinate appropriate liaison arrangements and contacts within RQIA in relation to the outsourced service			
	3 controls added	• Oversight of the project by the RQIA Board and EMT • Regular reporting of progress to the Board and EMT • Oversight of the performance of outsourced functions through the annual CAS self-assessments			

Risk Log – June 2016					
LOW RISKS	**MEDIUM RISKS**		**HIGH RISKS**	**EXTREME RISKS**	**TOTAL NUMBER OF RISKS**
0	6			0	6
Risk ID	**Description of Change**	**Details**		**Date Changed**	**Risk Rating**
Risk 5 There is a risk that RQIA will continue to lose critical capacity through turnover in key posts and austerity measures including the recurring 3% efficiency savings, and Agenda for Change pay restraints combined with increasing challenges which will impact on future workforce demands and internal capacity and capability. This may result in RQIA failing to deliver its core functions thus not being able to provide the required level of assurance.	**1 action added**	Assess and review the deployment of current staff resources and make recommendations for optimising the shape, capacity and capabilities of the workforce required to deliver the corporate strategy in the context of austerity and a fast changing HSC environment.		15/06/16	**Unchanged M/M**
Reputational Risks					
Previously Risk 6 (Risk Removed) There is a risk that RQIA fails to respond and learn from the recommendations from the 'Independent review of the actions taken in relation to concerns raised about the care delivered at Cherry Tree House Nursing Home' and to the recommendations in the 2014/15 Internal Audit special assignment. This may result in a failure to take appropriate regulatory action to protect and safeguard service users which in turn could lead to a loss of public confidence in the RQIA's delivery of its core activities.	**Risk Reword, re-assessed and de-escalated to Regulation and Nursing Directorate Risk Register**	Risk reworded to: There is a risk that RQIA fails to implement all recommendations from the BSO special assignment of regulated services. This may result in a failure to take appropriate regulatory action to protect and safeguard service users which in turn could lead to a loss of public confidence in the RQIA's delivery of its core activities.		15/06/16	**Changed from L/H to L/M**
Financial Risks					

Risk Log – June 2016						
LOW RISKS	**MEDIUM RISKS**		**HIGH RISKS**		**EXTREME RISKS**	**TOTAL NUMBER OF RISKS**
0	6				0	6
Risk ID	**Description of Change**		**Details**		**Date Changed**	**Risk Rating**
Risk 6 There is a risk that RQIA will not break even on income and expenditure at 31 March 2017 due to the significant financial pressures caused by the current climate of austerity. This may result in RQIA's accounts receiving a qualified audit opinion and increased financial scrutiny from DOH.	**1 action added**		Deliver the 2016-17 Savings Plan meeting the 3% recurring reduction in RQIA's RRL and taking account of the outcome of the assessment and review of the deployment of current staff resources and recommendations for optimising the shape, capacity and capabilities of the workforce required to deliver the corporate strategy in the context of austerity and a fast changing HSC environment.		15/06/16	**Unchanged L/M**

INTRODUCTION

The purpose of the Corporate Risk Assurance Framework, which is a combination of the Corporate Risk Register and Corporate Assurance Framework, is to enable RQIA to assure itself that identified risks related to the delivery of key objectives are monitored and managed effectively. This will also remove duplication and streamline the presentation of risks to the Board and Audit Committee in one composite report.

The Regulation and Quality Improvement Authority (RQIA) Corporate Risk Assurance Framework is drawn from the high level risks identified by the Risk Assessment processes within each directorate and at corporate level.

Extreme (red) and High level (orange) risks have been endorsed by each Director and forwarded for consideration of the Executive Management Team (EMT) for inclusion onto the Corporate Risk Assurance Framework. All other levels of risk (moderate and low) are managed within operational directorates at the relevant level.

Each risk identified is underpinned with a full risk assessment and is set in the context of:
1. A link to a corporate objective or value
2. The potential for serious harm to the organisations strategic business
3. The control measures in place to mitigate against the risk and their strength (low, medium, high, extreme)

An action plan to manage the risk has been devised with a nominated lead, review date and monitoring frequency as detailed in the Corporate Risk Assurance Framework.

RISK ASSURANCE

The development of the Framework has been mandated in "*An Assurance Framework: a Practical Guide for Boards of DOH Arm's Length Bodies*" (DOH, Mar 2009) and the report has been structured as follows:

Principal Objectives - these are the corporate objectives that are crucial to the achievement of RQIA's overall goals.

Principal Risks - defined as those risks that threaten the achievement of the Principal Objectives.

Key Controls - to manage the Principal Risks. Key controls have been documented and ideally they should be subject to scrutiny by independent reviewers e.g. internal/external audit.

Independent Assurance - the key components are **assurances on controls**, **gaps in controls** and **gaps in assurances**. The most objective assurances are those derived from independent reviewers such as through internal and external audits. This process will enable RQIA to assess whether the assurances identified provide full assurance, reveal any gaps in control, or any gaps in assurance.

Board Reporting - provides an explicit framework for reporting key information to boards. Includes positive information on controls assurance, identification of inadequate controls or where insufficient assurance exists.

Action Plan - actions the organisation will take to narrow the gaps in controls and increase assurance that the principal risks are being effectively managed.

The overall aim of the Corporate Risk Assurance Framework is to put in place a system to demonstrate to the Board that the effectiveness of the controls identified by the EMT is *assured*.

RISK ANALYSIS AND EVALUATION

This risk assessment has been undertaken using:
- the impact that the risk would have on the business should it occur, and
- the likelihood of the risk materialising.

Each risk has then been placed on a risk map to show their relative positions. Further analysis for each risk is detailed including:
- the business impact,
- the controls currently in place to mitigate the risk, and
- any additional actions considered necessary by management.

The risks in the following risk register have been assessed using a risk rating matrix – what is the likelihood of an adverse event occurring given the current level of controls already in place? This has been done using the following table:

Risk likelihood assessment

	Probability	Description
Very High (Almost Certain)	1 in 10 chance	Likely to occur
High (Likely)	1 in 100 chance	Will probably occur
Medium (Possible)	1 in 1,000 chance	May occur occasionally
Low (Unlikely)	1 in 10,000 chance	Do not expect to happen
Very Low (Rare)	1 in 100,000 chance	Do not believe will ever happen

The risks have then been assessed in relation to the consequence of this event should it occur. This has been done using the following table:
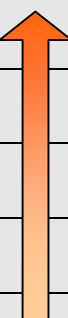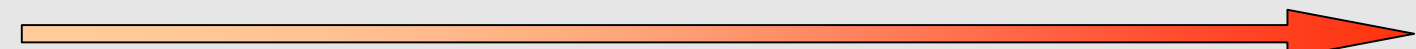
Risk impact assessment

Level of impact	Quality/ system failure	Public confidence and reputation	Complaint or claim	Financial loss
Very Low (Insignificant)	Negligible service deficit, Minor non-compliance, No impact on public health or social care, Minimal disruption to routine organisation activity, No long term consequences	Issue of no public or political concern	Legal challenge, Minor out-of-court settlement	Less than £5,000
Low (Minor)	Significant failure to meet internal standards or follow protocol, No impact on public health or social care Impact on organisation readily absorbed, No long term consequences	Local press interest, Local public or political concern	Civil action – no defence Improvement notice	£20,000
Medium (Moderate)	Repeated failures to meet internal standards or follow protocols, Minimal impact on public health and social care, Impact on the organisation absorbed with significant level of intervention, Minimal long term consequences	Limited damage to reputation, Extended local/ regional press interest, Regional public or political concern	Class action, Criminal prosecution, Prohibition notice	£20,000 – £50,000
High (Major)	Failure to meet national/ professional standards, Significant impact on public health and social care, Impact on the organisation absorbed with some formal intervention by other organisations,	Loss of credibility and confidence in the organisation, National press interest, Independent external enquiry, Significant public or political concern	Criminal prosecution – no defence, Executive officer dismissed	£50,000 – £250,000

Level of impact	Quality/ system failure	Public confidence and reputation	Complaint or claim	Financial loss
	Significant long term consequences			
Very high (Catastrophic)	Gross failure to meet professional/ national standards, Major impact on public health and social care Impact on the organisation absorbed with significant formal intervention by other organisations, Major long term consequences	Full public enquiry, Public Accounts Committee hearing, Major public or political concern	Criminal prosecution – no defence, Executive officer fined or imprisoned	£250,000

Risk Scoring Matrix

IMPACT	Risk Scoring Matrix				
5 - Very High (VH)	High	High	Extreme	Extreme	Extreme
4 - High (H)	High	High	High	High	Extreme
3 - Medium (M)	Medium	Medium	Medium	Medium	High
2 - Low (L)	Low	Low	Low	Medium	Medium
1 - Very Low (VL)	Low	Low	Low	Low	Low
	A Very Low (VL)	B Low (L)	C Medium (M)	D High (H)	E Very High (VH)
	Likelihood				

Once the level of risk is assessed, an appropriate action level is established:

Action levels

Risk level	Action level
Low	Directorate
Medium	Directorate
High	Executive Team/ Board
Extreme	Executive Team/ Board

Inter-relationship between the Corporate and Directorate Risk Registers

The decision as to whether a risk is placed on the Corporate or one of the Directorate Risk Registers should be based on the "Level of Impact/likelihood" of the risk together with a judgement as how best to manage the risk.

