

Title of Meeting	Meeting of the Public Health Agency Governance and Audit Committee
Date	13 October 2022 at 2pm
Venue	Fifth Floor Meeting Room, 12/22 Linenhall Street, Belfast

Present

- Mr Joseph Stewart - Chair
Mr John Patrick Clayton - Non-Executive Director

In Attendance

- Mr Aidan Dawson - Chief Executive (*For items 1 to 4*)
Mr Stephen Wilson - Interim Director of Operations
Mr Stephen Murray - Interim Assistant Director of Planning and Business Services
Ms Andrea Henderson - Assistant Director of Finance, SPPG
Mr David Charles - Internal Audit, BSO
Mr Roger McCance - NIAO (*via video link*)
Mr Robert Graham - Secretariat

Apologies

- Mr Robert Irvine - Non-Executive Director
Ms Deepa Mann-Kler - Non-Executive Director
Ms Tracey McCaig - Director of Finance, SPPG

51/22 Item 1 – Welcome and Apologies

- 51/22.1 Mr Stewart welcomed everyone to the meeting. Apologies were noted from Mr Robert Irvine, Ms Deepa Mann-Kler and Ms Tracey McCaig.

52/22 Item 2 - Declaration of Interests

- 52/22.1 Mr Stewart asked if anyone had interests to declare relevant to any items on the agenda.

- 52/22.2 Mr Clayton declared an interest in relation to Item 10, the Mid-Year Assurance Statement, indicating that as the Statement makes reference to PHA's involvement in Public Inquiries, and given his role in UNISON, he should step out of the meeting during that discussion. Mr Stewart noted Mr Clayton's comments and advised that the Committee would not have a quorum for the discussion on that item, and therefore a

further meeting of the Committee will need to be convened in advance of next Thursday's Board meeting to discuss this single item.

53/22 Item 3 – Minutes of previous meeting held on 28 July 2022

53/22.1 The minutes of the previous meeting, held on 28 July 2022 were **approved** as an accurate record of that meeting, subject to one amendment in paragraph 45/22.2 where the minute will be changed to state, "...remains high and the majority of responses were being issued..."

54/22 Item 4 – Matters Arising

54/22.1 Mr Stewart went through the actions from last meeting. He advised that he and Mr Wilson had had a discussion in relation to the 3 lines assurance model and that a decision has been made to adopt this in PHA. Mr Wilson added that a training session is going to be arranged for senior staff in PHA and that Mr Charles will participate in that and that following the training, PHA's Corporate Risk Register will be reviewed accordingly. Mr Stewart asked that Non-Executive Directors are included in that training (**Action 1 – Mr Wilson**).

54/22.2 Mr Stewart noted that following a discussion at the last meeting regarding the risk on PHA's Corporate Risk Register around procurement, the Chief Executive was invited to today's meeting. He said that this risk has been on the Register since 2013 and although it was modified in 2018, it has not yet been fully resolved and he noted that this is an area of concern for the Chief Executive.

54/22.3 The Chief Executive advised that this risk has been discussed at the Procurement Board, and noted that two Planning Managers have been appointed to take this work forward, but due to COVID it took some time to get those Planning Managers into their roles, and that they now have a work plan. He agreed that there is a need to review the risk and to agree with the Procurement Board what the current risk is that the organisation is facing. He explained that there is a new commissioning system which may impact on how PHA does its work and going forward, PHA may have to look at whether it moves towards a grant system or continues with the current contracting model. He added that this also needs to be looked at in the context of the current financial constraints in the HSC. He said that the risk should be reviewed and reshaped and noted that the purpose of having a Corporate Risk Register is to have a risk in your line of vision and to have an action plan to mitigate it. However, he said that the risk today is now a different one.

54/22.4 Mr Stewart said that the role of the Committee is to support the Chief Executive and its reservations regarding this risk relate to its antiquity. Mr Clayton agreed with the Chief Executive and that this risk has been on the Register for a considerable period of time and there is a need to get a better handle on what the nature of the risk is now noting that it

