

**Minutes of the of the Governance and Audit Committee
held on 11 April 2016, at 12 noon
CR3/4, 2nd floor, 12-22 Linenhall Street, Belfast, BT2 8BS**

Present:

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| Mr Leslie Drew | - Non-Executive Director (Acting Chair) |
| Alderman Paul Porter | - Non-Executive Director |

In Attendance:

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| Mr Edmond McClean | - Director of Operations, PHA |
| Mr Paul Cummings | - Director of Finance, HSCB |
| Mrs Tracey McCaig | - Finance, HSCB |
| Mrs Catherine McKeown | - Internal Audit, BSO |
| Mr David Charles | - Internal Audit, BSO |
| Mr Brian O'Neill | - NI Audit Office |
| Ms Catherine James | - NI Audit Office |
| Mr Brian Clerkin | - ASM |
| Mrs Cathy McAuley | - Secretariat |

Apologies:

- | | |
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| Mr Brian Coulter | - Non-Executive Director |
| Mr Thomas Mahaffy | - Non-Executive Director |
| Ms Rosemary Taylor | - AD Planning & Operational Services |
| Mrs Mary Hinds | - Director of Nursing |
| Mrs Michelle Tennyson | - AD AHP/PPI |

18/16 Item 1 - Welcome and Apologies

Mr Drew welcomed everyone to the meeting noted apologies.

Action

19/16 Item 2 - Declaration of Interests

The Chair asked if anyone had any interests to declare relevant to any items on the agenda. No interests were declared.

20/16 Item 3 - Chair's Business

There was no Chair's business.

21/16 Item 4 - Notes of previous Meeting – 4 February 2015

The minutes of the previous meeting, held on 4 February 2016, were approved subject to one amendment; Mr Brian O'Neill was incorrectly recorded as being present at the last meeting instead of Mr Tomas Wilkinson.

22/16 Item 5 - Matters Arising

There were no matters arising.

23/16 Item 6 – Assurance Framework 2015-17 review at April 2016

Mr McClean presented the PHA Assurance Framework report 2015/17 as reviewed at April 2015. Members were asked to approve the amendments to the assurance framework. Mr Drew asked if a diagrammatic summary of the framework could be made available and circulated to members. Mr McClean advised that he would arrange for this.

Mr McClean

Members **approved** the amendments subject to one typo on page 2 “than” to be replaced with “that”, and it was recommended to the PHA board for approval.

24/16 Item 7 – Internal Audit Progress Report

Mrs McKeown apologised to members that only three of the five reports on today’s agenda were available. She then gave a summary of the progress report against the 2015/16 IA Audit Plan and the final audit reports.

Local Supervisory Authority Nursing and Allied Health Directorate (LSA).

Discussion was held regarding Local Supervisory Authority (LSA) and the system of internal control and the Continuing Professional Development (CPD) of hours recorded on the central LSA database. This priority 2 finding identified that the database had not been updated daily by Trust staff. Members expressed some level of concern for safe practice given the indicated deficits in supervision and CPD. The Chair asked Mrs McKeown if it was a possible priority one finding. She indicated that having assessed the issue fully it was proportionate as a category 2. It was agreed that the Director of Nursing would be asked to provide an update for the next meeting.

Members **noted** the progress report.

25/16 Item 8 - Internal Audit Follow Up Report

Mr Charles advised that progress had been made and that 78% of the 55 recommendations examined had been implemented, and a further 18% had been partially implemented. The Chair asked for further information with regard to the progress with the Research and Development evaluation and the continued delay in implementing recommendations from November 2014. Mr Charles said he would follow up the status of the implementation of this recommendation with Mr Eddie Ritson.

Mr Charles

Members **noted** the follow up report.

26/16 Item 9 - Internal Audit Plan 16/17

Mrs McKeown presented the proposed Internal Audit Strategy Plan for 2016/17 and gave an overview of proposed work schedule. She said she had met with the Director of Finance and the Director of Operations and their respective teams, External Audit and the DHSSPS, Sponsorship branch. She advised the proposed SLA audit days for 2016/17 were 104. Mrs McKeown indicated that given the uncertainty at present regarding HSC structures that, on balance, it was necessary to focus the Audit Plan for a 12 month rather than a 36 month period.

Members **noted** the internal audit plan.

27/16 Item 10 - Finance - Report To Those Charged with Governance Progress Report

Mr Cummings presented the progress report on the implementation of recommendations cited in the report.

Members **noted** the report.

28/16 Item 11- Fraud Liaison Officer Update

Mrs McCaig gave a summary of the report and advised there had been two new cases reported relating to:

- A duplicate claim for funds from a cross community organisation.
- Two patients are suspected of accessing 650 specialist stop smoking services.

National Fraud Initiative (NFI) 2015/16

Mrs McCaig added that the National Fraud Initiative (NFI) 2015/16 had been made available by the Audit Commission and that Finance had commenced analysing and investigating the data on behalf of PHA. Of the 115 matches, 110 had been investigated with no fraud found to be having been committed against the PHA. The 5 outstanding cases relate to payroll to payroll matches. The outcome of these cases will be shared with the committee when completed.

Discussion followed with regard to the time spent by staff and the cost of investigating the cases. In response to this, Mr Cummings advised that whilst the PHA did not benefit from this initiative, however, all HSC organisations were required by law to submit data to NFI on a regular basis.

Members noted the update.

29/16 Item 12 - GAC Annual Report

Mr Drew presented the GAC annual report which outlined the key activities of the committee during 2015/16. Mrs McCaig indicated she would provide Ms Taylor with some further relevant information for inclusion in the report.

**Mrs McCaig/
Ms Taylor**

Members **noted** the report.

30/16 Item 13 - PHA Annual Report and Governance Statement

Mr McClean shared the draft Annual Report and Governance Statement with members and advised this would go to the next meeting of the PHA board confidential session. He drew member's attention to the Controls Assurance scores. Mr Cumming's suggested that the Unscheduled Care targets were included in PHA Internal Governance Divergences section in the Governance Statement.

Mr McClean

Members approved the draft Annual Report and the Governance Statement and recommended it to the PHA board confidential session for approval.

31/16 Item 14 – Guidance on Planning and Funding Services

Mr McClean shared the PHA Guidance on Planning and Funding Services document. He explained the background and the purpose of the document and added that it had been developed to provide staff with guidance on processes when allocating findings to service providers. The guidance has been developed with input from key staff from PHA and colleagues from BSO (PALS) and BSO Legal. The Chair commended the comprehensiveness of the document and indicated that it also set out a logical clear manner what was a complex area of work.

Members **noted** the Guidance on Planning and Funding Services.

32/16 Item 15 – Any other business

PHA position on FASA Contracts

It was announced that subject to official confirmation which was expected later today that FASA had gone into voluntary administration and that work is continuing with FASA and Extern to ensure that the delivery of PHA contracts are maintained.

Item 16 - Date of next meeting

Date 3 June 2016
Time 10 am
Venue 5th floor Meeting Room

Signed Brian Coulter

Date: 3 June 2016