1. If the risk is categorised as "low" or "medium" it should be placed on a Directorate Risk Register.

2. If the risk is categorised as "high" or "extreme" is should be placed on the Corporate Risk Register.

3. In some circumstances if the risk is categorised as "medium" the relevant Director should make a judgement as to whether it should be placed on the Corporate or Directorate Risk Register.

If a Director feels the risk and mitigating actions can be adequately managed within their span of authority and control, the risk should be placed on their Directorate Risk Register.

However, if a Director feels the risk and mitigating actions cannot be adequately managed within their span of authority and control and the risk has a genuine corporate dimension i.e. could damage the Authority's reputation, ability to deliver services or financial standing, they should highlight the risk to the EMT. The EMT will consider the risk for inclusion in the Corporate Risk Assurance Framework and decide whether or not it is appropriate to move the risk from a Directorate Risk Register to the Corporate Risk Assurance Framework.

Decisions made by the Executive Team will be recorded in the minutes of EMT meetings and presented to the Audit Committee.

Risk Appetite

Risk appetite is defined as the 'amount of risk to which the organisation is prepared to accept, tolerate, or be exposed to at any point in time'[1] i.e. limiting exposure to an acceptable level for the expected gains, by identifying the amount of risk that can be tolerated.

The level of risk judged appropriate for RQIA to tolerate, is expressed at a corporate level, and for each of the key risk areas within the organisation. These key risk areas have been defined as: Financial; Information; Regulatory & Legal; Operational; and Reputational.

RQIA operates within a low overall risk range. RQIA's lowest risk appetite relates to our statutory obligations and the health and safety of all employees, with a marginally higher risk appetite towards our strategic, business and individual project objectives.

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[1] HM Treasury Orange book

RISK SCORING MATRIX

IMPACT	Risk Scoring Matrix				
5 - Very High (VH)					
4 - High (H)					
3 - Medium (M)		6	1,2,5	3,4	
2 - Low (L)					
1 - very Low (VL)					
LIKELIHOOD	A - Very low (VL)	B - Low (L)	C - Medium (M)	D - High (H)	E - Very High (VH)

RISK 1   There is a risk that changes to the legislative framework (e.g. SEND Bill) will require RQIA to undertake additional roles and responsibilities without assurance of the available resources to fulfil these obligations, which may result in RQIA being unable to deliver the required assurances that services are being provided in accordance with the relevant regulations and standards.

RISK 2   There is a reputational risk that the existing regulatory and legislative framework fails to keep pace with the introduction of new service delivery models. This may result in some new services not being registered and brought within an appropriate regulatory framework.

RISK 3   There is a risk that RQIA will not be able to discharge the statutory function of providing second opinions for treatment plans due to a lack of suitable applications and appointments to the RQIA List of Part IV Medical Practitioners.

RISK 4   There is a risk that the outsourcing of a range of corporate functions to BSO in 2016/17 - Finance, Administration of Income, ICT, Information Governance, Premises Management, Organisational Development, Equality & Disability Discrimination Order and Health & Safety - may impact on the continuity and quality of the service delivered by RQIA.

RISK 5   There is a risk that RQIA will continue to lose critical capacity through turnover in key posts and austerity measures including the recurring 3% efficiency savings, and Agenda for Change pay restraints combined with increasing challenges which will impact on future workforce demands and internal capacity and capability. This may result in RQIA failing to deliver its core functions thus not being able to provide the required level of assurance.

RISK 6   There is a risk that RQIA will not break even on income and expenditure at 31 March 2017 due to the significant financial pressures caused by the current climate of austerity. This may result in RQIA's accounts receiving a qualified audit opinion and increased financial scrutiny from DOH.

Vision

To be a driving force for improvement in the quality of health and social care in Northern Ireland

Purpose

RQIA is the independent health and social care regulator in Northern Ireland

We provide assurance about the quality of care, challenge poor practice, promote improvement, safeguard the rights of service users and inform the public through the publication of our reports

Stakeholder Outcomes

Our stakeholders require us to make independent and robust assessments to determine:

Is Care Safe?
Avoiding and preventing harm to patients and clients from the care, treatment and support that is intended to help them

Is Care Effective?
The right care, at the right time in the right place with the best outcome

Is Care Compassionate?
Patients and clients are treated with dignity and respect and should be fully involved in decisions affecting their treatment, care and support

Is the Service Well-led?
Effective leadership, management and governance which creates a culture focused on the needs and experiences of service users in order to deliver safe, effective and compassionate care

Strategic Themes

To deliver our corporate strategy over the next three years, RQIA will focus on the following themes:

Deliver Operational Excellence
Improving the delivery of our core functions, taking account of best practice

Develop and Execute New Capabilities
Adapting our inspection and review programmes to address emerging needs and priorities

Use Resources Effectively
Concentrating our talents and resources where they are most required, in activities which have the greatest impact for service users

Continuously Improve Key Systems and Processes
Developing and delivering quality improvement work-streams

Focus Improvement Activities on Outcomes
Pursuing opportunities to drive quality improvement across health and social care

Develop and Enhance Effective External Relationships
Communicating effectively with all our stakeholders and sharing information with other organisations

Actively Lead Change and Manage Risk
Implementing RQIA's strategic change programme, whilst managing known risks and maintaining a strong focus on our core activities

Values

Independence ◆ Inclusiveness ◆ Integrity ◆ Accountability ◆ Professionalism ◆ Effectiveness

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ACTION BY DATE CALENDAR

Directorates	Jan-16	Feb-16	March-16	April-16	May-16	June-16	July-16	Aug-16	Sept-16	Oct-16	Nov-16	Dec-16	On-going
Chief Executive (CE)								5	6				1,2,5,6
Corporate Services (CS)									4				4
Regulation & Nursing (R&N)													2
MHLD & Social Work (MHLD)													3
Reviews (R)													
Executive Management Team (EMT)													

CORPORATE RISK ASSURANCE FRAMEWORK

Ref No.	Description of Risk	Risk Owner	Key Controls	Assurance on Controls	Assessment of Risk			Gaps in Controls	Gaps in Assurances	Action/s Proposed	Action Owner/s	Date
					Likelihood	Impact	Risk Rating					
	What would prevent the objective being achieved?	One Person	What controls / systems are in place already to manage the risk	Where can we gain evidence that the controls we are relying on are in place and effective?				Where are we failing to put controls / systems in place or are failing to make them effective?	Where are we failing to gain evidence that our controls / systems are in place and effective?	What needs to be done to meet the gaps in controls and assurances?		Action by Date
Operational Risks												
Strategic Theme : 1 - Deliver Operational Excellence 2 - Develop and Execute New Capabilities												
1	There is a risk that changes to the legislative framework (e.g. SEND Bill) will require RQIA to undertake additional roles and responsibilities without assurance of the available resources to fulfil these obligations, which may result in RQIA being unable to deliver the required assurances that services are being provided in accordance with the relevant regulations and standards.	CE	• RQIA provides sponsor branch with information to facilitate consideration of the necessary resource requirements to enable RQIA to respond effectively to changes in legislative requirements. • RQIA can, in consultation with sponsor Branch, adjust aspects of its existing programme to release the time and capacity to undertake new tasks and responsibilities. • RQIA has submitted costed proposals to increase its capacity to undertake inspections, investigations and reviews in response to increase demand for its services.		M	M	M			RQIA will identify additional tasks arising from changes in the legislative framework and will make sure these are included within the business planning process and in business case preparations as necessary.	CE	Ongoing

Ref No.	Description of Risk	Risk Owner	Key Controls	Assurance on Controls	Assessment of Risk			Gaps in Controls	Gaps in Assurances	Action/s Proposed	Action Owner/s	Date
					Likelihood	Impact	Risk Rating					
	What would prevent the objective being achieved?	One Person	What controls / systems are in place already to manage the risk	Where can we gain evidence that the controls we are relying on are in place and effective?				Where are we failing to put controls / systems in place or are failing to make them effective?	Where are we failing to gain evidence that our controls / systems are in place and effective?	What needs to be done to meet the gaps in controls and assurances?		Action by Date
Strategic Theme : 1 - Deliver Operational Excellence 2 - Develop and Execute New Capabilities												
2	There is a reputational risk that the existing regulatory and legislative framework fails to keep pace with the introduction of new service delivery models. This may result in some new services not being registered and brought within an appropriate regulatory framework.	CE	• Currently participating in a multi-agency group examining the regulatory framework in supported living services. • A paper detailing the gaps in legislative provision for DOH was forwarded to DOH in Sept 2014. • Any services that are identified by RQIA which are operating outside of the legislative framework but should be regulated to protect and safeguard service users are reported to DOH.		M	M	M			• Liaise with the Department to assess the impact of new and emerging service models and how they impact on the regulatory framework. • Continue to liaise with the Department until the drafted Regulation for the Registration and Inspection of Fostering Agencies comes into force.	CE R&N	Ongoing Ongoing

