



The **Regulation** and
Quality Improvement
Authority

Annual Report and Accounts

1 April 2020 - 31 March 2021



Laid before the Northern Ireland Assembly under Article 3 (2) and Schedule 1, paragraph 12 (5) of The Health and Personal Social Services (Quality, Improvement and Regulation)(Northern Ireland) Order 2003 by the Department of Health on 28 July 2021.

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

RQIA Vision

To be a driving force for improvement in the quality of health and social care (HSC) services in Northern Ireland.

RQIA Purpose

The Accountable to the Department of Health, the Regulation and Quality Improvement Authority (RQIA) is the independent health and social care regulatory body in Northern Ireland. It is a public corporation; and an Arm's Length Body of the Department of Health. RQIA's functions include:

- Keeping the Department of Health informed about the provision, availability and quality of health and social care services
- Promoting improvement in the quality of health and social care services
- Reviewing and reporting on clinical and social care governance in the HSC
- Regulating (registering and inspecting) a wide range of health and social care services against minimum care standards set by the Department
- Advising the Department about any changes which it considers should be made in the standards set by the Department
- Providing advice, reports or information to the Department, as requested
- Acting as the enforcement authority in Northern Ireland under The Ionising Radiation (Medical Exposure) Regulations (Northern Ireland) 2018 (IR(ME)R).
- Acting as a designated body under the United Nations Optional Protocol for the Convention against Torture

RQIA Values

RQIA is committed to the regional health and social care values, which underpin all its work and relationships, internal and external. These are:

- Working together
- Excellence
- Compassion
- Openness and honesty

RQIA Annual Report and Accounts for the Year Ended 31 March 2021

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CHAIR AND MEMBERS' FOREWORD

The Annual Report and Accounts of the RQIA give a comprehensive and detailed picture of the work of the RQIA over the past year. The Chair and Members ("the Authority"¹) wish to put on record our thanks to all the officers and staff of the RQIA for their professionalism and hard work throughout a very difficult time.

The period covered (1 April 2020 to 31 March 2021) has been without precedent as Northern Ireland, with the rest of the world, has responded and adapted to the Covid-19 pandemic.

The RQIA and its staff have had to respond to these challenges, whilst coping with the redeployment of key staff to other HSC bodies; the resignation without notice of the Acting Chair and remaining members of the Authority; and with the appointment of myself as Interim Chair of the Authority on 18 June, supported by the temporary appointment of two senior Department of Health officials; an interim Chief Executive on 1 September and of six Interim Members on 30 October 2020. (See Appendix 4 for details of the Authority members.)

RQIA officers and staff have ensured that, even during the most difficult phases of the pandemic, the public, and especially those vulnerable residents of nursing and care homes, have been safeguarded. Expert advice and support has been provided when and where it was needed including providing rapid information to the Department of Health; expert guidance to the care home sector, and evaluating and supporting infection control measures in Acute Hospitals.

Under the wise leadership of the Interim Chief Executive, Dr Tony Stevens, RQIA staff have taken full advantage of the emerging "new normal" to resume activities which had been paused, including inspections and the publication of major reviews. They have tackled with vigour and professionalism the task of reshaping and rebalancing the RQIA to enable it to play a full part in the HSC transformation and recovery process, ensuring that health and social care services are safe, effective, compassionate and person-centred.

Since appointment, Authority Members have addressed with determination the corporate and strategic challenges faced by the RQIA. Working with Dr Stevens and the staff team, we have ensured that high standards of governance were firmly re-established, and that fresh impetus is and continues to be given to dealing with historic challenges, and to the development of key strategic relationships. We have developed an overarching Statement of Strategic Intent for the next 3 years, which sets out a clear roadmap for all RQIA activities, and provides the basis for the Annual Management Plans.

¹ The definition of "the Authority" is the governing body of RQIA, commonly referred to as a Board and is set out in The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003, Schedule 1, part 4 (Membership) which states "The Regulation and Improvement Authority shall consist of a chairman and other members appointed by the Department."

We look forward to working in partnership with the Department of Health, the rest of the HSC, our counterpart organisations and fellow regulators across these islands, public representatives and with all those who work within or use health and social care services in Northern Ireland, to ensure safe and secure care for our citizens and empower the HSC sector to deliver improvement in the quality and availability of services.



Christine Collins MBE
Interim Chair

30 June 2021

SECTION 1

PERFORMANCE REPORT

PERFORMANCE OVERVIEW

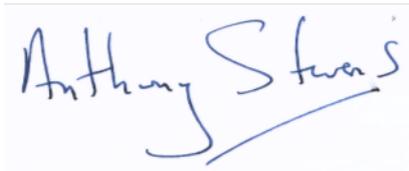
Statement from the Interim Chief Executive

The Regulation and Quality Improvement Authority's Annual Report and Accounts provides an overview of RQIA's activities and performance from 1 April 2020 to 31 March 2021. During this time, key achievements include:

- RQIA has played a key role in the regional response to the Covid-19 pandemic, working closely with statutory and independent partners across health and social care. This included the establishment of enhanced support for services through a Service Support Team, where RQIA provided advice, guidance and support in line with the latest guidance from the Department of Health and the Public Health Agency. On behalf of the wider HSC RQIA disseminated over 350 separate pieces of guidance to support the management of Covid-19, including personal protective equipment; staffing; testing; medicines management; palliative care; visiting arrangements; and training resources.
- RQIA published a report, titled "The Impact of Covid-19 on Care Homes in Northern Ireland, February – July 2020", which highlighted learning about Covid-19 and its impact during the first wave of the pandemic, and identified common characteristics of care homes experiencing an outbreak of Covid-19.
- As a result of the impact of Covid-19 on RQIA's ability to implement its Business Plan 2020-21, a Transition Plan, underpinned by assurance/inspection, governance and performance frameworks, was developed. This set out what RQIA would achieve by 31 March 2021 and was approved by the Authority in October 2020.
- A total of 1,549 inspections were completed during 2020-21 across regulated services, mental health and learning disability services and hospital services.
- In response to the Covid-19 pandemic, RQIA changed its approach to inspection. In addition to 'on the ground' physical inspections, RQIA developed approaches enabling it to undertake remote inspections. In addition, 'blended' inspections were introduced, combining elements of both physical and remote inspection.
- RQIA published the findings of its Review of Implementation of NICE Clinical Guideline 174: Intravenous (IV) Fluid Therapy in Adults in Hospitals in Northern Ireland.
- RQIA also continued work on five reviews:
 - Review of Out-of-Hours General Practitioner Service
 - Review of Governance in Independent Hospitals and Hospices in Northern Ireland
 - Review of Serious Adverse Incident Arrangements
 - Review of Vulnerable Prisoners, jointly commissioned by the Ministers of Health and Justice, in partnership with the Criminal Justice Inspectorate
 - An Expert Review of Records of Deceased Patients of Dr M Watt

- RQIA supported and published the findings of eight clinical audits and quality improvement projects undertaken by the wider HSC community, funded through its Clinical Audit programme.
- RQIA continued its participation in regional work to implement The Mental Capacity (Deprivation of Liberty) Regulations (Northern Ireland) 2019.

RQIA has a staff complement of 120 people. During the year, 15 members of staff left RQIA and 14 new staff joined the organisation to support its regulatory, inspection and administrative work.

A handwritten signature in blue ink that reads "Anthony Stevens". The signature is written in a cursive style with a long horizontal stroke at the end.

Dr A B Stevens, OBE
Interim Chief Executive
30 June 2021

Purpose and Activities of the Regulation and Quality Improvement Authority

The RQIA, Northern Ireland's independent quality, improvement and regulatory authority, provides independent assurance to the Department of Health and to the public on the quality, safety and effectiveness of health and social care services provided in Northern Ireland, through carrying out its statutory functions, duties and responsibilities. It conducts expert inspection, investigation, review and regulation of those services, in a proportionate and responsible manner.

RQIA monitors and reports upon the availability and quality of health and social care services, and encourages improvements in their quality, through its programmes of inspection, investigation and review.

RQIA independently assesses these services, to determine if the care being delivered is safe, effective and compassionate. It also considers whether these services are well led, and meet the required minimum standards, set by the Department of Health.

RQIA listens carefully to the concerns, views and opinions of the public, and those who use and who work within Northern Ireland's health and social care services, and uses this valuable information and lived experience in the assessments of the quality of services. RQIA is determined to improve the quality and quantity of its dialogue and engagement with the public, service users, and health and social care workers and to ensure that its actions are properly informed by on the ground realities.

RQIA encourages the delivery of high quality health and social care services through its programme of governance, service and thematic reviews, working with partner organisations throughout Northern Ireland, including with the HSC Board, Trusts and Agencies.

Under Mental Health legislation, RQIA has a range of responsibilities for people with mental ill health and those with a learning disability. These responsibilities are increasing as legislative reforms take effect; in addition, RQIA's understanding of the issues is deepening as engagement with families and service users increases.

To protect service users and workers from inappropriate or unnecessary exposure to ionising radiation RQIA also inspects those services using radiological procedures, including x-rays, CT and MRI scans and radiotherapy, under The Ionising Radiation (Medical Exposure) Regulations (Northern Ireland) 2018 (IR(ME)R).

RQIA is also a prescribed organisation under Public Interest Disclosure legislation that protects workers who wish to whistleblow about matters relating to the quality, safety and availability of health and social care services provided by statutory, independent, community and voluntary providers in Northern Ireland. RQIA takes every disclosure seriously and works to ensure that any risks to service users are addressed as a matter of priority by the relevant organisation whilst endeavouring to protect the interests of the workers concerned.

RQIA inspects hospitals across Northern Ireland, to ensure the quality of, and to support improvements in the services provided. These inspections include:

- Acute hospital inspections, where the quality of care and leadership within clinical areas and wards is examined in detail.
- Infection prevention/hygiene inspections at a range of health and social care facilities.
- Clinical areas where patients are at a higher risk of developing an infection.

In publishing findings, RQIA highlights both areas of good practice from which other areas and teams may learn; and issues of concern, which require remedial action by the service provider, and which may also require dissemination by the appropriate authorities and action by other service providers.

RQIA is responsible for the oversight of health and social care in Places of Detention. “Places of Detention” include children’s secure accommodation and facilities for those with mental health and learning disabilities, as well as prisons and youth justice centres. RQIA is also one of four organisations in Northern Ireland designated by the United Kingdom Government as a member body of the UK’s National Preventive Mechanism (NPM), under the Optional Protocol to the UN Convention against Torture and other Cruel, Inhuman or Degrading Treatment (OPCAT). As part of the NPM, RQIA works to safeguard the health, safety and rights of all those held in places of detention.

Key Sectorial Issues and Risks Affecting the Achievement of RQIA’s Objectives

Under the provisions of the 2003 Order, the Authority consists of a Chair, and not more than 12 other members appointed by the Department. The Authority is responsible to the Department for the effective, efficient and economical conduct of all its statutory duties and functions, and the exercise of its powers.

During the 2020 to 2021 year, in addition to the exceptional external pressures and dislocation to normal procedures and activities inflicted by the global Covid-19 Pandemic, internally the RQIA’s performance was adversely affected by the impact of a series of changes in the senior staff team, leading to a reduction in capacity; and by disruption at the level of the Authority itself, culminating in the resignation on 17 June 2020 with immediate effect of the Acting Chair and all remaining Members. The Minister acted immediately, appointing Christine Collins as Interim Chair on 18 June 2020, and on 23 June 2020 announcing his intention to commission an independent review into the circumstance which had led to the resignations. As the gravity of the situation emerged during August 2020, urgent action was taken to identify an Interim Chief Executive; and two senior Departmental officials were appointed as temporary Members to facilitate good governance. Dr Tony Stevens was duly appointed as Interim Chief Executive by the Authority, taking up post on 1 September. Meanwhile a process, approved by the Commissioner for Public Appointments, to select appropriately skilled and experienced Interim Members was put into place and actioned by the Department of Health.

Six interim Members were appointed on 30 October 2020. Led by the Interim Chair, the Authority then quickly established the key Audit and Risk Assurance Committee and Appointment and Remuneration Committee, considered and approved the Transitional Plan prepared by Dr Stevens, and ensured that the RQIA was placed on a firm footing for the remainder of the year. The process of recruiting a substantive Chief Executive was launched in December 2020; and culminated in the appointment by the Authority (with the approval of the Minister) of Ms Briega Donaghy, who will take up post on 1 July 2021. The Authority is also working to revise the Standing Orders, to ensure that these are fully in line with the legislation and emerging case law, reflect accepted best practice and provide a clear basis for RQIA's internal and external relationships and functions

Externally, across the sector as a whole, the impacts of the global Covid-19 pandemic continue, and considerable uncertainty still exists about its future course. This uncertainty could itself adversely affect the RQIA's work; whilst the impact of a resurgence of Covid-19 infection would inevitably impact on many of RQIA's key activities.

Internally, RQIA's Transition process is now well embedded, and includes a robust reassessment of risks and mitigations; and the development of a strong Risk Management process, underpinned by intensive training.

Risks Which Could Affect the Going Concern Principle

RQIA prepares financial statements on the basis that it will continue to operate in the foreseeable future without the need or intention to significantly curtail its operational activities. RQIA also expects to continue to settle all its obligations in the normal course of business.

With the ongoing impact of the Covid-19 pandemic, the outlook for 2021-22 and beyond remains constrained, particularly in respect of resource funding.

RQIA has completed a robust re-assessment of the principal risks facing the organisation, including those that would threaten the delivery of its statutory functions, duties and responsibilities. The potential risks to the organisation have been considered. Taking account of the mitigating actions and controls that are now in place, there is limited risk to RQIA's ability to continue as a going concern during the year ahead.

Strategic Overview

RQIA's Corporate Strategy 2017-21 identified four strategic themes:

1. Encourage quality improvement in health and social care
2. Use sources of information effectively
3. Engage and involve service users and stakeholders
4. Deliver operational excellence

In September 2020 the Interim Chief Executive led the development of a Transition Plan, restating targets for the remaining six months of the year, which was initially endorsed by the Authority in October 2020, and considered and approved by the Interim Authority in November 2020.

See Appendix 1 for details of performance activity (key performance indicators).

PERFORMANCE ANALYSIS

The Regulation and Quality Improvement Authority is established as a body corporate under Article 3 of, and Schedule 1 to, the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003. It is an arm's length body of the Department of Health; and under the Department's Framework Document (made in 2011) RQIA has an overall responsibility to provide independent assurance to the Department on the quality and availability of health and social care in Northern Ireland, and to drive improvement in these services. RQIA works to ensure that everyone in Northern Ireland experiences a better quality of health and social care as a result of RQIA's regulatory actions, and inspections, reviews and audits. RQIA strives to ensure care is safe, effective, compassionate and well-led, listening carefully to patients and service users, and working in partnership with providers of services so that they can deliver improved care.

INSPECTION

RQIA is responsible for inspecting a wide range of health and social care services using service-specific legislation, and standards set by the Department of Health. RQIA registers and inspects care homes; children's homes; domiciliary care and nursing agencies; residential family centres; adult day care services; private dental clinics; hospices; and independent hospitals and clinics. These are known as "regulated services". At 31 March 2021 there were 1,530 services registered with RQIA, an increase of nine from 31 March 2020 (see Table 1).

Table 1: Registered Services as at 31 March 2021

Service Type	BHSCT	NHSCT	SEHSCT	SHSCT	WHSCT	Total
Adult Placement Agencies	1	1	0	1	1	4
Children's Homes	11	9	12	8	9	49
Day Care Settings	31	26	27	30	53	167
Domiciliary Care Agencies (Conventional)	29	19	30	19	16	113
Domiciliary Care Agencies (Supported Living Services)	37	46	40	29	37	189
Dental Practices	93	85	65	73	57	373
Independent Clinics	5	0	1	1	0	7
Independent Hospitals	28	14	9	11	11	73
Independent Medical Agencies						7
Nursing Homes	47	67	54	47	33	248
Nursing Agencies						64
Residential Care Homes	44	65	56	30	38	233
Residential Family Centres	1	0	0	0	0	1
Voluntary Adoption Agencies	2	0	0	0	0	2
Total	329	332	294	249	255	1530*

*Please note: total includes 7 Independent Medical Agencies and 64 Nursing Agencies that are not registered to a particular trust area.

Under current Fees and Frequencies Regulations (originally made in 2005), RQIA is mandated to inspect every nursing home, residential care home and children’s home at least twice each year; voluntary adoption agencies once every three years and all other regulated services (adult placement agencies; day care settings; domiciliary care agencies; independent health care services; nursing agencies and residential family centres) at least once each year.

RQIA provides the Department of Health with assurance of the quality of care, against the Quality Standards for Health and Social Care, in over 200 services, which are not required to register with RQIA. These are:

- HSC hospitals (49)
- mental health and learning disability wards (60)
- custody suites and prisons (6),
- young adult supported housing services (27)
- school boarding departments (6)
- radiation services (IR(ME)R) (59)

In its inspections and oversight of these services, RQIA examines the arrangements in place to ensure the delivery of safe, effective, compassionate and high quality care, in line with relevant legislation, standards and guidance. RQIA also considers the quality of management and leadership in each service; and is determined to enhance the role of service users and carers in providing information on the services they have experienced. The following charts show the distribution of care homes for adults and children across Northern Ireland, by (HSC trust) location (See Figure 1 and 2).

Figure 1

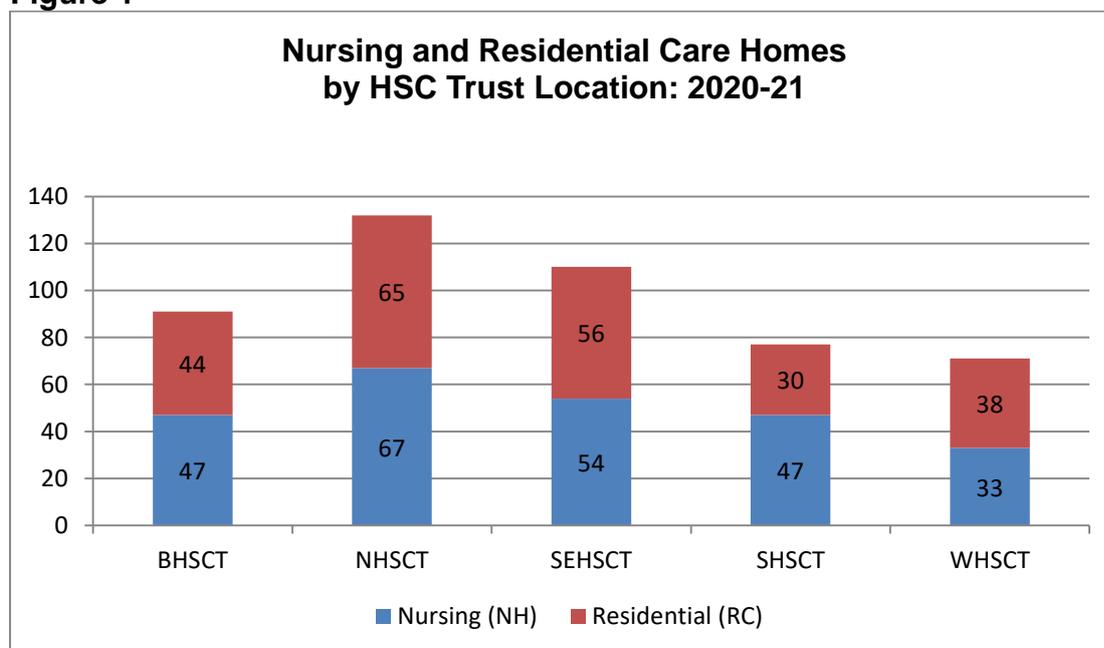
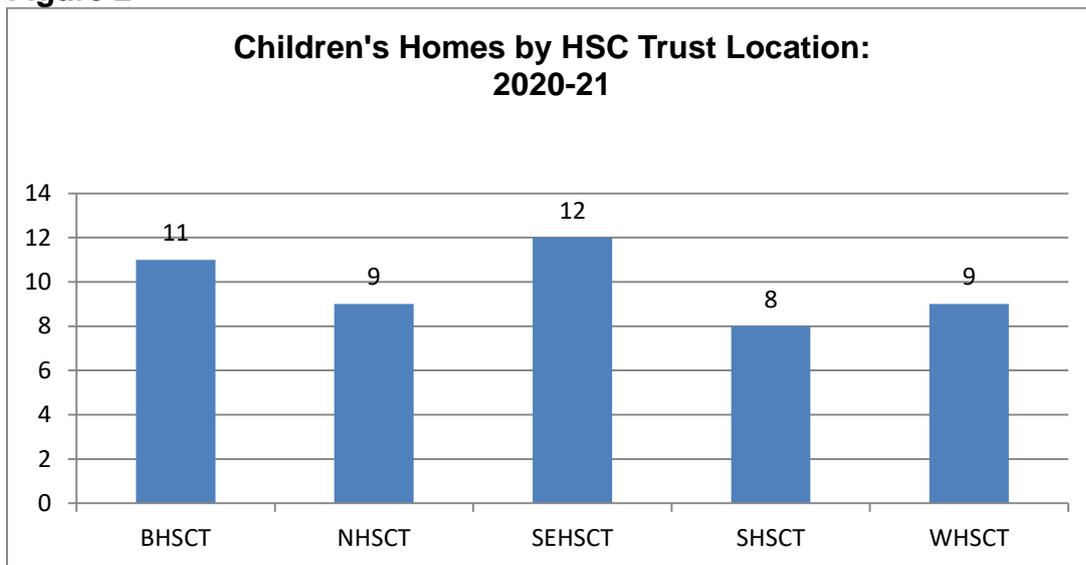


Figure 2



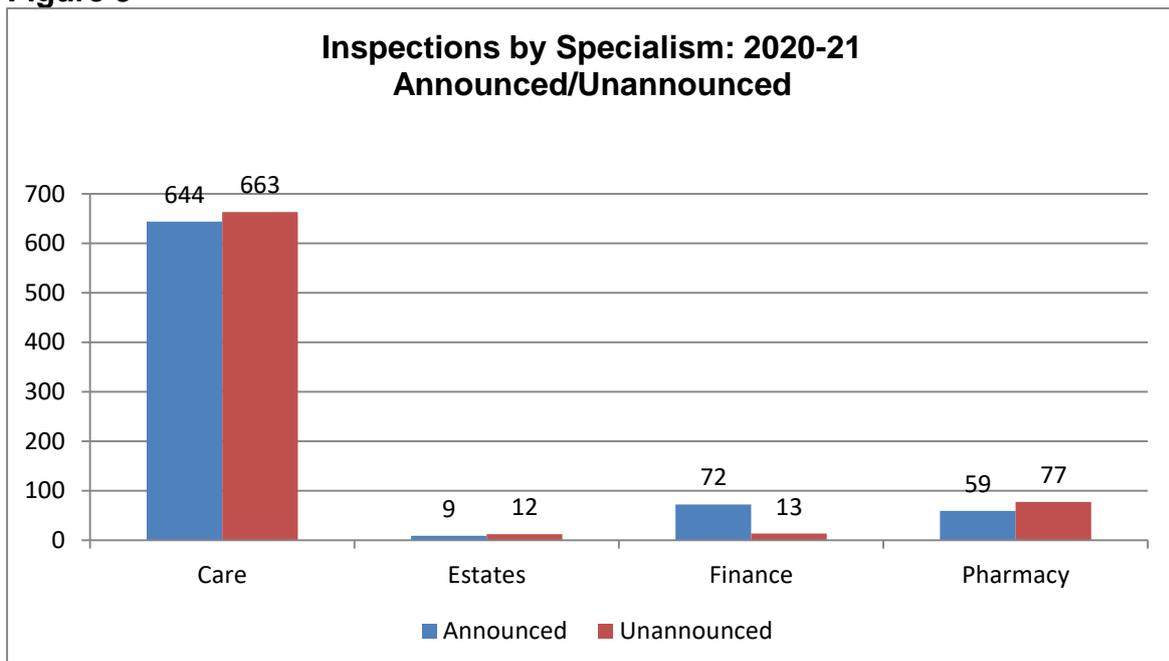
Inspections

RQIA has a team of experienced nurses, social workers, pharmacists, estates and finance officers, who assess various aspects of service provision including:

- care
- medicines management
- estates issues
- arrangements for safeguarding service users' finances

Details of inspections by specialism are included at Figure 3.

