

<b>Title of Meeting</b>	Meeting of the Public Health Agency Governance and Audit Committee
<b>Date</b>	8 March 2021 at 2.00pm
<b>Venue</b>	Via Zoom

**Present**

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

**In Attendance**

- Miss Rosemary Taylor - Assistant Director, Planning and Operational Services
- Mr Stephen Wilson - Interim Director of Operations
- Ms Jane Davidson - Head Accountant, HSCB
- Ms Andrea Henderson - Assistant Director of Finance, HSCB
- Mrs Catherine McKeown - Internal Audit, BSO
- Mr Roger McCance - NIAO
- Ms Christine Hagan - ASM
- Mr Robert Graham - Secretariat

**Apologies**

- Ms Tracey McCaig - Interim Director of Finance, HSCB

		<b>Action</b>
<b>1/21</b>	<b>Item 1 – Welcome and Apologies</b>	
1/21.1	Mr Stewart welcomed everyone to the meeting. Apologies were noted from Ms Tracey McCaig.	
<b>2/21</b>	<b>Item 2 - Declaration of Interests</b>	
2/21.1	Mr Stewart asked if anyone had interests to declare relevant to any items on the agenda. No interests were declared.	
<b>3/21</b>	<b>Item 3 – Minutes of previous meeting held on 3 December 2020</b>	
3/21.1	The minutes of the previous meeting, held on 3 December 2020 were <b>approved</b> as an accurate record of that meeting.	

**4/21 Item 4 – Matters Arising**

*54/20.1 Procurement Sub-Committee*

4/21.1 Mr Stewart noted that the PHA Chair had attended the most recent of the PHA Procurement Board so he was content that matters are now in hand.

*54/20.7 Senior Recruitment*

4/21.2 Mr Stewart noted that the recruitment exercise for the Chief Executive post is currently open and that interviews are taking place later this week for the Director of Public Health post.

*54/20.9 Training*

4/21.3 Mr Stewart reported that he and Mr Clayton would be attending training organised later this week.

*54/20.14 Audit of Contact Tracing*

4/21.3 Mr Stewart advised that following the last meeting he spoke to Internal Audit and the Interim Chief Executive about this audit, but noted that the terms of reference were then signed off without having been brought to the Committee. He said that he discussed this with Internal Audit and that in future the Committee will be consulted on terms of reference for audits that it requests.

*60/20.1 Future of Finance Function*

4/21.4 Mr Stewart said that he understood that a number of options have been considered for how PHA's finance function will be managed in future, and that a long list of options has been reduced to 2, including an in-house option. Miss Taylor agreed that the two options are to maintain the current arrangements, or to bring the function in-house, but she advised that the paper prepared for the Department is a scoping paper and that the Department has advised that there will be further engagement and consultation before a final decision is made. Ms Henderson confirmed that this work remains ongoing and there is an assurance that there will be further consultation. Mr Stewart commented that it is appropriate that the PHA Board has a view on this.

**5/21 Item 5 – Chair's Business**

5/21.1 Mr Stewart advised that since the last meeting he has been involved in a number of meetings, one about the finance

function and another around the audit of contact tracing. He said that he has received an assurance about the scope of that audit and that it will be completed within a reasonable period of time.

- 5/21.2 Mr Stewart noted that a new risk has been added to the PHA Corporate Risk Register about peer vaccinators and that this matter was raised at the last Board meeting. He said that he has asked Internal Audit to look into this matter and advise of any action that is required. He added that the audit will commence in April and that he will discuss the terms of reference with Internal Audit.

**6/21 Item 6 – Corporate Governance**

*Corporate Risk Register as at 31 December 2020*  
[GAC/01/02/21]

- 6/21.1 Miss Taylor presented the latest Corporate Risk Register following its most recent review as at 31 December 2020. She advised that the Public Health Directorate Risk Register will be brought to the Committee in April.