Ref No.	Description of Risk	Risk Owner	Key Controls	Assurance on Controls	Assessment of Risk			Gaps in Controls	Gaps in Assurances	Action/s Proposed	Action Owner/s	Date
					Likelihood	Impact	Risk Rating					
	What would prevent the objective being achieved?	One Person	What controls / systems are in place already to manage the risk	Where can we gain evidence that the controls we are relying on are in place and effective?				Where are we failing to put controls / systems in place or are failing to make them effective?	Where are we failing to gain evidence that our controls / systems are in place and effective?	What needs to be done to meet the gaps in controls and assurances?		Action by Date
Strategic Theme :												
1 - Deliver Operational Excellence												
3	There is a risk that RQIA will not be able to discharge the statutory function of providing second opinions for treatment plans due to a lack of suitable applications and appointments to the RQIA List of Part IV Medical Practitioners.	MHLD	• 6 Part IV Medical Practitioners currently on list. • Policy and Procedure updated and implemented • Currently appointed Medical Practitioners invited to apply for reappointment. • Revision of the agreed minimum criteria for application for appointment to the RQIA List of Part IV Medical Practitioners.		H	M	M			• Continue to pursue the revised business case with DOH requesting additional funding to recruit and provide training and associated administration for an increased capacity of Part IV Medical Practitioners, and an increase in the payments to Medical Practitioners to attract applicants. • There is an open advertisement for additional Medical Practitioners publicly.	MHLD MHLD	Ongoing Ongoing
Strategic Theme :												

Ref No.	Description of Risk	Risk Owner	Key Controls	Assurance on Controls	Assessment of Risk			Gaps in Controls	Gaps in Assurances	Action/s Proposed	Action Owner/s	Date
					Likelihood	Impact	Risk Rating					
	What would prevent the objective being achieved?	One Person	What controls / systems are in place already to manage the risk	Where can we gain evidence that the controls we are relying on are in place and effective?				Where are we failing to put controls / systems in place or are failing to make them effective?	Where are we failing to gain evidence that our controls / systems are in place and effective?	What needs to be done to meet the gaps in controls and assurances?		Action by Date
1 - Deliver Operational Excellence												
3 - Use Resources Effectively												
4	There is a risk that the outsourcing of a range of corporate functions to BSO in 2016/17 - Finance, Administration of Income, ICT, Information Governance, Premises Management, Organisational Development, Equality & Disability Discrimination Order and Health & Safety - may impact on the continuity and quality of the service delivered by RQIA.	CE	• Oversight of the project by the RQIA Board and EMT • Regular reporting of progress to the Board and EMT • Oversight of the performance of outsourced functions through the annual CAS self-assessments		H	M	M	Absence of agreed SLAs for each service to be outsourced to BSO, including performance management arrangements		• Project management of the service change consisting of 6 work-streams: ➢ HR/TUPE ➢ Agreement of SLAs ➢ Transfer of Services ➢ Impact on Corporate Services and other Directorates ➢ Training and Support ➢ Communication and Engagement • Work collaboratively with BSO during the period of transition • Review the performance of the delivery of the new services • Coordinate appropriate liaison arrangements and contacts within RQIA in relation to the outsourced service	CS CS CS CS	Sept 2016 Ongoing Ongoing Ongoing
Strategic Theme : 1 - Deliver Operational Excellence 3 - Use Resources Effectively												

Ref No.	Description of Risk	Risk Owner	Key Controls	Assurance on Controls	Assessment of Risk			Gaps in Controls	Gaps in Assurances	Action/s Proposed	Action Owner/s	Date
	What would prevent the objective being achieved?	One Person	What controls / systems are in place already to manage the risk	Where can we gain evidence that the controls we are relying on are in place and effective?	Likelihood	Impact	Risk Rating	Where are we failing to put controls / systems in place or are failing to make them effective?	Where are we failing to gain evidence that our controls / systems are in place and effective?	What needs to be done to meet the gaps in controls and assurances?		Action by Date
5	There is a risk that RQIA will continue to lose critical capacity through turnover in key posts and austerity measures including the recurring 3% efficiency savings, and Agenda for Change pay restraints combined with increasing challenges which will impact on future workforce demands and internal capacity and capability. This may result in RQIA failing to deliver its core functions thus not being able to provide the required level of assurance.	CE	• Developed a 2015-16 Savings Plan to meet the 3% reduction in RQIA's RRL (£201,112). • Each Director continuously reviews vacancies which arise as a result of staff turnover to ensure that key posts are filled through the appropriate recruitment and selection processes. • EMT exercises corporate oversight of all senior and mid management vacancies to ensure continuity of RQIA's core business.	• Regular monthly reporting of the financial position to the EMT, RQIA Board and DOH. • Regular review by the EMT of key vacancies at senior and mid-level.	M	M	M			• Assess and review the deployment of current staff resources and make recommendations for optimising the shape, capacity and capabilities of the workforce required to deliver the corporate strategy in the context of austerity and a fast changing HSC environment. • Provide opportunities for staff through succession planning initiatives to develop their experience, skills and knowledge in order to retain staff with the potential to take on additional responsibilities and fill critical roles in the future.	CE CE	Board Workshop - August Ongoing

Financial Risks

Strategic Theme :
1 - Deliver Operational Excellence

Ref No.	Description of Risk	Risk Owner	Key Controls	Assurance on Controls	Assessment of Risk			Gaps in Controls	Gaps in Assurances	Action/s Proposed	Action Owner/s	Date
					Likelihood	Impact	Risk Rating					
	What would prevent the objective being achieved?	One Person	What controls / systems are in place already to manage the risk	Where can we gain evidence that the controls we are relying on are in place and effective?				Where are we failing to put controls / systems in place or are failing to make them effective?	Where are we failing to gain evidence that our controls / systems are in place and effective?	What needs to be done to meet the gaps in controls and assurances?		Action by Date
3 - Use Resources Effectively												
6	There is a risk that RQIA will not break even on income and expenditure at 31 March 2017 due to the significant financial pressures caused by the current climate of austerity. This may result in RQIA's accounts receiving a qualified audit opinion and increased financial scrutiny from DOH.	CE	• Finance reporting structures are in place. • Developed a 2016-17 Savings Plan to meet the 3% recurring reduction in RQIA's RRL (£207,078).	• Regular monthly reporting of the financial position to the EMT, RQIA Board and DOH.	L	M	M			• Deliver the 2016-17 Savings Plan meeting the 3% recurring reduction in RQIA's RRL and taking account of the outcome of the assessment and review of the deployment of current staff resources and recommendations for optimising the shape, capacity and capabilities of the workforce required to deliver the corporate strategy in the context of austerity and a fast changing HSC environment.	CE	Ongoing

Date of Meeting	7 July 2016
Title of Paper	Chief Executive's Performance Dashboard
Agenda Item	10
Reference	G/06/16
Authors	Executive Team
Presented by	Chief Executive
Purpose	To present a summary of performance and key risks across our core activities.
Executive Summary	Updates are provided in respect of the following – • Regulation • Reviews • Mental Health & Learning Disability • Information System Developments • Finance
FOI Exemptions Applied	None
Equality Impact Assessment	Not applicable
Recommendation/ Resolution	The Board is asked to **COMMENT** on the Chief Executive's Performance Dashboard.
Next steps	Not applicable

CHIEF EXECUTIVE'S PERFORMANCE DASHBOARD

Performance Area			Commentary
Regulation	*Is the programme of work in Regulation on track?*	*Update*	Inspections of regulated services continue to be on schedule with a number of inspections taking place in response to concerns. The iConnect shutdown was well managed and any issues highlighted during re-start of the system have been addressed. The contingency measures put in place for business continuity during a period of iConnect shutdown worked well and there are no legacy issues outstanding from this.
		Significant risks, issues or concerns for escalation to the Board	No significant issues of concern are currently apparent. The potential for bringing a number of services under regulation that provide care to children in their own home is being discussed with colleagues in the DoH.
Reviews	*Is the programme of work in Reviews on track?*	*Update*	Two review reports have been published: • Review of HSC Trusts' Readiness to comply with an Allied Health Professions Professional Assurance Framework • Review of Quality Improvement Systems and Processes Two review reports are awaiting publication; • Review of Governance Arrangements relating to General Practitioner (GP) Services in Northern Ireland • Review of the Operation of Whistleblowing Arrangements in Arm's Length Bodies

Performance Area			Commentary
			Three review reports are at the factual accuracy stage; - Review of Governance Arrangements relating to Professional Regulation - Review of Adult Learning Disability Services - Review of Maternity Services Five reviews from the 2016-2017 year have commenced. Augmented care inspections in areas such as renal and oncology to commence in August 2016. Antrim Area Hospital report published. Fifth hospital inspection taking place in the near future. Report of a joint inspection of Hydebank Wood College and Ash Women's Prison will be published later this year.
		Significant risks, issues or concerns **for escalation to the Board**	There are no issues of concern for escalation to the Board.
Mental Health & Learning Disability (MHLD)	*Is the programme of work in MHLD on track?*	*Update*	A stakeholder workshop is planned for 6 July 2016 at Mossley Mill, to share the revised inspection methodology and a report will be forwarded to the Board, following the evaluation in September.
		Significant risks, issues or concerns	There are no issues of concern for escalation to the Board.