Figure 3



Before every inspection, RQIA's inspectors review information and intelligence relating to the service, which is held on its i-Connect information management system.

This includes details of the service's regulatory and inspection history - such as serious concerns or enforcement action; intelligence about the service including complaints or compliments from service users, their families or advocates; whistleblowing from staff members; and statutory notifications relating to specific categories of incidents which may have occurred at the service. During 2020-21 RQIA's traditional inspection programme and approach to inspection was significantly impacted by the Covid-19 pandemic.

To support the regional response to the pandemic, in late March 2020, the Department of Health issued a Direction to RQIA to reduce the frequency of its statutory inspection activity. This approach was consistent with that of health and social care regulators across the UK and Ireland and aimed to minimise the risk of spreading infection to some of the most vulnerable people in society. Nevertheless, during this period RQIA continued to regulate and respond to risks and concerns, conducting inspections and taking enforcement action where necessary. The Department of Health's Direction was rescinded on 22 June 2020 as the impact of first wave of the pandemic receded.

In response to the pandemic, RQIA changed its approach to inspection. In addition to conventional 'on the ground' physical inspections, where inspectors used appropriate personal protective equipment (PPE), remote inspections were introduced, where inspectors requested specific information from providers, which was reviewed in advance of the remote inspection, which took place by video call. These calls provided further evidence to allow assessment of the quality of the service. RQIA also designed and conducted 'blended' inspections, combining elements of both physical and remote inspection. These modern approaches proved both efficient and effective, despite the challenging circumstances of the pandemic.

In July 2020, RQIA, recognising the resource and practical constraints, and on the basis of a risk assessment, revised its original target for inspections, moving to conduct a minimum of one inspection at:

- 80% of all nursing homes, residential care homes, children's homes, residential family centres, independent acute hospitals and the children's hospice;
- 50% of day care settings, domiciliary care agencies and nursing agencies.

At 31 March 2021, RQIA had achieved the following results:

- Nursing and residential care homes: 633 inspections, exceeding the revised target (481); delivering 66% of the original target for inspections.
- Day care settings and nursing agencies: 238 inspections, which was below the revised target (267), delivering 45% of the original target for inspections.
- Children's homes and residential family centres: 72 inspections, which was above the revised target (50), delivering 73% of the original target for inspections.
- Independent clinics, (non-acute) independent hospitals, private dental practices and independent medical agencies: 419 inspections, which exceeded the revised target (368), delivering 91% of the original target for inspections.

As cosmetic laser services were closed under the pandemic lockdown restrictions, RQIA did not undertake the inspections scheduled for this category of service

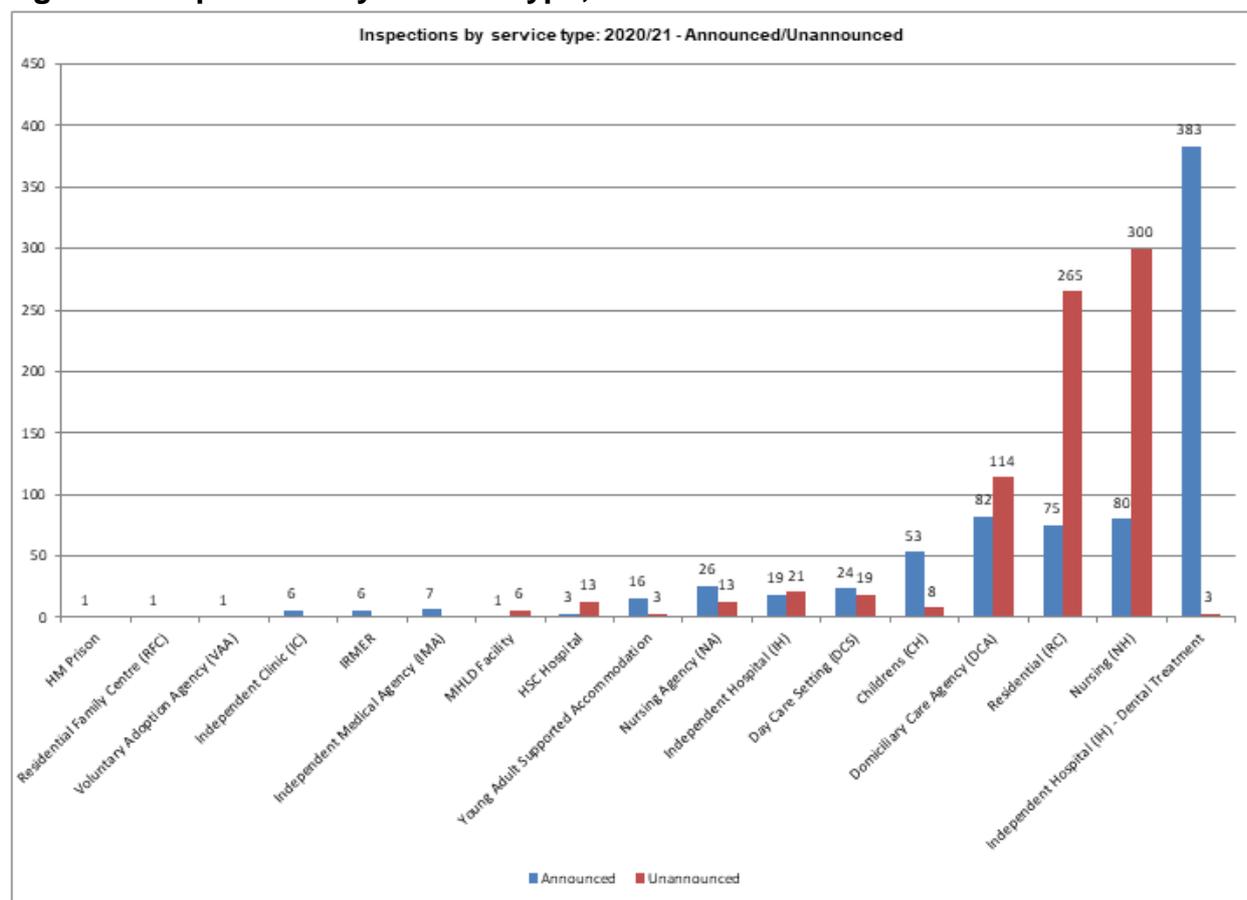
While there is currently no legislative requirement to inspect HSC hospitals (both acute and mental health and learning disability services), radiation (IR(ME)R) services or prisons, RQIA completed the following inspections:

- HSC hospitals: 16
- mental health and learning disability facilities: 7
- radiation services (IR(ME)R): 5
- custody suites and prisons: 1

During the year, RQIA conducted a total of 1,549 inspections, compared with 2,313 the previous year. The impact of Covid-19 on the inspection programme was particularly notable during April to July 2020, when 159 inspections took place, based on a rigorous assessment of need and risk. During the same period in 2019-20 RQIA undertook 680 inspections.

While RQIA continued to conduct unannounced inspections at services, just over 50% of inspections over the year (784) were announced in order to ensure the safety of those living and working in the services, as well as the safety of the inspection teams (see Figure 4). RQIA also completed 159 inspections out of hours and at weekends, compared with 283 the previous year.

Figure 4: Inspections by Service Type, 2020-21 –Announced/Unannounced



When conducting an inspection, RQIA examines compliance with regulations and care standards, and assesses:

- is care safe, effective and compassionate, and
- is the service well managed.

Performance is assessed against standards, guidelines and regulations. The Covid-19 pandemic had a significant impact on those who are dependent on health and social care services, particularly the elderly and most vulnerable in our community. This year, RQIA placed a particular focus on how each service was managing its response to Covid-19 in line with the latest guidance and direction from the Department of Health, Public Health Agency and HSC Board.

During assessment of the service RQIA inspectors observe practice and review records of care. To ensure a fully rounded view of the service, inspectors talk to management, staff and health care staff such as GPs, tissue viability nurses, social workers and care managers to hear their views and experience of working at the service.

The most important people in any service are those in receipt of care, and inspectors also talk to service users. Due to visiting restrictions throughout the year inspectors were unable to engage with carers, friends and relatives. However, through RQIA's Duty Desk and Guidance Team, calls were received from the public on their experience or concerns on the services being provided during this time. RQIA also worked closely with the Patient and Client Council, Commissioner for Older People and representative organisations to ensure any concerns were followed up and addressed in a timely manner. RQIA also focussed on assessing notifications, concerns and other intelligence for every service. Where areas of concern were identified, additional inspections were conducted and inspectors met with providers. Where it was necessary enforcement action was taken.

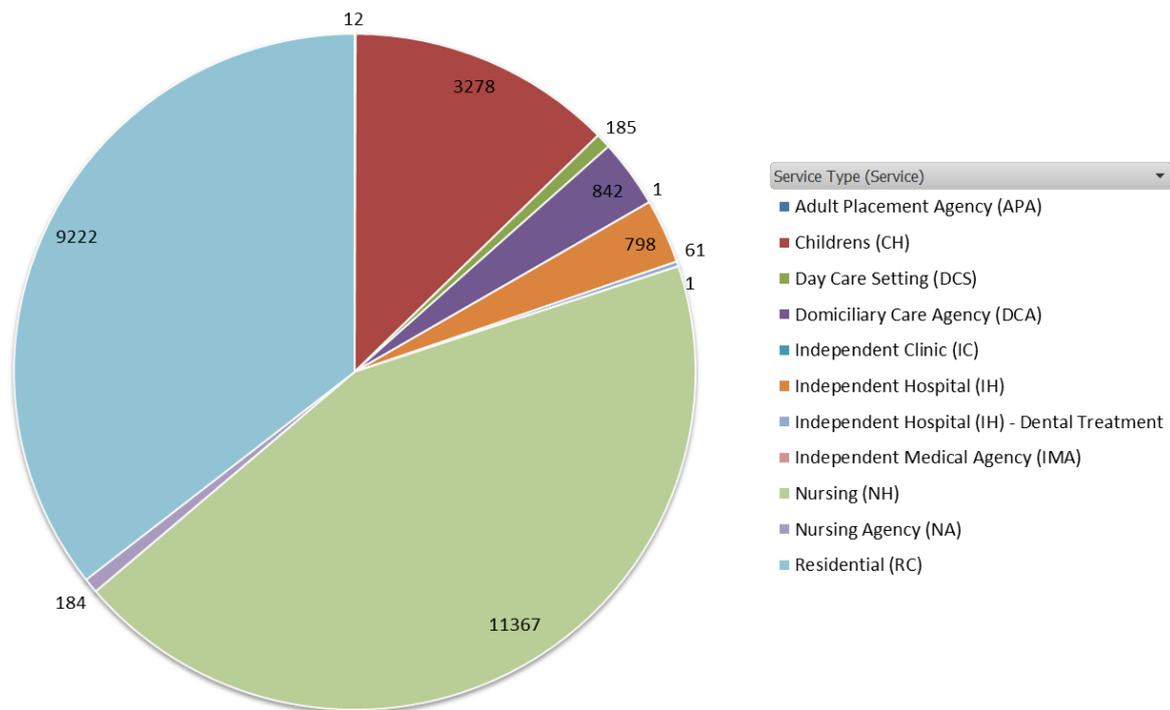
The primary means of communication between RQIA and service providers for issues relating to inspections and for incident notifications is via a secure online web-based portal. There are 4,750 registered users on this system – including service providers and managers.

Every provider is required to notify RQIA when specific categories of incidents or events occur within their service. These include:

- accidents and incidents;
- deaths (expected and unexpected);
- injuries and fractures;
- infectious diseases;
- medication issues;
- police incidents, theft or burglary; and
- misconduct.

During the year 25,951 incident notifications were submitted to RQIA via this portal (see Figure 5), and in each case the Inspector for the service assessed the notification to determine whether further action was required, or if a pattern was emerging that required further consideration.

Figure 5: Notifications by Service Type 2020-21

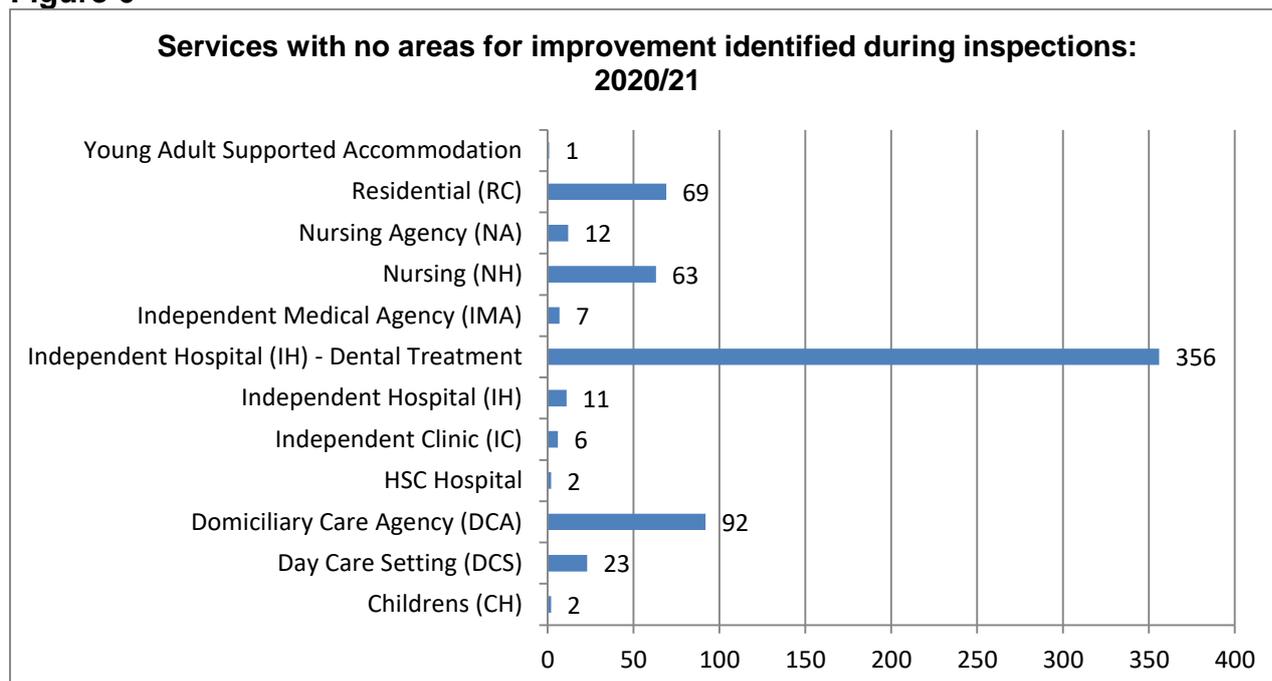


Outcome of Inspections

At the end of each inspection RQIA Inspectors provide verbal feedback to the management of the service, highlighting both good practice and areas that require attention. Inspectors then provide a formal written report of their findings. Where necessary inspectors devise and include a quality improvement plan, which details areas for improvement. The final inspection report also includes the provider’s response on how they are addressing any issues raised by RQIA during the inspection. The findings of every inspection (excluding those for children’s services) are published on the website www.rqia.org.uk/inspections. Individual inspection reports are also available on request from each service inspected.

In 2020-21 in 644 inspections (42%) services were operating in line with the relevant legislation and standards, with no areas for improvement highlighted by RQIA inspectors (see Figure 6).

Figure 6



Enforcement

RQIA's key concern is the ongoing safety and wellbeing of everyone who uses health and social care services across Northern Ireland. Where inspectors identify or substantiate concerns during an inspection, careful consideration is given to what action can be taken to address the shortcomings in care or service provision.

In the first instance the designated inspector for the particular service, presents their findings to RQIA senior inspectors and assistant directors at an internal enforcement decision meeting. This enables an informed discussion and determines the appropriate action to address the issues identified.

Where the issues are of sufficient concern, but do not yet meet the threshold for issuing an enforcement notice, a serious concerns meeting is held with the service provider. This lays out the concerns and details the actions required of the management of the service, to address to these issues. If the actions and timescales proposed are agreed with the service provider then an unannounced inspection will be held at an appropriate point to check on progress.

If more serious concerns have been identified, an enforcement meeting is held with the management of the service. This goes through the concerns in detail; and allows the service provider to provide a remedial course of action. RQIA's focus is to safeguard those currently in receipt of the service; and decisions made will always have this at their heart.

If the service provider gives credible, appropriate assurances formal enforcement action may be held in abeyance, whilst the situation continues to be closely monitored by the Inspection Team.

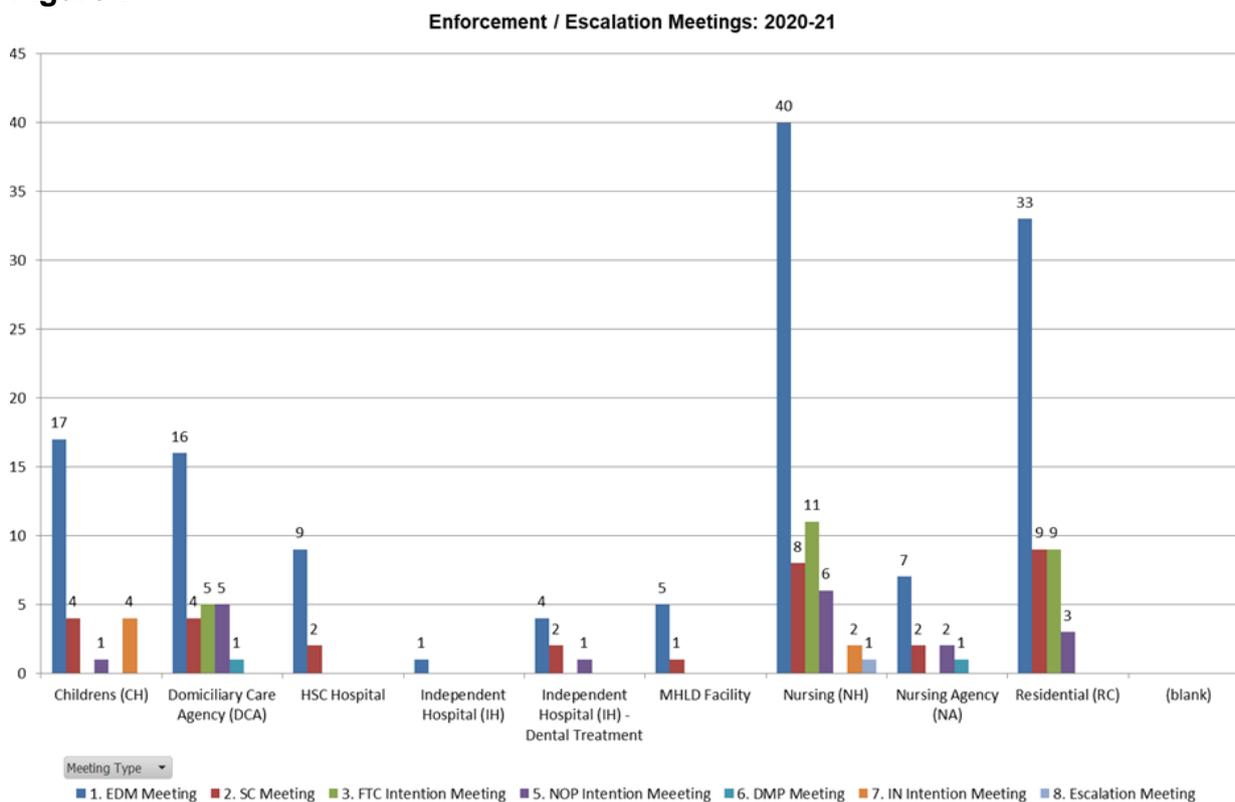
However, if the provider cannot provide credible evidence of their ability to remedy the deficits, RQIA may issue one or more enforcement notices. These may include:

- an improvement notice
- failure to comply notice
- action to place conditions on the registration of the service or
- action to deregister the service or provider.

Where consideration is being given to placing conditions on a registration (including deregistering a service or its responsible individual), RQIA may progress this through the issue of a notice of proposal, followed by a notice of decision. Where more immediate action is required, RQIA will seek an urgent Order, through a Justice of the Peace.

During 2020 to 2021 RQIA held 125 enforcement decision meetings, which resulted in 32 serious concerns meetings and 51 intentions to take enforcement action meetings. Figure 7 provides a breakdown of these meetings by service category.

Figure 7

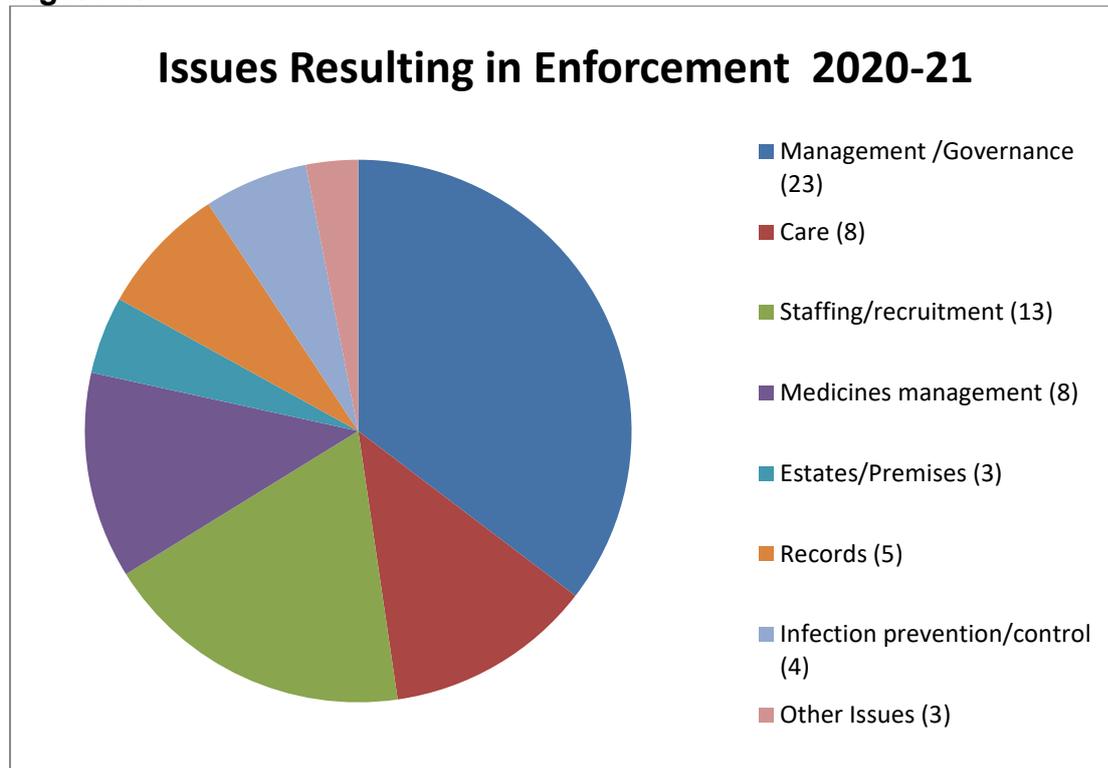


During the year RQIA took enforcement action on 30 occasions across a range of services. The majority of this action involved issuing enforcement notices to ensure concerns at a service were appropriately addressed. In addition, RQIA moved to cancel the registration of four services where the provider did not adequately address identified concerns, which had the potential to place the health and wellbeing of service users at risk. These included one nursing home and three domiciliary care agencies.

In October 2020, RQIA sought an urgent Order to ensure all patients at a nursing home were moved to alternative accommodation, in order to allow significant refurbishment of the home, including repairs to its water system.

Figure 8 provides details of the number of services subject to enforcement by category and the issues of concern which resulted in our enforcement actions. (Please note: there may be more than one area of concern identified during an individual case of enforcement)

Figure 8:



Full details of RQIA’s enforcement actions during 2020-21 are included at Appendix 2 and 3.

RQIA’s Registration of Services

All regulated services in Northern Ireland must be registered by RQIA before they can operate. Before a regulated service is registered by RQIA, it is subject to a rigorous process. The service provider and manager must be able to demonstrate a clear understanding of the requirements of relevant regulations and standards, and that the proposed service meets these requirements.

During 2020-21, RQIA received 426 registration applications, which included requests to register services and managers, or to vary or amend the existing registrations.

During the year, 319 registrations were completed including 59 service applications, 141 manager applications and 119 applications to vary existing registrations.