- has evolved. He said that it would be helpful to get a better sense of the risk.
- 54/22.5 The Chief Executive explained that another factor to be taken into consideration is “social value procurement” which wasn’t in existence when this risk first came into being, but is now an essential element of procurement, and has changed the landscape in which PHA is purchasing. He said that the environment has changed considerably which is why there is a need to have a new risk.
- 54/22.6 The Chief Executive said that he would raise the issue of the antiquity of some of the other risks on the Register with the Agency Management Team (AMT) as having a risk that is old represents a risk in itself.
- 54/22.7 Mr Charles commented that it would be unusual for risks that are rated “low” to feature on Corporate Risk Registers as these would normally feature on directorate risk registers. He added that there are a lot of issues for Trusts in relation to the procurement of contracts with community and voluntary sector organisations so PHA is not alone in this space. He said that a lot of Trusts would also have a Procurement Plan and Internal Audit would point out that matters need to be progressed. He added that PALS are involved in this work.
- 54/22.8 Mr Charles said that Internal Audit has had a risk on its Risk Register for the last 10 years and the risk is still prevalent, therefore it is possible that organisations can have an inherent risk even after working to mitigate it as much as possible.
- 54/22.9 Mr Murray explained that when this risk was first identified the Procurement Regulations had just come out and the risk in terms of the challenge that would bring to PHA has not emerged as it might have done. He said that PHA has good processes in place to ensure that it is achieving good outcomes and value for money. He advised that there is also an internal review process where it would be determined if funding was being used correctly and whether an initiative should be procured, go through a grants process or be taken on by Local Councils. He said that the landscape has changed and agreed that there is a need to review the risk.
- 54/22.10 Mr Stewart commented that there was little value in the Committee considering risks that are not actually risks and he agreed that AMT should take a good look at all the risks and ensure that they reflect the current situation. Mr Wilson advised that when the Corporate Risk Register was brought to AMT, it was agreed that Directors needed to take a more hands-on approach as there is a number of risks that have been on the Register for a long time. He added that looking at the 3 lines model will present an opportunity to take a fresh look at the Corporate Risk Register. He assured members that AMT is looking to tighten up this area. Mr Stewart sought clarity that AMT will review this risk and bring it back to the Committee. The Chief Executive agreed,

and said that reviewing this risk may mean closing it down and putting on a new risk which reflects the current situation, and he undertook to ensure that this is brought back to the Committee (**Action 2 – Chief Executive**).

54/22.11 Mr Wilson advised that the third action relating to information governance training is being looked at.

At this point the Chief Executive left the meeting

55/22 Item 5 – Chair’s Business

55/22.1 Mr Stewart advised that he had no Chair’s Business.

56/22 Item 6 – Internal Audit

Internal Audit Progress Report [GAC/33/10/22]

56/22.1 Mr Charles presented the latest Progress Report and informed members that one audit, relating to population screening, has been issued as a draft report and management responses are being awaited. He hoped that this report will come to the next meeting.

56/22.2 Mr Charles explained that there was a proposal to carry out an audit of emergency planning in 2022/23, but following a discussion with the Chief Executive and Mr Wilson it was proposed that this would be deferred until early 2023/24 to allow management time to follow through on system changes. He advised that an audit of recruitment processes would be brought forward. He said that the Chief Executive was content with this change, but it requires formal approval by the Committee.

56/22.3 Mr Stewart said that he had had a discussion with the Chief Executive and given that there are delays in being able to recruit vacant posts, he thought that it would be appropriate to carry out an audit of the end-to-end recruitment processes at this time. He added that PHA’s emergency planning arrangements have worked well in recent times.

56/22.4 Mr Clayton asked that, if the audit of recruitment was about end-to-end processes, how much of it would be about the work of PHA and how much would be about the role of BSO. He said that this may impact on the terms of reference. Mr Stewart said that the issue of delays in recruitment has arisen in other reports. The Chief Executive said that he would be keen to understand where the blockages are. Mr Charles explained that there are three stages of the recruitment process. He advised that if PHA wishes to recruit a member of staff then the manager in PHA needs to liaise with retained recruitment in BSO prior to the post going on to BSO Shared Services to be recruited. He added that Internal Audit will be doing an audit of Shared Services at the same time so it will test a sample of PHA recruitment exercises to see how quickly each stage of the process happens. He said that any elements

of the audit that pertain specifically to PHA will be reported to PHA so this will be about not only how PHA holds Shared Services to account, but how PHA holds its own managers to account. Mr Clayton commented that it will be useful to get a handle on this in order to see where the pressures and weaknesses are as there is a tendency for each department to blame the other.

56/22.5 The Committee **APPROVED** the deferral of the Emergency Planning audit and the bringing forward of the audit of recruitment processes.

56/22.6 Members noted the Internal Audit Progress Report.

