

<b>Title of Meeting</b>	Meeting of the Public Health Agency Governance and Audit Committee
<b>Date</b>	3 October 2019 at 10.00am
<b>Venue</b>	Fifth Floor Meeting Room, 12/22 Linenhall Street, Belfast

**Present**

Mr Leslie Drew	- Chair
Mr John Patrick Clayton	- Non-Executive Director
Ms Deepa Mann-Kler	- Non-Executive Director
Mr Joseph Stewart	- Non-Executive Director

**In Attendance**

Mr Ed McClean	- Interim Deputy Chief Executive / Director of Operations
Miss Rosemary Taylor	- Assistant Director, Planning and Operational Services
Mr Paul Cummings	- Director of Finance, HSCB
Ms Jane Davidson	- Head Accountant, HSCB
Ms Wendy Thompson	- Assistant Director of Finance, HSCB
Mr David Charles	- Internal Audit, BSO
Mr Denver Lynn	- Northern Ireland Audit Office
Mr Robert Graham	- Secretariat

**Apologies**

None

		<b>Action</b>
<b>42/19</b>	<b>Item 1 – Welcome and Apologies</b>	
42/19.1	Mr Drew welcomed everyone to the meeting. There were no apologies.	
<b>43/19</b>	<b>Item 2 - Declaration of Interests</b>	
43/19.1	Mr Drew asked if anyone had interests to declare relevant to any items on the agenda. No interests were declared.	
<b>44/19</b>	<b>Item 3 – Minutes of previous meeting held on 5 June 2019</b>	
44/19.1	The minutes of the previous meeting, held on 5 June 2019 were <b>approved</b> as an accurate record of that meeting,	

subject to minor amendments. These minutes will be brought to the PHA Board on 17 October for noting.

**45/19 Item 4 – Matters Arising**

45/19.1 There were no matters arising.

**46/19 Item 5 – Chair’s Business**

46/19.1 The Chair advised that he had been made an enquiry about the Audit Committee Chairs Forum previously run by the Department of Health, and it was his understanding that this Forum would be reconvened shortly.

**47/19 Item 6 – Internal Audit**

*Internal Audit Progress Report [GAC/34/10/19]*

47/19.1 Mrs McKeown advised that the recent audit of the management of the Lifeline contract had received a satisfactory level of assurance. She said that there was one key finding which related to the performance management reports. She also noted that an IT development project is under way to replace the existing system. She said that management have accepted the recommendations.

47/19.2 Mr Drew said that he was pleased with the outcome, but expressed concern about the KPIs and response times.

*At this point Mrs Briege Quinn and Ms Deirdre Webb joined the meeting.*

47/19.3 Mrs McKeown said that a limited assurance had been given following the audit of the Family Nurse Partnership programme.

47/19.4 Mrs McKeown advised that under governance and oversight, Internal Audit noted that none of the Trusts had held the four required annual meetings and that attendance was poor at these meetings, and there were no agreed work plans or action plans. She added that PHA is not sharing best practice and that 2 of the Trusts have not completed their Annual Reports. She went on to say that a revaluation was carried out in November 2017, but there is little evidence of progress against the action plan, and that the PHA Board has not received an update since this time. Finally, in terms of IT costs, she noted that a business case had been approved, but that the costs had now exceeded the original costs and there is not approval for those additional costs.

- 47/19.5 Mr Stewart asked why the costs of the IT system had doubled. Ms Webb explained that at the outset of the programme, PHA and BSO had discussed the development of a system, and had been advised that a new piece of software, Microsoft Dynamic, would be required. However, she said there were issues with Microsoft Dynamic, exacerbated by the contractor now having less staff with expertise in this software, consequently the reporting elements of the original specification have not been fully delivered. She said that PHA has been working with BSO to resolve this matter, with the increased costs relating to ongoing development time. Mr Stewart sought clarity on whether the contractor was continuing to receive payment, but Ms Webb confirmed that the contractor has not been paid for 18 months.
- 47/19.6 Ms Mann-Kler said that with regard to technology, there is always a need to future-proof. She asked if there are any other areas of risk and if there is an action plan in place to mitigate these. Ms Webb said that there is a challenge in that the current contractor believes they have delivered on what they were asked to do. She said that BSO has been helping PHA. She added that the current licence is due to expire in 2021 and an options appraisal is being developed to take this work forward. She assured members that there is a functioning IT system, and although the reporting aspect is not functioning, there is a member of staff who can extract the information manually.
- 47/19.7 Mr Clayton asked if any consideration had been given to legal action. Ms Webb said that PHA's priority has been to get the current system to meet the necessary requirements. She advised that NHS England had experienced similar difficulties, but has now secured funding from NHS Digital for an improved system, and that PHA may be able to utilise this system
- 47/19.8 Ms Mann-Kler asked if the findings of PHA's report are similar to those in Trusts. Mrs McKeown advised that this area has not been the focus of audits in Trusts.
- 47/19.9 Ms Mann-Kler said that she recalled the excellent work being done within the Family Nurse Partnership programme when the presentation was made to the Board in November 2017. She asked if the best practice is being shared and what the long term vision of the programme is. Ms Webb said that practice is shared between teams within Trusts, but although she has a regional overview of how the Trusts are performing, she acknowledged that practice isn't shared between Trusts. She said in terms of governance