Traffic Light (Red-Amber-Green) Rating System

🔴   -   Target not achieved

🟠   -   Target unlikely to be achieved by the completion date

🟢   -   On target or achieved

Performance Area			Commentary
		for escalation to the Board	
Finance	**Are we on target to achieve break-even?**	*Update*	We are currently projecting an end-of-year break-even position on income and expenditure.
		Significant risks, issues or concerns for escalation to the Board	There are no issues of concern for escalation to the Board.
Update on Information System Developments	**iConnect Web Portal** The upgrade of iConnect to integrate the web portal module with the core system was successfully completed on 10 June 2016. A four week pilot involving 31 services commenced on 28 June. Following this, the web portal will be rolled out to services regulated and inspected by the Regulation and MHLD Directorates in five tranches, broken down by trust areas and service types. It is anticipated that the full roll-out of the web portal will be completed in January 2017. The portal will allow Registered Managers and Providers to submit notifications of adverse events, apply for registration, make changes to registration details, submit Quality Improvement Plans (QIP) and provide feedback on Inspections as well as enable the creation and management of delegated users authorised to interact with RQIA though the portal. **MHLD Information System Project** The Strategic Outline Case (SOC) for a MHLD Information System was submitted to the DoH on 7 June 2016 for their approval. We are awaiting feedback on the SOC.		

Traffic Light (Red-Amber-Green) Rating System
- Target not achieved
- Target unlikely to be achieved by the completion date
- On target or achieved

Performance Area	Commentary
BSO Shared Services	The human resources aspects of the transfer of a range of corporate functions to BSO have been finalised. Work is ongoing to take forward the six workstreams in RQIA's transition project.

Traffic Light (Red-Amber-Green) Rating System

- Target not achieved
- Target unlikely to be achieved by the completion date
- On target or achieved

RQIA's Performance Dashboard - Monthly KPIs

2016-17

Board Meeting – July 2016

Traffic Light (Red-Amber-Green) Rating System

- Target not achieved
- Target unlikely to be achieved by the completion date
- On target or achieved

Key Performance Indicator: Number of complaints about RQIA received and resolved

Reporting Frequency: Monthly

Owner: Chief Executive

How do we measure this:

Number of complaints about RQIA received

EFQM Excellence Model[1]

Customer Results

Number of complaints received and Resolved													
	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March
Number received	2	1	0	0									
Resolved at stage 1	0	1	1	0									
Resolved at stage 2	0	0	0	0									
Ongoing	2	2	1	1									
With Ombudsman	0	0	0	0									

Summary
A complaint received in March was resolved at stage 1 in April.
A complaint received in April was resolved at stage 1 in May.
A complaint received in March remained ongoing in June.

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[1] EFQM Excellence Model (Results) is detailed at the end of the performance dashboard

Traffic Light (Red-Amber-Green) Rating System
- Target not achieved
- Target unlikely to be achieved by the completion date
- On target or achieved

Key Performance Indicator: Public and professional engagement activities	
Reporting Frequency: Monthly	**Owner:** Chief Executive

How do we measure this: Number of public and professional engagement activities attended or delivered **EFQM Excellence Model** Society Results	
RAG Rating: 🟢	 **Number of Engagement Activities Attended or Delivered** **Summary** During June RQIA met with John Wadham, the new chair of UK National Preventive Mechanism, and at the NICON Conference Dr Stewart was a panel member discussing with delegates how regulation can provide a foundation for supporting change and enabling quality.
Exception Report:	

Key Performance Indicator: Vacancies per Directorate	
Reporting Frequency: Monthly	**Owner:** Director of Corporate Services

How do we measure this: Number of vacancies as per Directorate **EFQM Excellence Model** People Results	

Vacant Posts per Directorate

Legend: Regulation, Reviews, MHLD, Corporate Services, CEO

2016/17 Year

Summary
June vacant posts:

Corp Services - B3 Admin Officer – 1.0 WTE, B2 Receptionist - 0.5 WTE, B4 0.4 of a (job share) PA post, B7 HR Manager – 1.0 WTE, B7 IT Manager – 1.0 WTE, Band 4 – 1.0 WTE
Reviews - B3 Project Admin 1.0 WTE, B7 Inspector (temporary vacant post while acting up) 1.0 WTE
Regulation - B7 Inspector 1.0 WTE , B3 Admin Officer 2.0 WTE
MH&LD - No Vacancies
CE's Office – No Vacancies

Traffic Light (Red-Amber-Green) Rating System
- Target not achieved
- Target unlikely to be achieved by the completion date
- On target or achieved

Key Performance Indicator: Sickness Absence	
Reporting Frequency: Monthly	**Owner:** Director of Corporate Services

How do we measure this:	
Sickness absence figures, achieved versus 4.36% target **EFQM Excellence Model** People Results	**RQIA 2016/2017 Absence** — 2016/17 RQIA Monthly % Absence — 2016/17 RQIA Cumulative Monthly % Absence
RAG Rating: 	**Summary** In May RQIA's absenteeism was 5.37% which is above the Department's set target of 4.36%. The cumulative total is currently 5.01%.
Exception Report: A number of absences in relation to long term sickness is currently impacting on these figures.	

Key Performance Indicator: Financial Position Forecast	
Reporting Frequency: Monthly	**Owner:** Director of Corporate Services

<table>
<tr><td rowspan="3">
How do we measure this:

Forecast expenditure versus total authorised spend

EFQM Excellence Model

Business Results

RAG Rating:
</td>
<td>

Progress reported up to end of May 2016

Monthly Forecast of Year End Position

Legend: S&W, G&S, Total Income

Chart axis: 9,000 / 8,000 / 7,000 / 6,000 / 5,000 / 4,000 / 3,000 / 2,000 / 1,000 / 0

Months: May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar

	May £'000
Expenditure	
S&W	6,291
G&S	1,484
Total Expend	7,775
Income	
Other Income	912
RRL	6,844
Total Income	7,756
Surplus/(Deficit)	(19)

The current RRL funding excludes £19k Clinical Excellence Award for the period April 16 -Sept 16 inclusive. This outstandinging funding will enable RQIA to break even at the year end.

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Exception Report:

Key Performance Indicator: Percentage of recommendations and requirements stated once and on further occasions following the inspections of regulated service providers

Reporting Frequency: Monthly	**Owner:** Director of Regulation and Nursing

| **How do we measure this:**

Total number of recommendations and requirements stated for the 1st, 2nd, 3rd time and on further occasions

EFQM Excellence Model

Customer Results |
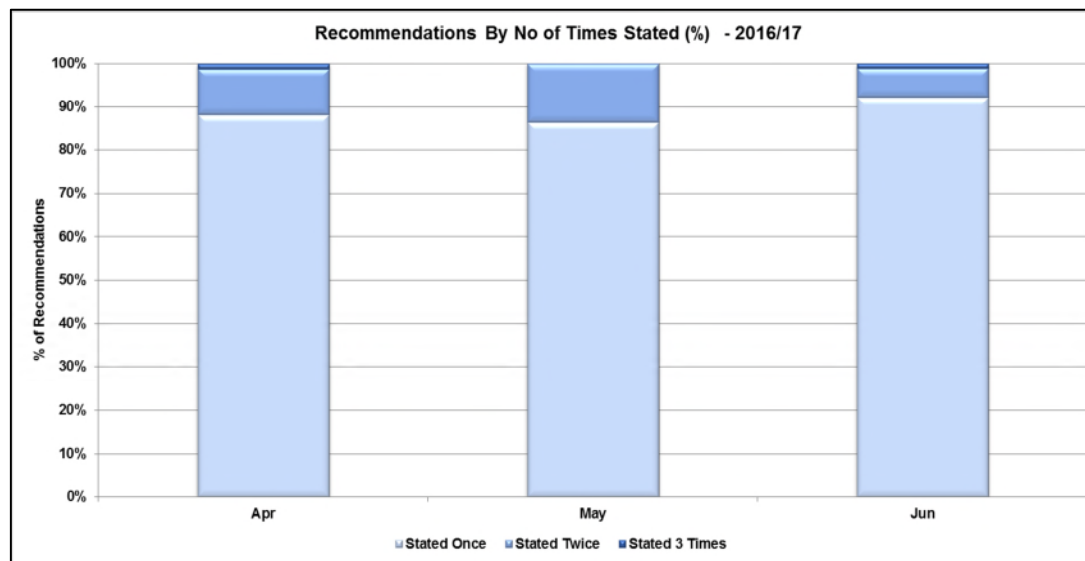
Summary
A breakdown of the recommendations stated are:

