

**Minutes of the Second meeting of the Public Health Agency Governance  
and Audit Committee held at 11.30 am on Tuesday 6 October 2009,  
in Ormeau Avenue, Belfast**

**Present:**

Mrs J Erskine	Chair
Mr T Mahaffy	Non Executive Director
Mr R Orr	Non Executive Director

**In attendance:**

Mr P Cummings	Director of Finance, HSC Board
Ms P Cullen	Assistant Director Nursing, PHA
Ms A Kane	Audit Manager NIAO
Mr E McClean	Director of Operations, PHA
Mrs C McKeown	Head of Internal Audit, BSO
Miss R Taylor	Assistant Director of Planning & Corporate Services PHA
Mrs A Shanks	Administrative Assistant HSC Board
Ms J McCaw	Internal Auditor, BSO

**Apologies:**

Mr S Nicholl	Non Executive Director
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It was noted that the DHSSPS sent their apologies for this meeting; a representative is expected to attend at least one meeting during the year.

**1/09 CHAIR'S BUSINESS**

**1.1 Governance and Audit Work Plan**

A revised plan has reduced the number of audit days from 186 to 100. Mrs McKeown spoke to a table showing how the number of days was formulated. She acknowledged that the original number of days was too high for year one as organisations would still be working within the

old legacy regime and there may be more days required for internal audit in years 2 and 3.

The Chair said the PHA would be working closely with the HSC Board and the BSO in relation to areas of mutual interest and duplication of work should be avoided. She emphasised the need for joined up working between the three organisations whilst not taking away the governance responsibilities of each.

Mr Cummings said that where services are provided by one organisation for another the internal audit report would be brought to the Governance and Audit Committee of the 'provider' organisation. This should not be duplicated, but an assurance provided to the PHA at the end of the year.

The Chair said it was important to ensure that the PHA has assurance in respect of services provided for it by HSCB and BSO.

It was agreed that Mrs McKeown would share the internal audit plans of the three organisations, however further work will be required to clarify this.

## **1.2 Training**

Members who had attended the training on 29 September agreed that it had been very helpful and it was hoped that those who had not been able to attend could avail of this training at a later date.

## **1.3 Lay Membership**

Members agreed that it would be beneficial to co-opt a lay member with financial expertise on to the committee. Mr McClean agreed to bring a paper on this issue to the PHA board. Mr Cummings pointed out that the HSC Board may also require a similar appointment and it may be helpful to put out a joint advertisement. Mr Cummings and Mr McClean agreed to liaise on this issue and also to discuss the level of remuneration.

**Action: Mr McClean & Mr Cummings**

## **1.4 Sub-committee – complaints**

The Chair suggested that it was not appropriate to deal with complaints within this forum and suggested the establishment of a sub-committee with Non Executive representation. Mr Orr welcomed this proposal and pointed out that it would also be helpful to consider 'near misses' and also not to look at complaints in isolation but to include successes.

Mr Cummings informed members that the HSCB consider Serious Adverse Incidents on a weekly basis and again pointed out the need to ensure there was no duplication.

Mrs Cullen advised that there was a proposal that Mrs Hinds, Director of Nursing, PHA would chair a complaints committee for both the HSCB and the PHA and there would be representation from both organisations on the group.

Taking on board the comments made, Mr McClean agreed to draft a paper on this issue for presentation to the PHA board.

**Action: Mr McClean**

### **2/09 MINUTES**

The minutes of the meeting held on 29 June 2009 were agreed and signed.

### **3/09 MATTERS ARISING**

#### **GA01/09 Terms of Reference**

As previously discussed it has now been agreed to co-opt a lay member to the committee.

#### **GA05/09 HPA Annual Report 2008/09**

The annual report was submitted to the DHSSPS.

#### **GA07/09 Internal Audit Plan 2009/10**

As detailed above the number of audit days have been reduced. In response to Mr McClean, Mrs McKeown stated that there was no reason

for the PHA to have sight of draft audit reports of the other organisations but will be provided with an assurance letter which will highlight any areas where controls have not been substantive. Ms Kane advised that if any issues arise in-year these will be brought to the attention of the appropriate committee. The Chair suggested that it may be helpful to have an annual meeting with the other organisations when all reports have been published.

**Action: Mr McClean**

#### **4/09 INTERIM ASSURANCE FRAMEWORK 2009/2010**

Miss Taylor presented Paper GAC/01/09 which has been prepared in accordance with DHSS&PS guidance requesting organisations to formally begin the process of developing and implementing clinical and social care governance arrangements. She explained that as the PHA was still in its early stages it had not been possible to develop a full governance and assurance framework but this interim framework had been developed based on the MIPB document on performance and assurance roles and responsibilities. Miss Taylor highlighted four key areas – corporate control; safety and quality; finance; and operational performance and service improvement. A schedule for each of these areas has been included in the paper detailing the frequency of reports and which committee they will be presented to. She explained that the issue would be kept under review and further developed and revised as required. Miss Taylor stated that a revised governance framework and strategy will be brought back to the committee at a future date. She asked members to forward to her any comments on the interim paper.

It was agreed that the status of those reports being brought for discussion should be changed to ‘for noting.’

**ACTION: Miss Taylor**

#### **5/09 INTERIM PHA CORPORATE RISK REGISTER**

Mr McClean presented Paper GAC/02/09 which detailed those risks which were relevant to the PHA as well as any emerging issues. He said that Directors had examined the risks from the legacy organisations, had assimilated and revised the original document and this paper was a ‘first cut’ for a high level risk register for the PHA. Mr McClean stressed this

was an interim risk register reflecting the corporate plan priorities and he would welcome comments from members.

