

MINUTES

**Minutes of the 29th Meeting of the Governance and Audit Committee
held on Wednesday 15 April 2015, at 9.30 am,
Meeting Room, 5th floor, 12-22 Linenhall Street, Belfast, BT2 8BS**

Present:

Mr Brian Coulter	- Chair
Mr Thomas Mahaffy	- Non-Executive Director
Alderman Paul Porter	- Non-Executive Director

In Attendance:

Mr Edmond McClean	- Director of Operations, PHA
Mrs Mary Hinds	- Director of Nursing & AHP, PHA
Mr Paul Cummings	- Director of Finance, HSCB
Miss Rosemary Taylor	- AD Planning & Operational Services
Mrs Catherine McKeown	- Internal Audit
Ms Amanda McMaw	- ASM
Mr Craig Morrow	- Northern Ireland Audit Office
Mr Mark Anderson	- Sponsor Branch, DHSSPSNI
Mrs Mary Black	- AD Health & Social Wellbeing Improvement (for item 5)
Mrs Cathy McAuley	- Secretariat

		Action
19/15	<p>Item 1 - Welcome and Apologies The Chair welcomed everyone to the meeting and noted there were no apologies received. He welcomed Mrs Mary Hinds (Item 4) and Mrs Mary Black (Item 6).</p>	
20/15	<p>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.</p>	
21/15	<p>Item 3 - Chair's Business The Chair advised there was a change to the membership of the committee as Mrs Karp's period of appointment with the PHA had been completed. He acknowledged the contribution brought to GAC committee by Mrs Karp.</p> <p>The Chair advised the committee would be down a member until the new non-executive is appointed.</p>	

22/15 Item 4 - Notes of previous Meeting – 19 February 2015

The minutes of the previous meeting, held on 19 February 2014 were approved.

23/15 Item 5 - Matters Arising

06/15 – CR30 Lifeline Contract

Mrs Black joined the meeting and gave the committee a confidential update briefing of the Lifeline Crisis response service in terms of the future provision of the service and the independent clinical review outcomes.

The committee thanked Mrs Black for the updated briefing. The Chair acknowledged the evidence of the improved budgetary control and noted that the contract is likely to be extended for a further 18 months, he said that this would require great vigilance when dealing with management issues. Mrs Black reassured the committee that learning had been taken from previous experiences and that work continues monitoring quality and performance issues.

11/15 – Management of Health & Social Wellbeing Contracts

Mrs Black updated the committee on the implementation of recommendations on specific actions against the priority one finding in respect of the managed obesity network contract. She advised that the culture had now changed and that the PHA has reviewed and strengthened the arrangements for managing contracts with Trusts.

Mrs McKeown assured the committee that IA would be applying audit principals to ensure that the change of culture had been implemented and that this would be revisited in the year end follow up report.

Mrs Black left the meeting.

24/15 Item 6.1- Assurance Framework

Mr McClean presented the PHA Assurance Framework report 2013/15 as reviewed at April 2015. Members were asked to approve the amendments to the assurance framework.

Members approved the amendments and subject to minor change “GAC role to approve the annual audit plan” it was recommended to the PHA board for approval.

Mr McClean

25/15 Item 6.2 – Revised Incident and Near Miss Reporting Policy and Procedure.

Members approved the revised policy and procedure.

26/15 Item 6.3 – Revised Suite of Health and Safety related policies

Miss Taylor presented the revised policies and advised they will be put on to Connect website if approved by GAC.

Members approved the revised policies and procedures.

27/15 Item 7.1 – Internal Audit Progress Report.

Mrs McKeown gave a summary of the progress report against the 2014/15 IA audit plan and the final audit reports.

Members noted the progress report.

Item 7.2 – Follow Up Report

Mrs McKeown advised that progress had been made and 84% of the recommendations have now been implemented. Apart from one exception all recommendations from previous years have been implemented with only those from 2014/15 to be progressed.

Members noted the follow up report.

Item 7.3 – Shared Services

Mrs McKeown presented 3 reports from the BSO shared services audit and gave an overview of the finding and recommendations.