The cumulative total for recommendations at the end of June 2016 is stated once 887 (89%), twice 96 (10%) and three times 9 (1%) |

Recommendations By No of Times Stated (%) - 2016/17

Stated Once   Stated Twice   Stated 3 Times

	Stated Once		**Stated Twice**		**Stated 3 Times**	
	Number	**Percent**	**Number**	**Percent**	**Number**	**Percent**
April	290	88%	35	11%	4	1%
May	203	86%	32	14%	0	0%
Jun	394	92%	29	7%	5	1%

Traffic Light (Red-Amber-Green) Rating System
- Target not achieved
- Target unlikely to be achieved by the completion date
- On target or achieved

Requirements By No of Times Stated (%) - 2016/17
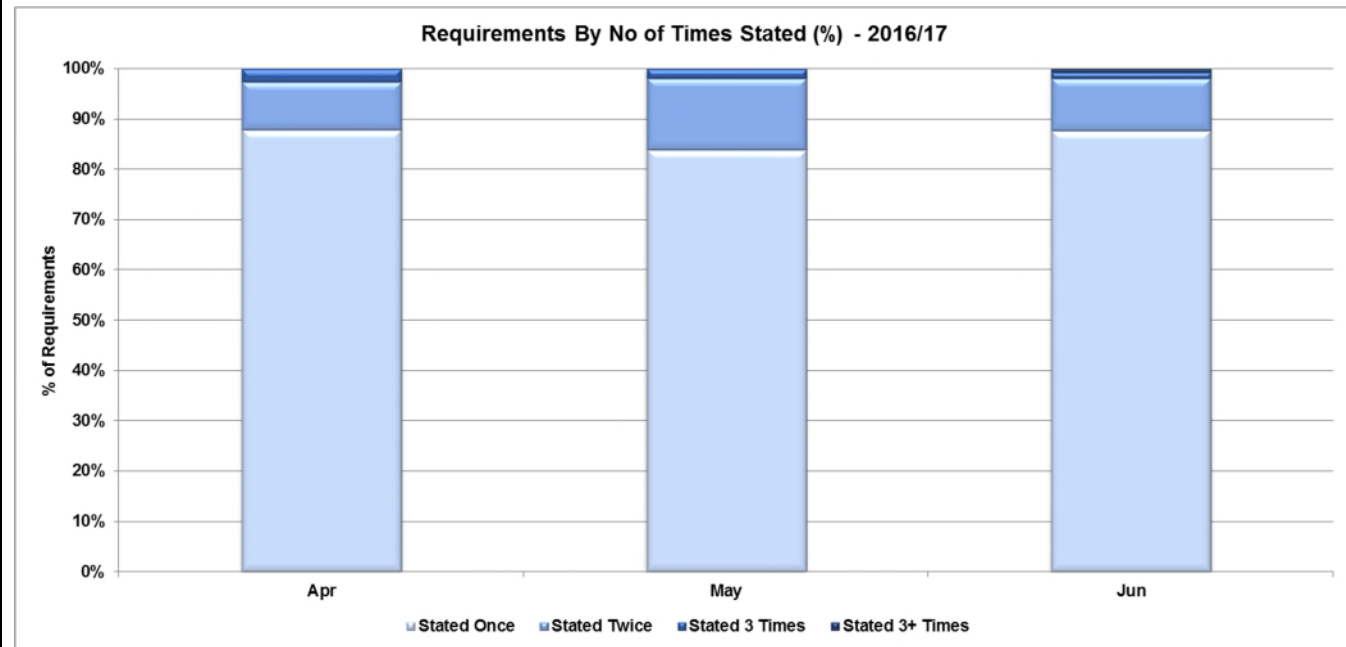
Summary

A breakdown of the requirements stated are:

	Stated Once		Stated Twice		Stated 3 Times		Stated 3+ Times	
	Number	**Percent**	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
April	101	88%	11	10%	3	3%	0	0%
May	88	84%	15	14%	2	2%	0	0%
Jun	135	88%	16	10%	2	1%	1	1%

The cumulative total for requirements at the end of June 2016 is stated once 324 (87%), twice 42 (11%), three times 7 (2%) and 3+ times 1 (0.3%)
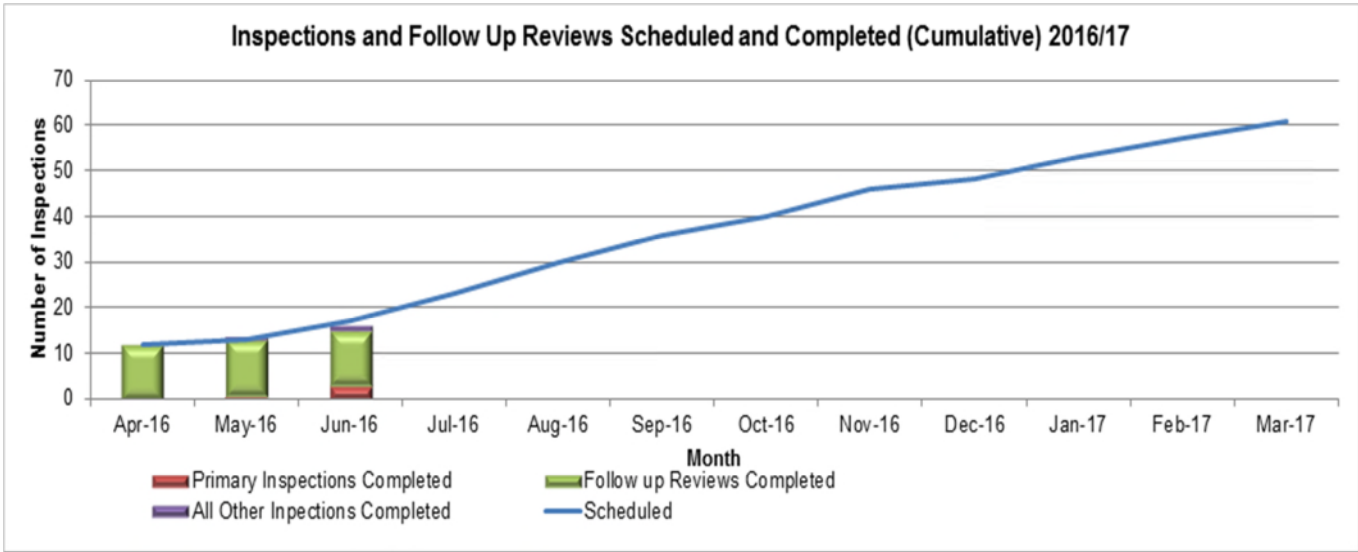
Exception Report:

Traffic Light (Red-Amber-Green) Rating System
- Target not achieved
- Target unlikely to be achieved by the completion date
- On target or achieved

Key Performance Indicator: Regulation inspection progress on planned inspection activity for the year

Reporting Frequency: Monthly	Owner: Director of Regulation and Nursing

How do we measure this: Number of inspections planned versus completed **EFQM Excellence Model** Business Results **RAG Rating:**	Inspections Scheduled and Completed (Accumulative) 2016/17 **Summary** In June 277 inspections were scheduled and 250 inspections were completed and updated on iConnect. There is a delay between the time of the inspection and when it is updated on iConnect which means a slight variance between the two figures is anticipated. This KPI is on target.