	arrangements, there has been an improvement, but she noted that while people may have committed to attending meetings they often sent late apologies. She acknowledged that a reminder was required in terms of Trusts' contractual obligations in this regard.	
47/19.10	In terms of the long term outlook, Ms Webb advised that further funding is needed. She said that teenage pregnancy rates are decreasing, but that the programme is only reaching 20-40% of the teenage population. She added that it would be hoped to roll out the programme to every young person.	
47/19.11	Mr Drew said that it is important to resolve the IT issues and to keep the Committee up to date. He said that an improved attendance at meetings could result in better sharing of knowledge.	
47/19.12	Mr Stewart said that it would be useful for the PHA Board to have an update report. Mrs Quinn said that an update is currently being finalised.	Mrs Quinn
	<i>At this point Mrs Quinn and Ms Webb left the meeting.</i>	
47/19.13	Members noted the Internal Audit Progress Report.  <i>Internal Audit Mid-Year Follow Up Report [GAC/35/10/19]</i>	
47/19.14	Mr Charles presented the Mid-Year Follow Up Report on outstanding recommendations and advised that 45 of the 62 recommendations were now fully implemented, with the remaining 17 partially implemented. In terms of those which had been partially implemented, he said that there remained a need for an update on Connected Health to be presented at Board level. He added that for Research and Development, there remained an issue with regard to intellectual property. Finally, he highlighted some of the recommendations with regard to screening.	
47/19.15	Mr Clayton said that there had been a presentation on R&D at the last Board meeting, and it was his understanding that the intellectual property rights issue had been resolved and that there was a return on research being made into the PHA/HSC. Mr Cummings confirmed that this was also his understanding. Mr Charles said that he would verify this as part of the next follow up.	
47/19.16	Mr Drew asked if there was any further work on the work of the procurement task and finish group. Mr McClean suggested that it may be timely to bring another update to	Mr McClean

	the PHA Board.	
47/19.17	Mr Clayton asked for an update on the NIAS PPI self-assessment. Miss Taylor agreed to follow up on this.	Miss Taylor
47/19.18	Members noted the Internal Audit Mid-Year Follow Up Report.  <i>Internal Audit General Report 2017/18 and 2018/19 [GAC/36/10/19]</i>	
47/19.19	Mrs McKeown advised that this Report covers two years and showed that the majority of assurances across the HSC were satisfactory, and this figure had increased in 2018/19 compared to 2017/18. She highlighted some of the reasons why limited assurances may be given which include procurement and contract management and elements of corporate governance.	
47/19.20	Mr Drew thanked Mrs McKeown for the Report which he said was very helpful.	
47/19.21	Members noted the Internal Audit General Reports.  <i>Internal Audit Mid-Year Assurance Statement</i>	
47/19.22	Mrs McKeown presented her Mid-Year Assurance Statement which she said was a summary of what had already been covered, but also included the audits of shared services. She advised that the payroll shared services audit remained limited, but she said that she would bring a fuller update on this to the next meeting.	
47/19.23	Mr Drew asked about the timescales for the introduction of a new HRPTS system. Mr Cummings said that due to the time required to develop a specification, followed by the procurement and transition period, an extension of up to 5 years may be required for the current system.	
47/19.24	Members noted the Internal Audit Mid-Year Assurance Statement.	
<b>48/19</b>	<b>Item 7 – Finance</b>  <i>Fraud Liaison Officer Update Report [GAC/37/10/19]</i>	
48/19.1	Ms Thompson advised that there were no new cases of fraud to report, but that the report contained an update on the National Fraud Initiative. Ms Mann-Kler asked what factors would contribute to a fraud being deemed “high risk”.	