*Mid-Year Follow up on Outstanding IA Recommendations 2021/22
[GAC/34/10/22]*

56/22.7 Mr Charles advised that Internal Audit carries out a follow up exercise twice a year to confirm the status of outstanding audit recommendations. He reported that of the 60 recommendations, 46 are fully implemented with 14 partially implemented. He added that there has been good engagement with management.

56/22.8 Mr Charles said that the table in the report gives a snapshot of each report and the status of the recommendations. He advised that the oldest recommendation relates to health and social wellbeing contracts. He said that some of the recommendations relating to screening and Family Nurse Partnership (FNP) remain partially implemented. With regard to the audit of Board Effectiveness, he reported that 6 of the 7 recommendations due for implementation have been fully implemented which shows how serious this audit has been taken. Following the Performance Management audit, he advised that 2 recommendations are still only partially implemented. He noted that a lot of work has been done in this area with Performance Management reports being presented to the Board, but there is still a need to get a Performance Framework in place.

56/22.9 Mr Clayton noted that progress is being made. He commented that with regard to the population screening and FNP audits, a number of years have passed since those recommendations were made and he queried whether implementation will be possible. He said he recalled an issue about finding original paperwork relating to FNP. For the information governance audit recommendations, he suggested that these could be looked at by the subgroup. In relation to the audit on Board effectiveness audit, he advised that the Board is currently completing the self-assessment for 2021/22 and he noted the progress made.

56/22.10 Mr Charles said that the information governance recommendation, which relates to GDPR, will be a difficult one to implement as contractual requests are difficult. He added that this recommendation may remain for a while. Mr Murray said that the issue for PHA is working out what it can do to get this recommendation over the line. Mr Charles asked how

many contracts need to be GDPR compliant. With regard to FNP, he said that Ms Deirdre Webb is the contact and that there remains a difficulty in finding the original documentation. He suggested that if it cannot be found then a new agreement should be put in place. He advised that for population screening, a draft report has been issued, and he acknowledged that this is an area where there has been a lot of staffing pressures.

56/22.11 Mr Stewart said that he recalled that there was no way to access the original documentation and he asked at what point does this recommendation become no longer viable and should be written off. He added that he also had a query about the license fee that PHA is paying. Mr Charles commented that there is a case where in a Trust there are recommendations which cannot be implemented, so the issue is about an alternative mitigation for the risk. He advised that if management is content that all possible actions have been taken, it can propose that the recommendation is closed. He said that while he did not feel that the recommendations relating to population screening were at that stage, he acknowledged the efforts that have been made to find the original documentation relating to FNP.

56/22.12 Mr Clayton suggested that management should come back with an update and then the Committee can determine if the recommendations should be closed. Mr Wilson advised that he has spoken to the Nursing team and that both parties in FNP have had difficulty in locating the original agreement. He noted that as FNP is expanding, it should be possible to take action to satisfy the principle of the recommendation. Mr Clayton said that this would be important so that it can be closed off.

56/22.13 Members noted the Mid-Year Follow up on Outstanding Internal Audit Recommendations.

Shared Service Audits [GAC/35/10/22]

56/22.14 Mr Charles reported that since the last Committee meeting, an audit has carried out in Accounts Payable Shared Services with a satisfactory level of assurance being given. He advised that controls are operating as designed and that they are robust. He added that this is an area where there is usually a satisfactory level of assurance given.

56/22.15 Mr Charles advised that an audit of the Business Services Team also had the outcome of a satisfactory level of assurance being given.

56/22.16 Members noted the Shared Services Audits.

Mid-Year Assurance Statement to the Public Health Agency from the Head of Internal Audit [GAC/36/10/22]

56/22.17 Mr Charles advised that the Mid-Year Assurance Statement is a summary of what has been discussed already.

56/22.18 Members noted the Mid-Year Assurance Statement to the Public Health Agency from the Head of Internal Audit.