Exception Report:

Key Performance Indicator: Healthcare inspection progress on planned inspection activity for the year	
Reporting Frequency: Monthly	**Owner:** Director of Reviews and Medical Director

How do we measure this: Number of inspections planned and delivered (Infection prevention and hygiene, IR(ME)R acute hospitals and prisons) **EFQM Excellence Model** Business Results **RAG Rating:**	 **Summary** By the end of March 2017 40 inspections are planned. In June one inspection was completed which was a reinspection of infection prevention and hygiene was completed.
Exception Report:	

Key Performance Indicator: Review Programme progress on milestones	
Reporting Frequency: Monthly	**Owner:** Director of Reviews and Medical Director

How do we measure this: Number of milestones planned and met, monthly & YTD **EFQM Excellence Model** Business Results	
RAG Rating: 	 **Summary** Milestones of the RQIA Review Programme Delivery Plan agreed for 2016/2017: Project briefs agreed; fieldwork commenced; first draft of Review Reports completed and Review Reports submitted to the DHSSPS. There are a total of 29 milestones. The Review Programme is on track.
Exception Report:	

Traffic Light (Red-Amber-Green) Rating System
- Target not achieved
- Target unlikely to be achieved by the completion date
- On target or achieved

Key Performance Indicator: GAIN Programme progress on milestones

Reporting Frequency: Monthly	Owner: Director of Reviews and Medical Director

How do we measure this:

Number of milestones planned and met, monthly & YTD

EFQM Excellence Model

Business Results

RAG Rating:

GAIN Programme Milestones (Cumulative)

Planned
Completed

Summary
A GAIN delivery plan has been agreed for 2016/2017 with milestones set for key deliverables. These include, programme deliverables such as assessment of applications for guidelines and audits and agreeing a programme for the year; and individual milestones for specific audit and guideline projects.

Exception Report:

Key Performance Indicator: Number of MHLD recommendations stated once and stated on further occasions

Reporting Frequency: Monthly | **Owner:** Director of MHLD

How do we measure this:

Total number of recommendations stated for the 1st, 2nd, 3rd time and on further occasions

EFQM Excellence Model

Customer Results

Month	Stated once Number	Stated twice Number	Stated three times Number	Stated more than three times Number
April	0	N/A	N/A	N/A
May	3	N/A	N/A	N/A
June				
July				
August				
September				
October				
November				
December				
January				
February				
March				
Total	0	0		0

Summary
In May a ward was inspected in relation to a concern raised with RQIA.

Note: The figures for June will not be available until mid-July.

Exception Report:

Traffic Light (Red-Amber-Green) Rating System
- Target not achieved
- Target unlikely to be achieved by the completion date
- On target or achieved

Key Performance Indicator: MHLD inspection progress on planned inspection activity for the year	
Reporting Frequency: Monthly	**Owner:** Director of MHLD

How do we measure this:

Number of inspections planned versus completed

EFQM Excellence Model

Business Results

Inspections and Follow Up Reviews Scheduled and Completed (Cumulative) 2016/17

RAG Rating:

Summary

In June the MHLD Directorate completed four unannounced inspections. Three scheduled inspections which are part of the pilot for the revised methodology and one in response to a whistleblowing letter received.

This KPI is on target.

Exception Report:

EFQM Excellence Model (Results)

RQIA's staff take responsibility and lead on improvement initiatives identified in our latest European Foundation for Quality Management (EFQM) assessment and RQIA was delighted to have been awarded the prestigious 4 star award recognised for excellence in December 2015.

There are four results areas, shown on the right-hand side of the model displayed below. These are the results an organisation achieves, in line with their strategic goals and these have been mapped against the monthly KPI's detailed throughout this dashboard.

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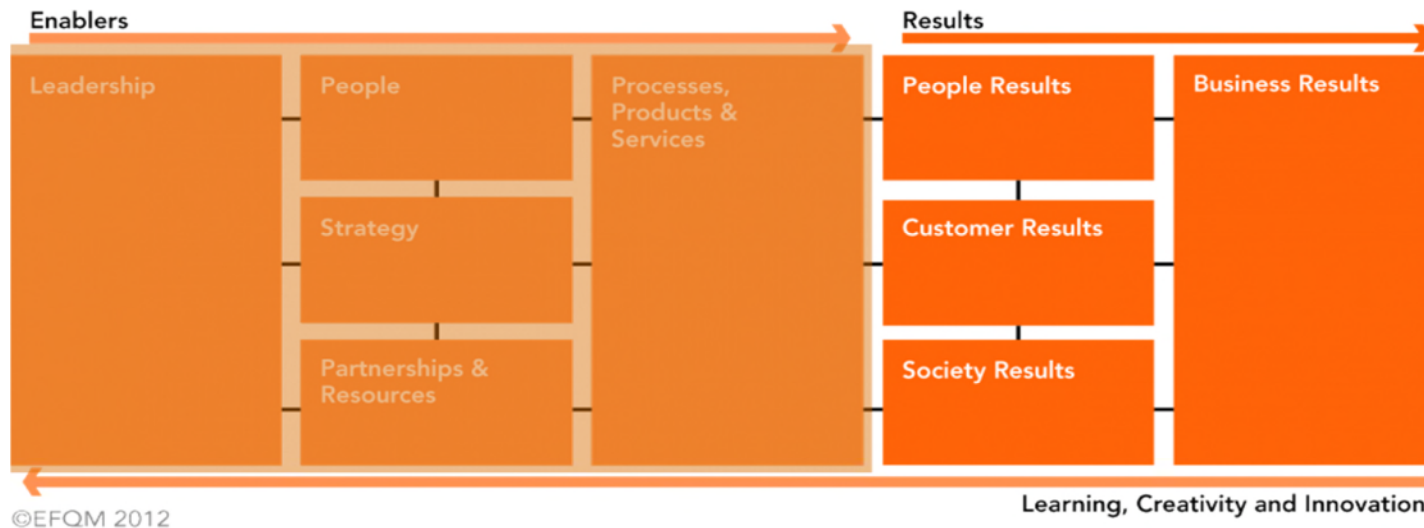
- **Customer Results -** Excellent organisations achieve and sustain outstanding results that meet or exceed the need and expectations of their customers.
- **People Results -** Excellent organisations achieve and sustain outstanding results that meet or exceed the need and expectations of their people.
- **Society Results -** Excellent organisations achieve and sustain outstanding results that meet or exceed the need and expectations of relevant stakeholders within society.
- **Business Results -** Excellent organisations achieve and sustain outstanding results that meet or exceed the need and expectations of their business stakeholders.

Traffic Light (Red-Amber-Green) Rating System
- Target not achieved
- Target unlikely to be achieved by the completion date
- On target or achieved

The Regulation and Quality Improvement Authority

RQIA Board Meeting

Date of Meeting	7 July 2016
Title of Paper	Audit Committee Business
Agenda Item	11
Reference	H/06/16
Author	Katie Symington
Presented by	Denis Power
Purpose	The purpose of this paper is to update the RQIA Board on the recent Audit Committee meetings.
Executive Summary	The Audit Committee has met on one occasion since the last Board meeting. At the meeting on 23 June 2016, the minutes of the meeting of 28 April 2016 were approved, subject to amendment and these are attached for noting by the Board. The Committee Chairman will verbally update the Board on the meeting of 23 June 2016.
FOI Considerations	None
Equality Impact Assessment	Not applicable
Recommendation/ Resolution	The Board is asked to **NOTE** the update from the Committee Chair.
Next steps	The Audit Committee is scheduled to meet again on 20 October 2016.

MINUTES

RQIA Audit Committee Meeting, 28 April 2016
Boardroom, 9th Floor, Riverside Tower, Belfast, 2.00pm

Present	**In attendance**
Denis Power (Chair)	Dr David Stewart (Director of Reviews and Medical Director)
Patricia O'Callaghan	
Seamus Magee	Maurice Atkinson (Director of Corporate Services)
Robin Mullan	Stuart Crawford (Planning and Corporate Governance Manager)
Gerry McCurdy	
	Brian Clerkin (ASM)
	John Murray (Business Services Organisation, Internal Audit)
	Patricia Blair (Northern Ireland Audit Office)
	Katie Symington (Board & Executive Support Manager)

Apologies
Lindsey Smith
Catherine McKeown (Business Services Organisation, Internal Audit)
Donna Ruddy (Department of Health)

1.0   Welcome and Apologies

1.1   The Chair welcomed all members and officers to the Audit Committee meeting. Apologies were noted from Lindsey Smith, Catherine McKeown and Donna Ruddy.

2.0   Declaration of Interests

2.1   The Chair of the Audit Committee asked Committee members if, following consideration of the agenda items, any interests were required to be declared in line with Standing Orders. No declarations of interests were made.

3.0   Chairman's Business

3.1   The Chair shared the document as written for the Bi-lateral meeting, with Audit Committee members. This document will be used to inform the Chair's Annual Report. The Chair noted the positive feedback from both Internal and External Audit at this meeting.

3.2   The Chair noted the internal review as presented at the March Board meeting. A learning points report on the internal review will be presented at a future meeting of the Board. This item will also be discussed at the next Audit Committee meeting.

3.3   The Chair welcomed the Director of Reviews and Medical Director, Dr David Stewart, to this meeting; Dr Stewart is deputising for the Chief Executive.