Mr McClean highlighted the key areas as follows:

- *Transition Issues*
- *Business Continuity*
- *Financial Control*
- *European Centre for Connected Health (ECCH) – (emerging risk)*

The Chair suggested that a further risk in relation to protection of children and the elderly should be added. Following discussion it was agreed that this risk primarily lies with the Director of Social Services and the HSCB. In response to Mr Orr Mr McClean advised that the Safeguarding Board for Northern Ireland was an organisation in its own right and at this point the PHA would not have any responsibility regarding its operation. Miss Taylor advised that a series of workshops have been organised to develop individual directorate risk registers which will include risks at all levels.

Mr Orr raised the issue of deployment of staff to those areas where there was insufficient capacity. Mr McClean acknowledged that this was a priority and it was important to move ahead with the proposed staffing structure in order to implement the corporate priorities of the organisation. The Chair noted these comments.

#### **6/09 CONTROLS ASSURANCE PROGRAMME 2009/2010**

Miss Taylor presented Paper GAC/03/09 which detailed 22 standards, 16 of which were applicable to the PHA. She explained that 6 of these would be subject to independent verification. Miss Taylor referred to Appendix 2 which identified the lead officer from the legacy organisations and said that meetings will be arranged to discuss the way forward and the timescale for actions to be carried out. Mrs McKeown queried the need for separate self-assessment for each of the organisations and it was agreed that she and Miss Taylor would work together to minimise any duplication of work. Mr McClean added that there would be areas where the people providing the advice and expertise would be shared – some people mapped to the Board will be providing a service to the PHA.

**Action: Miss Taylor & Mrs McKeown**

## **7/09 INTERNAL AUDIT REPORT**

Mrs McKeown presented Paper GAC/04/09 which detailed progress to date on audits carried out. She reported a satisfactory overall level of assurance on the financial review and also on the audit of voluntary and community organisations which were both carried out in September. Mrs McKeown explained the definition of levels of assurance used and also highlighted the findings using these definitions and how these were prioritised.

Responding to some of the recommendations identified in the report Mr Cummings said it was not factually correct to state that 'a budgetary structure is not in place within the Agency and financial monitoring information is not received on a monthly basis.' Mrs McKeown agreed to look at this again. Other issues raised during this discussion included:

- Legacy Health Promotion Agency financial system needs to be fully integrated into the PHA
- Important to ensure that skills and expertise are available to deliver on the work programme
- Some of the practices identified as weaknesses within the report have already ceased
- Still working with legacy arrangements but these will change naturally over time. These are still regarded as 'fit for purpose' by Internal Audit and will continue until a standardised approach is implemented.

A work-plan will be developed to implement the recommendations.

The Chair thanked the Internal Audit team for all their work in producing this report. It was noted that this was not a public document and the Chair will report to the confidential session of the PHA board.

## **8/09 INTERNAL AUDITOR'S MID YEAR STATEMENT**

Mrs McKeown presented Paper GAC/05/09 which detailed the mid-year assurance statement to the PHA from the Head of Internal Audit, providing details on the assignments completed and giving an update on controls assurance and risk management. As outlined in the previous item Mr Cummings asked that some of the wording be revised and this was agreed.

## 9/09 MID YEAR ASSURANCE STATEMENT

Miss Taylor presented Paper GAC/06/09 which detailed the condition of the system of internal control in the PHA as at 30 September 2009. As required by the DHSS&PS the paper gives an up to date position on governance, assurance framework, risk register and controls assurance. She confirmed that recommendations from the external and internal audit reports (for legacy HPA) were being implemented. Miss Taylor pointed out that the equivalent reports of the legacy Boards will be taken through the HSC Board. With regard to performance against Departmental objectives she highlighted four areas where targets may not be achieved by the identified dates. Referring to item 9 of the report (significant risk) it was agreed that the wording should be revised. With regard to item 10 it was agreed to re-word this section in light of the internal audit report.

**Action: Miss Taylor**

## 10/09 DATES OF MEETINGS FOR 2010

The following dates for meetings were agreed:

Monday 11 January 2010 at 10.00 am

Thursday 4 March 2010 at 10.00 am

A further meeting is to be arranged at end of May/beginning of June 2010 to sign off the accounts and a date to be arranged in October 2010 to agree the Mid Year Assurance Statement.

## 11/09 INVESTIGATION INTO NURSING PRACTICE IN PRIMARY CARE: SOUTH AND WESTERN AREAS

Ms Cullen informed members of a serious adverse incident which had occurred involving a healthcare professional. She gave a brief background to the incident, how it had been investigated and stated that the outcome of the investigation was still awaited.

Mr Cummings added that this incident had already been presented to the HSCB's Reference Committee which was the statutory committee

charged with discipline. He said it was important to clarify where responsibility lay in dealing with incidents such as this.

12/09            **ANY OTHER BUSINESS**

Ms Kane reported that 8 firms had expressed an interest in tendering for the contract for External Auditors for HSCB and PHA with tenders to be submitted by 2 November 2010. It is hoped that the contract will be awarded by 22 November 2010.

Ms Kane advised that the PHA (through HSCB finance) will be required to submit the International Financial Reporting Standards 2008/09 shadow accounts by end of October. She said that PriceWaterhouseCoopers will be auditing this work. The report will be submitted to the Department of Finance and Personnel by January 2010.

13/09            **DATE OF NEXT MEETING**

The next meeting will be held on **Monday 11 January 2010 at 10.00 am in Ormeau Avenue**. Members are requested to ensure any agenda items are submitted before Christmas.