

Title of Meeting	Meeting of the Public Health Agency Governance and Audit Committee
Date	20 May 2020 at 9.30am
Venue	Fifth Floor Meeting Room, 12/22 Linenhall Street, Belfast

Present

- Mr Joseph Stewart - Chair
- Mr John Patrick Clayton - Non-Executive Director (*via video link*)
- Ms Deepa Mann-Kler - Non-Executive Director (*via video link*)

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 (*via video link*)
- Mrs Catherine McKeown - Internal Audit, BSO (*via video link*)
- Ms Christine Hagan - ASM (*via video link*)
- Mr Roger McCance - NIAO (*via telephone link*)
- Mr Robert Graham - Secretariat

Apologies

None

		Action
13/20	Item 1 – Welcome and Apologies	
13/20.1	Mr Stewart welcomed everyone to the meeting. There were no apologies.	
14/20	Item 2 - Declaration of Interests	
14/20.1	Mr Stewart asked if anyone had interests to declare relevant to any items on the agenda. No interests were declared.	
15/20	Item 3 – Minutes of previous meeting held on 28 February 2020	
15/20.1	The minutes of the previous meeting, held on 28 February 2020 were approved as an accurate record of that meeting.	

16/20 Item 4 – Matters Arising

- 16/20.1 Mr Stewart advised that he had spoken to Miss Taylor last week and an issue emanating from that discussion was the Corporate Risk Register. He said that he would welcome an update on this in the context of COVID-19.
- 16/20.2 Miss Taylor said that the Corporate Risk Register is in the process of being reviewed and is currently out with Directors with a view to being brought to an AMT meeting within the next couple of weeks.
- 16/20.3 Mr Stewart suggested that the main COVID-19-related risks that should be included relate to staff resilience, funding arrangements and issues pertaining to the reputation of the Agency.
- 16/20.4 Ms Mann-Kler noted that the Governance and Audit Committee has not met since 28 February, and she felt that the optics of not having had a meeting for 3 months may be interpreted as a gap in PHA's governance arrangements. She noted that some other organisations have ramped up the number of meetings that they hold. She added that it would be helpful to have a clear record in the GAC minutes how governance has been managed during this period. Mr Stewart said that as the Agency Board had increased the frequency of its deliberations; in his view the needs of governance were being met. He added that bearing in mind the pressure on Executive Directors it would be somewhat burdensome to increase the frequency of GAC meetings. Ms Mann-Kler said that she would like to see an updated risk register and sought clarity as to whether there was a separate risk register for COVID-19.
- 16/20.5 Mr Clayton said that he agreed with other members and that he would wish to see an updated risk register as soon as possible. He highlighted that as the COVID-19 pandemic progressed we would have to consider risks around restarting services that had been downturned while business continuity arrangements are in place.
- 16/20.6 Mr McClean summarised the three key areas highlighted were staff capacity, funding and reputational risk. He noted that PHA has doubled up on its Board meetings, but he was not certain about the need for more Governance and Audit Committee meetings. In relation to Mr Clayton's point, he advised that the Permanent Secretary has written to HSC Chief Executives about the need to "recover and reset". In the PHA, he said that thought is being given about staff returning and more normalised arrangements taking shape.