3.4   Committee members **NOTED** Chairman's Business.

4.0   Minutes of previous meeting (AC/Min16/Mar)
- **Matters Arising**
- **Notification of AOB**
- **Action List Review**

4.1   Committee members **APPROVED** the minutes of the meeting of 3 March 2016 for onward transmission to the Board on 28 April 2016.

4.2   **Resolved Action (322)**
        Board & Executive Support Manager to bring the Audit Committee minutes of 3 March 2016 to the May meeting of the Board for noting.

4.3   The Director of Reviews and Medical Director clarified that further to paragraph 5.2 of the minutes; RQIA does not hold a Memorandum of Understanding with the Health and Safety Executive.

4.4   Audit Committee members noted that action 319 will be presented at the next Audit Committee meeting on 23 June 2016. All other actions have been completed.

5.0   Chief Executive Update on key risks

5.1   The Director of Reviews and Medical Director provided an update on key risks to Committee members. Members were informed that Glenn Houston will be retiring as Chief Executive on 4 May 2016. The post of Interim RQIA Chief Executive has been advertised for a one year period. Applications for this post have now closed and interviews will take place in mid-May. Dr Stewart will become Acting Chief Executive until the Interim Chief Executive takes up post.

5.2   The Director of Reviews and Medical Director advised Audit Committee members that of the eight appeals to the Care Tribunal by Dental World, three have now been withdrawn. Notices of decision have taken effect and all private work has now ceased. The Department of Legal Services are following up on the five appeals remaining. RQIA has been advised that Dental World have 2-3 weeks to respond to the Care Tribunal or the cases will be considered for closure.

5.3   The Director of Reviews and Medical Director informed members that three of the seven Four Seasons Homes, due for closure, have now transferred to new ownership and are still operating as homes. Of the remaining four homes, three have now closed, with residents resettled. One home remains open, with three residents. Each resident has now identified a new home and is awaiting resettlement. This home will close once the three residents have been transferred.

5.4   Members noted that the responsible individual of Maine Nursing Home is awaiting sentencing on 6 May 2016. Once sentencing has taken place RQIA will review regulatory action.

5.5   The Director of Reviews and Medical Director noted that RQIA are awaiting dates from the Courts for the prosecution of beauty clinics currently using class two lasers, without registration. It was agreed that RQIA will engage with the Health and Safety Executive in relation to this issue.

5.6   **Resolved Action (323)**
       RQIA to engage with the Health and Safety Executive in relation to beauty clinics using class two lasers without registration.

5.7   The Chair advised Committee members of the current risk surrounding the preparation of final accounts. The deadline for the completion of draft accounts is 18 May 2016. Members noted that currently an additional staff member, from the Regulation Directorate, is working within the Finance Team. RQIA has also requested additional help from the BSO; however they have advised that they are unable to release staff at this time. This matter has been escalated to the Board.

5.8   Brian Clerkin and Patricia Blair both advised that there is little slippage within the system to allow for any extension to the specified deadline for final accounts.

5.9   The Director of Reviews and Medical Director noted that a meeting has been held with Lesley Kyle and the Director of Corporate Services, resulting in the prioritisation of the work of the Finance Team. The DHSSPSNI has also been apprised of the situation. Clarification was provided that one of the Finance Inspectors can act in a Quality Assurance role for final accounts.

5.10   The Director of Corporate Services noted that all options for final accounts have been discussed; help has been sought from RQIA's Finance Inspectors and BSO Finance has been approached. The Chair noted that RQIA's Chairman has been informed of the current situation.

5.11   Audit Committee members **NOTED** the Chief Executive's Update on Key Risks.

6.0   Update on Audit Action Plan (AC/01/16)

6.1   The Planning and Corporate Governance Manager provided an update to Audit Committee members on the Audit Action Plan and noted the inclusion of Internal Audit recommendations only. The Planning and Corporate Governance Manager noted that one action from the 2015/16 year is now outstanding, Finance guidance on Organisation Management Structure. The actions outstanding from the 2014/15 year relate to the Follow up of the Special Assignment.

6.2   Further to the outstanding actions from the 2014/15 year, the Planning and Corporate Governance Manager noted the accepted recommendation for the Quality Assurance Process, of a change in Peer Review from 10% to 30% by 31 March 2017. Members were also asked to note that the Consultation for the revised Inspection Policy closes on 29 April and will be brought to the Board in June 2016. Training on the Enforcement Policies and Procedures will take place in September 2016.

6.3   The Planning and Corporate Governance Manager noted that the draft Contract Management Policy will be sent to the Policy Sub Group in May 2016.

6.4   Committee members **NOTED** the Update on the Audit Action Plan.

7.0   Internal Audit Update (AC/02/16)

7.1   John Murray presented the Year End Follow up to Committee members. Confirmation was provided to members that all Internal Audit assignments have now been completed and reported on. Members noted that 71% of recommendations made by Internal Audit have been implemented, with 29% of recommendations partially implemented. Members also noted the completion of BSO Shared Services Audits 2015-16.

7.2   The Chair acknowledged the level of work undertaken by the Regulation Directorate in the completion of their Quality Improvement agenda.

7.3   John Murray noted the agreement of Internal Audit with RQIA's self-assessed, substantive, Controls Assurance Standards.

7.4   Committee members **APPROVED** the Internal Audit Plan for the 2016/17 year, totalling 52 days.

7.5   John Murray presented the Head of Internal Audit's Annual Report to members. The Head of Internal Audit's overall opinion is that there is a satisfactory system of internal control designed to meet the RQIA's objectives.

7.6   Committee members noted the Shared Services audits and the Unacceptable assurance provided to Recruitment. An action plan has been developed to take forward the recommendations from this audit. John Murray will clarify if this action plan will be shared with service users. Members also noted the Payroll audit, receiving Limited assurance, due to overpayments related to technical issues. These issues will be taken forward by a regional team. The Chair expressed his concern in relation to these audits, due to the movement of some of RQIA's services to BSO. John Murray will feed back concerns to BSO.

7.7   Audit Committee **NOTED** the Internal Audit Update.

8.0   Draft Governance Statement (AC/03/16)

8.1   The Planning and Corporate Governance Manager presented the Draft Governance Statement to Committee members. The Governance Statement follows the format as prescribed by DHSSPSNI. The Governance Statement includes detail of Board member attendance at Board meetings and Audit Committee meetings.

8.2   Committee members noted page 14 of the Governance Statement, identification of new issues. Two issues are noted; MHLD Information System project and follow up of QIPs. Members were informed that the Project Initiation Document for MHLD IS project has been approved and a draft Strategic Outline Case has been developed. As no recurring source of funding has been identified, this matter has been escalated to RQIA's Project Sponsor to identify next steps.

8.3   Committee members **APPROVED** the draft Governance Statement.

9.0   Savings Plan 2016-17 (AC/04/16)

9.1   The Chair welcomed Lesley Kyle to the Committee meeting to present the draft Savings Plan. The Director of Corporate Services explained that the Audit Committee is being asked to endorse the draft Savings Plan for submission to the DHSSPSNI by the deadline of 6 May 2016 and subject to approval by the Board on 12 May 2016.

9.2   The Director of Corporate Services noted the review of 16/17 non-pay expenditure and the potential reduction of £90,000 per year. This saving will be made up from a combination of factors, to include, staff travel, hospitality, training, VOYPIC, GAIN and office stationary.

9.3   The Director of Corporate Services also noted the use of vacancy controls and the voluntary exit scheme in order to meet the Savings within the 2016/17 and 2017/18 financial years. The Director of Reviews and Medical Director noted the current discussion with DHSSPSNI regarding fees and frequencies. The Director of Reviews and Medical Director also informed members of the need for RQIA to pay increased NI contributions of £123,000.

9.4   The Director of Corporate Services highlighted to members the underlying recurring deficit in the budget; as some of the savings made within the 2015/16 year were non-recurrent savings. The non-recurrent savings therefore carry forward to the 2016/17 financial year. Members were advised that RQIA should be able to meet the non-recurrent savings within the 2016/17 financial year; however the recurrent savings need to be addressed.

9.5   Agreement that the Director of Corporate Services will update the draft Savings Plan, taking account of comments made at this meeting and will share a revised version of the draft Savings Plan with the Audit Committee Chair for his agreement, prior to the Board meeting.

9.6 **Resolved Action (324)**
The Director of Corporate Services to share the revised Savings Plan with Audit Committee Chair

9.7 The Director of Corporate Services offered his thanks to Lesley Kyle in the completion of the draft Savings Plan 2016-17.

9.8 Committee members **AGREED** the draft Savings Plan 2016-17, subject to revisions and further discussion and agreement with Audit Committee Chair. The draft Savings Plan will be submitted to the Department and will be tabled at the May Board meeting for approval.

