

Title of Meeting	Meeting of the Public Health Agency Governance and Audit Committee
Date	17 April 2019 at 10.00am
Venue	Fifth Floor Meeting Room, 12/22 Linenhall Street, Belfast

Present

- Mr Leslie Drew - Chair
- Mr John Patrick Clayton - 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
- Mrs Catherine McKeown - Head of Internal Audit, BSO
- Mr David Charles - Internal Audit, BSO
- Ms Christine Hagan - ASM Chartered Accountants
- Mr Roger McCance - Northern Ireland Audit Office
- Ms Nicola Woods - Boardroom Apprentice
- Mr Robert Graham - Secretariat

Apologies

- Ms Deepa Mann-Kler - Non-Executive Director

		Action
14/19	Item 1 – Welcome and Apologies	
14/19.1	Mr Drew welcomed everyone to the meeting.	
14/19.2	Apologies were noted from Ms Deepa Mann-Kler.	
15/19	Item 2 - Declaration of Interests	
15/19.1	Mr Drew asked if anyone had interests to declare relevant to any items on the agenda. No interests were declared.	

16/19 Item 3 – Minutes of previous meeting held on 28 February 2019

16/19.1 The minutes of the previous meeting, held on 28 February 2019 were **approved** as an accurate record of that meeting.

17/19 Item 4 – Matters Arising

4/19.1 Transformation Funding

17/19.1 Mr Drew asked if PHA had been advised of its financial allocation for 2019/20. Mr McClean said that PHA was awaiting this.

6/19.1 Corporate Risk Register

17/19.2 Mr Drew asked if the output of the task and finish group looking at PHA's procurement processes was available yet. Mr McClean advised that a draft report had been considered by the Agency Management Team (AMT), but it still required some work in terms of an action plan. He said that he hoped that it will be brought to a PHA Board meeting shortly.

7/19.3 Shared Services Update

17/19.3 Mrs McKeown confirmed that a follow up audit of Payroll Shared Services had been undertaken and the report presented to the BSO Audit Committee yesterday. She advised that limited assurance had been given, but she acknowledged that there had been some improvement and a reduction in the number of recommendations. Mr Drew said he was pleased to hear that progress has been made.

17/19.4 Mr Cummings said the process will shortly commence for the procurement of a new payment system. Mr Drew suggested that when the new system is procured there will be more staff on the ground who are experts in Payroll. Mr Cummings said that the key issue will be the specification for the new system, and improved testing of the system before implementation.

18/19 Item 5 – Chair's Business

18/19.1 Mr Drew advised that he, along with the PHA Board Chair, had attended a session regarding the budget process for 2019/20.

19/19 Item 6 – Corporate Governance

Assurance Framework 2019-20 [GAC/12/04/19]

- 19/19.1 Mr McClean advised that the PHA Assurance Framework undergoes a periodic review, and that the main changes in this review are highlighted on the cover sheet. He said that there are some new items which help give a sense of the spectrum of reports that come to the PHA Board.
- 19/19.2 Mr Clayton asked about the Board Self-Assessment and said that last year there was a commitment for members to be involved in its completion at an earlier stage. He added that in terms of updates on programmes, the Framework seems light. Mr McClean said that although this document helps inform the Board agenda, there are other updates that may come to the Board. In terms of the Self-Assessment, Miss Taylor advised that a first draft of this has been given to the Chair. Mr Stewart complimented the summary at the front of the Report which he said was very helpful in ensuring members could see where the key changes have been made.
- 19/19.3 Members **approved** the PHA Assurance Framework which will be considered at the PHA Board meeting on 18 April.
- Controls Assurance – Process for providing assurance for year ending 31 March 2019 [GAC/13/02/19]*
- 19/19.4 Miss Taylor reminded members that previous papers had been brought to the Committee outlining the process for assurance following the ending of Controls Assurance Standard. She added that his report now showed the outcome of that work. She said that in terms of Emergency Planning and Information Management, PHA has used the new checklists provided by the Department and for other areas, PHA has used the CAS checklists from 2017/18, with Finance being the only exception, as it was agreed there were existing assurances.
- 19/19.5 Miss Taylor advised that Karen Braithwaite from PHA worked with colleagues in HSCB and BSO in this work, and that there were no major gaps found. She noted that Internal Audit agreed that PHA processes were found to be adequate which she hoped gives the Committee the assurance it requires.
- 19/19.6 Members noted the Controls Assurance process.