Ms Thompson explained that it would dependent on the strength of the match, and that there are certain areas where instances of fraud are more likely to happen.

48/19.2 Members noted the Fraud Liaison Officer Update Report.

**49/19 Item 8 – Corporate Governance**

*Corporate Risk Register (as at 30 June 2019)*  
*[GAC/38/10/19]*

49/19.1 Miss Taylor said that this Risk Register has been reviewed and agreed by AMT as at 30 June 2019. She advised that one new risk, relating to the upgrade of the PHA Intranet, has been added and that no risks have been removed.

49/19.2 Mr McClean said that this risk further highlights the difficulties for PHA in that its web software is not supported by BSO and therefore there is a degree of vulnerability. Mr Clayton asked what the risks are. Miss Taylor advised that the greatest risk is losing data.

49/19.3 Ms Mann-Kler said that IT is an important area, and she said it would be useful to have an assessment to determine if the current arrangements are fit for purpose and to look at future-proofing. Mr McClean suggested that an update should be brought to the PHA Board.

Mr  
McClean

49/19.4 Mr Cummings said that a new Chief Digital Information Officer (CDIO) has been appointed by the Department of Health. He said that this appointment may impact on the ability of HSC organisations to carry out IT-related projects on their own. Mr Drew said that it would be useful to gain a fuller understanding of this new role, while Mr Stewart expressed concern that as a smaller body, PHA's issues may not be seen as priority.

49/19.5 Referring to Corporate Risk 45 on PHA staffing issues, Ms Mann-Kler expressed concern that the information is out of date as it was the position at 30 June. She noted that there are now further issues in terms of succession planning. It was noted that the PHA Board was fully briefed on staffing issues at its September meeting.

49/19.6 Members **approved** the Corporate Risk Register.

*At this point Mrs McKeown left the meeting.*

*Risk Management Strategy and Policy [GAC/39/10/19]*

49/19.7	Miss Taylor advised that the Risk Management Strategy and Policy has been updated as the Department of Health is no longer using the Aus/NZ model and all organisations have agreed to work to the spirit of ISO 31000:2018. She said that there were no other major changes to the document.	Miss Taylor
49/19.8	Mr Drew said that this update was helpful, and suggested that there should be a Board workshop on risk management.	
49/19.9	Members <b>approved</b> the Risk Management Strategy and Policy.	
<i>Assurance Framework (as at September 2019)</i> <i>[GAC/40/10/19]</i>		
49/19.10	Miss Taylor reminded members that the Assurance Framework is reviewed biannually and brought to the Governance and Audit Committee with an annual update brought to the PHA Board. She added that Internal Audit have recently completed an audit of PHA's Assurance Framework, and any recommendations will be reflected in future updates.	
49/19.11	Miss Taylor said that the table outlines the main changes made to the Framework with some new areas added, other amalgamated, and gaps highlighted with recommendations included on closing these gaps.	
49/19.12	Mr Clayton sought clarity on some of the areas amalgamated, particularly around safety and quality reports. Miss Taylor explained that these areas have been merged as different reports will be presented at different times under the banner of safety and quality.	
49/19.13	Members <b>approved</b> the Assurance Framework.	
<b>50/19</b>	<b>Item 9 – External Auditor's Final Report to those Charged with Governance [GAC/41/10/19]</b>	
50/19.1	Mr Lynn said that members would have seen the draft Report to those Charged with Governance at the previous meeting as it was not signed off by the Comptroller and Auditor General until 20 June. He advised that the Report was unchanged and that PHA received an unqualified audit opinion. He also clarified that there were no issues of a minor nature. Mr Stewart congratulated the team on achieving this outcome.	
50/19.2	Mr Lynn informed members that this would be his last audit as he is retiring at the end of November 2019, and that the	