57/22 Item 7 – Corporate Governance

Corporate Risk Register (at 30 September 2022) [GAC/37/10/22]

- 57/22.1 Mr Wilson advised that the Corporate Risk Register has been reviewed as at 30 September and that one risk has been removed, that relating to the HRPTS system. He added that the risk relating to information governance has had its rating reduced to “low”.
- 57/22.2 Mr Stewart said that he would like to see the wording of risk 39 on cyber security reflect those elements which are within the control of PHA. He asked if PHA is required to have this risk on its Register as many of the actions relate to regional activity which is outside the scope of PHA. Mr Wilson advised that PHA is reliant on support from BSO ITS, but that it plays a full part on the Regional Programme Board. He added that PHA has a responsibility in terms of staff training and staff awareness. Mr Stewart suggested that this risk should be combined with some elements of risk 52 on information governance, but Mr Wilson said that information governance is a risk in itself. Mr Stewart said that if PHA has to retain a risk on cyber security, he would wish to know the exact nature of the risk to PHA and the methodology being used to contain it.
- 57/22.3 Mr Clayton noted that there is a PHA aspect to this risk and that PHA has to work in conjunction with other HSC bodies. He raised two issues, the first of which is about the need for Board members to be trained. He also asked whether a date has been agreed to carry out a business continuity test in relation to cyber security. Mr Wilson advised that PHA is working with IT colleagues with a view to a test taking place during the second half of the year. He added that training is being rolled out. Mr Clayton asked if the test is being carried out because PHA has a concern about this area. Mr Wilson explained that normally business continuity arrangements are put in place for a temporary issue, but in the event of a cyber attack, PHA may be affected for a sustained period of time.
- 57/22.4 Mr Wilson agreed that it would not be routine for risks rated “low” to appear on the Corporate Risk Register and that there would be a complete overhaul of the Register, but this was not completed in time for this meeting. He added that the aim is to move this risk to the directorate risk register.
- 57/22.5 Mr Clayton said that the risk on emergency planning (risk 46) has been on the register for some time and he asked if it was close to being resolved. He noted that the main issues relate to contractual terms and conditions and job descriptions. Mr Wilson said that these were regional issues.

- 57/22.6 Mr Stewart asked why the rating for the risk on information governance was reduced to “low”. Mr Wilson said that the Deputy Director of Public Health proposed the change in rating because of the antiquity of some of the issues. He explained that this risk escalated during COVID because PHA was responsible for holding more personal data but now that contact tracing and testing has been stood down, there is lower exposure to this risk. Mr Clayton said that he appreciated this explanation, but asked if this situation would change once PHA moves into the autumn/winter. He also asked whether it was too soon to change the rating of the risk given the current pressures on the information governance team. Mr Stewart said that part of the difficulty with this risk is that information governance covers a wide area, and the current description of the risk is quite narrow. He asked if the rating of the risk is likely to be increased again, or will there be a new risk. Mr Wilson replied that the relevant leads will be brought together to look at the fundamental elements of the risk. Mr Stewart suggested that this AMT may wish to review the risk and consider a new risk on information security which covers information governance, data security and cyber security.
- 56/22.7 Mr Stewart commented that risk 55 relating to staffing issues has been updated, but that PHA is going through a period of transition. Mr Clayton noted that this risk was not specific to the organisation as a whole and he suggested that going forward, it should be highlighted where there are particular challenges in particular directorates and a sense of the vacancy rate. Mr Stewart noted that the outcome of the audit on recruitment may impact on how this risk is worded. Mr Wilson advised that BSO has recruited a strategic business partner, Ms Karyn Patterson, who will work exclusively with PHA and that since Ms Patterson commenced her role, she has provided information which is keeping Directors up to date across a range of HR matters.
- 57/22.8 Mr Stewart noted that the wording on risk 60 has been amended to reflect that it is now about the effect of the migration to SPPG. Mr Wilson advised that the 2011 HSC Framework Document, which outlines the role of each organisation, is currently being reviewed by the Department. Mr Clayton asked if this review will take into account the new ICS model. Mr Murray said that it will, and that it will be an “interim” update.
- 57/22.9 Mr Clayton asked for an update on risk 61, which is about IT systems to support screening programmes, and when this work may be accommodated as part of the Encompass programme. Mr Wilson said that he did not know but he would seek an update for members (**Action 3 – Mr Wilson**). Mr Clayton welcomed this and said it would be good to know whether Encompass can do this work, and when. Mr Wilson commented the timelines may not be short.
- 57/22.10 In relation to risk 62 on the regional COVID vaccinators bank, Mr Clayton sought clarity on whether PHA’s registration as a nursing

agency with RQIA had progressed. Mr Wilson undertook to get an update on this (**Action 4 - Mr Wilson**).