PHA Fire Safety Policy [GAC/14/02/19]

PHA Security Policy [GAC/15/04/19]

- 19/19.7 Miss Taylor advised that no major changes had been made to either the Fire Safety or the Security Policy. She said that the Fire Safety Policy now includes information on PEEPs (Personal Emergency Evacuation Plans). She added that the policy emphasises the need for Directors to remind their staff to complete fire safety training.
- 19/19.8 Mr Drew asked how these policies will be shared with staff. Miss Taylor said that following approval the policies will be published on the Intranet and featured in the weekly staff magazine. She said that training will be organised by HSCB for those premises that PHA shares with HSCB, and that PHA organises training for Linum Chambers.
- 19/19.9 Mr Stewart asked about the responsibility for these policies, particularly in buildings where PHA shares accommodation. Miss Taylor said that PHA works with HSCB colleagues. Mr Cummings added that where PHA is accommodated in HSCB premises, then HSCB is responsible for training, security and fire safety.
- 19/19.10 Mr Stewart asked about the oversight of ensuring that the policies are being adhered to. Miss Taylor advised that health and safety checks are undertaken, and that in each office there is an HSCB Premises Committee, on which there is PHA representation.
- 19/19.11 Mr Clayton noted that although responsibilities are clearly set out in the first section of the document, it is not clear throughout the document who has responsibility for each aspect.
- 19/19.12 Members **approved** the updated PHA Fire Safety and Security Policies.

20/19 Item 7 – Internal Audit

Progress Report [GAC/16/04/19]

- 20/19.1 Mrs McKeown informed members that Internal Audit had completed its assignments for 2018/19.
- 20/19.2 Mrs McKeown advised members that the recent Financial audit had resulted in a satisfactory level of assurance being provided, and that there were no significant findings, but 5 key findings. She said that these findings were in the areas of incorrect mileage claims, promptness of payments,

- expenditure on taxis, non-pay expenditure pathways and contract management.
- 20/19.3 Mr Drew asked about the increase in the usage of taxis, but Miss Taylor said that there was no specific reason for this. Mr Clayton asked whether the prompt payments issue was a Payroll matter, but Mrs McKeown said it was to do with PHA managers approving travel claims on a timely basis.
- 20/19.4 Mrs McKeown moved onto the summary of the post Controls Assurance Standards work. She said that in the absence of the previous Standards, Internal Audit was seeking to ensure that there was a satisfactory system for providing assurance. She said that she was happy that PHA's processes are adequate but there were a number of recommendations made going forward. She noted that one recommendation had not been accepted by management, and this related to the suggestion that all completed checklists be returned to the governance department. Miss Taylor explained that while the governance department conducts the majority of the checklists, relevant directorates are responsible for holding their own evidence of assurance. Mr Stewart suggested a "dip" sample could be done of these other lists.
- 20/19.5 Miss Taylor said that PHA's current priority is to obtain the necessary assurances from BSO, but also to work with other organisations.
- 20/19.6 Mr Drew said that it was disappointing that the Department did not issue more guidelines to ensure that there is a consistent approach.
- 20/19.7 Members noted the Internal Audit Progress Report.
- Year End Follow Up on Previous Recommendations*
[GAC/17/04/19]
- 20/19.8 Mrs McKeown said that this Report showed that 69% of the 61 recommendations that were outstanding are now fully implemented, with the remaining 19 partially implemented. She said that there were no specific issues that she wished to draw members' attention to.
- 20/19.9 Mr Clayton noted that the return of the PPI self-assessment from the Northern Ireland Ambulance Service remained outstanding. Mr McClean agreed to look into this.
- 20/19.10 Members noted the year end follow up.