As part of its Transition Plan 2020-21, RQIA commenced a project to modernise its provider registration system. This included an exercise to map the current registration process against existing legislative and regulatory requirements, and to take forward a programme of work to implement changes to registrations in a systematic manner.

RQIA'S ROLE DURING COVID-19 PANDEMIC

During 2020-21, RQIA has played a key role in the regional response to the Covid-19 pandemic, working closely with statutory and independent partners across health and social care.

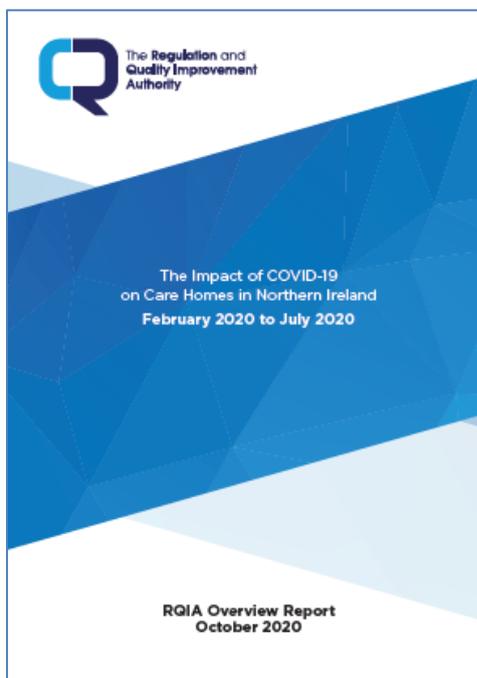
With the prioritisation of Covid-19 work RQIA provided enhanced support to health and social care services, through the establishment of the Service Support Team, which built on RQIA's long established Duty Desk. Seven days a week RQIA acted as the single point of contact for care homes and domiciliary care services— where inspectors and senior staff provided advice, guidance and support for those managing services - in line with the latest guidance from the Department of Health and the Public Health Agency.

Over the pandemic period, on behalf of the wider HSC we disseminated over 350 separate pieces of guidance, primarily to care homes and domiciliary care services, focusing on personal protective equipment (PPE); staffing; testing; medicines management; palliative care; visiting arrangements; and training resources.

In the early weeks of the pandemic access to PPE supplies was a significant issue for those providing health and social care services. On behalf of the Department of Finance, on a daily basis RQIA also provided the latest details on PPE suppliers to support services in sourcing this essential equipment.

As a regulator, RQIA places a clear focus on enabling improvement in services. During the pandemic RQIA's expert inspectors provided focused professional guidance, based on their detailed understanding of the sector, to support good quality care provision, and best practice in infection prevention and control. During the first wave of the pandemic RQIA's inspectors handled almost 3,500 contacts with care homes. Over the summer months, RQIA continued this guidance and support arrangement for services on a daily basis.

In assessing the effectiveness of the support and guidance provided during the first wave, RQIA sought the views of service providers on the effectiveness of the support; the daily status reports submitted to RQIA from care homes; and on the risk-based approach to inspection. Feedback on these issues was overwhelmingly positive and RQIA has embedded these approaches in its ongoing work.



In late October 2020, as Covid-19 cases rose, RQIA increased the resources directed to its support for service providers and reinstated the support and guidance arrangement through its newly named Guidance Team on a seven day a week basis.

To ensure learning about Covid-19 and its impact from the experiences during the first wave of the pandemic data from care homes was analysed. This identified common characteristics of those care homes experiencing an outbreak of Covid-19. These tended to:

- be in larger provider groups;
- have experienced leadership changes;
- serve areas of deprivation;
- be nursing homes compared with residential care homes (twice as likely); and
- have been previously recognised as having identified challenges in meeting care standards.

In October 2020, RQIA published the findings of this analysis, *The Impact of Covid-19 on Care Homes in Northern Ireland, February –July 2020*. RQIA also shared this report with the Northern Ireland Assembly’s Health Committee as part of its evidence to their wider inquiry on this issue.

Much of this learning has been incorporated into RQIA’s standard practice, and informs how RQIA responds to indicators and identifies services at most risk from Covid-19.

RQIA has access to a wealth of information and intelligence about every nursing and residential care home in Northern Ireland. This includes the individual inspector’s knowledge of their allocated service; daily status updates, statutory notifications; intelligence through notifications from the service; and contact from concerned family members, whistleblowers or from HSC Trust staff.

In planning its work RQIA uses a risk-based assurance framework to assess all of this information, determine the response and direct resources to areas of highest risk. This may involve speaking with the management of the service and providing advice and support to enable the service to address the issues, or seeking evidence through:

- a comprehensive on-site inspection
- a short, focused on-site inspection
- a remote inspection involving staff and service user interviews
- contact by phone or video link
- manager self-assessment, submission of materials and self-declaration
- meetings with the provider or with the HSC Trusts

Hospital Infection Prevention and Control Inspections

The Covid-19 pandemic has presented significant challenges in respect of how hospital care is planned and delivered. In response to public concerns around infection prevention and control in hospitals, from late September to early December 2020 RQIA conducted inspections at 11 acute and two independent hospitals across Northern Ireland.

RQIA examined best practice in the management of Covid-19, inspectors spoke with staff at all levels, and engaged with patients and visitors to understand their experiences.

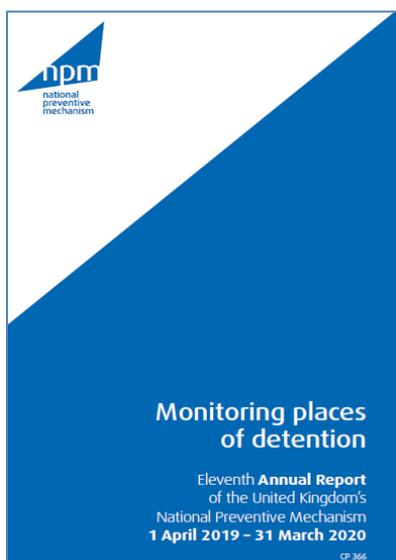
Overall, RQIA found that these hospitals had responded well, working to keep people safe and to minimise the risks of infection with the Covid-19 virus. We noted the importance of healthcare providers continuing to ensure the highest standards of infection prevention and control practices during the winter months.

Through these inspections RQIA identified opportunities for improvement and sharing good practice to support regional learning across our healthcare sector. These include ensuring that regular audits of environmental cleanliness, hand hygiene and PPE are undertaken in all their clinical areas and that Covid-19 environmental risk assessments are in place.

To ensure learning at a critical stage of the pandemic, in early December, RQIA shared its key findings with providers to support the sharing of learning across the healthcare sector.

HUMAN RIGHTS

RQIA is strongly committed to protecting the human rights of all those using health and social care services across Northern Ireland and we support our staff through training in this area. RQIA takes a human rights based approach in its inspections and reviews to ensure that service users are the key focus of all activities, focusing on the link between the quality of practice and the care experience and outcomes.



RQIA is designated by the UK government as a body within the National Preventive Mechanism (NPM) under the United Nations Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT).

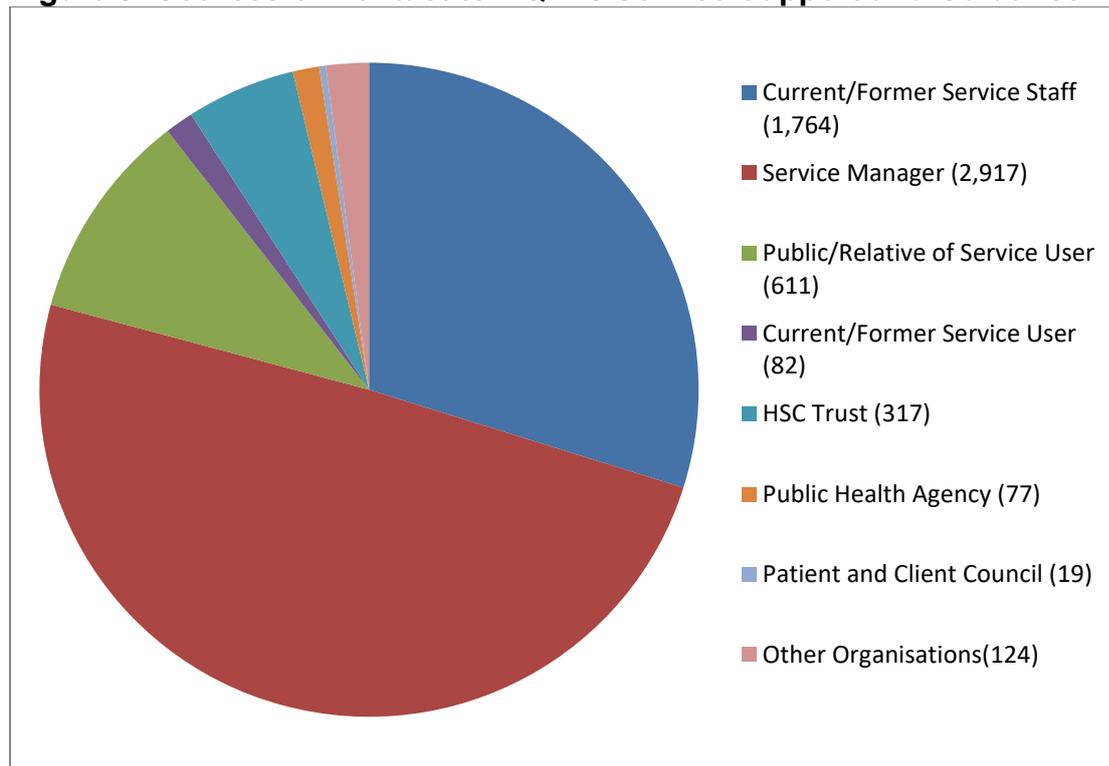
This protocol aims to strengthen protections for people deprived of their liberty. Through inspections of mental health hospitals, services for children in secure accommodation, detention suites and prisons. RQIA monitors the treatment of and conditions for detainees and make recommendations to support improvements in these settings.

SUPPORT FOR SERVICE USERS AND THEIR FAMILIES

As a result of restrictions in visiting at care services - including hospitals and care homes- whilst RQIA Inspectors were able to speak with service users during inspections and learn first-hand of their experiences, families were unable to engage directly with RQIA staff.

RQIA Guidance Team inspectors are on duty each day responding to calls from service providers and the public, and during 2020 to 2021 we received over 5,900 calls (see Figure 9). While the majority of these calls were from staff and management seeking advice and guidance, RQIA also received almost 700 calls from service users and members of the public and concerned relatives wishing to discuss queries or concerns about care services. In each case the Guidance Team inspector listens to the caller, ascertains the issue, and provides appropriate advice. Details of the call are recorded on the i-Connect information system. Where specific concerns are raised the information provided is assessed and a decision reached on how best to respond. This may include following up the issues raised with management of the service; conducting an unannounced inspection to investigate the concerns; and where necessary, taking enforcement action.

Figure 9: Sources of Contact to RQIA's Service Support and Guidance Team



COMPLAINTS AND WHISTLEBLOWING

Complaints about Health and Social Care Services

RQIA takes every concern brought to its attention about a health and social care service seriously. The information is carefully considered and assessed to determine if there are any issues that require the immediate action by RQIA. Where necessary RQIA will undertake an inspection or follow the issues up with partner organisations, including the relevant Health and Social Care Trusts.



RQIA's "How Can I Raise a Concern ..?" leaflets provide advice and guidance to support the public in raising a complaint about a service. While RQIA does not have legal powers to investigate complaints about services, RQIA provides contact details for organisations that can help in taking a complaint forward- including the Patient and Client Council and the Health and Social Care Trusts. Where a complainant is dissatisfied with the service's response to their complaint, they may raise this matter with the Northern Ireland Public Service Ombudsman.

RQIA Complaints guidance leaflets

Every health and social care service is required to have its own complaints policy and procedures in place. RQIA checks that these are in place during its inspections of these services.

Whistleblowing

Anyone wishing to raise concerns about wrongdoing in their workplace can bring these to the attention of RQIA under the public interest disclosure legislation. In 2020-21 RQIA was contacted by telephone, email and in writing by 219 staff, from a range of statutory and independent health and social care settings, who wished to raise concerns about the services being provided in their workplace. This information provides RQIA with an invaluable insight into services, and included concerns around the quality of care, staffing issues, management and general care concerns. While many staff provided their name and contact details, allowing further information to be sought on their concerns, others wished to remain anonymous. In each case RQIA carefully considered the information to determine what action was required. Where necessary, unannounced inspections were conducted to follow up on concerns, and to drive improvements in quality for those using these services.

RQIA'S REVIEW PROGRAMME

Each year RQIA undertakes a programme of reviews of health and social care services, in response to current events, or to examine emerging issues. These reviews may be initiated by RQIA or commissioned by the Department of Health. In planning reviews and reporting on the findings, RQIA focusses on whether care is safe, effective and compassionate; and on the quality of leadership within a service. Review findings are reported to the Minister and Department of Health. In each review RQIA endeavours to highlight examples of good practice and make recommendations for improvement which aim to support and drive quality improvements for service users. RQIA also aims to provide useful evidence to provide a basis for future policy development in the areas under review.

In late March 2020, RQIA was directed by the Department of Health to pause all review work to enable resources to be concentrated on dealing with the first Covid-19 surge period. Once the Department of Health rescinded its Direction on 22 June 2020, RQIA recommenced its review programme.

In September 2020, RQIA published the findings from the Review of Implementation of NICE Clinical Guideline 174: Intravenous (IV) Fluid Therapy in Adults in Hospitals in Northern Ireland.

This Review examined the effectiveness of the implementation of NICE CG174, which includes an assessment of:

- the implementation of the guideline;
- the governance and oversight of implementation of the guideline;
- the knowledge and understanding of healthcare professionals of the guideline, and
- an audit of the resulting clinical practice.

The Review Team concluded that the NICE Guideline on Intravenous (IV) Fluid Therapy in Adults in Hospitals was not fully implemented in each HSC trust. There were deficits both at key stages of implementation, and in areas to support ongoing assurance of implementation of the guideline. These areas included:

- the HSC Board's oversight of implementation,
- HSC trust dissemination and prioritisation of recommendations,
- staff training/education
- and incident management.

The Review Team made nine recommendations in relation to:

- systems for governance and oversight;
- training and education of staff;
- ensuring awareness in recognising, reporting and learning from adverse events relating to IV fluid management; and
- undertaking clinical audit and sharing learning on the implementation of CG174 across all HSC Trusts in Northern Ireland.

RQIA believes that, if actioned, these will strengthen the implementation of the NICE Guidelines on Intravenous (IV) Fluid Therapy in Adults in Hospitals and assurance of good practice in this critically important area of medicine.

Expert Review of Records of Deceased Patients of Dr M Watt

In May 2018, the Permanent Secretary at the Department of Health directed RQIA to commission an expert review of the records of all those patients or former patients of Dr Watt, a consultant neurologist, who had died over the previous ten years. Given the significant scale of work involved, this Review is being conducted in a phased manner. It is likely to take a number of years to complete.

The first phase involved the extensive preparatory work required for this Review. A legal framework, which allows RQIA to access the clinical records of the deceased patients of Dr Watt, whilst ensuring proper safeguards for patient confidentiality was developed and was formally adopted by the Chief Executives of the relevant health and social care bodies in November 2020.

A suite of operational protocols has also been developed to ensure the safe management of the clinical records in preparation for review by a panel of expert reviewers from outside Northern Ireland.

A project team, with a number of sub-groups, has been established. These are:

- Ethical Advisory Group
- Clinical Advisory Group
- Information and Clinical Records Group
- Communications and Family Involvement and Engagement Group

A steering group has been established to provide oversight of the review, jointly chaired by RQIA's Acting Director of Improvement and the Professor of General Practice at the University of Manchester. Two Authority members sit on the Steering Group.

During early 2021, RQIA completed preparations for the second phase of the Review, which will consist of the examination of certain of the records in accordance with objectives developed by the Clinical Advisory Group.

RQIA commissioned the Royal College of Physicians (RCP) to establish an Expert Review Panel of experienced consultants from outside of Northern Ireland to review the records selected for Phase 2 of the Review and, in addition, to consider any information shared with RQIA by the families of the deceased patients.

This work will commence during quarter 1 of 2021-22 and will include the records of:

- those deceased patients whose family members have approached the RQIA with concerns about their care; and
- patients who were included in the Belfast Trust's Cohort 1 neurology recall but unfortunately died before either attending or completing their re-assessment.

Ongoing Review Activity

Work also continued on a number of reviews which will be published in the year ahead:

- Review of Out-of-Hours General Practitioner Service
- Review of Governance in Independent Hospitals and Hospices in Northern Ireland
- Review of Serious Adverse Incidents (SAIs)
- Review of Vulnerable Prisoners

RQIA Clinical Audit, Guidelines and Quality Improvement Programme

RQIA is committed to promoting leadership in safety and quality in health and social care. Through its Clinical Audit programme, each year RQIA invites applications from the HSC community for funding to undertake clinical audits, guidelines and quality improvement (QI) projects. The programme aims to ensure that the outcomes for patients, clients and carers are improved through the development and integration of audits, guidelines and QI projects, and as a result of their implementation.

The commencement of the following audits and QI projects was delayed until October 2020 as a result of the impact of Covid-19 across health and social care:

Audits

- Process of care and outcomes for oesophageal squamous cell (and unspecified) cancer in Northern Ireland diagnosed in 2017-18
- Process of care and outcomes for oesophageal adenocarcinoma patients in Northern Ireland diagnosed in 2017-18

A comprehensive annual surveillance audit of NICE Guideline NG 29 (Intravenous Fluid Therapy in children and young people in hospital) was further deferred to April 2021 due to the pandemic's impact on staff availability to undertake this work.

Quality Improvement Projects

- Introduction of Harm Reduction resources for clinical staff in acute mental health settings
- Development and Implementation of Postpartum Contraception Service
- The Pro-Vac Movement - a Quality Improvement and Educational Initiative to promote positive conversations around vaccine safety

We also published the following work which was supported by our programme in 2019-20:

- An audit of the accuracy and positive predictive value of red flag referrals made to the Oral Surgery and Oral Medicine Departments in the School of Dentistry over the nine-month period up to and including September 2019 (Phase 1 Report)
- Regional Re-audit of Medicines Reconciliation on the Immediate Discharge Document
- The Development of Departmental Cancer Guidelines and Patient Information Leaflets

Inquiry into Hyponatraemia Related Deaths

In response to the publication of Justice O'Hara's Inquiry into Hyponatraemia Related Deaths (IHRD) in 2019, the Department of Health established a programme to support the implementation of the inquiry's recommendations. As part of this programme, RQIA established and chaired the regional IHRD Assurance Working Group to provide independent assurance on progress of the eight work streams arising from the IHRD. The Department of Health has also commissioned the RQIA to conduct a review of Serious Adverse Incidents (SAIs) in consideration of Justice O'Hara's recommendations.

Mental Capacity (Deprivation of Liberty) Regulations

During 2020-21, RQIA continued its participation in regional work to implement The Mental Capacity (Deprivation of Liberty) Regulations (Northern Ireland) 2019).

With oversight from RQIA's Executive Management Team, work continues to ensure the necessary resources are available to allow RQIA to meet its own responsibilities, and to provide necessary assurance to the Department of Health on the implementation of this significant legislation across the entire HSC system.

PARTNERSHIP WORKING

RQIA is committed to fostering and building strong and effective partnerships with its peer organisations - including health and social care systems regulators, inspectorates and professional regulatory bodies across the UK and Ireland. Through this engagement RQIA shares best practice in regulation and benchmarks its work with peer organisations.

During the Covid-19 pandemic these partnerships were more important than ever to ensure a joined-up and regional response. RQIA worked closely with colleagues across the Department of Health, HSC Board, Public Health Agency and HSC trusts to ensure a coordinated approach to the provision of the most up-to-date guidance in real time to support adult and children's care homes and domiciliary care agencies in managing the impact of the pandemic.

RQIA also attended the daily Department of Health Covid-19 “Silver Command” meetings, providing situation reports on the current and emerging issues in relation to care homes and domiciliary care services. This allowed a coordinated approach across health and social care in responding to the situation as it developed. RQIA is working to “build back better”, and to ensure that these relationships and arrangements are carried forward as a basis for future improvement.

RQIA has positive relationships with colleagues at the Department of Health, and other HSC organisations including:

- the HSC Board
- HSC trusts
- the Public Health Agency
- Northern Ireland Social Care Council
- Patient and Client Council
- Northern Ireland Guardian Ad Litem Agency
- Northern Ireland Practice and Education Council for Nursing and Midwifery and
- Northern Ireland Medical and Dental Training Agency.

RQIA engages with these organisations on an ongoing basis and through regular one-to-one liaison meetings and calls, sharing learning and discussing common interests and issues of concern.

RQIA also works closely with other inspectorates and representative bodies including:

- Criminal Justice Inspection Northern Ireland
- Education and Training Inspectorate
- Her Majesty’s Inspector of Prisons
- The Prisoner Ombudsman for Northern Ireland
- The Commissioner for Older People for Northern Ireland (COPNI) and
- The Northern Ireland Commissioner for Children and Young People (NICCY).

RQIA also continued its constructive engagement with a range of stakeholder representative organisations, including:

- The Independent Health and Care Providers (IHCP)
- UK Homecare Association
- British Dental Association; and
- The Association for Real Change, particularly in relation to the impact of Covid-19 on services.

RQIA has established memoranda of understanding and information sharing protocols with a range of partner organisations, to support information sharing and cooperation in joint working, and transparency when working on areas of common interest. During the year RQIA met with the Independent Sector Complaints Adjudication Service (ISCAS) a voluntary subscriber scheme for the vast majority of independent healthcare providers, to commence the development of a new memorandum of understanding, which will be implemented in early 2021-22. RQIA also worked with both the General Medical Council and Nursing and Midwifery Council to review existing memoranda of understanding.

Sharing Best Practice: Engagement with Other Health and Social Care Regulators

During the year RQIA continued to engage remotely with the Care Quality Commission, Care Inspectorate Scotland and Health Inspectorate Wales to share mutual experiences and learning of regulation and inspection during the pandemic.

COMMUNICATION AND ENGAGEMENT

Engaging with the Public

Due to restrictions in visiting, the Covid-19 pandemic impacted on RQIA's opportunities to meet face-to-face with the family members of those in health and social care services. However, RQIA continued to encourage the public to contact its Guidance Team by telephone or email, where they had queries or concerns relating to their loved one's care.

In November 2020, the Patient and Client Council, in partnership with RQIA, the HSC Board and Public Health Agency, established a platform to strengthen engagement and build relationships with relatives of people living in care homes. On a weekly basis, relatives and their representative organisations had an opportunity to discuss concerns in relation to care and visiting and care partner arrangements. These video meetings were also attended by representatives from the Commissioner for Older People Northern Ireland, Age NI and the Alzheimer's Society, and Care Home Advice Support Northern Ireland.

Digital Communication

Throughout the year RQIA continued to add new and updated content to its website www.rqia.org.uk to support service providers and the public alike. During 2020-21, RQIA received around 170,000 visitors, resulting in over 750,000 webpage views, a 25% increase on the previous year.

To date, over 14,000 inspection reports for both regulated and HSC trust services have been published and are available directly through the search function on the RQIA homepage or via an interactive map. These continue to be the most visited part of the website, with over a quarter million page views during the year. In response to feedback from those visiting the website, each month a list of recent inspection reports made available online over the previous month is published.

From April 2020, RQIA provided a range of useful resources for service providers and the public relating to Covid-19, which were updated regularly as the pandemic progressed. These pages were accessed almost 90,000 times during the year, a three-fold increase on 2019-20. RQIA's website hosted daily password protected updates on the latest PPE supply information from the Department of Finance to allow care homes and domiciliary care agencies to source this essential equipment for their services. This information was accessed by providers almost 2,000 times during the first wave of the pandemic.

In supporting the regional response to the Covid-19 pandemic, on behalf of the Department of Health, PHA, HSC Board and trusts, RQIA collated daily status reports from information submitted by care homes via its Provider Web Portal. This included information on the number of cases, and issues arising which required support or intervention from the Public Health Agency, local HSC trusts or RQIA.

RQIA also directs traffic to the website via [@RQIANews](#), the RQIA's Twitter account, where new content added can be notified immediately to over 5,000 followers.

