

MINUTES

**Minutes of the 28th Meeting of the Governance and Audit Committee
held on Thursday 19 February 2015, at 10 am,
Meeting Room, 5th floor, 12-22 Linenhall Street, Belfast, BT2 8BS**

Present:

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| Mr Brian Coulter | - Chair |
| Mrs Miriam Karp | - Non-Executive Director |
| Mr Thomas Mahaffy | - Non-Executive Director |
| Alderman Paul Porter | - Non-Executive Director |

In Attendance:

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| Miss Rosemary Taylor | - AD Planning & Operational Services |
| Mrs Catherine McKeown | - Internal Audit |
| Mr David Charles | - Internal Audit |
| Ms Tracey McCaig | - Finance, HSCB |
| Ms Christine Hagan | - ASM Chartered Accounts |
| Ms Dorinna Carville | - Northern Ireland Audit Office |
| Mr Mark Anderson | - Sponsor Branch, DHSSPSNI |
| Mr James Devlin | - Emergency Planning, Public Health (for item 11) |
| Mrs Cathy McAuley | - Secretariat |

Apologies

- | | |
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| Mr Edmond McClean | - Director of Operations, PHA |
| Mr Paul Cummings | - Director of Finance, HSCB |
| Mr Simon Christie | - AD Finance, HSCB |

		Action
01/15	Item 1 - Welcome and Apologies The Chair welcomed everyone to the meeting and noted apologies and said that Mr James Devlin will join today's meeting for item 11.	
02/15	Item 2 - Declaration of Interests The Chair asked if anyone had any interests to declare relevant to any items on the agenda. None were declared.	
03/15	Item 3 - Chair's Business No chair's business.	
04/15	Item 4 - Notes of previous Meeting – 8 December 2014 The minutes of the previous meeting, held on 8 December 2014 were approved.	
05/15	Item 5 - Matters Arising There were no matters arising.	

06/15 Item 6.1- Corporate Risk Register

Miss Taylor presented the Corporate Risk Register as at December 2014 for noting and summarised the report. She said this quarter saw changes to the corporate risk register;

- CR32 new risk added Programme Budget Expenditure
- CR31 Shared Services reduced from high to medium rating
- CR25 PHA Belfast Accommodation reduced from extreme to high

Members expressed concern that the further element of clinical audit mechanisms to manage the long term risks on the register which dated back to 2012.

Miss Taylor acknowledged members concerns and assured the committee that actions were being taken against these risks and that progress was being made. She added that numerous risks had been removed or de-escalated to directorate level risk registers.

Mr Karp highlighted her concern in relation to CR32; Programme Budget Expenditure and CR30 Management of the Lifeline Contract, and in particular the 9 month extension which has been granted pending the outcome of the business case. Miss Taylor said that staff continue to work on addressing the issue of demand management and that a business case for the future service is currently being developed. Members expressed concern that the clinical audit review was still outstanding and queried why ministerial approval was required. Miss Taylor said that as the review falls under use of external consultant, regulations stated that ministerial approval was required; she also advised that Dr Rooney had raised this with the DHSSPS. Members asked for an update to be brought to GAC.

Dr Harper

The Chair advised that CR25; PHA Belfast Accommodation remains a concern to the committee. Miss Taylor said that the PHA have now been advised that they will not be considered as part of the wider DFP Asset Management Unit review of public bodies located in leased property assets in Belfast City Centre. She added the PHA has been advised to engage with the Health Estates Division (DFP) to take this matter forward. Miss Taylor said that the recent move of SBNI to the HSC Leadership Centre, had resulted in space becoming available in Ormeau Baths, however Ormeau Baths was not a long term solution as the lease is due to end in 2017.

In respect of CR32: Programme Budget Expenditure members asked about the management and admin budgets for 2015/15. Miss Taylor said that the PHA had not yet received any official notification from the DHSSPS regarding proposed budget reductions for 2015/16.

Members approved the risk register.

07/15 Item 6.2 - Review of Standing Financial Instructions

Members approved the revised Standing Financial Instructions and recommended they are taken forward to the PHA Board for approval.

08/15 Item 6.3 - Review of Standing Orders

Members approved the revised Standing Orders subject to two minor amendments as below and recommended they are taken forward to the PHA Board for approval.

Page 104, paragraph (1.5) (1.5.1) Establishment of a Governance and Audit Committee “ shall hold office for three years”

Members requested that a report on PHA complaints procedure should be brought to GAC in June in line with the GAC terms of reference.