- NIAO will advise PHA of his replacement in due course. Mr Drew wished Mr Lynn well for his retirement and thanked him for his contribution to the work of the Committee.
- 50/19.3 Members noted the External Auditor's Report to those Charged with Governance.
- 51/19 Item 10 – PHA Mid-Year Assurance Statement [GAC/42/10/19]**
- 51/19.1 Miss Taylor reminded members that PHA is required to submit a Mid-Year Assurance Statement to the Department of Health. She said that the Statement follows the prescribed format and she drew members' attention to the section on divergences. She said that no new divergences have been added, but it is proposed to merge the divergences relating to the management and administration budget and staffing.
- 51/19.2 Mr Clayton asked about the management of the process for allocating confidence and supply monies. Mr Cummings said there is an improved system in place and he was confident that there would not be any issues in terms of expenditure. He said that many IPTs are already in place, and that this year there is a requirement to put in place addendums to existing IPTs.
- 51/19.3 Members **APPROVED** the Mid-Year Assurance Statement which will be brought to the PHA Board on 17 October for approval prior to submission to the DoH.
- 52/19 Item 11 – SBNI Declaration of Assurance [GAC/43/10/19]**
- 52/19.1 Miss Taylor advised that the SBNI Declaration of Assurance informs the PHA Mid-Year Assurance Statement.
- 52/19.2 Members noted the SBNI Declaration of Assurance
- 53/19 Item 13 – Update on EU Exit**
- 53/19.1 Miss Taylor said that the Department of Health's EU Exit forum continues to meet on a fortnightly basis. She said that the Department has focused on three key issues, namely healthcare supply chain, cross border movement of people, and data transfer. She said that no issues have been identified regarding supply of vaccines in the event of a "no deal" exit.
- 53/19.2 Miss Taylor explained that an MOU between PHA and HSE has been agreed in respect of communication and transfer



of necessary data relating to potential cross border health protection issues.

53/19.3 Miss Taylor advised that information regarding the EU Settlement Scheme has been shared with staff. She also said that a key issue for PHA will be the reporting requirements through PHA/HSCB/BSO “silver” from HSC Trusts to the Department’s Operation Centre.

53/19.4 Miss Taylor advised that the DoH Operational Readiness Guidance has been shared with all PHA providers. She said that the Department is now asking for an assurance from all Chief Executives that contingency arrangements are in place to inform the Permanent Secretary’s assurance to The Executive Office.

53/19.5 Mr Drew said that a lot of thought has gone into preparations.

53/19.6 Mr Clayton asked about tariffs on medicines. Ms Thompson said that the Department is trying to collate information on short term and long term costs. She said that costs of oil, heat and electricity also have to be considered in the event of higher exchange rates.

53/19.7 Mr Clayton expressed concern about the information going out regarding the EU Settlement Scheme. Mr Cummings said that this would be more of an issue for HSCB rather than PHA.

*At this point Mr Drew left the meeting and Ms Mann-Kler took over as Chair.*

*At this point Mr Lynn, Mr McClean and Mr Cummings left the meeting.*

**54/19 Item 12 – Joint PHA/HSCB and BSO Annual Report on Emergency Preparedness [GAC/44/10/19]**

*Ms Mary Carey joined the meeting for this item.*

54/19.1 Ms Carey said that in adherence with governance processes, this report is being brought to the Governance and Audit Committee. She highlighted three key issues, training, allocation of resources and the reviewing of monitoring arrangements.

54/19.2 Ms Carey said that staffing is a key issue for PHA, vis-à-vis training staff and also having staff available to assist with Emergency Operation Centre (EOCs) if required. She said

that following engagement with HR, there is now approval regarding how staff on Agenda for Change terms and conditions will be remunerated. Mr Stewart said that he was pleased that this staffing issue had been resolved. Ms Carey said that there was no issue in terms of the staff not being willing to volunteer, but that the staff wished to ensure that there was equity.

54/19.3 Mr Clayton asked whether the terms of reference for the cross border health services representation group are still in draft form. Ms Carey confirmed that they have been agreed and the word "draft" should have been removed.

54/19.4 Ms Mann-Kler asked if any lessons learnt are shared across the HSC. Ms Carey advised that HSCB has done an overview of the various Trust Annual Reports and that this could be taken forward as part of the quarterly meetings with Trusts.

54/19.5 Members noted the joint PHA/HSCB and BSO Annual Report on Emergency Preparedness.

**55/19 Item 14 – Any Other Business**

55/19.1 Ms Mann-Kler asked about Committee meeting dates in 2020. Mr Graham advised that these had been agreed with the Chair and would be distributed to members shortly.

Mr  
Graham

**56/19 Item 15 – Details of Next Meeting**

*Monday 9 December 2019 at 10am*

*Fifth Floor Meeting Room, 12/22 Linenhall Street, Belfast.*

Signed by Chair:

Leslie Drew

Date: 9 December 2019