- 16/20.7 Mr McClean explained that during this period of business continuity arrangements being in place, there is a weekly business continuity update across HSCB and PHA and that arrangement is working well. He added that the Gold/Silver/Bronze structure remains in place. He advised that the establishment of the next phase of the contact tracing service has been set up under the jurisdiction of Dr Elizabeth Mitchell and Alistair Finlay at the request of the Chief Medical Officer, and that PHA is involved in this work. He explained that there is a separate project structure around this work including a PID and a risk register.
- 16/20.8 Mr McClean said that it is helpful that the Board is also asking the questions that are already being asked in terms of the role of the PHA as there has been confusion. Mr Stewart said that as a Non-Executive Director he would wish to be assured that the PHA does not take on any work outside its statutory remit. Mr McClean said PHA is mindful of this, and advised that Ms June Turkington from the Directorate of Legal Services is part of the contact tracing steering group.
- 16/20.9 Mr Cummings assured members that there are clear lines for approval of business cases through the Gold/Silver/Bronze structure and that there is a template that has to be completed. He said that over the past two months, PHA staff have been working hard to satisfy the requirements of all of the Gold/Silver meetings and have not had the time to work on a risk register, but he noted that the frequency of these meetings is starting to reduce. Mr Stewart accepted that the Directors are under pressure, but all that he is seeking is an assurance that there are processes in place to protect the Agency and for the NEDs to be able to support the Directors. He suggested that it may be useful to have a discussion about the role of the PHA at the Board meeting tomorrow as the Chief Executive will be present.
- 16/20.10 Ms Mann-Kler thanked Mr Cummings for the clarity around the Gold/Silver/Bronze arrangements, but she felt that there may be specific issues for the Governance and Audit Committee that may not be picked up at PHA Board. She added that with such a concerted and understandable focus on COVID-19, she was concerned as to how we manage unintended consequences.
- 16/20.11 Mr Clayton asked if there was a pathway for coming out of business continuity arrangements. Mr McClean advised that 7-day working still applies, but there are not as many meetings as there were previously. He said that he did not

- know when the business continuity arrangements would be stood down, but he acknowledged that there will be a period of transition.
- 16/20.12 Mr Stewart proposed that when the updated risk registers are finalised, there should be a special meeting of the Committee convened to consider them. This was **AGREED** by members.
- 17/20 Item 5 – Chair’s Business**
- 17/20.1 Mr Stewart said that he had no Chair’s Business.
- 18/20 Item 6 – Internal Audit**
- Progress Report [GAC/07/05/20]*
- 18/20.1 Mrs McKeown presented the progress report and advised that Internal Audit had carried out 100% of its work, but had only used 89% of its days. She said that 9 days have been left in contingency.
- 18/20.2 Mrs McKeown advised that she was bringing one completed audit report to the Committee today, that relating to financial management, for which she was providing a satisfactory level of assurance. She said that as part of the audit of payments to staff, there had been some errors and late payments. She also highlighted issues relating to timely notification of starters and leavers. She said that management had accepted all of the recommendations in the report.
- 18/20.3 Mr Clayton asked whether the sample size of 7 timesheets represented a truly reflective sample, given that there were issues with 3 of the 7 claims. Mrs McKeown explained that there would have been some data analysis and background checking undertaken in advance of the audit.
- 18/20.4 Mr Stewart asked how overpayments are recovered. Mr Cummings explained that there is a protocol in place and the payments are recovered over the same period of time over which they were made, but if that presents any hardship a request can be made to him directly concerning this.
- 18/20.5 Mr Stewart asked if there were any specific matters from the audit on payment pathways. Mrs McKeown said that there were some issues with regard to raising purchase orders.
- 18/20.6 The Committee noted the Internal Audit progress report.

*Year End Follow Up on Previous Recommendations
[GAC/08/05/20]*

- 18/20.7 Mrs McKeown advised that of the 74 previous recommendations, 72% were now fully implemented, 27% partially implemented and 1% not yet implemented. She said that the one recommendation not yet implemented related to the Family Nurse Partnership (FNP) audit and an issue with locating the original business case. She added that there remained outstanding recommendations from a 2014/15 audit on the management of health and social wellbeing improvement contracts.
- 18/20.8 Ms Mann-Kler thanked Mrs McKeown for the update. She noted that there had been significant discussion regarding the FNP audit at a previous Committee meeting. She asked about progress in finding the original contract. She felt assured about the progress in Research and Development, and she said that the Committee needed to be confident about arrangements in the areas such as risk management and the Assurance Framework. Mr McClean informed members that he had spoken to Ms Deirdre Webb concerning the FNP audit, and assured members that all of the required actions are well under way, and that the number of recommendations fully implemented is higher than indicated in this report. He explained that Ms Webb had not had the opportunity to speak to Mr David Charles in Internal Audit to provide this update, but by the next update members will see this progress. In terms of the original contract, he said that it was his understanding that this issue has been resolved. Ms Mann-Kler thanked Mr McClean for that update.
- 18/20.9 Mr Clayton asked about the social care procurement audit recommendations, recognising that there had been an update on this last year but also noting that these recommendations had been outstanding for some time. Mr McClean advised that some of the individuals involved in the specification/engagement aspect of contracts are now working in COVID-related areas, but prior to the pandemic, work had begun to review the full procurement plan and all of the timelines with the aim of bringing an update to the PHA Board. He noted that this would normally happen in May/June, however given COVID-19 this has been delayed. Miss Taylor added that the recruitment of 2 senior planning managers had been progressed. She said that the procurement plan now only covers those areas where a decision has been made to proceed with procurement, and she hoped that work will commence shortly to restart this work.

