

**MINUTES**

**Minutes of the Governance and Audit Committee  
Thursday 3 October 2013 at 9.30am,  
Held in Conference Rooms 3 & 4,  
2<sup>nd</sup> Floor, Linenhall Street, Belfast, BT2 8HS**

**PRESENT:**

|                      |                        |
|----------------------|------------------------|
| Mrs Julie Erskine    | (Chair)                |
| Mr Thomas Mahaffy    | Non-Executive Director |
| Alderman Paul Porter | Non-Executive Director |

**IN ATTENDANCE:**

|                       |                                    |
|-----------------------|------------------------------------|
| Mr Edmond McClean     | Director of Operations             |
| Miss Rosemary Taylor  | AD Planning & Operational Services |
| Mr Simon Christie     | AD Finance, HSCB                   |
| Mr Gary Christie      | Northern Ireland Audit Office      |
| Ms Laura Allen        | Pricewaterhouse Coopers            |
| Mrs Catherine McKeown | Internal Audit, BSO                |
| Mr Ian McClure        | Sponsor Branch DHSSPSNI            |
| Mrs Cathy McAuley     | Secretariat                        |

**APOLOGIES:**

|                     |                               |
|---------------------|-------------------------------|
| Mrs Miriam Karp     | Non-Executive Director        |
| Mr Owen Harkin      | Director of Finance, HSCB     |
| Ms Dorinna Carville | Northern Ireland Audit Office |

**50/13 | Item 1 – Welcome and Apologies**

Mrs Erskine welcomed everyone to the meeting and noted apologies.

**51/13 | Item 2 – Declaration of Interests**

Mrs Erskine asked if anyone had any interests to declare relevant to any items on the agenda. None were declared.

**52/13**

**Item 3 – Chair’s Business**

Mrs Erskine briefed members on various events which she had attended since the last GAC meeting.

Meetings

- Information Governance Steering Group
- Audit Chairs meeting at Stormont

Training

- CEF Audit Community Training
- DHSSPS Governance Workshop
- Information Management Controls Assurance Standard workshop

**53/13**

**Item 4 – Minutes of the GAC Meeting held on 20 June 2013**

Members agreed the minutes of the GAC meeting held on 20 June 2013 as an accurate record of the meeting.

Alderman Porter joined the meeting at 9.45 am.

**54/13**

**Item 5 – Matters Arising**

36/13.1 – Code of Conduct and Accountability

Mrs Erskine advised members that a response had been received from the DHSSPS and that this response was included in today’s papers for information.

**55/13**

**Item 6.1 – Corporate Risk Register**

Mr McClean presented the Corporate Risk Register as at June 2013 for noting and summarised the report.

He advised that there were seven risks on the register and that there was no fundamental change up to the end of June.

Members noted the Corporate Risk Register.

56/13

**Item 6.2 - Controls Assurance Standards – Assessment Process for 2013/14**

Miss Taylor presented the Controls Assurance Standards Assessment Process for 2013/14 for noting and advised that 15 of the 22 Controls Assurance standards were applicable to PHA, and including the 3 core standards;

- Governance
- Risk Management
- Financial Management

Miss Taylor informed members a new information management CAS has replaced the records management CAS. A workshop was held 23 September 2013 to assist all HSC organisations to implement the actions required to meet the new controls assurance criterion.

Miss Taylor advised members that the PHA was developing a programme for completing the self-assessment template for the standards applicable to the PHA for the period 2013-14, and that action plans have been put in place following 2012-13 assessments.

Mrs McKeown advised that the information management CAS self-assessment template, which was developed by internal audit, reflected the depth and breadth of the original Controls Assurance Standards.

Members noted the update.

57/13

**Item 6.3 - Assurance Framework 2013/15 (Review as at September 2013)**

Mr McClean presented the Assurance Framework 2013/14 (review as at September 2013) to the

committee for approval.

Mr McClean advised the Assurance Framework will be reviewed on a bi-annual basis and will be brought to the GAC and then to the PHA board annually.

Members approved the Assurance Framework review to go to the PHA board on 17 October 2013.

**58/13**      **Item 7 - Information Governance Action Plan Update**

Miss Taylor presented the PHA Information Governance Action Plan to the meeting for noting, and gave a summary of the action plan and advised that the action plan would change to reflect the on-going work of completing the CAS self-assessment template.

Mrs Erskine asked that the Information Governance Action Plan and Information Management CAS remain as a standing agenda item for the remainder of this year.

Mrs Erskine raised her concern regarding the 100% pass level of for e-learning. Miss Taylor responded to this by advising the committee that this pass rate was regional across all HSC organisations and that the Regional Group were holding discussions to seek to reduce the level accordingly.

Members noted the action plan.

**59/13**      **Item 8 – Internal Audit**

**60/13**      **Item 8.1 – Progress Report**

Mrs McKeown advised she would be presenting three reports at today's meeting.