- 6/21.2 Miss Taylor reported that all of the risks on the Register have been updated and reviewed and that three new risks have been added, one relating to the impact of the closure of HSCB on PHA, one relating to IT systems supporting screening programmes which has been separated from another risk relating to screening, and one relating to the regional bank for COVID-19 vaccinators. She added that one risk has been removed, that relating to the contract tracing centre. She explained that as the centre is now operational that risk has been de-escalated to the appropriate directorate risk register.

- 6/21.3 Miss Taylor advised that for the new risk relating to peer vaccinators, PHA has now received correspondence from the Department of Health directing PHA to carry out this work. She added that a governance framework is being finalised and should be completed by next week. She explained that at this point peer vaccinators working for Trusts have now been transferred to the relevant Trust so any staff remaining on the bank are those working in GP practices. Mr Stewart said that while he welcomed the receipt of the letter from the Department he had concerns about the authority to issue it and that this would need to be investigated. He said that he would seek assurance that the necessary statutory authority is in place. Miss Taylor advised that there have been discussions with the Directorate of Legal Services in this matter.

- 6/21.4 Ms Mann-Kler raised a query on risk 26 regarding procurement. She noted that this has been on the Register since September 2012 and she asked whether there was an action plan that could be implemented to mitigate this risk. Miss Taylor explained that although there is a Procurement Plan, it is taking much longer than anticipated to work through due to a variety of factors outside PHA's control. She advised a delay in the publication of the Protect Life 2 Strategy has been a factor, and the Department will also be launching a Drugs and Alcohol Strategy. She said that there will always be a Procurement Plan, with a rolling programme of procurements and re-procurements. She added that this is reviewed by the Procurement Board, and that the PHA Chair is now a member. She added that she is meeting with Internal Audit to discuss this area given the audit recommendation is sitting as "partially implemented". Mr Stewart asked about the recruitment of additional staff, but Miss Taylor advised that these new staff have been redeployed to support the COVID-19 response in-year.
- 6/21.5 Mr Stewart said that for risk 39 relating to cyber security, there are many factors that are managed externally but PHA can work to ensure that staff complete the required mandatory training, and comply with associated policies and procedures.
- 6/21.6 Ms Mann-Kler sought clarity as to whether risk 46 relating to emergency planning has been mitigated in terms of PHA's response to COVID-19. Miss Taylor explained that the main issue in this risk concerns pay because staff who are banded at 8a and above under Agenda for Change are not entitled to overtime. She added that as concerns were raised about this during COVID-19 the Department put in a temporary arrangement until 31 March 2021 for staff to receive overtime payments, therefore the risk remains in place if there were to be another emergency planning situation. Ms Mann-Kler asked if this issue has been picked up by Trade Unions. Miss Taylor said that she was aware that there has been engagement with HR, but she wasn't sure if there has been discussion with Trade Unions. Mr Stewart commented that this issue relates to not only PHA, but across the whole HSC and it demonstrates that when these types of situation arise there is a reliance on the good will of staff, but this can only last for so long. Mr Clayton agreed that there is a need for a regional solution.
- 6/21.7 Mr Stewart asked for an update on risk 47 concerning the staff Intranet as he noted that the update on content being migrated has now been struck out. Mr Wilson explained that although the content of the previous Intranet is now

uploaded onto the new platform and should have been operational last week, he was not content with it and has asked for some amendments and presentational adjustments to be made.

6/21.8 Mr Stewart moved onto risk 48 which is about the PHA website and asked about the reasons for the delay in the procurement. Mr Wilson expressed frustration that this work has to be approved through regional Digital HSC and PHA has not yet any success in progressing this despite the matter being escalated within the Department. Ms Mann-Kler asked if there was anything the Committee could do to add weight to PHA's request. Mr Wilson said while he is concerned with the state of the current PHA website, any development work will be competing with other COVID-19 priorities so there is nothing more than can be done at this time. He said that he anticipated a response from the Department by next week. Mr Clayton queried whether there was any work that PHA could do itself using slippage this year given we are near the end of the financial year, but Mr Wilson advised that all of the foundation work has been done and the work that needs to be undertaken requires capital investment. Ms Mann-Kler asked whether, when escalating the matter, it was pointed out that this is on PHA's Corporate Risk Register. Mr Wilson said that this had been pointed out. Ms Mann-Kler said that PHA should continue to follow this up as it is important that the organisation has a fully functioning website especially at this time.

