

**Minutes of the Sixth Meeting of the Public Health Agency
Governance and Audit Committee held at 10:00 am,
on Tuesday 12 October 2010, in the Conference Room, PHA,
18 Ormeau Avenue, Belfast, BT2 8HS.**

Present

Mrs J Erskine	Chair
Cllr S Nicholl	Non Executive Director
Mr T Mahaffy	Non Executive Director

In Attendance

Dr E Rooney	Chief Executive, PHA
Mr E McClean	Director of Operations, PHA
Miss R Taylor	AD of Planning & Operational Services, PHA
Mr S Christie	AD of Finance, HSCB
Mr D McAleese	Internal Audit, BSO
Mrs C McKeown	Internal Audit, BSO
Mr M Pitt	Partner, Pricewaterhouse Coopers (External Audit)
Mr B McCambridge	Northern Ireland Audit Office
Mrs C McAuley	Secretariat
Mrs A Madill	Health & Social Care Board, Governance Manager
Mr K Moore	Health & Social Care Board, Information Governance Manager

Apologies

Mr R Orr	Non Executive Director
Mr P Cummings	Director of Finance, HSCB

31/10 Chair's Business

The Chair drew members attention to the following document for information:

- The Standing Orders and Standing Financial

Action

Instructions are currently being reviewed and will be brought back to the Governance and Audit Committee in January 2011.

- Members approved the Draft Schedule of Delegated Authority for the PHA board consideration and approval.
- The Chair advised members that she had received a letter from Mr J Allen regarding Audit Committees' Experience and Good Practice, she asked members to forward to Miss Taylor their response in relation to page 2 point 7 by 14 October.

All

32/10 Minutes of the previous meeting

The minutes of the previous meeting held on 4 March were agreed.

33/10 Matters Arising

23/10 Updated Action Plan from the Governance and Audit Committee's Self Assessment of Committee Effectiveness.

The Chair presented the action plan arising from the Governance and Audit Committee's self assessment of committee effectiveness in January 2010 and noted considerable progress with completing actions.

The chair advised that the action plan work would remain on the agenda as a standing item.

Mr McClean advised the Committee that secretariat support to the Governance and Audit Committee will be kept under review.

34/10 PHA 2009/10 Report to those charged with Governance

Mrs Anne Madill joined the meeting.

Mr McClean presented the PHA 2009/10 Report to those charged with Governance.

Mr McClean confirmed that the Comptroller and Auditor General (C&AG) had issued an unqualified financial and regularity audit opinion on 18 June 2010 in respect of the PHA.

Mr Christie highlighted the key risks and recommendations from the Financial systems audit including transfer of functions under the review of public administration, accounting arrangements and reliance on third parties, international financial reporting standards (IFRS) and overall comments on business performance.

Mr Christie advised that a HSCB & BSO Finance working group had been established to take forward the actions required to address the recommendations on behalf of PHA, HSCB & BSO.

The Chair asked Mr Christie if minutes from the Working Group meetings could be forwarded to Miss Taylor for information. This was agreed.

Mr Christie

The Chair highlighted her concern regarding Item 5.9 of the report - Bank Reconciliation Process which received a Priority 1 rating. She advised she was concerned this Priority 1 rating badly reflected the governance and audit process of the PHA.

In response, Mr Christie advised in 2010/11 the PHA had moved to a single account, single ledgers and monthly reconciliations carried out by BSO.

Mrs McKeown stated that Internal Audit had reviewed BSO reconciliations' and have raised no issues.

The report was approved.

35/10 Risk Register

Miss Taylor presented the Corporate Risk Register as at 30 June for approval.

Miss Taylor advised that a number of high risks have been identified. Work is currently underway to review the Directorate and Risk Registers as at 30 September 2010.

It was agreed that a more substantive report on these risks should be brought to the full board in November.

The report was approved.

36/10 Controls Assurance Standards

Miss Taylor presented the Controls Assurance Standards paper for noting.

The purpose of this paper is to provide assurances to the Chief Executive and the Governance and Audit Committee that the PHA is developing a programme for the self assessment of controls assurance standards applicable for the period 2010/11.

Miss Taylor advised that the Governance Manager (HSCB) and the Senior Operations Manager – Delivery will co-ordinate and direct self assessment teams, who will review action plans identified from the 2009/10 assessments and complete new assessments for 2010/11. During assessment, action plans will be reviewed and further developed to address gaps in compliance and an approach will be agreed to establish evidence files for standards subject to verification by Internal Audit.

Membership of self assessment teams, together with associated timescales, will be provided to AMT in November 2010.

The report was noted.

37/10 ICT Security Policies

Mr Moore joined the meeting

Miss Taylor presented the PHA ICT Security Policies:

- PHA ICT Security Policy
- Use of PHA ICT Equipment
- Use of Internet Policy
- Use of Electronic Mail Policy
- Clear Desk and Screen Policy

Miss Taylor advised members that the ICT Security Policies have been approved by AMT. She also advised that all PHA staff will receive a PHA ICT Security Policy Agreement which they will be required to sign.

The policies were approved.

The action plan to address recommendations from 2009/10 Internal Audit of Information Governance and Records Management Controls Assurance Standards assessment was tabled and discussed. A progress report will be brought back to the January Governance and Audit Committee.

Miss Taylor

38/10 Internal Audit Progress Report

The Chair apologised to members for the tight timescales in receiving the reports.

Mrs McKeown presented the Internal Audit Progress report (including Financial Review and Management of Contracts with Voluntary and Community Organisations). Three priority 1 findings were highlighted; members were content that these are being managed and new policies and procedures will assist in these areas.

The report was approved.

39/10 Internal Audit Mid Year Assurance Statement

Mrs McKeown presented the Mid Year Assurance Statement to the PHA from the Head of Internal Audit.

The report was approved.

40/10 Fraud Response Plan

Mr Christie gave an overview of the background, national fraud initiative, fraud awareness, fraud liaison and fraud response plan.

The report was agreed subject to minor amendments to the posters.

41/10 Mid Year Assurance Statement

Mr McClean presented the Mid Year Assurance Statement and noted a number of areas where there are significant internal control problems.

Members approved the statement for submission to the PHA board.

42/10 South Belfast Highway to Health Update

Mr McClean gave members a brief update since the briefing provided by Dr Harper to the Confidential session of the September PHA board Meeting.

Members noted Internal Audit where undertaking a planned financial and governance health check.

The Chief Executive advised the PHA has learnt a lot from this experience.

Mr Mahaffy raised the question of the number of staff who have been affected. The Chief Executive replied that four

staff were now on protected notice by their employer.

The Chief Executive stressed that the PHA is not the employer, but will ensure services in the affected area will not be diminished because of the circumstances of this organisation.

43/10 Funding Voluntary and Community Organisations

Miss Taylor presented the report outlining processes for Funding Voluntary and Community Organisations and for funding HSC Trusts.

The report sets out two processes for ensuring all future investment decisions made by the PHA are undertaken in a robust and transparent manner and meet with the standards of practice expected from a Statutory organisation. Both processes have been developed in partnership with the HSCB.

Members were asked to approve the implementation of the processes.

Mr Pitt welcomed the processes and agreed that they should be rolled out as soon as possible.

Members approved the document subject to minor changes and agreed this will be kept under review.

44/10 Any other business

45/10 Date and time of next Meeting

The next meeting will be 10 January 2011 at 10:00 am.

Signed: _____ (Chair) Date: _____