RQIA Publications

During the year, RQIA continued to publish the findings of inspections of adult health and social care services on our website. In addition RQIA also published a Review of the Implementation of NICE Clinical Guideline 174: Intravenous (IV) Fluid Therapy in Adults in Hospitals in Northern Ireland; and outcomes of clinical audits and quality improvement projects funded through RQIA's Audit team.

In October 2020, RQIA published the fourth in its series of research reports, developed by the Information Team. This report, titled "The Impact of Covid-19 on Care Homes in Northern Ireland, February –July 2020", was shared with the Department, health and social care regulators across the UK, and commissioners and providers of services in Northern Ireland to ensure lessons were learned from the first wave of the Covid-19 pandemic.

Media Engagement

Through engagement with the media, RQIA aims to increase awareness and understanding of RQIA's role, and provide assurance to health and social care service users and their families. RQIA provides journalists with detailed briefings to describe its role within health and social care, the complexity of its work, and the legal powers available to it in taking this forward.

This year, RQIA received unprecedented interest from print, broadcast and online media outlets. During the year RQIA responded to almost 260 media requests for briefings, statements or interviews, with a significant focus on the RQIA's role in the regional response to the Covid -19 pandemic. The resignation of the Acting Chair and Members in June 2020 also attracted a high level of media interest.

Political Engagement

RQIA continued its engagement with representatives from the main political parties, through meetings with representatives, including their health and social care spokespersons, to discuss the role of RQIA and specific areas of interest. Where RQIA undertook significant actions, for example, to cancel the registration of a service the Chief Executive liaised directly with local political representatives to ensure they were fully briefed on the rationale for the action and on the carefully considered steps being taken to ensure the wellbeing of residents.

In May 2020, RQIA's Acting Chief Executive appeared before the Northern Ireland Assembly's Committee for Health to provide an overview of its role and actions to support care homes and domiciliary care services during the first weeks of the Covid-19 pandemic. In October 2020, RQIA's Interim Chief Executive and Acting Director of Improvement provided evidence to the Committee as part of its inquiry into the impact of Covid-19.

In its report the Committee for Health recognised the strength of the evidence expressing appreciation for the support and advice provided by RQIA, particularly during the first difficult months of the pandemic, including the first point of contact Service Support Team and on-site support teams assisting care homes to improve infection prevention and control. This service was welcomed by care home staff and other stakeholders such as Positive Futures, Independent Health and Care Partnership (IHCP) and the Royal College of Nursing, who reported that it provided invaluable support to its members. The Committee also welcomed RQIA's move towards a risk-based assurance framework, taking on board lessons learned from the early days of the pandemic.

Public Involvement in Inspections and Reviews

RQIA is committed to increasing effective engagement with the public and stakeholders to achieve improvements in the safety and quality of services.

During the pandemic it was challenging for RQIA to involve lay assessors in on the ground inspection and review activities. However, as part of RQIA's Transition Plan an increased focus has been placed on the involvement of service users, carers and other stakeholders in RQIA's work. This included plans to evaluate new models to support the full integration of lay assessors within RQIA's assurance and inspection activities. This work is in progress and involves coproduction with the Patient and Client Council, relatives of service users and other individuals and organisations.

CORPORATE ISSUES

The Authority

The Authority consists of a Chair and other members appointed by the Department of Health. The members of the Authority hold corporate responsibility for ensuring that the functions, responsibilities and duties of the RQIA are conducted efficiently, effectively and economically, and are accountable to the Minister of Health for the discharge of these duties.

Professor Mary McColgan, OBE, acting Chair, led a nine member board until 17 and 18 June 2020, when she and six members resigned with immediate effect. These were in addition to the resignation of two members on 9 and 10 June 2020 to take up alternative posts.

On 18 June 2020, Robin Swann, Minister of Health, appointed Christine Collins, MBE, as interim Chair, and on 23 June announced his intention to commission an Independent Review into RQIA Board Resignations, to examine the circumstances that gave rise to the resignations.

On 14 August 2020, the Health Minister approved the temporary appointment of two Departmental senior officials to the Authority to ensure good governance pending the appointment of Interim members through a process agreed with the Commissioner for Public Appointments. On 30 October 2020, the Minister announced the appointment of six Interim Authority members. Profiles of these Authority members are included at Appendix 4.

RQIA Executive Management Team

The Chief Executive and Accounting Officer is a member of staff of the Authority, and responsible to the Authority for the day-to-day operation and management of RQIA. The Chief Executive is also designated as the Accounting Officer for the RQIA and is personally responsible for safeguarding the public funds for which he/she has charge and for ensuring propriety and regularity in handling these funds.

In late March 2020, Olive Macleod, RQIA's Chief Executive was seconded to the Public Health Agency to lead that organisation during the pandemic period. From 1 April to 31 August 2020 Dermot Parsons acted as RQIA's Chief Executive. Dr Tony Stevens, OBE, was appointed by the Authority as interim Chief Executive on 26 August 2020, and took up post on 1 September 2020.

As a result of the impact of Covid-19 on RQIA's ability to implement its Business Plan 2020-21, in September 2020 the interim Chief Executive led the development of a Transition Plan, which set out what RQIA would achieve by 31 March 2021. This plan was initially endorsed by the Authority in October 2020, and approved by the Interim Authority in November 2020.

- an Assurance / Inspection Framework
- a Governance Framework
- a Performance Framework

To support RQIA's staff in its implementation, a Transition team was established, with the support of a number of additional staff:

- Dr Richard Wright, as RQIA's Responsible Officer (a senior medical role)
- Francis Rice, to support and mentor RQIA's Executive Management Team in developing proposals for restructuring and organisational development
- Karen Harvey, as professional advisor to RQIA's social workers and to lead and support RQIA's Assurance Directorate

During the year, Emer Hopkins was RQIA's Acting Director of Improvement. Details of senior employees' remuneration are included within the remuneration report. RQIA does not make any payments in relation to staff benefits.

RQIA Staff

The RQIA's staff are its most valuable asset and responsible for the achievement of corporate objectives and the effective delivery of the work programme. RQIA has a staffing complement of 120 people (114.33 whole time equivalent), excluding Authority members, bank and agency staff. The staff composition, by headcount, is 75% female and 25% male. During 2020-21, there was an average staff absence rate of 6.94%, against a (regional key performance indicator) target set for RQIA by DoH of 8.44%.

During 2020-21, there was a staff turnover of 12.6%, with 15 members of staff leaving RQIA through retirement or taking up new opportunities. RQIA advertised for a range of administration and inspector positions, which attracted a very high level of interest, and 14 new staff joined teams inspecting care homes, independent health care, hospitals and mental health and learning disability wards and the Business Support Unit.

As a result of the pandemic and in line with government guidance, from late March 2020 RQIA staff worked from home where this was practicable.

Staff Training

RQIA is committed to the development of its staff, and ensures that staff have access to training opportunities to enable them to contribute fully to achieving its objectives. In addition to job-specific training, during the year, staff undertook mandatory training on:

- risk management;
- information governance;
- personal and public involvement;
- fraud awareness;
- fire safety;
- display screen equipment and
- cyber security.

As a result of technical issues across health and social care, staff were unable to access the e-learning platform, which hosts the training courses, from December 2020 onwards. This issue has been escalated through the regional e-Learning team to ensure alternative arrangements can be put in place for 2021-22.

RQIA's Belfast Office Headquarters

During 2020-21 RQIA continued planning for its relocation to new offices as part of the Belfast Optimisation Project which identified new offices for a number of public sector organisations, including RQIA, Northern Ireland Social Care Council; Northern Ireland Guardian Ad Litem Agency; and the commissioners for older people and for children and young people. Due to the impact of the Covid-19 pandemic, this relocation has been delayed by a year until 2022. As RQIA's current lease agreement at Riverside Tower, Belfast, concludes on 30 June 2021, RQIA has agreed a short-term lease at Victoria House in Belfast city centre from 1 June 2021 until 31 August 2022.

Complaints About RQIA

As a learning organisation, RQIA welcomes contact from people with concerns about its actions or how it conducts its work.

During the year, RQIA implemented the recommendations from an internal audit of its complaints processes. In August 2020, the Authority approved the implementation of a new streamlined and user-friendly complaints policy and procedure for RQIA, taking on board feedback from internal audit and learning from previous complaints. Key staff also undertook training in relation to both whistleblowing and complaints investigations.

Whilst a number of health and social care organisations paused their complaints activity during the pandemic, RQIA continued to accept and manage complaints about the organisation throughout the year. This required a change in approach to some aspects of complaints management, such as complaint meetings taking place via video-conferencing rather than face-to-face.

RQIA received ten complaints or expressions of dissatisfaction in relation to the work of RQIA during 2020-21. The majority of these related to inspection processes and oversight of health and social care services. Each complaint was managed in line with RQIA's complaints policy and procedure. Six complaints were resolved at the early resolution stage and one was addressed at the formal resolution stage following a complaints investigation.

Following review, two complaints were deemed to fall outside the remit of RQIA's complaints policy. In response the complainant was provided with advice on where to address their complaint, as well as an opportunity to discuss their concerns in a meeting with relevant RQIA staff. At 31 March 2021, the investigation of one complaint remained ongoing.

The regional HSC Complaints Procedure states that complaints should be acknowledged within two working days and a response issued within 20 working days. In line with this direction, all complaints were acknowledged within this deadline. However, the complexity of some complaints may make it difficult to investigate and to provide a full response within these timescales. In these circumstances regular updates are provided to the complainant on the progress of their complaint.

During the year the investigation of one complaint was delayed due to the impact of the Covid-19 pandemic, and a final response was provided within 30 working days.

Where a complainant remains dissatisfied with RQIA's response to their complaints, they are advised of their right to bring their complaint to the Northern Ireland Public Services Ombudsman (NIPSO). RQIA responded to one request for further information from NIPSO, in relation to learning implemented as a result of a previous Ombudsman report, published in 2020. RQIA also received the final report from NIPSO following an investigation into a complaint about RQIA made in 2018-19, and accepted the findings of this report.

Freedom of Information and Data Protection

As a public body, RQIA is required to respond to freedom of information and subject access requests in line with relevant legislation. During 2020-21, RQIA received 85 freedom of information requests and subject access requests, a four-fold increase on the previous year.

There were no reportable personal data related incidents during the year.

Business Continuity Planning

RQIA has a business continuity plan which is tested on an annual basis to ensure continuity of service in an unplanned emergency situation. Following the test, the plan is updated as necessary to reflect any learning.

In late March 2020, as a result of the pandemic and in line with government guidance, RQIA implemented its business continuity plan, with all staff working from home where this was practicable. Remote access to ICT systems was introduced for every member of staff and internal and external meetings were held using video-conferencing platforms. To ensure continuity in RQIA services a small number of staff provided office-based functions to support these new arrangements. Within the office strict social distancing and hand hygiene arrangements were introduced, and a one-way system was put in place to minimise the risk of contact.

These arrangements remained in place throughout the year to ensure the ongoing safety and wellbeing of our staff.

UK Exit from the European Union (Brexit)

During 2020-21 RQIA continued to work in partnership with colleagues from the Department of Health and HSC in relation to the implications of the UK's exit from the European Union.

Equality

In December 2020 RQIA submitted its annual progress report on the implementation of its equality and disability action plans to the Equality Commission. This report demonstrated its commitment to meet its equality obligations and detailed how RQIA promotes equality of opportunity across all Section 75 groupings. This included RQIA's continued participation in the HSC disability placement scheme in partnership with BSO; workshops for care home and domiciliary care providers; the introduction of a human rights framework in care home inspections; reviews of general paediatric surgery and emergency mental health service provision; staff training to support the implementation of deprivation of liberty legislation; and support for the HSC LGBT Forum.

Strategic Performance Management

RQIA's Corporate Strategy 2017-21 set out its vision, core values and strategic objectives and was developed in the context of the Northern Ireland Executive's Draft Programme for Government Framework 2016–21, Health and Wellbeing 2026: Delivering Together (Department of Health, 2016), and the HSC reform process.

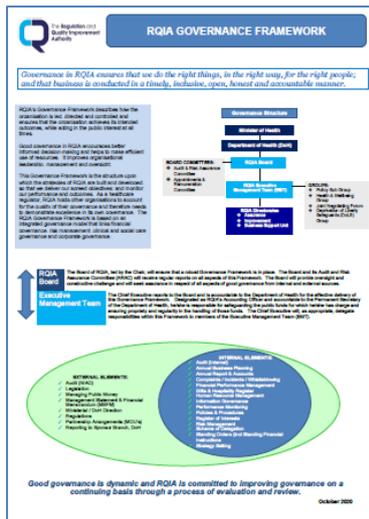
The strategy identified four themes:

- **Encourage quality improvement in health and social care services** - RQIA will use its powers under the 2003 Order to encourage quality improvement in health and social care services, support service providers and assure quality.
- **Use sources of information effectively** - RQIA will deliver independent scrutiny of health and social care services, targeted on the basis of assessed risk and prioritised need.
- **Engage and involve service users** - RQIA is committed to a human rights based approach to our work to ensure that people remain at the heart of our activities and are involved in supporting us to improve the effectiveness of what we do.
- **Deliver operational excellence** - RQIA is committed to developing our staff and using our resources effectively and efficiently to sustain an organisational culture of learning and continuous improvement

In late February 2020, RQIA's Board approved the Business Plan for 2020-21, which aimed to support the corporate strategy and included detailed specific actions, timescales and associated resources to deliver these objectives.

From March to July 2020, RQIA balanced its role as a regulator with the provision of support to health and social care services during the first wave of the Covid-19 pandemic. During this time, a number of key staff were transferred to other organisations to support the regional response to the pandemic. This impacted on RQIA's ability to deliver its Business Plan targets, as did the Departmental direction to shift to focus on the pandemic response rather than conventional regulatory activities.

With the appointment of an interim Chair and Authority, and following Dr Tony Stevens taking up post as interim Chief Executive in September 2020, RQIA developed its Transition Plan, replacing the Business Plan.



As part of the Transition Plan 2020-21, the Governance Framework was refreshed and resulted in an easy-read document, which sets out the roles, responsibilities and procedures for the effective and efficient conduct of its business.

It also highlighted the internal and external elements of governance, outlining a timetable for key governance documentation to be presented to the RQIA Board, its Committees and the Executive Management Team.

Underpinned by Frameworks for transitional assurance /inspection, governance, and performance, this Transition Plan identified 13 actions that RQIA aimed to achieve during the period October 2020 to March 2021.

Key deliverables focused on:

- Strengthening RQIA’s assurance of quality of care
- Using information and intelligence
- Delivering reviews, Audits and quality improvement (QI) projects
- Systems to deliver the Mental Health Order/ Mental Capacity Act
- Managing performance
- Future-proofing electronic information system
- Covid-19: learning and reporting
- Involving service users
- External-facing communications
- Ensuring the organisation is fit for purpose
- Internal governance arrangements
- Modernising registration
- Oversight of complaints in regulated services

As part of the Transition Plan, RQIA commenced a project to examine and consider its current organisational structures and, in consultation with senior staff, developed proposals to ensure the organisation is appropriately structured to deliver on its objectives and activities effectively. This project will be completed during 2021-22.

Regular performance management meetings for the two Directorates and Business Support Unit are in place, which provides the opportunity for detailed reporting against key performance indicators and progress in meeting set objectives for each Directorate.

RQIA’s Directorate Teams reported on their performance to the Authority, showing steady progress on the delivery of the actions identified within the Transition Plan.

Through the Audit and Risk Assurance Committee, RQIA also developed a new approach to ensuring the effective identification and management of risks, in our Risk Management Strategy. These are monitored and managed by the Authority through consideration of the Principal Risk Document.

Financial Summary

In 2020-21 RQIA received income of £8,313,285, which comprised £7,165,459 from the Department of Health through the Revenue Resource Limit, and £1,147,826 from fee income. During 2020-21 staff costs were £6,597,415 and other expenditure costs were £1,706,294. At year-end there was a surplus of £19,082, which confirms that RQIA met its financial target of breakeven, which is defined as surplus or deficit not exceeding £20,000.

During the year RQIA incurred additional costs relating to Covid-19 amounting to £199,000. The Department of Health provided funding of £176,000 to meet these additional costs. In 2020-21 RQIA received capital funding from the Department of Health through the Capital Resource Limit amounting to £20,000, which was spent on ICT equipment.

During the year RQIA experienced a high level of vacancies at all levels of the organisation and also received more income from registration of services than anticipated. As a result RQIA requested the DoH to retract £460,000 of funding in-year.

Public Sector Payment Policy – Measure of Compliance

RQIA is required to pay non-Health and Social Care trade creditors in accordance with the Better Payments Practice Code and Government Accounting Rules. The target is to pay 95% of invoices within 30 calendar days of receipt of a valid invoice, or the goods and services, whichever is the latter. A further regional target to pay 70% of invoices within 10 working days (14 calendar days) is also in place.

	2021	2021	2020	2020
	Number	Value (£)	Number	Value (£)
Total bills paid	803	2,672,062	1,071	2,971,539
Total bills paid within 30 day target	789	2,654,217	1,024	2,887,556
% of bills paid within 30 day target	98%	99%	96%	97%
Total bills paid within 10 day target	760	2,332,059	858	2,431,316
% of bills paid within 10 day target	95%	87%	80%	82%

The Late Payment of Commercial Debts Regulations 2002

There was no interest payable arising from claims made by businesses under this legislation. (2019-20: Nil)

Accounts Direction

RQIA accounts have been prepared in a form determined by the Department of Health based on guidance from the Department of Finance's Financial Reporting Manual (FReM) and in accordance with the requirements of Article 90(2)(a) of the Health and Personal Social Services (Northern Ireland) Order 1972 No 1265 (NI 14) as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003.

Accounting Policies

The accounting policies follow International Financial Reporting Standards to the extent that it is meaningful and appropriate to the RQIA. Where a choice of accounting policy is permitted, the accounting policy, which has been judged to be most appropriate to the particular circumstances of RQIA for the purpose of giving a true and fair view has been selected. RQIA's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts. There have been no significant changes to accounting policies in the year.

Anti-Bribery and Anti-Corruption

RQIA has an Anti-Bribery Policy in place, which sets out the position on bribery and context for ensuring that all activities are carried out in an honest and ethical environment. RQIA is committed to maintaining an anti-bribery culture and will adopt a zero-tolerance approach to bribery and corruption where it is discovered.

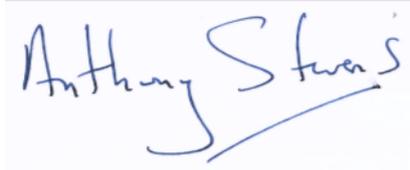
Social, Community and Environmental Matters

While the majority of staff worked from home during the year, RQIA continued to focus on energy reduction, recycling office waste, promotion of healthy lifestyles and use of public transport where this was possible and safe.

In partnership with the Business Services Organisation, RQIA held two health and wellbeing awareness days. In January 2021, representatives from the Royal National Institute for Deaf people and a HSC colleague with hearing loss provided an overview of issues relating to deafness and hearing loss.

In March 2021, RQIA was joined by an expert by experience and a peer educator from the Belfast Trust Recovery College to discuss living with bi-polar disorder, and the mental health challenges associated with this condition.

Throughout the year RQIA also shared practical resources on mental health and wellbeing, aimed at supporting staff while working from home.

A handwritten signature in blue ink that reads "Anthony Stevens". The signature is written in a cursive style with a long horizontal stroke at the end.

Dr A B Stevens, OBE
Interim Chief Executive
30 June 2021

SECTION 2: Accountability Report

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

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

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

- Observe the Accounts Direction issued by the Department of Health including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements;
- Prepare the financial statements on the going concern basis; and
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The Permanent Secretary of the Department of Health as Principal Accounting Officer for Health and Social Care Resources in Northern Ireland has designated Dr A B Stevens OBE of the Regulation and Quality Improvement Authority as the Accounting Officer. The responsibilities of an Accounting Officer, including responsibility for the regularity and propriety of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding RQIA's assets, are set out in the formal letter of appointment of the Accounting Officer issued by the Department of Health, Chapter 3 of Managing Public Money Northern Ireland (MPMNI) and the HM Treasury Handbook: Regularity and Propriety.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

GOVERNANCE STATEMENT

1. Introduction / Scope of Responsibility

The Chair and Members of the Authority (“the Authority”) are accountable for internal control. As Accounting Officer and Interim Chief Executive of RQIA, I have responsibility for maintaining a sound system of internal governance that supports the achievement of the organisation’s strategic priorities, statutory obligations and business objectives, whilst safeguarding the public funds and assets for which I am responsible, in accordance with the responsibilities assigned to me by the Department of Health (DoH).

As Interim Chief Executive I am accountable to the Authority for the day-to-day operations and management of RQIA. As the designated Accounting Officer I am accountable to the Permanent Secretary of DoH and I am personally responsible for safeguarding the public funds for which I am responsible and for ensuring propriety and regularity in the handling of those funds. As Interim Chief Executive and Accounting Officer, I work with the Chair and Members of the Authority to establish, in agreement with the Department, the RQIA’s corporate strategy and business plan. This is developed in the context of the Department’s wider strategic aims, Departmental Requirements and current Public Sector Agreement (PSA) objectives and targets.

As Interim Chief Executive I provide a formal report to the Authority covering matters of strategic importance, including updates on key targets and business objectives, information on enforcement actions, progress in respect of planned and commissioned reviews, serious incidents, complaints and whistleblowing at each Authority Meeting. Authority meetings are held at least six times a year.

As Interim Chief Executive I chair a weekly meeting of the Executive Management Team, which provides strategic oversight of all operational issues impacting on the day-to-day management of the organisation.

RQIA is Northern Ireland’s independent regulator of health and social care services. RQIA’s ongoing work programme aims to provide assurance about the safety, quality and availability of these services through: its planned programme of announced and unannounced inspections of regulated services, mental health and learning disability wards, hospitals, and places of detention across Northern Ireland; and its reviews of both health and social care services and independent establishments and agencies. In carrying out its role RQIA has developed strong and effective partnerships with other health and social care systems regulators, inspectorates, professional regulatory bodies, Arm-Length Bodies, Trusts and Health and Social Care Board (HSC Board).

The Interim Chair and Interim Chief Executive normally attend bi-annual accountability reviews with the Permanent Secretary; however these were stood down in 2020-21 as a result of Covid-19.

The Interim Chief Executive and members of the Executive Team attend quarterly liaison meetings with Sponsor Branch, DoH to discuss matters of RQIA's strategic and operational performance relating to regulation and quality improvement across the health and social care system.