6/21.9 Mr Stewart noted that for risk 49 related to COVID-19 expenditure, the Committee would continue to seek assurances that expenditure is being spent appropriately with the necessary authorisations in place. Mr Clayton said that this links with the risk that was previously on the Register relating to contact tracing, and he asked whether there was an assurance that the costs for contact tracing would be met. Miss Taylor informed members that PHA has received confirmation that the business case for contact tracing has been approved, although an allocation letter has not yet been received. Ms Henderson added that her team has been working with Miss Taylor and Mr Stephen Murray in respect of all of the COVID-19 workstreams. She said that although a formal allocation has not yet been received, this is to PHA's advantage because once the costs are finalised, there is an assurance that these will be met in full by the Department. She added that there has been ongoing engagement with the Department in this regard.

6/21.10 Mr Stewart said that he had no issues to raise with regard to

- risk 50 (COVID-19 procurement) or risk 52 (information governance). In relation to risk 53 on corporate priorities he noted that there have been PHA workshops so he had nothing further to add. For risk 54 (ability of third party providers to deliver commissioned services), he said that members were aware of this issues around this risk relating to COVID-19.
- 6/21.11 Moving onto risk 55 on staffing issues, Mr Stewart noted that this continues to be a concern. He added that the recent Hussey Review highlighted the need for additional posts within the health protection function, but there may not be funding available for these posts. Mr Clayton felt that this risk had a specific focus on the public health directorate, but there were other parts of PHA, e.g. HSCQI, where there are staffing issues. Mr Stewart pointed out that risk 56 relates to staffing in the HSCQI directorate, but he agreed with Mr Clayton's point that this needs to be viewed across the organisation as a whole so perhaps there should be one risk relating to staffing, that references issues across all Directorates. Mr Clayton agreed saying that this would help to move away from a silo mentality. Mr Stewart suggested that he and Miss Taylor could discuss this with the Interim Chief Executive. Miss Taylor advised that the next formal review of the Register is due to take place at the end of March so this discussion can be factored in to that review.
- 6/21.12 Mr Stewart noted that the text in risk 57 on PHA leadership needed to be updated given recent developments in the recruitment of 2 senior posts.
- 6/21.13 Ms Mann-Kler raised a query with regard to risk 58 on staff resilience. She noted that an indicator of staff resilience is absence levels and she asked if there was any assessment of this in terms of PHA staff, and if there are adequate support mechanisms in place given that PHA is providing advice to the people of Northern Ireland. Miss Taylor advised that there are resources for staff and that as part of the first wave a specific cell was established on staff health and wellbeing. She added that working through BSO HR, there is a contract in place with Inspire should staff require counselling or support. She said that she was not aware of any specific issues relating to PHA staff but assurance could be sought from HR in this regard.
- 6/21.14 Miss Taylor advised that risk 59 relating to screening has been split so that there is a separate risk in relation to the IT systems supporting screening while this risk relates to the quality assurance and commissioning aspects. Mr Stewart said that the Board has been concerned about the cessation