10.0 Landscape Review Progress Report (AC/05/16)

10.1 The Director of Reviews and Medical Director advised Committee members that of the 26 actions identified within the RSM McClure Watters Landscape Review, 21 actions have now completed. Two actions are currently outstanding, action 25 is dependent on the approval of Business Cases by DHSSPSNI; action 26, movement to zero based budgeting should now be taken forward by BSO Finance. Three actions are external to RQIA.

10.2 The Director of Reviews and Medical Director suggested to Committee members that this Report is now concluded; with the remaining two actions followed up by the Executive Management Team.

10.3 The Chair supported this proposal. The Director of Corporate Services confirmed that this report has been shared with RQIA's Sponsor Branch, DHSSPSNI.

10.4 Committee members **NOTED** the Landscape Review Progress Report.

11.0 Single Tender Actions & External Consultancy (AC/06/16)

11.1 Committee members noted that by the end of Quarter four, five Single Tender Actions were utilised.

11.2 Committee members **NOTED** the Single Tender Actions & External Consultancy.

12.0 Update on DHSSPS Circulars (AC/07/16)

12.1 Committee members **NOTED** the update on DHSSPS Circulars.

13.0 Any Other Business

13.1 As there was no further business the Chair of the Audit Committee brought the Audit Committee meeting to a close.

Date of Next Meeting:

Thursday 23 June 2016 at 2.00pm, RQIA Boardroom

ACTION LIST

RQIA Audit Committee Meeting 28 April 2016

Action	Minutes Ref	Agreed Action	Responsible Person	Due date for completion	Status
319	3.4	Update on Internal Review of Enforcement/ Prosecution action to be presented at the next Audit Committee Meeting	Audit Committee Chair	28 April 2016	🔴
322	4.2	Board & Executive Support Manager to bring the Audit Committee minutes of 3 March 2016 to the May meeting of the Board for noting	Board & Executive Support Manager	12 May 2016	🟢
323	5.6	RQIA to engage with the Health and Safety Executive in relation to beauty clinics using class two lasers without registration	Acting Chief Executive	23 June 2016	🟢
324	9.5	The Director of Corporate Services to share the revised Savings Plan with Audit Committee Chair	Director of Corporate Services	12 May 2016	🟢

Key

Behind Schedule	🟥
In Progress	🟨
Completed or ahead of Schedule	🟩

AUDIT COMMITTEE REPORT 2015/16

Introduction

This report highlights some of the key activities of the Audit Committee during 2015/16.

Membership of the RQIA Audit Committee

The RQIA Audit Committee was established in December 2006 and consists of 6 members of the RQIA Board. The Committee membership as at 31 March 2016 was:

Denis Power, Chairman
Patricia O'Callaghan
Lindsey Smith
Gerry McCurdy
Seamus Magee
Robin Mullan

The Audit Committee met on four occasions during 2015/16. Meetings were held on 23 April 2015, 25 June 2015, 22 October 2015 and 3 March 2016. All of the meetings of the Audit Committee were held at Riverside Tower and were supported by Officers of the Board including the Chief Executive, Director of Corporate Services, Finance Manager, Planning and Corporate Governance Manager and the Board and Executive Support Manager.

Existing members of the Audit Committee receive training and development appropriate to their role in order to keep abreast of best practice and developments in Corporate Governance.

There was also representation at each meeting from the Internal Audit function of the Business Services Organisation and from the Northern Ireland Audit Office.

Assurances to the Audit Committee

The Audit Committee considers and reviews the comprehensiveness, reliability and integrity of audit and governance systems and ensures that RQIA meets required standards of financial and statutory probity.

The Audit Committee provides the Board and Accounting Officer with assurances relating to the Corporate Governance requirements of the Authority. These assurances are provided in the various reports that are brought to the Committee during the year, namely:

- Governance Statement
- Mid Year Assurance Statement

- Corporate Risk Assurance Framework Report
- Internal Audit reports
- Report on Controls Assurance Standards
- External Audit reports
- Report on the use of External Consultants
- Update on Department of Health (DoH)Circulars

Governance Statement

The Governance Statement was presented to the Audit Committee on 28 April 2016.

The Governance Statement sets out the Accounting Officer's responsibility for maintaining a sound system of internal governance that supports the achievement of RQIA's strategic priorities, statutory obligations, and business objectives, whilst safeguarding public funds and assets.

Mid Year Assurance Statement

The Mid Year Assurance Statement was presented to the Audit Committee on 22 October 2015.

Corporate Risk Assurance Framework Report

During 2015/16, the Audit Committee considered the Corporate Risk Assurance Framework Report. At the beginning of the year, eight risks were highlighted on the report and by the end of March 2016 the number of risks had reduced to seven. The Audit Committee received updates on the actions being taken to mitigate the risks and considered the decision making process undertaken to remove, de-escalate or add risks to the register.

An updated version of the Corporate Risk Assurance Framework Report will be considered at the June 2016 Audit Committee.

Internal Audit reports

The Internal Audit work programme is developed by the Executive Management Team and the Audit Committee, in conjunction with Internal Audit, through an analysis of risk areas identified within the Corporate Risk Assurance Framework Report and any other areas where it is felt that audit work should be conducted.

During 2015/16, a total of four internal audits were conducted with a Satisfactory Level of Assurance achieved. A series of recommendations were made and progress in implementing these recommendations will be monitored by the Audit Committee during 2016/17.

Internal Audit conducted a Special Assignment of Regulated Services, which followed the 'Independent Review of the Actions Taken in Relation to Concerns Raised about the Care Delivered at Cherry Tree House', within 2014/15. A Limited Level of Assurance was advised by Internal Audit and 4

Priority One findings issued. RQIA identified actions to address these issues and follow up of the Priority One findings was monitored by the Committee during 2015/16.

During 2015/16, the Audit Committee received reports on the progress made in implementing the recommendations from audits carried out in 2014/15. By the end of 2015-16 75% of the recommendations made were fully implemented, with 25% of recommendations either partially implemented or not delivered on target. Outstanding audit recommendations will be carried forward and reported to the Audit Committee through the 2016-17 Audit Action Plan.

In the annual report, the Internal Auditor reported that there is a **satisfactory** system of internal control designed to meet the Authority's objectives.

RQIA are assured that the work of Internal Audit is conducted in accordance with the Public Sector Internal Audit Standards (PSIAS). These standards are issued by HM Treasury.

Report on Controls Assurance Standards

The Audit Committee receives assurance on RQIA's systems and processes through the compliance levels achieved on the Controls Assurance Standards. In 2015/16, RQIA completed ten self assessments against the Controls Assurance Standards, four of which were externally verified by BSO Internal Audit, namely; Financial Management, Governance, Risk Management and Information Management.

RQIA achieved substantive compliance in all these areas.

External Audit Reports

Following the audit conducted by the Northern Ireland Audit Office in May/ June 2015, one priority three recommendation was made. At each meeting of the Audit Committee, an update on progress on implementing this recommendation was provided.

RQIA can be assured that the NIAO complies with relevant ethical requirements regarding independence and has developed important safeguards and procedures in order to ensure its independence and objectivity.

Report on the use of External Consultants

In 2015/16, RQIA reported to the Audit Committee that there were no instances when external consultancy had been used.

The Committee receives these reports in order to be assured that if RQIA seeks the use of external consultancy that this is done in line with DHSSPS guidance on the use of external consultants and procurement.

Update on DHSSPS Circulars

The Audit Committee receives updates at each meeting of the relevant DHSSPS Circulars and the appropriate action required by RQIA to ensure that these are implemented.

Reports to the Audit Committee

Overall this comprehensive suite of reports provides the Audit Committee with a high level of assurance that RQIA has a satisfactory system of internal control and this was confirmed by Internal Audit in its year-end report. The Chief Executive provides a verbal report to the Audit Committee on current key risk issues impacting RQIA at each meeting.

Financial Reporting

The Audit Committee was pleased to note that RQIA achieved a break even position on income and expenditure for the year 2015/16.

Assessment of Effectiveness

In order to assess its effectiveness, the Audit Committee completed the National Audit Office self-assessment checklist as mandated by DHSSPS in October 2015.

The Audit Committee was satisfied that they had met most of the requirements set out in the checklist, namely; Section One: Good Practice principles for Audit Committees, Section Two: The Role of the Chair and Section Three: Committee Support.

The Committee considered this a useful exercise and key learning points were progressed throughout 2015/16.

The Audit Committee met separately with Internal Audit and NIAO at the meeting in June when the Annual Report and Accounts were signed off. The Chair of Audit Committee hosted the annual Bi-Lateral meeting with Head of Internal Audit and ASM in April 2016. The Audit Committee can arrange other meetings outside of the normal schedule should any other matters arise.

DENIS POWER
Chair of Audit Committee