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

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

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

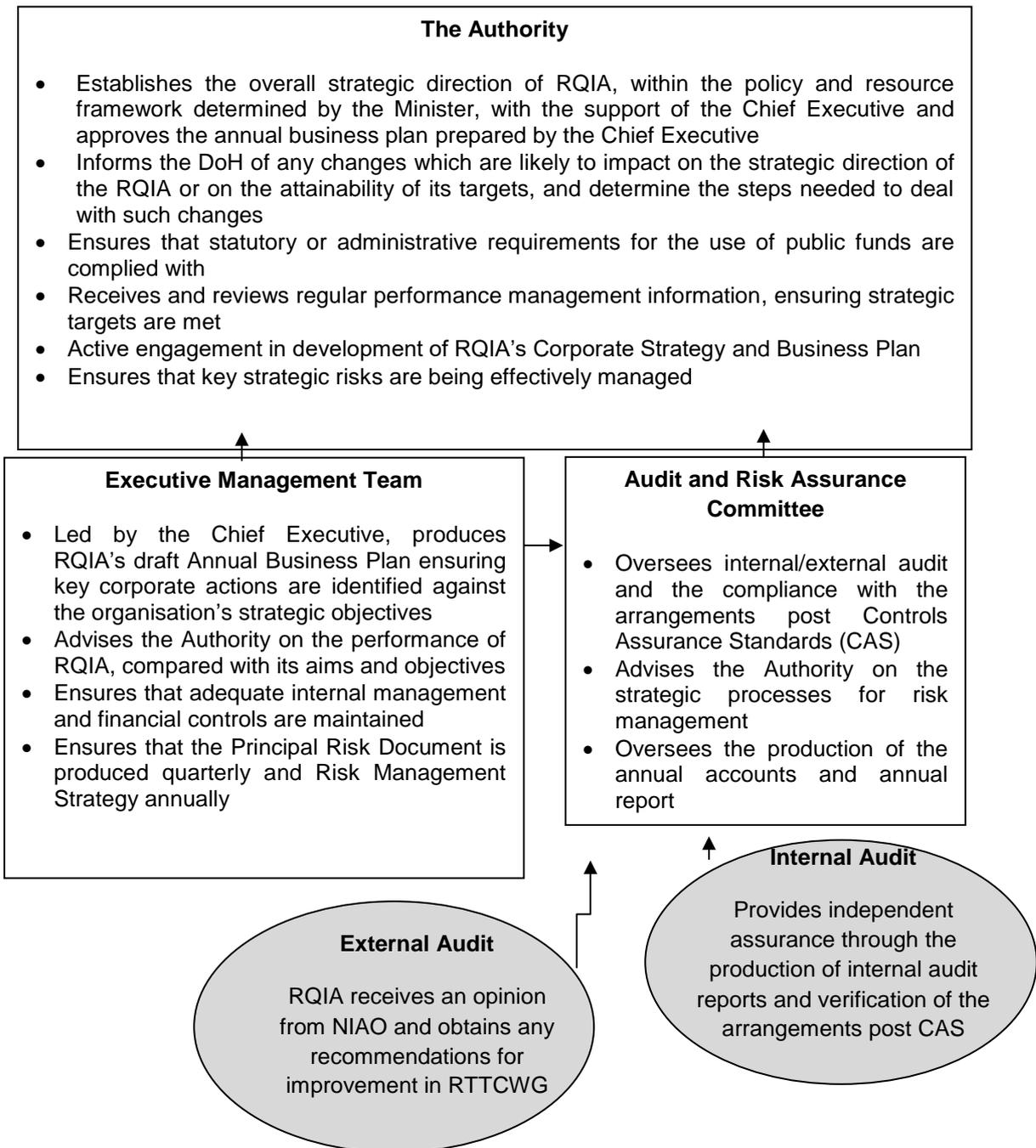
Standing Orders, which provide for:

- A schedule of matters reserved for Authority decisions;
- A scheme of delegation, which delegates decision making powers, within set parameters, to the Interim Chief Executive and other officers;
- Standing Financial Instructions;
- The establishment and operation of an effective Audit and Risk Assurance Committee; and
- The establishment and operation of an effective Appointments and Remuneration Committee.

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

- Comprehensive budgeting systems with an annual budget;
- Regular reviews by the Authority of periodic financial reports which indicate financial performance against the forecast;
- Setting and monitoring targets of financial and other performance measures;
- Clearly defined capital investment control guidelines;
- As appropriate, formal budget management disciplines;
- Production of RQIA's Property Asset Management Report; and
- Production of RQIA's Annual Report and Accounts.

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



RQIA assessed its compliance with best practice in corporate governance using the following tools:

- Accountability process and sponsorship function
- Assurance Framework
- Mid-Year Assurance and Governance Framework
- Independent Assurance – BSO Internal Audit
- Management Statement / Financial Memorandum;
- Arrangements post controls assurance standards

The outcomes of the self-assessment post controls assurance standards showed that RQIA continues to follow best practice in corporate governance.

3. Governance Framework

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

As a Body Corporate and an Arms-Length Body (ALB) RQIA is committed to governance excellence and is accountable for its decisions and activities. During 2020-21 the RQIA updated its Governance Framework (see Strategic Performance Management section in the Performance Report).

RQIA's Responsibilities and Functions

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

The RQIA works within a robust statutory framework. The Health and Personal Social Services (Quality, Improvement and Regulation) (NI) Order 2003, provides a statutory mandate for the RQIA, and defines its roles and functions. RQIA has a statutory duty to conduct inspections, investigations and reviews of services and to report its findings to DoH.

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

RQIA demonstrates accountability to DoH through:

- bi-annual accountability meetings with DoH (stood down in 2020-21 due to Covid-19);
- the RQIA's Annual Report which is laid before the NI Assembly;
- annual auditing of RQIA's accounts by the NIAO;
- independent scrutiny of RQIA's procedures and processes through BSO Internal Audit;
- publicly reporting performance in respect of its corporate goals and business targets;
- consulting before introducing major new policies or operational practices;
- Authority meetings open to the public;
- publishing information regarding the operation of the Authority, and where appropriate minutes of meetings and reports;
- quarterly production of RQIA's Principal Risk Document;
- having a robust and accessible complaints process; and
- production of an annual Quality Report.

Directors Report 2020-21

From 1 April to 31 August 2020 Dermot Parsons acted as RQIA's Chief Executive. Dr Tony Stevens, OBE, was appointed by the Authority as interim Chief Executive, with effect from 1 September 2020. From 1 May 2020, Emer Hopkins was RQIA's Acting Director of Improvement. During the year there were no personal data related incidents reportable to the Information Commissioner's Office. RQIA holds a record of director's register of interests, where they are required to declare any interest that may conflict with their management responsibilities.

RQIA has developed a Principal Risk Document which identifies the principal risks for the organisation and how these are managed, reviewed and monitored on an ongoing basis. These include: Health and Safety; Information Governance; Cyber Security; Management Arrangements, Resources and Capacity; Failure to Break Even; Disruption to Business Continuity (including the impact of Covid-19 and Accommodation Move); Failure to Improve Standards in the Regulated Sector; and RQIA's functions in respect of the Mental Capacity Act / Mental Health Order.

In line with government guidance the majority of staff worked from home during the year. RQIA continued to focus on energy reduction, recycling office waste, and use of public transport where this was possible and safe.

Authority Responsibilities

The Governance framework as described above has not been operating in full throughout the year due to a number of factors.

On 17 June the then remaining nine Members of the Authority of RQIA resigned. The Minister appointed an Interim Chair, Christine Collins MBE, on 18 June; and two Department of Health directors as temporary members on 14 August, pending the completion of a process approved by the Commissioner for Public Appointments for Northern Ireland to appoint Interim Members. Following the departure of the then Acting Chief Executive on 31 July, the Chair and temporary Members appointed an Interim Chief Executive, Dr Tony Stevens OBE, at the Authority meeting on 26 August. Dr Stevens took up post on 1 September 2020. Following the completion of the process approved by the Commissioner for Public Appointments, the Minister appointed six Interim Members to the Authority on 30 October 2020.

The Interim Authority acted to constitute the required Audit and Risk and Appointments and Remuneration Committees at the first meeting on 19 November; and met subsequently at formal Authority Meetings on 4 February 2021 and 25 March 2021.

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

- ensuring that RQIA fulfills its statutory objectives, general functions and duties and appropriately exercises the legal powers vested in it, under the Health and Personal Social Services (Quality, Improvement and Regulation) (NI) Order 2003 and other legislation;
- determining the overall strategic direction of RQIA within resource limits;
- developing the Corporate Strategy, working with the Chief Executive, and considering and approving the Management Plan;
- appointing and monitoring the performance of the Interim Chief Executive and the Executive team, holding them to account for the exercise of their delegated powers and delivery against plans and budgets;
- promoting and protecting RQIA's values, integrity, and reputation; and
- ensuring high standards of governance which command the confidence of all of RQIA's staff and stakeholders.

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

- maximising the impact and effectiveness of RQIA as it delivers a progressive work agenda (regulation, service oversight, reviews) to provide expert and independent assurance to the Minister, HSC and public;
- communicating RQIA's plans and achievements to stakeholders, RQIA's staff, DoH and the general public;
- identifying and managing risks and harnessing opportunities;
- listening and responding to stakeholders;
- ensuring its independence;
- ensuring the prudent use of public funds; and
- ensuring RQIA acts fairly, responsibly, transparently, proportionately and ethically.

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

- act collectively in making decisions;
- actively pursue learning and self-development opportunities;
- ensure that the Executive Management Team (EMT) provides appropriate, accurate and timely information and advice to enable informed decision making;
- seek to achieve consensus on major decisions. However, where this is not possible, collective decisions will be based on a majority vote with the Interim Chair holding a casting vote; and
- delegate appropriate authority to the Interim Chief Executive to the EMT and staff, to support the efficient and effective operation of RQIA and prudent use of public funds.

The Authority has established clear levels of delegation of powers and duties within which:

- some decisions are reserved exclusively for the Authority;

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

A total of nine Board meetings were held during 2020-21. In addition, five Board workshops took place in 2020-21, addressing strategic issues facing the organisation. It should be noted that the Board Governance Self-Assessment Tool, assessing the performance of the Authority, was not completed during 2020-21 due to factors noted above.

Attendance at 2020/21 Board Meetings and Workshops		
	Board Meetings	Board Workshops
Original Board (1 April to 17 June 2020)		
Prof. Mary McColgan	3	0
Denis Power	3	0
Lindsey Smith*	3	0
Patricia O'Callaghan	3	0
Dr Norman Morrow	3	0
Seamus Magee	3	0
Robin Mullan	3	0
Gerry McCurdy	3	0
Sarah Havlin*	3	0

*Resigned with effect from 11 June 2020

Temporary Board (From 14 August to 1 November 2020)	Board Meetings	Board Workshops
Christine Collins*	3	1
Chris Matthews**	3	1
Brigitte Worth**	2	1
Interim Board (From 2 November to date)	Board Meetings	Board Workshops
Christine Collins*	3	4
Neil Bodger***	3	4
Alan Hunter***	3	4
Suzanne Rice***	3	4
Jacqui McGarvey***	3	4
Bronagh Scott***	3	4
Prof. Stuart Elborn***	3	4

* Interim Chair in post from 18 June 2020

** Department of Health Directors appointed as temporary Members in post from 14 August to 29 October 2020

*** Interim Members in post from 30 October 2020 to date

Audit and Risk Assurance Committee Role and Performance

The Audit and Risk Assurance Committee, as a Committee of the Authority, plays a central role in discharging Authority responsibilities for issues of risk control and governance. The Audit and Risk Assurance Committee reviews the comprehensiveness of assurances in meeting the Authority and Accounting Officer's assurance needs, and reviews the reliability and integrity of these assurances.

Covid-19 impacted on the operation of the Audit and Risk Assurance Committee meeting in May, which was deferred and the June meeting was subsequently cancelled due to the resignation of the Board. On the appointment of the Interim Authority the Audit and Risk Assurance Committee was reconvened and had its first meeting on 28 January 2021.

From 1 April to 17 June 2020, the Audit and Risk Assurance Committee comprised six Board members, including the Audit and Risk Assurance Committee Chairman. From 19 November 2020 the Audit and Risk Assurance Committee consisted of three Authority Members, including the Audit and Risk Assurance Committee Chairman. The Audit and Risk Assurance Committee Chairman and members are appointed to the Committee under Standing Orders 5.3 and 5.4.

The Audit and Risk Assurance Committee advises the Authority and Accounting Officer on:

- the strategic processes for risk management, internal control, governance and the mid-year Assurance Statement and the Governance Statement;
- the adherence to accounting policies, the preparation of annual accounts and the annual report of the organisation, including the process for review of the accounts prior to submission for audit and the extent of adjustments arising from audit findings;
- the planned activity and recommendations of both internal and external auditors;
- adequacy of management response to issues identified by internal audit activity, and those included in the external auditor's report to those charged with governance;
- assurances relating to the corporate governance requirements for the organisation;
- anti-fraud policies, whistleblowing processes, and arrangements for special investigations;
- the extent to which processes and procedures provide value for money;
- a periodic review of its own effectiveness, however this was not completed due to the changes at Board level;
- an annual review of its own terms of reference; and
- consideration of write-off of losses and authorisation of special payments before submission to the Authority for approval.

The Audit Committee met twice during 2020-21 with an average of 100% in attendance. The Audit and Risk Assurance Committee did not complete the Audit Committee self-assessment checklist for 2020-21 due to the changes noted above.

Attendance at 2020/21 Audit and Risk Assurance Committee Meetings	
Board Member	Committee Meetings (Total 2)
Neil Bodger (Chair)	2
Prof. Stuart Elborn	2
Bronagh Scott	2

The Appointment and Remuneration Committee Role and Performance

Appointments and Remuneration Committee met on two occasions during 2020-21; January and March 2021 with three out of three Board members in attendance (100%).

The main functions of the Committee are:

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

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

Interim Chief Executive and EMT Responsibility

The Interim Chief Executive has responsibility for working closely with the Chair and Authority Members to establish the RQIA's corporate strategy and annual management plans in support of the Department's wider strategic aims and current PfG objectives and targets. The Interim Chief Executive has delegated authority for the day-to-day management of RQIA. The Interim Chief Executive is responsible for leading the EMT and staff in:

- fulfilling RQIA's statutory responsibilities including the general functions and duties specified in the Management Statement and Financial Memorandum;
- developing plans, programmes and policies for Authority approval including the Corporate Strategy, Review Programme and annual Management Plan;
- delivering RQIA's services in line with targets and performance indicators agreed by the Authority;
- developing RQIA's relationships with key stakeholders;
- working with the Authority to communicate RQIA's plans and achievements to stakeholders, RQIA's staff, DoH and the general public;
- acting as RQIA's Accounting Officer, reporting to the DoH on the use of public funds and with personal accountability and responsibility for RQIA's:
 - propriety and regularity;
 - prudent and economical administration;
 - avoidance of waste and extravagance;
 - efficient and effective use of available resources; and
 - the organisation, staffing and management of RQIA.
- ensuring that the EMT:
 - acts within the levels of authority delegated by the Authority, escalating any high risk and /or high impact issues for the timely attention and consideration of the Authority;
 - provides accurate and timely information to enable the Authority to fulfill its governance responsibilities effectively; and
 - supports the Authority in fulfilling its role and responsibilities.

There were substantial changes during the year to the Executive Management Team. The Director of Improvement and Medical Director was seconded to the DoH in early March 2020 and replaced by an Acting Director of Improvement. The Chief Executive was seconded to the PHA on 1 April 2020 and an acting up arrangement was put in place for a number of months until an Interim Chief Executive took up post in September 2020. The Director of Assurance post was vacant from April 2020 and the role has been assumed by the Senior Professional Advisor and Project Lead for Assurance.

The Head of the Business Support Unit was also seconded initially to the DoH and then the PHA in June 2020 and an acting arrangement was put in place from August 2020.

Under the leadership of the Interim Chief Executive a transition plan was developed, underpinned by frameworks for governance, performance and assurance. During this period of change the Executive Management Team worked to strengthen its internal governance arrangements, including structure, internal accountability, finance and information governance.

4. Business Planning and Risk Management

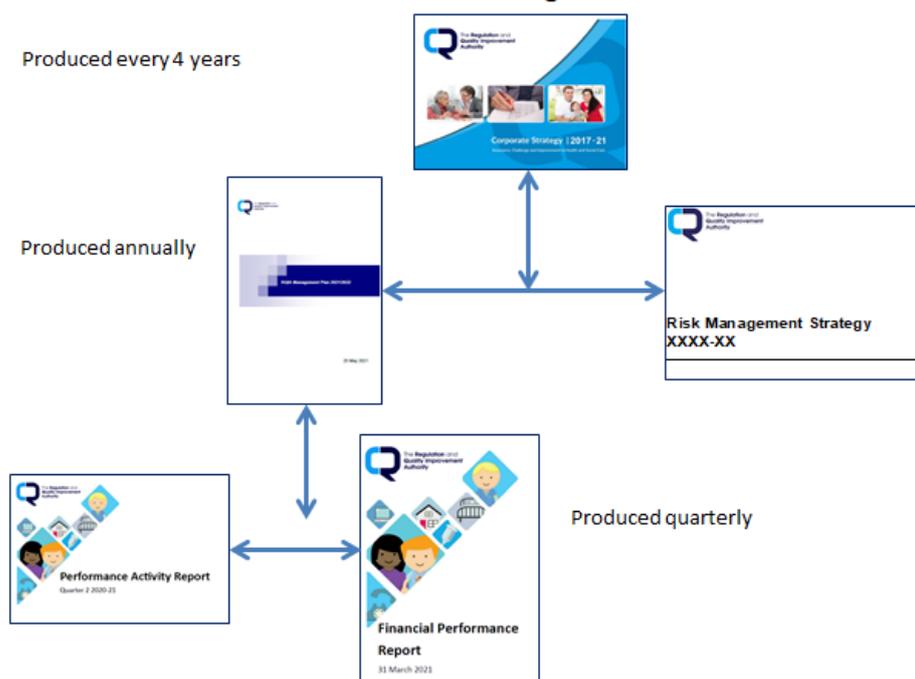
Business planning and risk management are at the heart of governance arrangements to ensure that statutory functions and duties and Ministerial priorities are properly reflected in the management of business at all levels within RQIA.

RQIA's Performance Management Framework brings together the Corporate Strategy, Annual Business Plan, Risk Management Strategy and Performance Activity Report.

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

The Corporate Strategy 2017 to 2021 expires this year; due to the dislocation of normal activity caused by the Pandemic, it has not been possible to produce a new Corporate Strategy. However, the Authority has developed a high level "Statement of Strategic Intent" to provide strategic direction and underpin the Management Plan, until it is feasible to consult on a fresh Corporate Strategic Plan.

RQIA's Performance Management Framework



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

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

The Authority is responsible for setting RQIA's risk appetite. RQIA has a low tolerance for risk, which is designed to ensure the organisation maintains its independence and high levels of public confidence in its regulatory and improvement activities. The Authority, Audit and Risk Assurance Committee (ARAC) and EMT provide leadership for risk management. The EMT has developed a Principal Risk Document, which is reviewed, updated and reported upon quarterly to ARAC.

Directorates within RQIA develop and regularly review directorate specific risk registers, which provide a clear linkage between directorate and corporate risks. The Authority provides leadership through its governance arrangements, annual reviews, and consideration of the Risk Management Strategy and Corporate Risk Assurance Framework reports with a specific focus on review and challenge of the corporate risks on a quarterly basis, and has oversight of the risk management process through the Audit and Risk Assurance Committee.

During 2020-21 the Principal Risk Document was devised and seven risks identified. Each risk added to the Principal Risk Document is assessed to determine the likelihood and impact of the risk occurring and appropriate mitigating actions were agreed with the EMT and Authority.

The Risk Management Strategy and Risk-On-A-Page procedures are available to all staff to support them with understanding their risk management roles and responsibilities. All staff complete compulsory Risk Awareness E-learning every three years.

5. Information Risk

The management and control of the risk of loss of electronic information is safeguarded by the provision of secure remote access to a protected ICT environment. Staff adhere to the corporate security policies for ICT, data protection and cybersecurity. RQIA also achieved substantive compliance with the HSC arrangements post CAS in Information Management and ICT during 2020-21. To ensure appropriate management of digital information, information used by third parties and cyber security, RQIA has appropriate information governance arrangements in place including policies, procedures, risk assessment of information assets.

RQIA has a nominated Personal Data Guardian, Senior Information Risk Owner, Information Asset Owners and Information Asset Assistants.

The RQIA provides staff with induction and annual training in information and ICT policies and procedures and have relevant clauses in their contracts of employment. RQIA is committed to the principles of the DoH Code of Confidentiality and the Protocol for Information Sharing and is a registered data controller with the Information Commissioners Office (ICO). In 2020-21 there were no incidents or breaches, which required reporting to the ICO.

RQIA has in place a suite of information and ICT policies, which are reviewed every three years, including:

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

RQIA has the following reporting and accountability mechanisms in place:

- Reporting to DoH Information and Analysis Unit on statutory processing of DPA and FOI requests;
- Internal Audit;
- Governance Statement;

The Interim Chief Executive commissioned an independent review of information governance which was completed in January 2021. This resulted in the establishment of an Information Governance Group, which is progressing an action plan. (See section 12.)

6. Fraud

RQIA takes a zero tolerance approach to fraud in order to protect and support our key public services. Zero-tolerance also means that there will be a thorough investigation of all allegations or suspicions of fraud and robust action will be taken where fraud is proven in line with RQIA's Fraud Response Plan. RQIA has put in place an Anti-Fraud Policy and Fraud Response Plan to outline its approach to tackling fraud, define staff responsibilities and the actions to be taken in the event of suspected or perpetrated fraud, whether originating internally or externally to the organisation.

RQIA's Fraud Liaison Officer (FLO) promotes fraud awareness, co-ordinates investigations in conjunction with the BSO Counter Fraud and Probity Services team and provides advice to personnel on fraud reporting arrangements.

A report on fraud incidents is presented to meetings of the Audit and Risk Assurance Committee. All staff are provided with mandatory fraud awareness training in support of the Anti-Fraud Policy and Fraud Response plan, which are kept under review and updated as appropriate every three years.

7. Public Stakeholder Involvement

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

As part of its ongoing engagement programme, RQIA has met with a range of stakeholder representative groups to discuss its ongoing work programme.. Work has commenced on developing a new Communications and Engagement Strategy, to which the Authority attaches a high priority.

8. Budget Position and Authority

The Assembly passed the Budget Act (Northern Ireland) 2021 in March 2021 which authorised the cash and use of resources for all departments and their Arms' Length Bodies for the 2020-21 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2021 also authorised a Vote on Account to authorise departments and their Arms' Length Bodies' access to cash and use of resources for the early months of

the 2021-22 financial year. This will be followed by the 2021-22 Main Estimates and the associated Budget (No. 2) Bill before the summer recess which will authorise the cash and resource balance to complete for the remainder of 2021-22 based on the Executive's 2021-22 final budget.

9. Assurance

Since the cessation of Controls Assurance Standards (CAS) from 1 April 2018 RQIA has processes in place to monitor compliance with the required standards, policies, legislation etc. for providing assurance to its Interim Chief Executive and its Board. The HIA annual report attests to this and Internal Audit review the RQIA processes for assurance that replaced the Controls Assurance Standards and found them adequate to provide the appropriate level of assurance in 2020-21.

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

- Senior managers review performance regularly against the actions and measures of success within RQIA's Annual Business Plan;
- Five post-controls assurance standard self-assessments / checklists are reviewed annually;
- The Internal Audit Unit of BSO provides internal audit services. There is continued coverage of the financial systems through RQIA's corporate risk-based and governance audits;
- A Service Level Agreement (SLA) exists with the Business Services Organisation to provide human resources, organisational development, equality, internal audit, H&S, facilities, information governance, ICT, finance, legal and procurement services to RQIA and assurance concerning the operation of these systems is provided annually by its Interim Chief Executive;
- In relation to the SLA annual monitoring meetings are held. Meetings are held with the service leads to discuss requirements and feedback about performance provided through the annual customer service questionnaires;
- The Report to those Charged with Governance issued by the external auditor;
- RQIA's EMT and Audit and Risk Assurance Committee regularly review an audit action plan charting progress in implementing the agreed recommendations of internal and external audit reports.

10. Sources of Independent Assurance

NIAO

The Northern Ireland Audit Office (NIAO) undertakes the financial audit of RQIA. NIAO's approach to the 2020-21 audit was delivered in accordance with the Audit Strategy which was presented to the Audit and Risk Assurance Committee in March 2021.

Internal Audit - Business Services Organisation (BSO)

BSO Internal Audit's primary objective is to provide an independent and objective opinion to the Accounting Officer, Authority and Audit and Risk Assurance Committee on the adequacy and effectiveness of the risk, control and governance arrangements. The basis of this independent and objective opinion is the completion of the Annual Internal Audit Plan.

In 2020-21 Internal Audit reviewed the following systems:

- **Financial Review** – Limited - Financial governance and oversight and budgetary control Satisfactory - Payroll and Non-Pay Expenditure (October 2020). There was a substantive follow-up in March 2021, which provided Satisfactory assurance;
- **Intelligence Monitoring** – Limited level of assurance received;
- **Recruitment and Absence Management** – Limited level of assurance received.

The following significant findings were identified in the above audit assignments, impacting on the assurance provided:

Financial Review:

1. The instability at both Board and senior executive level had a significant impact on financial governance and oversight and budgetary control arrangements within the organisation and included delays in completing the accounts process for the year ended 2019/20, the absence for a number of months of a formal finance report at Board level, ineffective budgetary control and non-adherence to Standing Orders and Standing Financial Instructions.
2. During the year-end substantive follow up of this Financial Review report, sufficient progress was found to have been made in implementing recommendations related to this finding and satisfactory assurance was provided.