- 57/22.11 Mr Clayton said that risk 63 about the Lifeline information management system, should be close to being closed off. Mr Murray reported that there was an issue in that Etain are presently being taken over by Deloitte. However, he explained that in the longer term, the Belfast Trust will have their own system.
- 57/22.12 Mr Wilson advised that risk 64 around cyber security is on the Corporate Risk Register as a recommendation of the regional group. He explained that this relates to a cyber attack on a supplier or partner of an HSC organisation.
- 57/22.13 Members **APPROVED** the Corporate Risk Register as at 30 September 2022.
- Operations Directorate Risk Register [GAC/38/10/22]*
- 57/22.14 Mr Wilson presented the Operations Directorate Risk Register and reported that in the area of web hosting and web maintenance, there is a high risk as PHA does not currently have a digital web editor, but has a contingency plan in place with BT48. He added that BT48 provides a good service.
- 57/22.15 Mr Wilson reported that the risk relating to the corporate website has been de-escalated from the Corporate Risk Register. He explained that PHA does not currently have the website it wishes and is aiming to get it re-purposed onto the COVID website which is on a more agile platform.
- 57/22.16 Mr Wilson advised that there is a risk for PHA in terms of capacity within the information governance team which is a consequence of the demands on the team given the workload associated with the Public Inquiries that are taking place. He said that there is an aim to bring in additional capacity.
- 57/22.17 Mr Wilson commented that while the Operations Directorate Risk Register may appear to be light, many of the directorate's risks would ultimately go onto the Corporate Risk Register.
- 57/22.18 Mr Clayton noted that there are fewer risks on the Operations Directorate Risk Register and agreed that risks on the Corporate Risk Register would tend to fall to the Operations directorate. He said that the first risk, about web hosting, relates to the recruitment of a very specialised post and has implications for PHA as a whole. He added that the information governance risk caused him some concern given the growth in the workload of that team and that staff have had to go above and beyond. He said that the staff should get a break and not risk burn out. With regard to the third risk relating to the public website and the proposal to repurpose the COVID website, he said that this is

vital. He commented that it has been helpful to get a sense of the risks facing the directorate.

57/22.19 Members noted the Operations Directorate Risk Register as at 30 September 2022.

58/22 Item 8 – Finance

Fraud Liaison Officer Update Report [GAC/39/10/22]

58/22.1 Ms Henderson advised that one new case of suspected fraud has been reported concerning a member of staff who left PHA in 2021 but continued to be paid until July 2022. She said that this matter is currently with the Counter Fraud Unit and the Committee will be updated at its next meeting. She added that the Director of Finance has asked for a review of the management controls given the circumstances of this case.

58/22.2 Ms Henderson reported that the National Fraud Initiative for 2022/23 has commenced and a Privacy Notice sent out to all PHA staff. She said that the Committee would be kept updated on this work.

58/22.3 Members noted the Fraud Liaison Officer Update Report.

59/22 Item 9 – Update from External Audit

Final Report to those Charged with Governance [GAC/40/10/22]

59/22.1 Mr McCance advised that members will have seen the draft report and be aware of its findings. He reaffirmed that PHA's accounts were certified by the Comptroller and Auditor General with no qualifications. He added that the audit was now complete and that the report has not been changed.

59/22.2 Mr Stewart thanked Mr McCance for the report and welcomed the fact that PHA had received this opinion.

59/22.3 Members noted the Final Report to those Charged with Governance.

60/22 Item 10 – PHA Mid-Year Assurance Statement [GAC/41/10/22]

60/22.1 This item was deferred to a future meeting.

61/22 Item 11 - Draft Governance and Audit Committee Self-Assessment [GAC/42/10/22]

61/22.1 Mr Stewart advised that he had gone through the draft self-assessment with Mr Graham and had no issues with its content.

61/22.2 Mr Clayton sought clarity that under question 10, Mr Stewart is the

nominated member with financial experience given there is now a Non-Executive Director on the Board with a finance background. Mr Stewart confirmed that he is the nominated member for the purposes of this assessment.

61/22.3 Mr Clayton asked whether the date on question 29 was current given the Committee had reviewed its terms of reference recently. Mr Graham undertook to amend this (**Action 5 – Mr Graham**).

61/22.4 Members **APPROVED** the Draft Governance and Audit Committee Self-Assessment.

62/22 Item 12 - SBNI Declaration of Assurance [GAC/43/10/22]

62/22.1 Mr Stewart noted that there were no areas of major concern that he had picked up in the SBNI Declaration of Assurance.

62/22.2 Members noted the SBNI Declaration of Assurance.

63/22 Item 13 – Any Other Business

63/22.1 There was no other business.

64/22 Item 14 – Details of Next Meeting

To be confirmed

Signed by Chair:

Joseph Stewart

Date: 7 February 2023