09/15 Item 7- Information Governance Strategy 2015-19

Miss Taylor summarised the IG strategy and framework. Members welcomed the strategy but suggested that sections (6.0) and (6.6) should reference members as well as employees. They also asked that it should include reporting on breaches to GAC.

Members approved the Information governance strategy subject to the above amendments and recommended it to the PHA Board approval.

10/15 Item 7.1- Information Governance Action Plan

Miss Taylor presented the action plan to members for noting.

Members noted the updated action plan.

11/15 Item 8 - Internal Audit Progress Report

Mrs McKeown gave a summary of the progress report against the 2014/15 audit plan and audit summaries of the final audit reports issued since the last audit committee meeting.

Management of Health and Social Wellbeing Contracts (Inc. visits to voluntary organisations)

Mrs McKeown advised that the audit had received a satisfactory level of assurance, with limited assurance on procurement of contracts. She advised that there was one priority one finding in respect of contracting with trusts. She advised the committee that all recommendations had been accepted by management.

A long discussion was held regarding the specific assurances on procurement of health and social wellbeing improvements contracts which included contracts with HSC Trusts. Members raised concerns regarding the management of contracts and the consistent application of procedures.

Mrs McKeown reassured the committee that there were mechanisms and systems in place and that these procedures were being managed. She said that while limited assurance was provided in respect of three organisations audited, issues have been raised with relevant organisations. Given their concerns, members requested that the Director of Public Health provide a report to Committee on the 'Managing Obesity Network Programme' incorporating management responses to the priority one weaknesses identified and indicating measures taken more generally by PHA to monitor outcomes and to secure vfm in projects such as this one where Trusts are charged with delivery. The Chair requested that this report be provided to members asap given the identified problems and the sizeable funding involved.

Dr Harper

Procurement and contract Management

Miss McKeown advised that procurement and contract management had received a satisfactory level of assurance and that one priority one weakness was identified and advised the committee that all recommendations had been accepted by management.

Financial Review 2014/15

Miss McKeown advised that following a Financial Review in December in terms of processes in respect of e.g. payroll, travel claims, non-pay expenditure, a satisfactory level of assurance was given and that no priority one weakness were identified. All recommendations had been accepted by management.

Mrs McKeown gave a summary of the BSO shared services assurance report and advised the recommendations in the reports are the responsibility of BSO to take forward.

Members noted the report.

12/15 Item 8.2 - IA Benchmarking Report

Mrs McKeown summarised the key results from the on-going benchmarking programme across units in the BSO; the results included value for money, audit coverage and staffing.

Members noted the report.

13/15 Item 9.1- Finance: Report to those charged with Governance Progress report

Ms McCaig presented the progress report on the implementation of recommendations of the report to those charged with governance and summarised the report to members.

Members noted the report.

14/15 Item 9.2 - Fraud Liaison Officer Update

Ms McCaig advised that at the last report to the GAC there were no open cases of actual or suspected fraud. However she added that she was advised just yesterday (18/02/15) of one case of suspected fraud which has been relocated from HSCB to PHA. An update will be available at the next meeting.

Members noted the report.

15/15 Item 9.3 - Timetable for the Annual Accounts and Reports Process

Ms McCaig advised that the Department had not yet issued a circular setting out the timetable for Statutory reporting, auditing, laying and publishing process for 2014/15 covering annual accounts, governance statement and the annual report. However it is expected that the dates will be similar to last year. She summarised the timetable and the key dates for PHA.

Members noted the report and process.

Item 10 - External Audit: PHA Audit Strategy

Ms Hagan presented the PHA Audit Strategy to members for noting and summarised the audit approach. She advised that ASM would conduct the audit of the 2014-15 financial statements and key risks and that key dates had been agreed with finance colleagues.

Members noted the strategy.

16/15 Item 11- Emergency Preparedness and Response Annual Report

Mr Devlin joined the meeting and apologised for the late submission of the report due to the work with Ebola. He summarised the key findings which included performance management with Trusts and training, testing and exercising.

Members noted the report.

- 17/15 Item 12 - Item to be brought to the PHA Board**
- Review of Standing Financial Orders **GAC/02/02/15**
 - Review of Standing Financial Instructions **GAC/03/02/15**
 - Information Governance Strategy and framework
GAC/04/02/15
- 18/15 Item 13 - Date and time of next meeting**
- Date: 15 April 2015
Time: 9.30 am
Venue: Meeting Room
5th floor, 12-22 Linenhall Street
Belfast

Signed: Brian Coulter (Chair)

Date: 15 April 2015