- 18/20.10 Mr Stewart inquired whether recommendations which could not be implemented by the PHA could be written off. Mrs McKeown said that this can happen.
- 18/20.11 Mr Stewart asked about Priority 3 recommendations. Mr McClean said that it would be the responsibility of individual Directors to ensure that these are implemented.
- 18/20.12 The Committee noted the year end follow up on previous audit recommendations.
- Shared Service Update [GAC/09/05/20]*
- 18/20.13 Mrs McKeown said that for the first time since the establishment of the Payroll Shared Services, she was providing a satisfactory level of assurance for elementary payroll processes. She said that improvements have been made, but she was still providing a limited assurance in other areas.
- 18/20.14 Mr Stewart noted that the issues in this audit are for BSO and this report is for information for this Committee. Ms Mann-Kler welcomed the progress that has been made given the amount of pressure there is currently on HSC staff, and she asked if there is a timeframe for when improvements may happen in the other areas. Mrs McKeown acknowledged that there has been progress in these other areas, but she explained that remain some difficult areas to resolve, particularly around timesheets and complex overpayments.
- 18/20.15 In terms of the Recruitment Shared Services audit, she advised that she was giving a satisfactory level of assurance for recruitment processes, but a limited assurance for the functionality of the eRecruit system. She noted that there is duplication in the recruitment process which is leading to a greater possibility of errors being made.
- 18/20.16 The Committee noted the Shared Services update.
- Update on IA programme 2020/21 – Pandemic [GAC/10/05/20]*
- 18/20.17 Mr Stewart sought clarity on the implications of this briefing for PHA. Mrs McKeown explained that there would ordinarily have been an audit plan in place for PHA for 2020/21, but given the current situation all work for the first quarter of the year has been cancelled, but Internal Audit is offering its support to HSC organisations. She advised that the audit plan for 2020/21 has been shared with

- management and will be finalised in the next couple of weeks with a view to it being brought to the next meeting for approval.
- 18/20.18 Mr Clayton thanked Mrs McKeown for this clarification but asked what work will now be delayed. Mrs McKeown said that she still hoped to be able to undertake 75% of the planned audit work, but there may be less formal assurance work. Mr Cummings said that he thought the suspension may last longer than one quarter. He noted that External Audit work is being done remotely and that over the coming months he did not envisage significant numbers of staff being on site.
- 18/20.19 Mr Stewart said that the Committee should take a view on which audits are important and he highlighted the Assurance Framework and approvals system as being areas of interests. Mr Cummings suggested there should be a focus on COVID-19 areas as well as core financial systems. Mrs McKeown said that she would intend to be as flexible as possible and acknowledged that this year will be different to other years.
- 18/20.20 Ms Mann-Kler said that carrying out this refresh was a sensible approach and she asked which areas are “mission critical” and where audits should happen. She suggested that this may provide an opportunity to manage risk and provide assurance around emerging unintended consequences. She also asked how other organisations are availing of the services Internal Audit is providing, and if this opportunity has been taken up. Mrs McKeown said that Internal Audit is assisting some of the smaller HSC organisations with work around assurances to replace the previous controls assurance standards. She added that Internal Audit is providing guidance in relation to business processes during this COVID-19 pandemic. Finally, she said that there is work to help organisations with year-end follow up work.
- 18/20.21 Ms Mann-Kler asked if there were any red flags or areas of concern. Mrs McKeown said that there were no immediate issues, and she encouraged all organisations to take up the offer of support.
- 18/20.22 The Committee noted the update on the Internal Audit programme for 2020/21.
- HIA Annual Report [GAC/11/05/20]*
- 18/20.23 Mrs McKeown presented the Head of Internal Audit Annual