- Recruitment - satisfactory assurance.
- Payments - overall satisfactory assurance, with limited assurance for the management of duplicate payments.
- Payroll - limited assurance

Mrs McKeown said that payments shared services showed an improved position, compared to an earlier audit undertaken during September 2014. She added that limited assurance had been provided around the management of duplicate payments and that a significant number of priority one findings and recommendations remain in the payroll shared services audit. The recommendations in the reports are the responsibility of BSO management to take forward.

Item 7.4 – Head of IA Annual Report

Mrs McKeown presented the HIA annual report for year ended 31 March 2015 and gave a brief overview to members.

Members noted the report.

Item 7.5 – Charter

Mrs McKeown presented the charter for noting.

Members noted the charter.

Item 7.6 – Annual Plan 2015/16

Mrs McKeown presented the proposed Internal Audit strategy plan for 2015/16 and gave an overview of the proposed work schedule. She added she had a meeting with Chair of the GAC ahead of seeking approval of the plan from the Committee. Members were asked to consider the IA plan for 2015/16 and also the PHA management's request to reduce the SLA audit days for 2015/16.

Members raised their concerns at the reduction in SLA audit days. Mr McClean advised the decision to request this reduction was part of the plan to meet the 15% reduction in the PHA management and administration budget in 2015/16. Mr Cummings added that as he was not aware of this decision there was need for further dialogue.

While members stressed the important of internal audit across the organisation and especially during periods of financial constraints, Alderman Porter also noted that while valuing the role of internal audit it would be difficult to defend protecting it when other areas of expenditure were being cut.

Following a lengthy discussion the chair concluded that further discussion and clarity on the 2015/16 budget is required before a decision could be made on the Internal Audit plan and asked officers to take this forward and bring back to the next meeting. In the interim it was agreed that work could commence on actioning the audits set out in the plan.

Mrs McKeown

Item 8.1- Finance: Report To Those Charged With Governance Progress Report.

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

Members noted the report.

Item 8.2 - Fraud Liaison Officer Report

Mr Cummings gave a summary of the report which detailed a case that was originally reported in error through the HSCB before being opened and closed by the PHA. He added that the National Fraud Initiative (NFI) 2014/15, has now been made available by the audit commission, and the HSCB finance have commenced analysing and investigating the data on behalf of PHA.

Members noted the report.

Item 9 - Governance Statement 2014/15

Mr McClean presented the draft governance statement and highlighted one minor amendment to the CAS table. Mrs McKeown requested that 'audited' be replaced with 'verified' in the column heading.

Mr McClean

Members approved the governance statement and recommended it for approval to the next PHA confidential board meeting.

Item 10 – GAC Annual Report

The Chair presented the GAC annual report which outlined the key activities of the committee during 2014/15.

Members noted the report.

Item 11 – Draft PHA Annual Report 2014/15

Mr McClean shared the draft annual report with members and advised this would go to the next meeting of the PHA Board.

Members approved the draft report and recommended it for approval at the next PHA confidential board meeting.

Mr McClean

Item 12 – Business Continuity Revised Plan and Policy

Mr McClean presented the revised business continuity plan and policy for approval. He added the paper set out the process for review and he summarised the main changes to the plan which included ISO standard recognition. He advised that the three organisations (PHA, BSO, HSCB) had worked collaboratively and periodically in testing the plan. Mr Cummings added that a PHA officer has attended the test of the HSCB Business Continuity plan at

the end of March.

Members approved the revised plan and policy and recommended it for approval to the next PHA board meeting.

Mr McClean

Item 13 – SBNI Declaration of Assurance

Mr McClean presented the SBNI declaration of assurance to members for approval which confirms that SBNI complies with all PHA policies and procedures in respect of finance, human resources and facilities.

Members approved the declaration of assurance.

Item 14 – PHA Complaints Process

Mrs Hinds gave members a brief overview of the PHA complaints procedure. She reported that the PHA's nomination officer is the Director of Nursing. She outlined the process and procedures for the complaints procedure and added that the number of complaints received were small due to the nature of the organisation.

Members noted the complaints process.

Item 15 – Any other business

NIAO – Director Responsibility

Mr Craig Morrow advised members of a change in the arrangement for audit of PHA; Tomas Wilkinson will replace Mrs Dorinna Carville.

Item 15 - Date and time of next meeting

Date: 10 June 2015

Time: 9.30 am

Venue: Meeting Room

5th floor, 12-22 Linenhall Street

Belfast

Signed: Brian Coulter (Chair) Date: 10 June 2015