External Quality Assessment [GAC/18/04/19]

- 20/19.11 Mrs McKeown said that Internal Audit is required to have an assessment undertaken every 5 years. She thanked who participated in the survey, and she highlighted the positive comments received from Internal Audit customers.
- 20/19.12 Mrs McKeown advised that overall, Internal Audit was found to have met 60 of the 62 fundamental principles that were applicable, with the two outstanding areas being in terms of co-ordination and maximising assurance. She said that three recommendations had been made, and although Internal Audit did not fully accept one of them, it would work to implement these.
- 20/19.13 Members noted the External Quality Assessment.

Internal Audit Strategy

- 20/19.14 Mrs McKeown advised that this would be presented at the next meeting in June. Mr Drew said that he had seen the draft Strategy and was content that it focused on the right areas.

21/19 Item 8 – Finance

Fraud Liaison Officer Update Report [GAC/19/04/19]

- 21/19.1 Mr Cummings advised that there were no new cases of fraud to be brought to the attention of the Committee. He advised that case reference 1858 has now been closed and he is content with the steps that have been taken. Mr Drew added that the PHA could not have done any more in relation to that case.
- 21/19.2 Mr Cummings advised that the data matches for PHA have been received in relation to the National Fraud Initiative, and that these would be reviewed over the coming months.
- 21/19.3 Members noted the Fraud Liaison Officer Update report.

22/19 Item 9 – Draft PHA Annual Report [GAC/20/04/19]

- 22/19.1 Mr McClean explained that PHA has adopted a different approach in relation to the Annual Report this year, where previously the Report would have been written by directorate, it is now reflective of the objectives within PHA's Corporate Strategy and Business Plan. He added that it is hoped that this style of Report is more usable, and can help give readers a sense of the diversity of the work undertaken

- by the PHA, but noting that is not possible to cover every aspect of the Agency's work.
- 22/19.2 Mr McClean shared with members a proposed addition to the document in the form of a "Year in the Life of the PHA".
- 22/19.3 Mr Drew said that the Report was more readable in this style and it was clear that a lot of effort had been taken to reduce the amount of duplication. He asked what the audience was for the Report. Mr McClean said that PHA is mindful of the guidance in terms of what must be included in the Report, but the aim is to make it more interesting for the public.
- 22/19.4 Mr Stewart complimented the additional section on the "Year in the Life of the PHA" and said that this is the type of document that could be distributed to GP surgeries.
- 22/19.5 Mr Clayton said that he found the Report to be more accessible than the previous year's Report. He suggested that there should be some narrative within the Chair or Chief Executive forewords about the future direction of the PHA.
- 22/19.6 Members **approved** the draft PHA Annual Report which will be presented at the confidential section of the PHA Board meeting on 18 April.
- 21/19 Item 10 – Draft PHA Governance Statement
[GAC/21/04/19]**
- 21/19.1 Mr McClean said that the draft Governance Statement follows the normal format and drew members' attention to the internal governance divergences. He said that as PHA was able to proceed with campaigns in 2018/19, this narrative has been moved to the section on control issues which are no longer considered to be control issues.
- 21/19.2 Of those control issues that continue to be considered control issues, Mr McClean advised that the section on quality, quantity and financial controls required to be updated. He said that the section on management of contracts with the community and voluntary sector would remain, and that the section on the reduction in the PHA management and administration budget also needed to be updated.
- 21/19.3 Mr Clayton sought clarity on the wording regarding the funding of pay rises, but Mr Cummings said that this may have been the wording used in last year's Statement, and will be updated in the final version.

21/19.4 Members **approved** the draft PHA Governance Statement which will be presented at the confidential section of the PHA Board meeting on 18 April.

22/19 Item 11 – PHA GAC Annual Report [GAC/22/04/19]

22/19.1 Mr Drew said that the Report showed that the Committee is satisfied in respect of the reliability and integrity of the assurances provided and of their comprehensiveness in meeting the needs of the PHA board and the Accounting Officer. He said that Report highlights the amount of work that is undertaken by the Committee.

22/19.2 Members noted the Governance and Audit Committee Report.

23/19 Item 12 – Any Other Business

23/19.1 There was no other business.

24/19 Item 13 – Date and Time of Next Meeting

Wednesday 5 June 2019 at 10am

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

Signed by Chair:

Leslie Drew

Date: 5 June 2019