	Report. She noted that the one outstanding audit report which the Committee has not yet seen, that relating to Information Governance, received a satisfactory level of assurance. She said that this report will be brought to the next GAC meeting.
18//20.24	Mrs McKeown said that for the year ended 31 March 2020, she was providing a satisfactory assurance on the adequacy and effectiveness of the organisations framework of governance, risk management and control.
19/20	Item 7 – Draft PHA Annual Report [GAC/12/05/20]
19/20.1	Mr McClean noted that dealing with the COVID-19 pandemic has limited the amount of time to be able to prepare this draft Annual Report. He said that the report gives an overview of PHA’s key areas of work. Miss Taylor added that the Report is a “working draft”, which has to be submitted by Tuesday. She said that it is likely that the Chair and Chief Executive forewords will be merged.
19/20.2	Mr Clayton noted that although the response to COVID-19 will feature more heavily in the Annual Report for 2020/21, he suggested that more people will be interested in the work of the Agency this year so it may be worth including some narrative on the work that was undertaken between January and March as PHA would have been the lead organisation to the response at that time. He added that there should be detail on the Family Nurse Partnership. Ms Mann-Kler agreed with Mr Clayton saying that there should be more information on COVID-19 as she felt the PHA was doing itself a disservice by not mentioning it. She asked whether there had been an increase in the number of FOIs and if there was a spike between January and March. Miss Taylor said that there were 44 FOIs for the year 2019/20, and she added that there was no material difference between January and March, however there has been a higher number of requests in April and May.
19/20.3	Mr McClean welcomed the two suggestions. Mr Stewart added that there could be narrative in the Chief Executive’s foreword about mentioning COVID-19, but looking forward into 2020/21.
19/20.4	The Committee APPROVED the draft Annual Report, with the above amendments, and this will be brought to the PHA Board on 21 May.

20/20 Item 8 – Draft Governance Statement [GAC/13/05/20]

- 20/20.1 Miss Taylor advised that the draft Governance Statement follows the set template and she drew members' attention to the section on internal governance divergences. She explained that the wording for some of this section will come from the Department of Health, including the narrative around COVID-19.
- 20/20.2 Mr Clayton asked whether the wording used will be the same wording that is used across the HSC. Mr Cummings said that HSC bodies have the right to change the wording if they wish.
- 20/20.3 Ms Mann-Kler sought clarity on the number of Non-Executives and Governance and Audit Committee members referenced in the Statement. Mr Stewart advised that the figures are as at 31 March 2020 and are correct. He added that the Chair has written to the Department regarding the vacancy on the PHA Board.
- 20/20.4 The Committee **APPROVED** the draft Governance Statement which will be brought to the PHA Board on 21 May.

21/20 Item 9 – SBNI Declaration of Assurance [GAC/14/05/20]

- 21/20.1 Mr McClean advised members that it is a requirement of the Safeguarding Board to provide an assurance statement outlining its compliance with PHA policies.
- 21/20.2 Mr Clayton said that there needed to be discussion at a future point on PHA's relationship with SBNI once it takes on the functions of the HSCB social care and children's directorate. Mr McClean agreed with this comment.
- 21/20.3 The Committee noted the SBNI Declaration of Assurance.

22/20 Item 10 – Any Other Business

- 22/20.1 Mr Cummings asked Ms Hagan if she had any comments regarding the audit. He advised members that they will receive a copy of the unaudited accounts within the next few days. Ms Hagan said that she had no specific comments, but she noted that there will be a challenge in terms being able to do to the audit remotely. She said that it will depend on good communication and good information flows, but there will be pressure to ensure it is completed on schedule.

23/20 | **Item 11 – Details of Next Meeting**

Wednesday 1 July 2020 at 9:30am

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

Signed by Chair:

Joseph Stewart

Date: 1 July 2020