Mrs McKeown presented the Internal Audit Progress Report to members for noting.

Mrs McKeown gave a summary of the progress report and advised the Internal audit of risk management carried out during July 2013 had received a satisfactory level of assurance, and that one priority 2 weakness; and two priority 3 weaknesses were identified.

She further advised that two priority 1 weaknesses were identified in the audit of the management of voluntary and community organisations contracts including visits to voluntary organisations.

Mrs McKeown advised the committee that all recommendations had been accepted by management.

**61/13      Item 8.2 - Internal Audit Mid-Year Assurance Statement**

Mrs McKeown presented the Internal Audit Mid-Year Assurance Statement for noting and summarised the report to members.

Members noted the Mid-Year Assurance Statement.

**62/13      Item 8.3 – Mid-Year Follow up on previous internal audit recommendations 2013/14**

Mrs McKeown presented the Mid-Year follows up on previous internal audit recommendations 2013/14 for noting.

Mrs Erskine thanked staff for the work carried out and said she was delighted to see 93% of the recommendations fully implemented.

Members noted the Mid-Year follow-up on previous internal audit recommendations 2013/14.

63/13

**Item 8.4 - HSC(F) 32/2013 – Internal Audit Opinions**

Mrs McKeown presented the HSC (F) 32/2013 – Internal Audit Opinions for noting.

Members noted the HSC (F) 32/2013 – Internal Audit Opinions Circular.

64/13

**Item 9 - PHA 2012/13 Report to those charged with Governance**

Mr Gary Christie presented the 2012-13 Report to Those Charged with Governance for noting and summarised the report to members.

Members noted the report subject to one small amendment on the cover page. The word 'Draft' to be removed from the title.

Mr G. Christie

65/13

**Item 10.1 - PHA Progress Report on Implementation of recommendations of the report to those charged with governance – September 2013**

Mr Simon Christie presented the progress report on the Implementation of recommendations of the report to those charged with governance and summarised the report to members.

He advised four internal control weaknesses were identified:

- Reliance on 3<sup>rd</sup> party organisations
- BSTP - HR, Travel & Subsistence (HRPTS)
- BSTP - Finance, Procurement and Logistics (FPL).
- Voluntary Organisations

Mr Simon Christie advised that HSCB Finance on behalf of the PHA, made good progress in addressing the recommendations, and will continue to work primarily with BSO as well as

PHA to take these forward.

Mr McClean asked if the benefits of BSTP would be evaluated and reviewed. Mr Christie responded by advising a post project evaluation would be required as part of the regional process. It was noted that the PPE needs to take account of the benefits as well as costs (including time and reputation) across the HSC including PHA.

Alderman Porter asked if anyone would be held to account. Mr Simon Christie responded that this was outside the remit of the HSCB or PHA.

Members noted the report.

**66/13      Item 10.2 – Fraud Liaison Officer Update report**

Mr Simon Christie gave a summary of the report which detailed no new cases of actual or suspected fraud and there was one live case as at 23 September 2013 which was at the preliminary review stage.

Mr Mahaffy asked how much resource was being spent on Fraud awareness.

Mr Christie responded by saying that although there was only one live case within this organisation, there were a lot of live cases regionally across the HSC and the work undertaken by Counter Fraud is balanced and correct.

Mr Simon Christie advised that October was Fraud Awareness month, and this was a new initiative to highlight to staff the impact fraud can have.

Alderman Porter welcomed the new initiative.

The report was noted.

67/13

**Item 10.3 – Progress report on post implementation issues (HRPTS) & (FPL)**

Mr Simon Christie presented the progress report on post implementation issues (HRTPS) & (FPL) for noting.

Members noted the progress report.

68/13

**Item 11 – Update on use of “Single Tender Actions” for Goods and Services Procurement**

Mr McClean presented the Update on use of STA’s for Goods and Services procurement for noting and summarised the report.

Mr McClean advised from 1<sup>st</sup> April to 19<sup>th</sup> September 2013, there were 14 STA applications made to PALS, one was subsequently withdraw and two are currently awaiting a decision from PALS. He added of the remaining 11 applications, 10 were rated as ‘green’ and one as ‘amber green.’

Mr McClean advised this report would come to this committee bi-annually for noting.

Members noted the report.

Mrs McKeown left the meeting at 11.30 am.

69/13

**Item 12 – PHA Mid-Year Assurance Statement**

Mr McClean presented the Mid-Year Assurance Statement for approval and gave a verbal summary of the report which detailed the effectiveness of the PHA system if internal governance.

Mr McClean

Members recommended the Mid-Year Assurance Statement for PHA board approval.

70/13

**Item 13 – Date of next meeting**



Date: 5 December 2013  
Time: 2:00 pm  
Venue: PHA Conference Room  
18 Ormeau Avenue  
Belfast  
BT2 8BS