of screening programmes, but when these programmes are fully up and running, he wanted to be assured that there would be confidence in the IT systems supporting them. Miss Taylor said that the system supporting the breast screening programme is a national system so the issue is that the system used in Northern Ireland needs to be replaced and upgraded so that it can link in with the national one. However, she noted that replacing the system will take time, but that work has commenced to plan and prepare for this. Mr Stewart expressed his concern about this, particularly given the delay in upgrading the PHA website. He said that the PHA Board may need to take action to get this matter resolved. Miss Taylor said that these systems may already be funded and she was not aware of any issues in this regard. Mr Stewart said that the Board would need to receive a report from Dr Stephen Bergin on this outlining the key issues, what is being done to resolve them and what the timelines are for doing so. Ms Mann-Kler said that she would support this approach as there needs to be a clear audit trail. She expressed concern that this issue affects mainly the breast and cervical screening programmes. She said that it is good news that the screening programmes are up and running, but the Board needs to have confidence in the end-to-end process. It was **AGREED** that Miss Taylor would ask Dr Bergin for an update on this for the PHA Board.

Miss  
Taylor

6/21.15 Mr Stewart moved on to the 3 new risks. He said that he had nothing to add in relation to risk 60 on the impact of the closure of HSCB on PHA but felt that it was important this be added to the Register. He noted that risk 61 on the IT systems for screening programmes had been covered as part of an earlier discussion, and similarly risk 62 on the regional bank for COVID-19 vaccinators has also been covered earlier in the meeting. Mr Clayton asked if members could see the correspondence received by PHA from the Department. Mr Stewart advised that this had already been shared with members and he reiterated his concerns about the authority with which the correspondence was issued.

*Review of Standing Orders, Standing Financial Instructions and Scheme of Delegated Authority [GAC/02/02/21]*

6/21.16 Mr Stewart said that he was content for the Committee to approve the review of Standing Orders, Standing Financial Instructions and Scheme of Delegated Authority, but he sought clarity as to why the change was made to the Standing Financial Instructions with the removal of the narrative around reviewing schedules of debtors/creditors

- balances over 6 months old and £5,000. Ms Henderson explained that this was largely an operational issue and its removal is to reflect current practice.
- 6/21.17 Members **APPROVED** the review of Standing Orders, Standing Financial Instructions and Scheme of Delegated Authority, which will be brought to the PHA Board on 18 March.
- 7/21 Item 7 – Internal Audit**
- Internal Audit Progress Report [GAC/03/02/21]*
- 7/21.1 Mrs McKeown began her update by seeking Committee approval to cancel an audit assignment. She explained that there were two assignments to be carried out in regard to community and voluntary sector organisations, and that while the audit of the management of these contracts is ongoing, it has been identified that there is little benefit in carrying out an audit of validation of payments to these organisations. She suggested that the days allocated to that particular assignment could be utilised for the contact tracing audit which the Committee had requested. Members **APPROVED** this proposal.
- 7/21.2 Mrs McKeown gave an overview of the progress of all the audits during 2020/21 before moving onto the report of the Financial Review audit for which Internal Audit was giving a satisfactory level of assurance. She reported that there were no significant findings and a small number of key findings. She advised that one of these related to payments to staff where it had been noted that in 2 of 9 sampled instances positions had been filled without the necessary approvals. She also noted that 21% of sampled payments to staff were incorrect resulting in both overpayments and underpayments. However, she recognised that due to COVID-19 staff were being asked to complete and approve a timesheet that they were unfamiliar with which led to these errors. She also highlighted some instances of late processing of new starts and leavers. In terms of non-pay expenditure, she pointed out a slight dip in PHA's prompt payment performance and she also noted that the PHA has two company credit cards, but these are not with the provider stipulated by the Department and the limits need to be reviewed. She finished by saying that management have accepted all of the findings.
- 7/21.3 Mr Stewart said that the audit report was a fair account and indicative of an organisation under stress. Mr Clayton agreed that staff are under pressure but he sought



assurance that the issue regarding the incorrect completion of timesheets has been rectified. Ms Henderson advised that, in conjunction with HR, the guidance on how to complete the timesheet has been re-issued to staff.