Intelligence Monitoring:

There was a range of issues relating to the processes associated with concerns raised in relation to providers. These included risk assessment of significance of concerns, lack of timescales for resolution, access to prior year concerns, use of pre-inspection tool kit and communication of expectations to Trusts.

At the time of audit fieldwork, at both executive and Authority level, there is limited performance management information presented in respect of intelligence information. Work is now on-going to develop this.

Significant gaps were identified in the completion of intelligence information into iConnect, meaning that there is an incomplete picture of whether action has been taken to address all concerns raised.

Absence and Recruitment

There were a range of issues raised in relation to recruitment processes which included performance reporting and monitoring of the recruitment process within RQIA, delays in processing job requisitions and processes adopted to recruit senior staff.

There were a range of issues raised in relation to absence processes which included inaccurate recording of absence on HRPTS, gaps in the management of long-term absence and only 56% of staff having undertaken absence management training.

There were no priority one weaknesses in control identified in relation to the 2020-21 audit programme.

A review of the implementation of previous priority one and priority two Internal Audit recommendations was carried out at mid-year and again at year-end. At year-end, 46 (87%) out of the outstanding 53 recommendations examined were fully implemented and a further 7 (13%) were partially implemented.

A number of audits (summarised below) have been conducted in BSO Shared Services, as part of the BSO Internal Audit Plan. The recommendations in these Shared Service audit reports are the responsibility of BSO Management to take forward and the reports have been presented to BSO Governance & Audit Committee. Given that RQIA is a customer of BSO Shared Services, the final reports have been shared with RQIA Management and a summary of the reports is presented to the RQIA Audit and Risk Assurance Committee.

Payroll Shared Service Centre	Satisfactory – Elementary Payroll Processes Limited – End-to-End HSC Timesheet Processing, SAP/HMRC RTI Reconciliation, Management of Overpayments and Holiday Pay
Recruitment Shared Service Centre	Satisfactory
Business Services Team	Satisfactory
Accounts Payable	Satisfactory

In the annual report the Head of Internal Audit reported that there is a limited system of internal control designed to meet the Authority's objectives. However she acknowledged the prompt action taken in year to address the significant findings in the Financial Review audit and also the approach taken by RQIA generally to implement outstanding audit recommendations. She acknowledged the significant work to strengthen governance, risk management and control within RQIA in the second half of 2020/21, primarily through the development and implementation of the Transition Plan.

11. Review of Effectiveness of the System of Internal Governance

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

12. Significant Internal Control Issues

Update on prior year control issues, which were reported in the Mid-Year Statement and are now resolved:

Issue

Internal Audit in October 2020 issued a report on financial governance and control, which gave a Limited Assurance on financial governance, oversight and budgetary control. The report also gave Satisfactory Assurance in relation to payroll and non-pay expenditure.

Response

In September 2020 I had commissioned a financial governance review, which reported in advance of the Internal Audit report. The findings of the review are consistent with the outcome of the Internal Audit report. Recommendations from the review have been taken forward and are fully implemented. I had requested Internal Audit to conduct a follow up audit in March 2021, which reported a satisfactory level of assurance.

Update on prior year control issues, which were reported in the Mid-Year Statement and continue to be considered control issues

Issue

Due to the current coronavirus pandemic emergency, there is a risk that RQIA fails to identify poor quality care due to reducing the frequency of inspections, a reduction in the quality and volume of information received by RQIA, all of which impacts on our ability to identify and respond to safety and quality concerns.

Response

RQIA has developed a Transitional Assurance Framework for Regulation. This takes a risk-based approach to inspections relying on the numerous sources of intelligence available to RQIA. This modified approach to regulation is in line with other jurisdictions within the UK and includes on-site and remote inspections. RQIA continues to monitor notifications, concerns and intelligence when received to support a risk based analysis. Each team has a weekly safety brief/huddle to discuss concerns. Enforcement when required is progressed proportionally. This approach will continue into 2021/22.

Issue

On 17 June 2020, the Acting Chair and eight remaining members of RQIA's board resigned without notice and with immediate effect. These resignations left the RQIA temporarily without a proper complement of Members.

Response

On 18 June 2020 the Minister of Health appointed Christine Collins MBE as Interim Chair. On 14 August, pending the completion of a process approved by the NI Commissioner for Public Appointments to appoint Members to the Authority, the Health Minister approved the temporary appointment of two Departmental senior officials to the Authority. On 31 October 2020, six Interim Members were appointed until October 2021. The Interim Authority and EMT undertook the "On Board" training course on 17 November; and the first formal meeting of the Authority took place on 19 November, when the Audit and Risk Assurance Committee and the Appointment and Remuneration Committee were established.

On 23 June 2020 the Minister announced an independent review into the circumstances of these resignations.

Issue

In late March 2020, Olive Macleod, RQIA's Chief Executive was seconded to the Public Health Agency to lead that organisation during the pandemic period. From 1 April to 31 August 2020 Dermot Parsons acted as RQIA's Chief Executive. Dr Tony Stevens, OBE, was appointed by the Authority as interim Chief Executive on 26 August 2020, with effect from 1 September 2020.

Response

As a result of the impact of Covid-19 on RQIA's ability to implement its Business Plan 2020-21, the interim Chief Executive led the development of a Transition Plan, which set out what RQIA would achieve by 31 March 2021. To support RQIA's staff in its implementation, a Transition team was established, with the support of a number of seconded staff:

- Dr Richard Wright, as RQIA's Responsible Officer (a senior medical role)
- Francis Rice, professional advisor, nursing, and assistance in supporting and mentoring RQIA's Executive Management Team and in developing proposals for restructuring and organisational development
- Karen Harvey, professional advisor, social work, and to lead and support RQIA's Assurance Directorate

Following a successful recruitment exercise, the Authority has appointed Ms Briege Donaghy as Chief Executive with effect from 1 July 2021.

Issue

In December 2019 new regulations came into effect under The Mental Capacity Act (Northern Ireland) 2016, in relation to deprivation of liberty, which require oversight and independent assurance by RQIA. The development and implementation of this role was delayed by the Covid-19 Pandemic response, and the repurposing of RQIA during that period. Due to the current capacity and resources within RQIA there is a risk that RQIA fails to meet its statutory functions in respect of this legislation.

Response

Through an internal reorganisation during 2021-22, RQIA will build capacity to fully deliver its mental health and learning disability functions in line with The Mental Capacity Act (Northern Ireland) 2016. This will require the development of new operating procedures and securing additional resources through the submission of a business case to the Department of Health. RQIA is working with the Department of Health to specify and clearly define RQIA's role in this matter.

Identification of New Issues

Issue and Response

The independent review of information governance (see Section 5: Information Risk) identified a range of control issues which are being addressed through an agreed action plan. The high level control issues included:

- Staff Training
- Information Governance Policy and yearly action / development plan
- Main Information flows and the Information Asset Register
- Support from the Business Service Organisation
- Data Protection and GDPR
- Records Management

Issue and Response

The RQIA electronic information system, iConnect, is approaching end of life in relation to the required software and aligned support and maintenance. The system will require a significant upgrade by June 2022. At the time of preparing this Governance Statement, RQIA is scoping the requirements for an upgrade and preparing the necessary business case.

13. Conclusion

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

Further to considering the accountability framework within RQIA, I have taken into consideration the limited assurance provided by the Head of Internal Audit. I have sought assurance from the Executive Management Team, that where significant findings have identified weaknesses in established controls, that appropriate mitigations and action plans were put in place to address audit recommendations and improve internal controls. On this basis I am content with the operation of this system of internal governance during the period 2020-21.

A handwritten signature in blue ink that reads "Anthony Stevens". The signature is written in a cursive style with a long horizontal stroke at the end.

Dr A B Stevens
Interim Chief Executive

Date: 30 June 2021

**REMUNERATION AND STAFF REPORT
YEAR ENDED 31 MARCH 2021**

REMUNERATION REPORT

Senior Employees' Remuneration (Audited)

The salary, pension entitlements and the value of any taxable benefits in kind of the most senior members of the RQIA were as follows:

Single total figure of remuneration								
	Salary £000s		Benefits in kind (rounded to nearest £100)		Pension Benefits (rounded to nearest £1,000)		Total £000s	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Board Members								
Christine Collins*	15-20	-	-	-	-	-	15-20	-
Mary McColgan**	0-5	15-20	-	-	-	-	0-5	15-20
Suzanne Rice*	0-5	-	-	-	-	-	0-5	-
Alan Hunter*	0-5	-	-	-	-	-	0-5	-
Neil Bodger*	0-5	-	-	-	-	-	0-5	-
Stuart Elborn*	0-5	-	-	-	-	-	0-5	-
Bronagh Scott*	0-5	-	-	-	-	-	0-5	-
Jacqueline McGarvey*	0-5	-	-	-	-	-	0-5	-
Sarah Havlin***	0-5	5-10	-	-	-	-	0-5	5-10
Seamus Magee***	0-5	5-10	-	-	-	-	0-5	5-10
Gerry McCurdy***	0-5	5-10	-	-	-	-	0-5	5-10
Norman Morrow***	0-5	5-10	-	-	-	-	0-5	5-10
Robin Mullan***	0-5	5-10	-	-	-	-	0-5	5-10
Patricia O'Callaghan***	0-5	5-10	-	-	-	-	0-5	5-10
Denis Power***	0-5	5-10	-	-	-	-	0-5	5-10
Lindsey Smith***	0-5	5-10	-	-	-	-	0-5	5-10
Alan Lennon****	-	0-5	-	-	-	-	-	0-5
Stella Cunningham****	-	0-5	-	-	-	-	-	0-5

Senior Staff								
Olive MacLeod(i)	-	80-85	-	3	-	-	-	80-85
Theresa Nixon (ii)	-	65-70	-	-	-	-	-	65-70
Lourda Geoghegan (iii)	20-25 (FYE 120-125)	105-110	-	-	7 (FYE 44)	23	25-30 (FYE 165-170)	130-135
Dermot Parsons (iv)	60-65 (FYE 75-80)	60-65	-	1	5	18	65-70 (FYE 75-80)	75-80
Emer Hopkins (v)	55-60 (FYE 65-70)	-	-	-	43 (FYE 47)	-	100-105 (FYE 110-115)	-
Anthony Stevens (vi)	85-90 (FYE 145-150)	-	-	-	-	-	85-90 (FYE 145-150)	-

* New members of the Authority appointed; Interim Chair Christine Collins on 18 June 2020 and Members on 30 October 2020

** Acting Chair Mary McColgan left the Board on 17 June 2020

*** These Members resigned in June 2020

****These Members were awarded back-dated pay in respect of service in previous years.

- (i) Olive MacLeod seconded to PHA from 01/04/2020 but remains on PHA payroll
- (ii) Theresa Nixon retired 07/02/2020
- (iii) Lourda Geoghegan seconded to DoH from 01/06/2020- on RQIA payroll. Previous year included Pensionable salary not Gross Pay.
- (iv) Dermot Parsons (Director of Assurance) left 31/12/2020, (acting Chief Executive from 01/04/2020 to 14/10/2020)
- (v) Emer Hopkins Acting Director of Improvement covering Lourda Geoghegan's post from 01/05/2020
- (vi) Anthony Stevens Interim Chief Executive from 01/09/2020 – non pensionable

REMUNERATION REPORT

As Board members do not receive pensionable remuneration, there are no entries in respect of pensions. Full details of Board Members appointments can be found in the Directors' Report.

Senior Executives: Dates of Appointment

Olive Macleod, acting Chief Executive, seconded to PHA from 1 April 2020; Dermot Parsons, Director of Assurance, acting Chief Executive, from 1 April 2020 to 14 October 2020 resigned 31/12/2020; Dr Anthony Stevens, Interim Chief Executive, took up post on 1 September 2020; Dr Lourda Geoghegan, Director of Improvement and Medical Director, transferred to DoH 9 March 2020, and seconded to DoH from 1 June 2020; Emer Hopkins, was appointed as Acting Director of Improvement on 1 May 2020, with Dr Richard Wright undertaking Responsible Officer duties from 1 October 2020. Director of Assurance position (formerly held by Dermot Parsons) was vacant for 2020-21 year. The notice period for RQIA's senior executives is three months. There are no liabilities in the event of early termination for any of these appointments.

Senior Executives Pension Entitlements (Audited)

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

Name	Accrued pension at pension age as at 31/3/21 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/03/21 £000	CETV at 31/03/20 £000	Real increase in CETV £000s
Executive Members					
Anthony Stevens (i)	-	-	-	-	-
Emer Hopkins	15-20 Plus lump sum 30-35	0-2.5 Plus lump sum of 0-2.5	230	199	23
Lourda Geoghegan (ii)	2.5-5 Plus lump sum 5-10	0-2.5 Plus lump sum of 0-2.5	78	68	3
Dermot Parsons	20-25 plus lump sum 60-65	0-2.5 Plus lump sum of 0-2.5	522	488	19

(i) Anthony Stevens Interim Chief Executive from 01/09/2020 – non pensionable

(ii) Lourda Geoghegan refer to footnote iii on page 72

The CETV figures at 31 March 2021 and at 31 March 2020 have been supplied by HSC Pension Branch. Pension figures are not available for any senior executive over the normal retiring age. A cash equivalent transfer value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement

to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies.

The CETV figures and the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the HPSS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines prescribed by the institute and Faculty of Actuaries.

Real Increase in CETV - This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Discrimination identified by the courts in the way that the 2015 pension reforms were introduced must be removed by the Department of Finance. It is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period. The different pension benefits relates to the different schemes eg classic, alpha etc and is not the monetary benefits received. This is known as the 'McCloud Remedy' and will impact many aspects of the HSC Pensions schemes including the scheme valuation outcomes.

RQIA's Appointment and Remuneration Committee considers and agrees the policy for the remuneration of the Chief Executive and directors for current and future years on an annual basis.

Consultancy

RQIA has not engaged any external consultants during the financial year.

Off Payroll engagements

There were no off-payroll engagements during the financial year.

Fair Pay Statement (Audited):

	2020-21	2019-20
Band of Highest Paid Director's Total Remuneration (£000s):	145-150	105-110
Median Total Remuneration (£):	44,503	43,772
Ratio:	3.3	2.1
Range of staff remuneration:	£18k–147k	£18k–107k

The banded remuneration of the highest-paid director in RQIA in the financial year 2020-21 was £145,000 - £150,000 (2019-20, £105,000 - £110,000). This was 3.1 times (2019-20, 2.1) the median remuneration of the workforce, which was £21,358 (2019-20, £20,121).

In 2020-21, no (2019-20, nil) employees received remuneration in excess of the highest-paid director.

Reporting of Early Retirement and Other Compensation – Exit Packages (Audited)

Exit package cost band	Number of compulsory 2021	Number of compulsory 2020	Number of other departures 2021	Number of other departures 2020	Total number of exit packages 2021	Total number of exit packages 2020
<£10,000	-	-	-	-	-	-
£10,000 - £25,000	-	-	-	-	-	-
£25,001 - £50,000	-	-	-	-	-	-
£50,001 - £100,000	-	-	-	1	-	1
£100,001- £125,000	-	-	-	-	-	-
Total number exit packages by type	-	-	-	1	-	1
Total resource cost £000's	-	-	-	77	-	77

Redundancy and other departure costs have been paid in accordance with the provisions of the HSC Pension Scheme Regulations and the Compensation for Premature Retirement Regulations, statutory provisions made under the Superannuation (Northern Ireland) Order 1972.

The table above shows the total exit cost of exit packages agreed and accounted for in 2020-21 and 2019-20. £nil exit costs were paid in 2020-21, the year of departure (2019-20 £76,600).

Where the RQIA has agreed early retirements, the additional costs are met by the RQIA and not by the HSC pension scheme. During 2020-21 there was 1 early retirement from RQIA agreed on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £54k. These costs are borne by the HSC Pension Scheme.

RQIA has a staffing complement of 120 people (116.76 whole time equivalent). The staff composition, by headcount, is 75% female and 25% male. During the year there were three staff in Director posts – two female and one male.

RQIA has a range of policies to support both RQIA and its staff in conducting their work. These include HR, ICT, and information governance policies, which are reviewed and updated on a regular basis.

During 2020-21, there was an average staff absence rate of 6.94%, against a regional key performance indicator target set for RQIA by DoH of 8.44%.

STAFF REPORT

Staff Costs (Audited)	2020-21			2019-20
	Permanently employed staff	Others	Total	Total
Wages and Salaries	4,803,430	385,745	5,189,175	4,863,756
Social Security Costs	484,163	-	484,163	450,656
Other Pension Costs	914,571	-	914,571	861,025
Sub-Total	6,202,164	385,745	6,587,909	6,175,437
Capitalised staff costs	-	-	-	-
Total Staff costs reported in Statement of Comprehensive Expenditure	6,202,164	385,745	6,587,909	6,175,437
Less Recoveries in respect of outward secondments	281,472	-	281,472	-
Total Net Costs	5,920,692	385,745	6,306,437	6,175,437

Staff costs have been disclosed in Note 3 (page 99).

Salary

'Salary' includes gross salary; overtime; any severance or ex gratia payments.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the **RQIA** and treated by HM Revenue and Customs as a taxable emolument.

Average Number of Whole Time Equivalent Persons Employed (Audited Information)

	2021		2020	
	Permanently employed staff	Others	Total	Total
	No.	No.	No.	No.
Administrative and clerical	113*	6	119	136
Total average number of persons employed				
Less average staff number relating to capitalised staff costs				
Less average staff number in respect of outward secondments	(2)		(2)	
Total net average number of persons employed	111	6	117	136

The staff numbers disclosed as Others in 2020-21 relate to temporary members of staff. *FY20/21 staff numbers exclude 7 Authority Members and 2 Staff Substitutions (9 Authority Members and 6 Staff Substitutions included in FY19/20 staff numbers).

Staff Turnover 2020-21

During 2020-21, there was a staff turnover of 12.6%, with 15 members of staff leaving RQIA through retirement or taking up new opportunities.

Staff Engagement

While staff worked from home where this was possible during the year, RQIA held regular staff meetings using video conferencing facilities, hosted by the Interim Chief Executive and Interim Chair, to ensure all staff were kept updated on developments across RQIA.

ACCOUNTABILITY AND AUDIT REPORT

Regularity of Expenditure

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding RQIA's assets, are set out in the Accountable Officer Memorandum, issued by the Department of Health.

The Chief Executive discharges these responsibilities through a governance framework that is tested regularly and on which annual independent assurances are obtained. This framework and the assurances obtained are set out in the Governance Statement for 2020-21 on pages 47 to 67.

The Comptroller and Auditor General provides an annual opinion to the Northern Ireland Assembly, which includes an opinion on regularity. The full Certificate and Report of the Comptroller and Auditor General is set out on pages 78 to 82.

i. Losses and Special Payments

Losses and special payments are items of expenditure that the NI Assembly would not have contemplated when it agreed funding to RQIA. They are subject to special controls and procedures and require specific approval in accordance with limits set by the DoH.

Losses Statement (Audited)

Losses statement	2020-21		2019-20
	Number of Cases	£000	£000
Total number of losses	-	-	-
Total value of losses	-	-	-

Individual losses over £250,000	2020-21		2019-20
	Number of Cases	£	£
Cash losses	-	-	-
Claims abandoned	-	-	-
Administrative write-offs	-	-	-
Fruitless payments	-	-	-
Stores losses	-	-	-

Special payments	2020-21		2019-20
	Number of Cases	£000	£000
Total number of special payments	-		1
Total value of special payments		-	4

Special Payments over £250,000	2020-21		2019-20
	Number of Cases	£	£
Compensation payments			
- Clinical Negligence	-	-	-
- Public Liability	-	-	-
- Employers Liability	-	-	-
- Other	-	-	-
Ex-gratia payments	-	-	-
Extra contractual	-	-	-
Special severance payments	-	-	-
Total special payments	-	-	-

Other Payments

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

ii Fees and Charges (Audited)

There were no other fees and charges during the year.

iii Remote Contingent Liabilities (Audited)

In addition to liabilities reported within the meaning of IAS37, RQIA also reports liabilities for which the likelihood of transfer of economic benefit in settlement is too remote to meet the definition of contingent liability. RQIA had no remote contingent liabilities.

iv Long Term Expenditure

RQIA receives its financial allocation from the Department of Health and any long term expenditure pressures identified by RQIA are managed through the Department of Health.



Dr A B Stevens OBE
Interim Chief Executive
30 June 2021

THE REGULATION AND QUALITY IMPROVEMENT AUTHORITY
THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND
AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the Regulation and Quality Improvement Authority for the year ended 31 March 2021 under the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Regulation and Quality Improvement Authority's affairs as at 31 March 2021 and of the Regulation and Quality Improvement Authority's net expenditure for the year then ended; and
- have been properly prepared in accordance with the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003 and Department of Health directions issued thereunder.

Opinion on regularity

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

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of the Regulation and Quality Improvement Authority in accordance with the ethical requirements of the Financial Reporting Council's

Revised Ethical Standard 2019, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Regulation and Quality Improvement Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Regulation and Quality Improvement Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other Information

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

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Health directions made under the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003; and

- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Regulation and Quality Improvement Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; or
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with the Department of Finance's guidance.

Responsibilities of the Board and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Board and the Accounting Officer is responsible for the preparation of the financial statements and for

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the Regulation and Quality Improvement Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Regulation and Quality Improvement Authority will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Regulation and Quality Improvement Authority through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003 and Department of Health directions issued thereunder;
- making enquires of management and those charged with governance on the Regulation and Quality Improvement Authority's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the Regulation and Quality Improvement Authority's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition and posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;

- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate;
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business; and

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

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

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
1 Bradford Court
Belfast
BT8 6RB

6 July 2021

THE REGULATION AND QUALITY IMPROVEMENT AUTHORITY

**ANNUAL ACCOUNTS FOR THE
YEAR ENDED 31 MARCH 2021**

THE REGULATION AND QUALITY IMPROVEMENT AUTHORITY

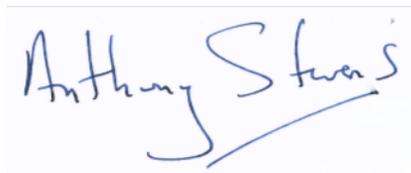
ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

FOREWORD

The accounts for the year ended 31 March 2021 have been prepared in a form determined by the Department of Health based on guidance from the Department of Finance Financial Reporting Manual (FReM) and in accordance with the requirements of the Health and Social Care (Reform) Act (Northern Ireland) 2009.

CERTIFICATE OF THE CHAIRMAN AND CHIEF EXECUTIVE

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 85-112) which I am required to prepare on behalf of the Regulation and Quality Improvement Authority have been compiled from and are in accordance with the accounts and financial records maintained by the Regulation and Quality Improvement Authority and with the accounting standards and policies for HSC bodies approved by the DoH.



Interim Chief Executive

30 June 2021

I certify that the annual accounts set out in the financial statements and notes to the accounts (pages 85 to 112) as prepared in accordance with the above requirements have been submitted to and duly approved by the Authority.



Interim Chair

30 June 2021

STATEMENT of COMPREHENSIVE NET EXPENDITURE for the year ended 31 March 2021

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which includes changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

	NOTE	2021 £	2020 £
Income			
Income from activities	4.1	-	-
Other Income (Excluding interest)	4.2	1,147,826	917,918
Deferred income	4.3	-	-
Total operating income		1,147,826	917,918
Expenditure			
Staff costs	3	(6,587,909)	(6,175,437)
Purchase of goods and services	3	(757,568)	(619,465)
Depreciation, amortisation and impairment charges	3	(167,492)	(218,305)
Provision expense	3	(74,400)	(38,100)
Other expenditure	3	(706,834)	(905,392)
Total operating expenditure		(8,294,203)	(7,956,699)
Net Expenditure		(7,146,377)	(7,038,781)
Finance income	4.2	-	-
Finance expense	3.2	-	-
Net expenditure for the year		(7,146,377)	(7,038,781)
Revenue Resource Limit (RRL) received from DoH	22.1	7,165,459	7,043,872
Surplus/(Deficit) against RRL		19,082	5,091
OTHER COMPREHENSIVE EXPENDITURE			
	NOTE	2021 £	2020 £
Items that will not be reclassified to net operating costs:			
Net gain/(loss) on revaluation of property, plant & equipment	5.1/9/5.2/9	118	15
Net gain/(loss) on revaluation of intangibles	6.1/9/6.2/9	-	-
Net gain/(loss) on revaluation of financial instruments	7/9	-	-
Items that may be reclassified to net operating costs:			
Net gain/(loss) on revaluation of investments		-	-
TOTAL COMPREHENSIVE EXPENDITURE for the year ended 31 March 2021		(7,146,259)	(7,038,766)

The notes on pages 89-112 form part of these accounts.