7/21.4 Mrs McKeown advised that an audit of PHA Governance during COVID-19 had been completed and that a satisfactory level of assurance was being given. She said that the focus of the audit was on the first stage of the pandemic. She noted that the Board and Committees continued to meet and there were COVID-19 specific structures put in place. She said that a sample of actions from action logs had been selected and all were deemed to have been properly documented. She added that the audit had also looked at expenditure and that no issues were found. In terms of findings she said that there was a need to strengthen the audit trail, particularly in relation to expenditure and that although a learning report had been prepared and shared with AMT, it has not yet been brought to the PHA Board.

7/21.5 Mr Stewart commented that although PHA is dealing with a set of exceptional circumstances the issue of audit trails is one that has been raised consistently and he sought further clarity on what the audit had found. Mrs McKeown said that during the audit she was content that the proper authorisation mechanisms were in place with regard to expenditure, but specific decisions could not be found within the action logs. She said that this needed to be strengthened.

7/21.6 Ms Mann-Kler felt that this was a useful audit to undertake but she felt that the Report should have reflected that the Board held additional meetings 2 weeks after each Board meeting, because it was felt that a month was too long between meetings during this period. She advised that these briefings were minuted. She also expressed disappointment that the learning report had not yet been brought to the Board, and that this needed to be brought to the Board as a matter of urgency. Miss Taylor advised that the learning report was brought to AMT recently and will be brought to the Board shortly. Mr Stewart said that he will follow this up with the Secretariat.

Mr Stewart

7/21.7 Members noted the Internal Audit Progress Report.

<b>8/21</b>	<b>Item 8 – External Audit – PHA Audit Strategy 2020-21 [GAC/04/02/21]</b>
8/21.1	Mr McCance invited Ms Hagan to present the Audit Strategy document as ASM will be carrying out the audit as it is sub-contracted to do so by NIAO.
8/21.2	Ms Hagan explained that the Strategy sets out how the audit will be conducted. She explained how materiality has been set and how significant risks have been determined. She advised that the audit team will remain the same as in previous years. She highlighted the areas that the Committee should consider.
8/21.3	Ms Hagan said that materiality has been set at £1.7m and therefore any misstatements about £85k will be brought to the attention of the Committee. She noted that not been many instances of misstatements over the last few years. She highlighted the areas where misstatements will be treated as material, irrespective of their value.
8/21.4	In terms of the audit approach Ms Hagan outlined that it will be a risk-based audit. She reiterated that both NIAO and ASM are independent organisations and assured members that any personal data they handle will be done so in accordance with the required data protection legislation. She added that ASM will liaise closely with Internal Audit when completing its work. She noted that there has been a change to the Financial Reporting guidance which will impact on the audit.
8/21.5	Ms Hagan highlighted two significant presumed risks, one relating to management override of controls and one relating to the risk of fraud. In terms of other risk factors she said that the auditors will look at PHA's requirement to break even, the financial impact of COVID-19 and PHA's governance structure, noting the number of changes at senior level.
8/21.6	Ms Hagan outlined the timetable for the completion of the audit. She said that the fee for the audit will be £22k and she outlined the membership of the team carrying out the audit. Finally, she referred to the appendices which she said may be of interest to members.
8/21.7	Mr Stewart said that he was content with the areas picked up in the section on "other risk factors". In terms of the governance structure, he said that he would welcome the opportunity to discuss this with the auditors and that this should be arranged at the appropriate time through the