STATEMENT of FINANCIAL POSITION as at 31 March 2021

This statement presents the financial position of RQIA. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	NOTE	2021		2020	
		£	£	£	£
Non Current Assets					
Property, plant and equipment	5.1/5.2	91,961		127,540	
Intangible assets	6.1/6.2	159,459		290,322	
Financial assets	7	-		-	
Trade and other receivables	13	-		-	
Other current assets	13	-		-	
Total Non Current Assets			251,420		417,862
Current Assets					
Assets classified as held for sale	10	-		-	
Inventories	11	-		-	
Trade and other receivables	13	78,243		45,687	
Other current assets	13	15,082		38,707	
Intangible current assets	13	-		-	
Financial assets	7	-		-	
Cash and cash equivalents	12	14,800		14,629	
Total Current Assets			108,125		99,023
Total Assets			359,545		516,885
Current Liabilities					
Trade and other payables	14	(998,317)		(887,322)	
Other liabilities	14	-		-	
Intangible current liabilities	14	-		-	
Financial liabilities	7	-		-	
Provisions	15	(118,400)		-	
Total Current Liabilities			(1,116,717)		(887,322)
Total assets less current liabilities			(757,172)		(370,437)
Non Current Liabilities					
Provisions	15	-		(44,000)	
Other payables > 1 yr	14	-		-	
Financial liabilities	7	-		-	
Total Non Current Liabilities			-		(44,000)
Total assets less total liabilities			(757,172)		(414,437)
Taxpayers' Equity and other reserves					
Revaluation reserve		3,102		2,984	
SoCNE Reserve		(760,274)		(417,421)	
Total equity			(757,172)		(414,437)

The financial statements on pages 85-88 were approved by the Authority on 30 June 2021 and were signed on its behalf by:
The notes on pages 89-112 form part of these accounts.



Dr AB Stevens OBE ,
Interim Chief Executive



Ms C Collins MBE
Interim Chair

STATEMENT of CASH FLOWS for the year ended 31 March 2021

The Statement of Cash Flows shows the changes in cash and cash equivalents of RQIA during the reporting period. The statement shows how RQIA generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by RQIA. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to RQIA's future public service delivery.

	NOTE	2021 £	2020 £
Cash flows from operating activities			
Net surplus after interest/Net operating expenditure		(7,146,377)	(7,038,781)
Adjustments for non cash costs	3	260,887	268,165
Decrease/(increase) in trade and other receivables		(8,931)	(10,889)
<i>Less movements in receivables relating to items not passing through the NEA</i>			
Movements in receivables relating to the sale of property, plant & equipment		-	-
Movements in receivables relating to the sale of intangibles		-	-
Movements in receivables relating to finance leases		-	-
Movements in receivables relating to PFI and other service concession arrangement contracts		-	-
(Increase)/decrease in inventories		-	-
Increase/(decrease) in trade payables		110,995	86,976
<i>Less movements in payables relating to items not passing through the NEA</i>			
Movements in payables relating to the purchase of property, plant & equipment and intangibles		(19,914)	-
Movements in payables relating to finance leases		-	-
Movements on payables relating to PFI and other service concession arrangement contracts		-	-
Use of provisions	15	-	-
Net cash inflow/(outflow) from operating activities		(6,803,340)	(6,694,529)
Cash flows from investing activities			
(Purchase of property, plant & equipment)	5	-	(47,343)
(Purchase of intangible assets)	6	-	(30,876)
Proceeds of disposal of property, plant & equipment		-	-
Proceeds on disposal of intangibles		-	-
Proceeds on disposal of assets held for resale		-	-
Net cash outflow from investing activities		-	(78,219)
Cash flows from financing activities			
Grant in aid		6,803,511	6,775,484
Capital element of payments - finance leases and on balance sheet (SoFP) PFI and other service concession arrangements		-	-
Net financing		6,803,511	6,775,484
Net increase (decrease) in cash & cash equivalents in the period		171	2,736
Cash & cash equivalents at the beginning of the period	12	14,629	11,893
Cash & cash equivalents at the end of the period	12	14,800	14,629

The notes on pages 89-112 form part of these accounts.

STATEMENT of CHANGES in TAXPAYERS' EQUITY for the year ended 31 March 2021

This statement shows the movement in the year on the different reserves held by RQIA, analysed into 'Statement of Comprehensive Net Expenditure Reserve' (i.e. those reserves that reflect a contribution from the Department of Health). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The SoCNE Reserve represents the total assets less liabilities of RQIA, to the extent that the total is not represented by other reserves and financing items.

	NOTE	SoCNE Reserve £	Revaluation Reserve £	Total £
Balance at 31 March 2019		(164,224)	2,969	(161,255)
Changes in Taxpayers Equity 2019-20				
Grant from DoH		6,775,484	-	6,775,484
Other reserves movements including transfers		-	-	-
(Comprehensive expenditure for the year)		(7,038,781)	15	(7,038,766)
Transfer of asset ownership		-	-	-
Non cash charges - auditors remuneration	3	10,100	-	10,100
Balance at 31 March 2020		(417,421)	2,984	(414,437)
Changes in Taxpayers Equity 2020-21				
Grant from DoH		6,803,511	-	6,803,511
Other reserves movements including transfers		-	-	-
(Comprehensive expenditure for the year)		(7,146,377)	118	(7,146,259)
Transfer of asset ownership		(17,787)	-	(17,787)
Non cash charges - auditors remuneration	3	17,800	-	17,800
Balance at 31 March 2021		(760,274)	3,102	(757,172)

The notes on pages 89-112 form part of these accounts

STATEMENT OF ACCOUNTING POLICIES

1. Authority

These accounts have been prepared in a form determined by the Department of Health based on guidance from the Department of Finance's Financial Reporting manual (FReM) and in accordance with the requirements of Article 90(2) (a) of the Health and Personal Social Services (Northern Ireland) Order 1972 No 1265 (NI 14) as amended by Article 6 of the Audit and Accountability (Northern Ireland) Order 2003.

The accounting policies follow IFRS to the extent that it is meaningful and appropriate to the Regulation and Quality Improvement Authority (RQIA). Where the FReM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of RQIA for the purpose of giving a true and fair view has been selected. The particular policies adopted by the RQIA are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

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

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and liabilities.

1.2 Currency

These accounts are presented in UK Pounds sterling and rounded to the nearest £1.

1.3 Property, Plant and Equipment

Property, plant and equipment assets comprise Plant & Machinery (Equipment), Information Technology, Furniture and Fittings, and Assets Under Construction.

Recognition

Property, plant and equipment must be capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the entity;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £1,000, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

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

Valuation of Land and Buildings

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

Assets Under Construction (AUC)

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Assets are revalued and depreciation commences when they are brought into use.

Short Life Assets

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

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

Revaluation Reserve

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

1.4 Depreciation

No depreciation is provided on freehold land since land has unlimited or a very long established useful life. Items under construction are not depreciated until they are commissioned. Properties that are surplus to requirements and which meet the definition of “non-current assets held for sale” are also not depreciated.

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

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1.5 Impairment loss

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

The reversal of the impairment loss is credited firstly to the Statement of Comprehensive Net Expenditure to the extent of the decrease previously charged there and thereafter to the revaluation reserve.

1.6 Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure which meets the definition of capital restores the asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-out and charged to operating expenses.

1.7 Intangible assets

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

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

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

Recognition

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

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

Intangible assets acquired separately are initially recognised at fair value.

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

1.8 Non-current assets held for sale

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

1.9 Inventories

RQIA does not hold any inventories.

1.10 Income

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

Grant in aid

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

1.11 Investments

RQIA does not have any investments.

1.12 Research and Development expenditure and the impact of implementation of ESA 2010

RQIA does not have any research and development expenditure

1.13 Other expenses

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

1.14 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. RQIA holds no cash equivalent investments.

1.15 Leases

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

RQIA as lessee

RQIA does not hold any Finance Leases.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term.

RQIA as lessor

RQIA does not act as a lessor.

1.16 Private Finance Initiative (PFI) transactions

The RQIA has had no PFI transactions during the year.

1.17 Financial instruments

A financial instrument is defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. RQIA has financial instruments in the form of trade receivables and payables and cash and cash equivalents.

Financial assets

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

Financial assets are initially recognised at fair value. IFRS 9 introduces the requirement to consider the expected credit loss model on financial assets. The measurement of the loss allowance depends upon the DoH Body's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument, where judged necessary.

Financial assets are classified into the following categories:

- financial assets at fair value through Statement of Comprehensive Net Expenditure;
- held to maturity investments;
- available for sale financial assets; and
- loans and receivables.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial liabilities

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

Financial liabilities are initially recognised at fair value.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Financial risk management

IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the relationships with HSC Commissioners, and the manner in which they are funded, financial instruments play a more limited role within RQIA in creating risk than would apply to a non-public sector body of a similar size, therefore RQIA is not exposed to the degree of financial risk faced by business entities.

RQIA has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day to day operational activities rather than being held to change the risks facing RQIA in undertaking activities. Therefore RQIA is exposed to little credit, liquidity or market risk.

Currency risk

RQIA is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. There is therefore low exposure to currency rate fluctuations.

Interest rate risk

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

Credit risk

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

Liquidity risk

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

1.18 Provisions

In accordance with IAS 37, provisions are recognised when the RQIA has a present legal or constructive obligation as a result of a past event, it is probable that the RQIA will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties.

Where a provision is measured using the cash flows estimated to settle the obligation its carrying amount is the present value of those cash flows using DoF-issued discount rates as at 31 March 2021 of:

Rate	Time period	Real rate
Nominal	Short term (0 – 5 years)	(0.02)%
	Medium term (5 – 10 years)	0.18%
	Long term (10 - 40 years)	1.99%
	Very long term (40+ years)	1.99%
Inflationary	Year 1	1.2%
	Year 2	1.6%
	Into perpetuity	2.0%

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

Note that PES issued a combined nominal and inflation rate table to incorporate the two elements – please refer to this table as necessary, as included within issuing email of circular HSC(F) 40-2020.

The discount rate to be applied for employee early departure obligations is -0.95% for 2020/21.

RQIA has also disclosed the carrying amount at the beginning and end of the period, additional provisions made, amounts used during the period, unused amounts reversed during the period and increases in the discounted amount arising from the passage of time and the effect of any change in the discount rate.

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

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the RQIA has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the RQIA has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the re-structuring by starting to implement the plan or announcing its main features to those affected by it.

The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with on-going activities of the entity.

1.19 Contingent liabilities/assets

Backdated Holiday Pay

The Court of Appeal (CoA) judgment from 17 June 2019 (PSNI v Agnew) determined that claims for Holiday Pay shortfall can be taken back to 1998. However, the PSNI has appealed the CoA judgment to the Supreme Court. The Supreme Court hearing was scheduled for the 23rd and 24th June 2021 but this has subsequently been adjourned. Based on the position in the NHS in England, Scotland and Wales, an accrual at 31 March 2021 has been calculated by HSC management for the liability and is included in these accounts. However, the extent to which the liability may exceed this amount remains uncertain as the calculation has not been agreed with Trade Unions. The potential additional financial effect of this is unquantifiable at present.

Discount rate for special damages awards

A discount rate is applied by courts to a lump-sum award of damages for future financial loss in a personal injury case, to take account of the return that can be earned from investment. Currently the rate in Northern Ireland has to be set in accordance with principles set out by the House of Lords in Wells v Wells. The Department of Justice made a statutory rule on 29 April 2021 changing the rate, under the Wells v Wells framework, (from 2.5%) to -1.75%, with effect from 31 May 2021. The Department has also brought forward a Bill to change how the rate is set. The Damages (Return on Investment) Bill was introduced to the Assembly on 1 March 2021 and is currently at Committee Stage. Subject to the legislative process, it is anticipated that the Bill will be enacted early next year and the rate would then be reviewed under the new framework.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

There were nil cases settled under a periodic payment order where the estimated impact of the change in discount rate has been included in the clinical negligence provisions figure. However, for cases not yet settled, it was not possible to quantify the additional financial liability at this stage as this is a significant task given the number of claims involved. As such, a review will be undertaken in 2021/22 to establish the increase in liability that has arisen from the decrease in discount factor as personal injury compensation will be inflated for existing future loss.

RQIA had no contingent liabilities or assets at either 31 March 2021 or 31 March 2020.

1.20 Employee benefits

Short-term employee benefits

Under the requirements of IAS 19: Employee Benefits, staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave that has been earned at the year end. This cost has been determined using individual's salary costs applied to their unused leave balances determined from a report of the unused annual leave balance as at 31 March 2021. Untaken flexi leave is estimated to be immaterial to RQIA and has not been included.

Retirement benefit costs

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

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

As per the requirements of IAS 19, full actuarial valuations by a professionally qualified actuary are required with sufficient regularity that the amounts recognised in the financial statements do not differ materially from those determined at the reporting period date. This has been interpreted in the FReM to mean that the period between formal actuarial valuations shall be four years. However, it has been noted in HM Treasury guidance that the validation and processing of some of the Schemes' data may not be finalised until after the 2020-21 accounts are laid. Schemes are not automatically required to reflect 2020 scheme valuation data in the 2020-21 accounts. The actuary reviews the most recent actuarial valuation at the statement of financial position date and updates it to reflect current conditions. The 2016 valuation for the HSC Pension scheme updated to reflect current financial conditions and a change in financial assumption methodology will be used in 2020-21 accounts.

1.21 Reserves

Statement of Comprehensive Net Expenditure Reserve

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

Revaluation Reserve

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

1.22 Value Added Tax

RQIA, as a non-departmental public body, cannot recover VAT incurred through the central VAT agreement. VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets.

1.23 Third party assets

RQIA does not hold material assets belonging to third parties.

1.24 Government Grants

The note to the financial statements distinguishes between grants from UK government entities and grants from European Union.

1.25 Losses and Special Payments

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

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

1.26 Charitable Trust Account Consolidation

RQIA held no charitable trust accounts at 31 March 2021 or 31 March 2020.

1.27 Accounting Standards that have been issued but have not yet been adopted

Under IAS 8 there is a requirement to disclose those standards issued but not yet adopted.

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

Accounting boundary IFRS' are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury. A similar review in NI, which will bring NI departments under the same adaptation, has been carried out and the resulting recommendations were agreed by the Executive in December 2016. With effect from 2022-23, the accounting boundary for departments will change and there will also be an impact on departments around the disclosure requirements under IFRS 12. ALBs apply IFRS in full and their consolidation boundary may change as a result of the new Standards

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

IFRS 16 Leases replaces IAS 17 Leases and is effective with EU adoption from 1 January 2019. In line with the requirements of the FReM, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022.

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

IFRS 17 Insurance Contracts will replace IFRS 4 Insurance Contracts and is effective for accounting periods beginning on or after 1 January 2023. In line with the requirements of the FReM, IFRS 17 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2023.

NOTE 2 ANALYSIS OF NET EXPENDITURE BY SEGMENT

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

NOTE 3 EXPENDITURE

	2021	2020
	£	£
Operating expenses are as follows:-		
Staff costs: ¹		
Wages and Salaries	5,189,175	4,863,756
Social security costs	484,163	450,656
Other pension costs	914,571	861,025
Supplies and services – general	26,948	28,751
Establishment	115,475	222,223
Premises	167,178	291,022
Bad Debts	-	914
Rentals under operating leases	231,756	237,569
Miscellaneous	154,629	126,460
Training	18,801	15,444
ICT Maintenance	65,810	19,676
ICT Hardware and Software	44,965	21,409
Staff Substitution	106,436	72,646
BSO Services	513,409	476,983
Total Operating Expenses	8,033,316	7,688,534
Non cash items		
Depreciation	36,629	59,278
Amortisation	130,863	159,027
Loss on disposal Information Technology (IT)	1,195	1,660
Increase/Decrease in provisions (provisions provided for in year less any release)	74,400	38,100
Auditors Remuneration	17,800	10,100
Total non cash items	260,887	268,165
Total	8,294,203	7,956,699

¹ Further detailed analysis of staff costs is located in the Staff Report on page 75 within the Accountability Report.

During the year the RQIA purchased £1,250.00 of non-audit services from its external auditor (NIAO) (2019/20: £Nil).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 4 INCOME

4.1 Income from Activities

The RQIA did not receive income from activities in 2020-21 and 2019-20.

4.2 Other Operating Income

	2021	2020
	£	£
Other income from non-patient services	4,402	2,887
Other income from fees levied on registered bodies	861,952	915,031
Seconded staff	281,472	-
TOTAL INCOME	1,147,826	917,918

4.3 Deferred income

The RQIA no income released from conditional grants in 2020/21 and 2019/20.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 5.1 Property, plant and equipment - year ended 31 March 2021

	Assets under Construction	Plant and Machinery (Equipment)	Information Technology (IT)	Furniture and Fittings	Total
	£	£	£	£	£
Cost or Valuation					
At 1 April 2020	-	35,599	298,010	107,852	441,461
Indexation	-	-	-	3,644	3,644
Additions	-	-	19,914	-	19,914
Transfers*	-	-	(20,136)	-	(20,136)
Disposals	-	-	(16,835)	-	(16,835)
At 31 March 2021	-	35,599	280,953	111,496	428,048

Depreciation

At 1 April 2020	-	35,599	176,067	102,255	313,921
Indexation	-	-	-	3,526	3,526
Transfers	-	-	(2,349)	-	(2,349)
Disposals	-	-	(15,640)	-	(15,640)
Provided during the year	-	-	33,807	2,822	36,629
At 31 March 2021	-	35,599	191,885	108,603	336,087

Carrying Amount	Assets under Construction	Plant and Machinery (Equipment)	Information Technology (IT)	Furniture and Fittings	Total
	£	£	£	£	£
At 31 March 2021	-	-	89,068	2,893	91,961
At 31 March 2020	-	-	121,943	5,597	127,540

Asset financing

Owned	-	-	89,068	2,893	91,961
Carrying Amount At 31 March 2021	-	-	89,068	2,893	91,961

Any fall in value through negative indexation or revaluation is shown as impairment.

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

All of RQIA assets are funded through a capital allocation from DoH.

*During FY20/21 RQIA transferred 20 laptops to PHA

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 5.2 Property, plant and equipment - year ended 31 March 2020

	Assets under Construction £	Plant and Machinery (Equipment) £	Information Technology (IT) £	Furniture and Fittings £	Total £
Cost or Valuation					
At 1 April 2019	-	35,599	292,037	107,651	435,287
Indexation	-	-	-	201	201
Additions	-	-	47,343	-	47,343
Transfers	-	-	-	-	-
Disposals	-	-	(41,370)	-	(41,370)
At 31 March 2020	-	35,599	298,010	107,852	441,461

Depreciation

At 1 April 2019	-	35,599	167,269	91,299	294,167
Indexation	-	-	-	186	186
Transfers	-	-	-	-	-
Disposals	-	-	(39,710)	-	(39,710)
Provided during the year	-	-	48,508	10,770	59,278
At 31 March 2020	-	35,599	176,067	102,255	313,921

	Assets under Construction £	Plant and Machinery (Equipment) £	Information Technology (IT)	Furniture and Fittings £	Total £
Carrying Amount					
At 31 March 2020	-	-	121,943	5,597	127,540
At 1 April 2019	-	-	124,768	16,352	141,120

Asset Financing

Owned	-	-	121,943	5,597	127,540
Carrying Amount At 31 March 2020	-	-	121,943	5,597	127,540

Asset Financing

Owned	-	-	124,768	16,352	141,120
Carrying Amount At 1 April 2019	-	-	124,768	16,352	141,120

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 6.1 Intangible assets - year ended 31 March 2021

	Software Licenses £	Information Technology £	Asset under Construction £	Total £
Cost or Valuation				
At 1 April 2020	119,466	1,067,144	-	1,186,610
Additions	-	-	-	-
Reclassification	-	-	-	-
Transfers	-	-	-	-
At 31 March 2021	119,466	1,067,144	-	1,186,610

Depreciation

At 1 April 2020	119,466	776,822	-	896,288
Provided during the year	-	130,863	-	130,863
At 31 March 2021	119,466	907,685	-	1,027,151

Carrying Amount

	Software Licenses £	Information Technology £	Asset under Construction £	Total £
At 31 March 2021	-	159,459	-	159,459
At 31 March 2020	-	290,322	-	290,322

Asset Financing

Owned	-	159,459	-	159,459
Carrying Amount At 31 March 2021	-	159,459	-	159,459

Any fall in value through negative indexation or revaluation is shown as impairment.

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

All of RQIA assets are funded through a capital allocation from DoH.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 6.2 Intangible assets - year ended 31 March 2020

	Software Licenses £	Information Technology £	Asset under Construction £	Total £
Cost or Valuation				
At 1 April 2019	119,466	1,036,268	-	1,155,734
Additions	-	30,876	-	30,876
Reclassification	-	-	-	-
Transfers	-	-	-	-
At 31 March 2020	119,466	1,067,144	-	1,186,610

Depreciation

At 1 April 2019	111,429	625,832	-	737,261
Provided during the year	8,037	150,990	-	159,027
At 31 March 2020	119,466	776,822	-	896,288

Carrying Amount

	Software Licenses £	Information Technology £	Asset under Construction £	Total £
At 31 March 2020	-	290,322	-	290,322
At 31 March 2019	8,036	410,437	-	418,473

Asset Financing

Owned	-	290,322	-	290,322
Carrying Amount At 31 March 2020	-	290,322	-	290,322

Asset Financing

Owned	8,036	410,437	-	418,473
Carrying Amount At 31 March 2019	8,036	410,437	-	418,473

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 7 FINANCIAL INSTRUMENTS

As the cash requirements of RQIA are met through Grant-in-Aid provided by the Department of Health, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body.

The majority of financial instruments relate to contracts to buy non-financial items in line with RQIA's expected purchase and usage requirements and RQIA is therefore exposed to little credit, liquidity or market risk.

NOTE 8 INVESTMENTS AND LOANS

RQIA had no investments or loans at either 31 March 2021 or 31 March 2020.

NOTE 9 IMPAIRMENTS

RQIA had no impairments in 2020-21 or 2019-20.

NOTE 10 ASSETS CLASSIFIED AS HELD FOR SALE

RQIA did not hold any assets classified as held for sale at either 31 March 2021 or 31 March 2020.

NOTE 11 INVENTORIES

RQIA did not hold any inventories for resale at either 31 March 2021 or 31 March 2020.

NOTE 12 CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Balance at 1 April	14,629	11,893
Net change in cash and cash equivalents	171	2,736
Balance at 31 March	14,800	14,629

The following balances at 31 March were held at

	2021	2020
	£	£
Commercial Banks and cash in hand	14,800	14,629
Balance at 31 March	14,800	14,629

The bank account is operated by Business Services Organisation (BSO) on behalf of RQIA.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 13 TRADE RECEIVABLES, FINANCIAL AND OTHER ASSETS

	2021 £	2020 £
Amounts falling due within one year		
Trade receivables	19,896	21,857
Other receivables - not relating to fixed assets	-	-
Other receivables	58,347	23,830
TOTAL TRADE AND OTHER RECEIVABLES	78,243	45,687
Prepayments	15,082	38,707
Accrued income	-	-
TOTAL OTHER CURRENT ASSETS	15,082	38,707
TOTAL RECEIVABLES AND OTHER CURRENT ASSETS	93,325	84,394

The balances are net of a provision for bad debts of £Nil (2019/20: £Nil).

NOTE 14 TRADE PAYABLES, FINANCIAL AND OTHER LIABILITIES

	2021 £	2020 £
Amounts falling due within one year		
Other taxation and social security	239,708	314,707
Trade capital payables – property, plant and equipment and intangibles	-	-
*Trade revenue payables	199,659	230,145
*Payroll payables	510,357	325,785
BSO payables	538	264
Other payables	-	16,421
Deferred income	28,141	-
Accruals and deferred income - relating to property, plant and equipment	19,914	-
Trade and other payables	998,317	887,322
Total payables falling due within one year	998,317	887,322
Amounts falling due after more than one year	-	-
Total non-current other payables	-	-
TOTAL TRADE PAYABLES AND OTHER CURRENT LIABILITIES	998,317	887,322

*restated trade revenue & payroll payables balances – reanalysed prior year

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES – 2021

	Pensions relating to former directors	Pensions relating to other staff	Clinical negligence	CSR restructuring	Other	2021
	£	£	£	£	£	£
Balance at 1 April 2020	-	-	44,000	-	-	44,000
Provided in year	-	-	74,400	-	-	74,400
(Provisions not required written back)	-	-	-	-	-	-
(Provisions utilised in the year)	-	-	-	-	-	-
Cost of borrowing (unwinding of discount)	-	-	-	-	-	-
At 31 March 2021	-	-	118,400	-	-	118,400

Comprehensive Net Expenditure Account charges	2021	2020
	£	£
Arising during the year	74,400	38,100
Reversed unused	-	-
Cost of borrowing (unwinding of discount)	-	-
Total charge within Operating expenses	74,400	38,100

Analysis of expected timing of discounted flows

	Pensions relating to former directors	Pensions relating to other staff	Clinical negligence	CSR restructuring	Other	2021
	£	£	£	£	£	£
Not later than one year	-	-	118,400	-	-	118,400
Later than one year and not later than five years	-	-	-	-	-	-
Later than five years	-	-	-	-	-	-
At 31 March 2021	-	-	118,400	-	-	118,400

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 15 PROVISIONS FOR LIABILITIES AND CHARGES – 2020

	Pensions relating to former directors	Pensions relating to other staff	Clinical negligence	CSR restructuring	Other	2020
	£	£	£	£	£	£
Balance at 1 April 2019	-	-	5,900	-	-	5,900
Provided in year	-	-	38,100	-	-	38,100
(Provisions not required written back)	-	-	-	-	-	-
(Provisions utilised in the year)	-	-	-	-	-	-
Cost of borrowing (unwinding of discount)	-	-	-	-	-	-
At 31 March 2020	-	-	44,000	-	-	44,000

Comprehensive Net Expenditure Account charges	2020	2019
	£	£
Arising during the year	38,100	5,900
Reversed unused	-	-
Cost of borrowing (unwinding of discount)	-	-
Total charge within Operating expenses	38,100	5,900

Analysis of expected timing of discounted flows

	Pensions relating to former directors	Pensions relating to other staff	Clinical negligence	CSR restructuring	Other	2020
	£	£	£	£	£	£
Not later than one year	-	-	-	-	-	-
Later than one year and not later than five years	-	-	44,000	-	-	44,000
Later than five years	-	-	-	-	-	-
At 31 March 2020	-	-	44,000	-	-	44,000

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 16 CAPITAL COMMITMENTS

RQIA had no capital commitments at either 31 March 2021 or 31 March 2020.

NOTE 17 COMMITMENTS UNDER LEASES

17.1 Operating Leases

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

	2021	2020
	£	£
Obligations under operating leases comprise		
Buildings		
*Not later than one year	57,848	226,719
Later than one year but not later than five years	-	-
Later than five years	-	-
	<u>57,848</u>	<u>226,719</u>
Other		
Not later than 1 year	-	-
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>-</u>	<u>-</u>

*New lease commitment signed 28th May 2021

17.2 Finance Leases

RQIA had no finance leases at either 31 March 2021 or 31 March 2020.

17.3 Commitments under Lessor Agreements - Operating Leases

RQIA did not act as a lessor at either 31 March 2021 or 31 March 2020.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 18 COMMITMENTS UNDER PFI CONTRACTS AND OTHER SERVICE CONCESSION ARRANGEMENTS

18.1 Off balance sheet PFI contracts and other service concession arrangements.

RQIA had no commitments under PFI and other concession arrangement contracts at 31 March 2021 or 31 March 2020.

18.2 On balance sheet (SoFP) PFI Schemes

RQIA had no on balance sheet (SoFP) PFI and other service concession arrangements schemes at 31 March 2021 or 31 March 2020.

NOTE 19 CONTINGENT LIABILITIES

The RQIA did not have any quantifiable contingent liabilities at 31 March 2021 or 31 March 2020.

19.1 Financial guarantees, indemnities and letters of comfort

RQIA did not have any financial guarantees, indemnities or letters of comfort at either 31 March 2021 or 31 March 2020.

NOTE 20 RELATED PARTY TRANSACTIONS

RQIA is an arm's length body of the Department of Health and as such the Department is a related party.

During the 2020/21 year RQIA has had various material transactions with the DoH and with other entities for which the DoH is regarded as the parent department, particularly with the Business Services Organisation (BSO) which provides financial, human resources, procurement, legal, IT and corporate services to RQIA through Service Level Agreements.

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

NOTE 21 THIRD PARTY ASSETS

RQIA held no assets at either 31 March 2021 or 31 March 2020 belonging to third parties.

NOTE 22 Financial Performance Targets

22.1 Revenue Resource Limit

RQIA is given a Revenue Resource Limit which it is not permitted to overspend.

The Revenue Resource Limit for RQIA is calculated as follows:

	2021	2020
	Total	Total
	£	£
DoH (excludes non cash)	6,904,572	6,775,707
Non cash RRL (from DoH)	260,887	268,165
Total Revenue Resource Limit to Statement of Comprehensive Net Expenditure	7,165,459	7,043,872

22.2 Capital Resource Limit

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

	2021	2020
	£	£
Gross capital expenditure by RQIA	19,914	78,219
(Receipts from sales of fixed assets)	-	-
Net capital expenditure	19,914	78,219
Capital Resource Limit	20,000	78,561
Overspend/(Underspend) against CRL	(86)	(342)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

22.3 Financial Performance Targets

RQIA is required to ensure that it breaks even on an annual basis by containing its net expenditure to within +/-0.25% of RRL or £20,000, whichever is greater.

	2020-21	2019-20
	£	£
Net Expenditure		
RRL	(7,146,377,)	(7,038,781)
	7,165,459	7,043,872
Surplus/(Deficit) against RRL	19,082	5,091
Break Even cumulative position (opening)	32,298	27,207
Break Even Cumulative position (closing)	51,380	32,298

Materiality Test:

	2020-21	2019-20
	%	%
Break Even in year position as % of RRL	0.27%	0.07%
Break Even cumulative position as % of RRL	0.72%	0.46%

RQIA did meet its requirements to contain net resource outturn within +/-0.25% of RRL or £20,000, whichever is greater.

NOTE 23 EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period having material effect on the accounts.

DATE OF AUTHORISED ISSUE

The Accounting Officer authorised these financial statements for issue on 6 July 2021.

APPENDIX 1

Performance Activity: Key Performance Indicators

RQIA reports on its activity and performance through its quarterly Performance Activity Report (PAR), which forms a key component of RQIA's Performance Framework. Key Performance Indicators (KPIs) are being established for each of the following areas:

- Registration
- Inspection
- Enforcement
- Review
- Engagement
- Managing Resources

Activity Area	KPI	Status
Registration	KPI to be established	n/a
Inspection	50% of inspections completed in year in respect of care homes	Achieved Target exceeded 66% of inspections delivered
	50% of inspections completed in year in respect of agencies and day care services	Not achieved 45% of statutory minimum target delivered
	50% of inspections completed in year in respect of children's services	Achieved Target exceeded 73% of inspections delivered
	80% of inspections completed in year in respect of independent healthcare	Achieved Target exceeded 91% of inspections delivered
	100% of inspections completed in year in respect of mental health and learning disability hospitals and independent hospitals	Achieved Target met
	Inspection Reports should be issued no later than 28 days' after completion of inspection	Not achieved 64% issued on time
Mental Health	All detention forms should be received by RQIA within 2 days' of sign off by the relevant medical / healthcare professional within the HSC Trust	Achieved Target met
	100% of ECT requests completed within 6 weeks' of receipt KPI: 100% of medicine requests completed within 6 weeks' of receipt	Achieved Target met
Reviews	KPI to be established	n/a

Activity Area	KPI	Status
Audit and Quality Improvement (QI) Projects	80% of milestones in the Audit and QI Projects Programme completed within agreed timescales	Not achieved
Complaints against RQIA	90% of complaints acknowledged in writing within 2 working days' of complaint received 90% of complaints completed response within 20 working days' of receipt, or updates provided to complainant at least every 20 working days' thereafter	Achieved Target met
Media Requests	90% of media requests responded to within deadline agreed with requestor	Achieved Target exceeded
Freedom of Information/ Subject Access Requests	100% of requests responded to within the statutory timeframe of 20 working days' from the point of a valid request being received	Not achieved
Staff Appraisal	100% staff should have an appraisal during the year	Achieved Target met 90% staff had an appraisal 10% unable due to sickness absence, maternity leave, career break
Employee Absence	Employee Absence due to Sickness: Regional key performance indicator target set for RQIA by DoH: 8.44%	Achieved Sickness absence rate 6.94%
Mandatory Training	95% of Mandatory Training Courses to be completed by RQIA Staff	Not achieved Regional e-learning platform experienced technical issues during year

Appendix 2: Enforcement Action: 1 April 2020 - 31 March 2021

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance
Belfast Health and Social Care Trust (Muckamore Abbey Hospital)	16 August 2019	Two Improvement Notices were issued to the Belfast Health and Social Care Trust, in relation to the management of patient finances and safeguarding arrangements at Muckamore Abbey Hospital.	22 April 2020
Brooklands Healthcare (Nursing Home), Londonderry (Brooklands Healthcare Limited)	17 November 2020	Three Failure to Comply Notices were issued, in relation to governance, medicines management, and infection prevention and control	18 January 2021
Camlo Homes, Residential Care Home, Belfast	3 February 2021	A Notice of Proposal was issued to place one condition on registration of Camlo Homes Ltd: The Responsible Person must ensure that a manager is appointed who satisfies the requirements for registration with RQIA as soon as reasonably practicable. A Notice of Decision was issued on 4 March 2021.	Ongoing at 31 March 2021
Carn-vaddy Residential Care Home, Ballymena	16 December 2020 5 March 2021	Three Failure to Comply Notices were issued, in relation to management, medicines management and recruitment. A notice of proposal was issued to cancel the registration of the Responsible Individual for Carn-vaddy and being the provider registered to carry on the establishment known as Carn-vaddy.	Ongoing at 31 March 2021
Clanrye (Residential Care Home)	7 July 2020	One Failure to Comply Notice was issued, in relation to governance and management arrangements at this residential care home.	17 August 2020
Clifton Nursing Home, Belfast (Runwood Homes Ltd)	20 May 2020	One Failure to Comply Notice was issued, in relation to governance, management and leadership of the home.	24 June 2020
Drumary House Residential Care Home, Derrygonnelly	20 July 2020	Two Failure to Comply Notices were issued, in relation to governance and management of the home and the health and welfare of residents.	3 September 2020

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance
Extra Care (Domiciliary Care Agency) Antrim	9 April 2020	Three Failure to Comply Notices were issued, in relation to the safety and wellbeing of service users, staffing and management oversight.	9 July 2020
Gosna Care Agency Ltd, Belfast	23 October 2019	Following a successful application for urgent procedure under Article 21 of The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003, RQIA cancelled the registration of the Registered Person of Gosna Care Agency with immediate effect. The Registered Provider appealed this decision to The Care Tribunal. Care Tribunal appeal ongoing	Ongoing at 31 March 2021
Greenhaw Lodge Care Centre, Derry(Larchwood Care Homes Ltd)	5 March 2020	Two notices of failure to comply with regulations, relating to medicines management.	13 May 2020
Greenhaw Lodge Care Centre , Derry (Larchwood Care Homes Ltd)	21 September 2020 22 September 2020	Four Failure to Comply Notices were issued in relation to governance, health and welfare of patients, and the fitness of the premises. A Notice of Proposal to cease admissions on a temporary basis and in relation to monthly monitoring reports Following a successful application for urgent procedure under Article 21 of The Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003, RQIA placed a condition of registration on Greenhaw Lodge Care Centre: That appropriate arrangements are made for all current patients, to be re-accommodated to suitable accommodation forthwith and to remain in such accommodation until such times that remedial works required in respect of the water supply, pipework internal repairs and refurbishment (the Works) are completed.	Ongoing at 31 March 2021
Hillside Residential Unit, (Residential Care Home) Omagh (Knockmoyle Lodge Ltd)	2 February 2021	One Failure to Comply Notice was issued, in relation to governance and management oversight.	Ongoing at 31 March 2021

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance
Jordan Dental Care, Belfast	17 November 2020	A Notice of Proposal to impose a condition on the registration of Jordan Dental Care, Belfast, that Dental care and treatment using advanced sedation techniques cannot be undertaken in Jordan Dental Care until you are able to evidence that you are fully compliant with legislation and best practice guidance. A Notice of Decision was issued on 12 February 2021. The condition took effect on 11 March 2021.	Ongoing at 31 March 2021
Kings Castle Nursing Home, Ardglass (Messana investments Ltd)	19 October 2020	Two Failure to Comply Notices were issued, in relation to governance and medicines management.	1 December 2020
Majestik Home Care (Domiciliary Care Agency), Belfast	9 July 2020	One Failure to Comply Notice was issued to Majestik Home Care, Belfast on in relation to staff recruitment. A Notice of Proposal was issued to cancel the registration of the Registered Provider of Majestik Home Care, and a Notice of Decision was issued on 7 August 2020	21 January 2021 Registration cancelled
Medcom Personnel Ltd, Nursing Agency, Antrim	21 October 2020	A Notice of Proposal to impose a condition on the registration of Medcom Personnel Ltd, Antrim, to Notify RQIA 8 weeks prior to date service is proposing to become operational. A Notice of Decision was issued on 18 November 2020. The condition took effect on 21 December 2020.	Ongoing at 31 March 2021
Melmount Manor Care Centre, Nursing Home, Strabane (Larchwood Care Homes Ltd)	13 October 2020	Four Failure to Comply Notices were issued, in relation to health, safety and welfare of patients, infection prevention and control, care records and governance in the home.	14 December 2020
Potens Domiciliary Care Agency, Derrygonnelly	27 January 2020	Two notices of failure to comply with regulations were issued to Potens Domiciliary Care Agency, relating to staffing records and management oversight.	28 April 2020

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance
Potens Domiciliary Care Agency, Derrygonnelly	14 August 2020	Three Failure to Comply Notices were issued to Potens Domiciliary Care Agency, in relation to governance, recruitment and care records.	29 September 2020
Provident Healthcare NI, Domiciliary Care Agency, Belfast	27 May 2020	<p>A Notice of Proposal to impose a condition on the registration of Provident Healthcare NI, to replace the responsible individual, was issued on and a Notice of Decision was issued on 30 June 2020.</p> <p>A further Notice of Proposal to cancel the registration of the Registered Provider of Provident Healthcare NI was issued on 10 August 2020 and a Notice of Decision was issued on 18 January 2021.</p>	25 February 2021 Registration cancelled
Rectory Field, Residential Care Home, Londonderry (WHSCT)	21 August 2020	Six Failure to Comply Notices were issued, in relation to the home's registration status, care, record keeping, medicines management, infection prevention/control, staffing and the fitness of the premises.	23 October 2020
River House Residential Care Home, Belfast Amore (Watton) Ltd (Priory Group)	3 November 2020	Two Failure to Comply Notices were issued, in relation to governance and staffing.	4 January 2021

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance
St Francis Private Care Home, (Nursing Home) Portadown) (St Francis Private Care Home Ltd)	22 September 2020 22 September 2020 12 January 2021	One Failure to Comply Notice was issued in relation to staffing. Four Failure to Comply Notices were issued, in relation to employment checks, record keeping, recruitment and governance. A notice of proposal was also issued to place conditions on the registration of St Francis Private Care Home Limited to cease admissions on a temporary basis and in relation to monthly monitoring reports. A Notice of Decision was issued on 13 November 2020. The conditions took effect on 24 December 2020. A further notice of proposal was issued to place conditions on the registration requiring that the progress toward compliance with the actions in the failure to comply notices must be specifically and clearly referenced in the Regulation 29 monthly monitoring reports submitted to RQIA. A Notice of Decision was issued on 10 February 2021. The conditions took effect on 10 March 2021.	16 March 2021
The Croft Community, Bangor (Domiciliary Care Agency)	13 May 2020	One Failure to Comply Notice was issued in relation to infection prevention and control / noncompliance with personal protective equipment (PPE) guidance.	29 May 2020
Top Class Healthcare (Domiciliary Care Agency), Kilkeel	15 June 2020	Five Failure to Comply Notices were issued, in relation to governance, recruitment, record keeping, complaints management and monthly monitoring checks.	25 August 2020
TW Care Services Ltd DCA, Ballymena	16 December 2019 8 June 2020	One notice of failure to comply with regulations, relating to quality monitoring systems at this domiciliary care agency. A Notice of Proposal was issued to cancel the registration of TW Care Services.	3 July 2020 Service voluntarily deregistered

Name of Service and category (provider)	Date of Issue	Details of RQIA enforcement action	Date of compliance
Valley Nursing Home, Clogher (Health Care Ireland Belfast Ltd)	2 November 2020	A notice of proposal was issued to cancel the registration of the Responsible Individual for Healthcare Ireland Belfast Limited and being the provider registered to carry on the Valley Nursing Home. A Notice of Decision was issued on 9 December 2020.	6 January 2021 Registration cancelled
Western HSC Trust	22 July 2019	An Improvement Notice was issued in relation to the recognition and management of adverse incidents and near misses.	27 August 2020

Enforcement at Children’s Residential Care Services

During the year two children’s residential homes were subject to enforcement action by RQIA.

On 26 November 2019, a service operated by the South Eastern HSC Trust received four notices of failure to comply with regulations in relation to medicines management, staff training, fire safety and oversight of the home. Compliance was achieved with these notices on 12 December 2019 (one notice), 27 January 2020 (two notices) and 26 February 2020 (one notice). On 6 January 2020 a condition was placed on the registration of this service, ceasing admissions until compliance was achieved with the failure to comply notices. Compliance was achieved on 23 April 2020, and the condition of registration was lifted.

On 23 June 2020, RQIA issued two Improvement Notices to the South Eastern Trust in relation to behaviour management and safety and wellbeing of young people at a children’s home. On 12 February 2021 RQIA issued a Notice of Proposal to place a condition on the registration to cease admissions to this home until compliance was achieved with the Improvement Notices. This enforcement was ongoing at 31 March 2021.

Appendix 3: Conditions of Registration as a result of Enforcement Action

Service	Condition of Registration/ Deregistration	Date action took effect	Additional Information
Angels Recruitment Agency Ltd, Domiciliary Care Agency, Londonderry,	The condition of registration requires the registered provider to notify RQIA when they are proposing to become operational.	28 May 2019	Ongoing at 31 March 2021
Angels Recruitment Agency Ltd, Nursing Agency Londonderry	The condition of registration requires the registered provider to notify RQIA when they are proposing to become operational.	28 May 2019	Ongoing at 31 March 2021
Fortview Residential Care Home, Omagh	The condition of registration states that there will be no new admissions in a residential category of care without the approval of RQIA.	19 November 2019	Ongoing at 31 March 2021
Jordan Dental Care, Belfast	Dental care and treatment using advanced sedation techniques cannot be undertaken in Jordan Dental Care without the prior written authority of the RQIA.	22 March 2021	Ongoing at 31 March 2021
Medcom Personnel Ltd. Nursing Agency	The condition on registration requires the registered provider to notify RQIA when they are proposing to become operational.	21 December 2020.	Ongoing at 31 March 2021
Peniel Nursing Care Services, Belfast	The condition on registration requires the registered provider to notify RQIA when they are proposing to become operational.	10 May 2019	Ongoing at 31 March 2021
Pine Lodge, Belmont Road, Belfast (BHSCT)	The condition on registration requires the registered provider to notify RQIA when they are proposing to become operational.	26 November 2019	Ongoing at 31 March 2021

Appendix 4: Authority Members' Profiles (as at 31 March 2021)

Ms Christine Collins MBE was appointed Interim Chair of the Authority on 18 June 2020. She retired from the Civil Service in 2005 and since this time has immersed herself in the world of human rights, equality and advocacy with a particular focus on those living with disability and/or rare disease. Christine was the founding Chair of the Northern Ireland Rare Disease Partnership; and a Patient Public Voice representative on the UK Rare Disease Advisory Group. She is a Northern Ireland Member of the UK Rare Disease Forum and is actively involved in the development and implementation of both the UK and Northern Ireland Rare Disease plans. Christine was a Commissioner at the Northern Ireland Human Rights Commission from 2011 to 2017. She is currently Chair of the Patient and Client Council and a member of the Duty of Candour Work Stream, part of the Inquiry into Hyponatremia Related Deaths Implementation programme.

Mr Neil Bodger was appointed to the Authority on 30 October 2020. He has been involved in international managerial and company finance at senior management for over 30 years. Mr Bodger has been a panel member and chair of the Education Authority Appeals Tribunals for 20 years, and has worked as a chair of audit and risk management committees for 22 years. Mr Bodger is currently a member of the Probation Board for Northern Ireland and chair of its audit committee, a board member of Libraries NI and a Governor of South Eastern Regional College. He also chairs RQIA's Audit and Risk Assurance Committee.

Professor Stuart Elborn CBE was appointed to the Authority on 30 October 2020. He is Professor of Medicine and Pro-Vice-Chancellor for Medicine, Health and Life Sciences at Queen's University Belfast and a visiting Professor at Imperial College London. His clinical and research interests are focused on identifying new targets and diagnostics for infection and inflammation in lung disease and developing better therapies for people with cystic fibrosis and bronchiectasis. In these areas he has led in use of digital platforms and artificial intelligence in healthcare delivery. Professor Elborn currently leads an academic /industry consortium to develop capacity for Covid-19 testing in Northern Ireland.

Mr Alan Hunter was appointed to the Authority on 30 October 2020. He is a solicitor with 30 years' experience in the practice of law and in public and private sector administration. Mr Hunter served as the inaugural Chief Executive of the Northern Ireland Judicial Appointments Commission before re-joining the private sector, where for almost 12 years he held the position of Chief Executive of the Law Society of Northern Ireland, the regulatory and representative body for solicitors in Northern Ireland.

Ms Jacqui McGarvey was appointed to the Authority on 30 October 2020. She is a qualified Social Worker with over 35 years' extensive experience working within Children and Families, Adult and Disability Services. Prior to June 2016, Jacqui was Assistant Director in Health and Social Services Trusts involving strategically developing, managing services and ensuring an integrated governance framework was in place. Jacqui previously commissioned services for children and families and was Policy Advisor for Safeguarding. She was involved in Audit of Hospitals for Children with Mental Health/Learning Disabilities for the Department of Health, Social Services and Public Safety. Jacqui has been an Independent Social Work Consultant since June 2016. During this time she was appointed by the Safeguarding Board for Northern Ireland to undertake serious case management reviews for children, and as a panel member for National Independent Review Panel for People with a Disability by the Health Service Executive, Ireland. Ms McGarvey was also an interim appointment for non-judicial panel member of the Historical Institutional Abuse Statutory Redress Board and is currently a non-executive member of the Northern Ireland Social Care Council.

Miss Suzanne Rice was appointed to the Authority on 30 October 2020. She is the current Senior Vice President of the Law Society of Northern Ireland, and Council Member and Chair of the Law Society's Family Law Committee. Miss Rice is a specialist solicitor in all aspects of family law, most notably divorce and children's law, and currently represents the profession in ongoing government initiatives towards improving children's law services. In March 2020, she was appointed Presiding Member of the Department of Justice's Civil Legal Service Agency Appeal Panel.

Ms Bronagh Scott was appointed to the Authority on 30 October 2020. She is a registered nurse, and during her career she has held executive director of nursing roles in Northern Ireland, England and Wales. In 2015, she was appointed as the nurse adviser to the Expert Independent Panel chaired by Professor Bengoa, tasked with leading an informed debate on the best configuration of Health and Social Care services in Northern Ireland. Ms Scott is a trustee for the charity United Response, which provides community based services for people with learning disability and severe head injuries across England and Wales. She is currently working in advisory capacity with the Chief Nursing Officer on Covid-19 surge planning.



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