- Secretariat.
- 8/21.8 Members noted the PHA Audit Strategy for 2020/21.
- 9/21 Item 9 – Finance**
- Timetable for the Annual Accounts and Report Process 2020/21 [GAC/05/02/21]*
- 9/21.1 Ms Henderson advised that the Circular has now been received relating to the timetable for the preparation of the Annual Report and Accounts. She said that the draft accounts have to be presented to NIAO by 7 May and that the auditors are already in beginning their work. She noted that the Department has not asked to have sight of the draft Governance Statement prior to 7 May but the draft would be shared with the Committee prior to submission.
- 9/21.2 Ms Henderson said that the draft NIAO Report will be sent to the Committee around 9 June. Miss Taylor advised members that the Committee is now due to meet on 15 April to consider the draft Report in advance of the April Board meeting and that a date for a June meeting will be circulated to members shortly now that the Circular has been received. Ms Mann-Kler sought clarity on the quorum for the Committee. Mr Stewart advised that the quorum can be 2 members in exceptional circumstances, and approved by the GAC Chair.
- Fraud Liaison Officer Update Report [GAC/06/02/21]*
- 9/21.3 Ms Henderson reported that there were no new cases of fraud since the last report. She referred members back to a previous case where an allegation of fraud was investigated concerning a provider with which PHA has a contract. She noted that while there was no fraud with regard to PHA funding, she advised that the Health Improvement team has taken the opportunity to draw up MOUs and to review its contract monitoring arrangements.
- 9/21.4 Ms Henderson updated members on the National Fraud Initiative. She said that 130 higher risk matches have been identified for review and that members will be kept informed.
- 9/21.5 Ms Henderson informed members that with regard to fraud awareness, there has been an increase in suspected fraud due to COVID-19 and she highlighted a scam e-mail relating to the COVID-19 vaccine.
- 9/21.6 Members noted the Fraud Liaison Officer Update Report.

*NIAO publication - Procurement Fraud [GAC/07/02/21]*

9/21.7 Mr Stewart said that he found the NIAO publication interesting and he queried whether PHA intended to use the self-assessment checklist contained within it. Miss Taylor agreed to look at this with Ms Henderson. Mr Stewart felt it would be useful from a governance perspective. Ms Henderson suggested that it could be picked up at the next meeting of the Procurement Board. Mr Stewart asked that it be placed on the next agenda of that meeting.

Miss  
Taylor / Ms  
Henderson

**10/21 Item 10 – Information Governance Update**

10/21.1 Mr Stewart noted that there had been a meeting of the Information Governance Steering Group (IGSG) since the last meeting and he invited Miss Taylor to give an update on that meeting.

10/21.2 Miss Taylor confirmed that a meeting of the IGSG did take place and that it was agreed that the updated Information Governance Action Plan would be brought to the Governance and Audit Committee meeting in April.

10/21.3 Miss Taylor informed members that PHA has received a significantly increased number of FOI requests in 2020 (117) compared to the previous year (34). She noted that this has placed quite a strain on the Information Governance team, as well as staff across the organisation who are the relevant information holders. She said that the requests have ranged from simple queries to complex issues.

10/21.4 Miss Taylor advised that there has been an increase in the amount of personal data that is held by PHA, therefore PHA is taking its Data Protection responsibilities very seriously. She advised that PHA had to develop a Data Protection Impact Assessment (DPIA) for contact tracing as well as Data Sharing Agreements with counterparts across the United Kingdom and the Republic of Ireland. She added that the team has also had to deal with issues pertaining to EU Exit.

10/21.5 Mr Stewart thanked Miss Taylor for her update and acknowledged the amount of time that is required to deal with all of this work. Mr Clayton agreed that there is a huge volume of work being placed on staff. However, he advised that as part of the Information Governance Action Plan for 2020/21 there will be an increased focus on information governance awareness training as there has been a decrease in the number of staff who have undertaken this

training during the past year. He noted that there is a difficulty in terms of keeping track of which staff have completed the training. He added that there is now a regional template for the completion of DPIAs which he said is a positive piece of work. Miss Taylor agreed that this template will help but added that the learning from this year will also help PHA as it has increased awareness in this area.

**11/21 Item 11 – Any Other Business**

11/21.1 The Chair thanked everyone for their attendance at today's meeting and their continued support to the work of the Committee.

**12/21 Item 12 – Details of Next Meeting**

*Thursday 15 April 2021 at 10:00am*

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

Signed by Chair:

Joseph Stewart

Date: 15 April 2021