

# agenda

96<sup>th</sup> Meeting of the Public Health Agency Board

Thursday 19 October 2017 at 1:30pm

Conference Rooms 3+4, 12/22 Linenhall Street, Belfast

## standing items

- |      |   |                     |                 |
|------|---|---------------------|-----------------|
| 1    | Welcome and apologies                                 |                     | Chair           |
| 1.30 |   |                     |                 |
| 2    | Declaration of Interests                              |                     | Chair           |
| 1.30 |   |                     |                 |
| 3    | Minutes of Previous Meeting held on 21 September 2017 |                     | Chair           |
| 1.30 |   |                     |                 |
| 4    | Matters Arising                                       |                     | Chair           |
| 1.30 |   |                     |                 |
| 5    | Chair's Business                                      |                     | Chair           |
| 1.35 |   |                     |                 |
| 6    | Chief Executive's Business                            |                     | Chief Executive |
| 1.40 |   |                     |                 |
| 7    | Finance Report  | <b>PHA/01/10/17</b> | Mr Cummings     |
| 1.50 |   |                     |                 |

## presentation

- |      |                                     |  |  |
|------|-------------------------------------|--|--|
| 8    | Presentation by Samaritan's Ireland |  |  |
| 2.00 |                                     |  |  |

## items for approval

- |      |                                |                     |            |
|------|--------------------------------|---------------------|------------|
| 9    | PHA/HSCB Annual Quality Report | <b>PHA/02/10/17</b> | Mrs Hinds  |
| 2.30 |                                |                     |            |
| 10   | Mid-Year Assurance Statement   | <b>PHA/03/10/17</b> | Mr McClean |
| 2.45 |                                |                     |            |

## items for noting

- |      |   |                     |              |
|------|---|---------------------|--------------|
| 11   | Governance and Audit Committee Update   | <b>PHA/04/10/17</b> | Ms Mann-Kler |
| 2.55 | <ul style="list-style-type: none"><li>Minutes of meeting of 5 June 2017</li><li>Verbal briefing of meeting of 11 October 2017</li></ul> |                     |              |

## **closing items**

12 Any Other Business  
3.10

Chair

13 Details of next meeting:  
3.15

*Thursday 16 November 2017 at 1:30pm*

*Conference Rooms 3+4, 12/22 Linenhall Street, Belfast*

95<sup>th</sup> Meeting of the Public Health Agency Board

Thursday 21 September 2017 at 1:30pm

Conference Rooms 3+4, 12-22 Linenhall Street, Belfast

**Present**

Mr Andrew Dougal	- Chair
Mrs Valerie Watts	- Interim Chief Executive
Mr Edmond McClean	- Interim Deputy Chief Executive / Director of Operations
Dr Carolyn Harper	- Director of Public Health/Medical Director
Mrs Eleanor Ross	- Nurse Consultant ( <i>on behalf of Mrs Mary Hinds</i> )
Councillor William Ashe	- Non-Executive Director
Mr Brian Coulter	- Non-Executive Director
Mr Leslie Drew	- Non-Executive Director
Mr Thomas Mahaffy	- Non-Executive Director
Ms Deepa Mann-Kler	- Non-Executive Director
Alderman Paul Porter	- Non-Executive Director

**In Attendance**

Mr Paul Cummings	- Director of Finance, HSCB
Mrs Cathy McAuley	- Secretariat

**Apologies**

Mrs Mary Hinds	- Director of Nursing and Allied Health Professionals
Mrs Fionnuala McAndrew	- Director of Social Care and Children, HSCB
Mrs Joanne McKissick	- External Relations Manager, PCC

**61/17 | Item 1 – Welcome and Apologies**

- 61/17.1 The Chair welcomed everyone to the meeting. Apologies were noted from Mrs Mary Hinds, Mrs Fionnuala McAndrew and Mrs Joanne McKissick.
- 61/17.2 The Chair advised that Mrs Eleanor Ross was attending on behalf of Mrs Hinds and that members of the public were in attendance and welcomed them to today's meeting.

**62/17 | Item 2 – Northern Ireland AAA Screening Programme Annual Report 2015/16 (PHA/04/09/17)**

- 62/17.1 The Chair welcomed Dr Stephen Bergin and Mrs Jacqueline McDevitt to the meeting.

- 62/17.2 Mrs McDevitt advised that this was the fourth Abdominal Aortic Aneurysm (AAA) Screening Report and represented the year 2015/16. She added that the Belfast HSC Trust is responsible for the management and delivery of the programme.
- 62/17.3 Mrs McDevitt tabled a paper outlining a collaborative working initiative 'AAA) Screening a four nations approach' and gave a brief verbal overview of the report which encapsulated the highlights for 2015/16 and the key challenges and future initiatives for 2016/17.
- 62/17.4 The Chair congratulated the AAA Screening team for achieving such a very positive participation rate.
- 62/17.5 Mrs Mann-Kler asked if the programme have any data on the incidence of AAAs detected within the prison population. Mrs McDevitt advised that she would liaise with programme team colleagues and report back to members.
- 62/17.6 Alderman Paul Porter asked if the programme anticipate any challenges with regard to ensuring screening invitations reached eligible men resident in care homes, particularly single men without family or relations. Mrs McDevitt advised that she would liaise with programme team colleagues and report back to members.
- 62/17.7 Members noted the AAA Screening Programme Report.
- 63/17 Item 3 - Declaration of Interests**
- 63/17.1 The Chair asked if anyone had interests to declare relevant to any items on the agenda. No interests were declared.
- 64/17 Item 4 – Minutes of previous meeting held on 17 August 2017**
- 64/17.1 The minutes of the previous meeting, held on 17 August 2017, were **approved** subject to the following minor amendments:  
 51/17.3 - Minor typo on the first line should read “no gain without pain”  
 54/17.2 - Mr Cummings to revise form of words
- 65/17 Item 5 – Matters Arising**
- 53/17.3  
 65/17.1 Rural proofing training to be arranged for non-executives in advance of the implementation of the new statutory arrangements.
- 57/17.3  
 65/17.2 Mrs McAndrew to share outputs from the TIG working group on social care procurement clauses.

**66/17 Item 6 – Chair’s Business**

- 66/17.1 A paper on the Chair’s business was circulated to members in advance of the meeting.
- 66/17.2 The Chair informed members that he had met with Dr Liz Gaulton, Acting Director of Public Health in Coventry. She informed the Chair that there had been very considerable population changes in Coventry with many new jobs being created. Another important ingredient for success was the fact that the two leading members of Coventry City Council were firm advocates for Public Health. The Chair also advised that he had written to Dr Jessica Allen of the Institute for Health Equity at University College London asking that she report on how the other Marmot cities had fared in terms of life expectancy.
- 66/17.3 The Chair informed members that he had attended Public Health England Annual Conference. He reported that much emphasis was placed on HEALTHY Life Expectancy rather than total life expectancy.
- 66/17.4 The Chair drew attention to a publication by the Royal Society for Public health which gave advice on how to protect young people from the ill effects of social media.
- 66/17.5 Members **noted** the Chair’s Business.

**67/17 Item 7 – Interim Chief Executive’s Business**

- 67/17.1 The Interim Chief Executive updated the Board on some current issues.

Management Framework

- 67/17.2 The Interim Chief Executive advised that there are a number of transformation work streams and that work continues in a range of areas with PHA staff continuing to contribute on a number of these and she highlighted a few of these areas:
- The workforce strategy has been drafted and is due to be completed in October
  - The Community Development Framework is also due for completion in October
  - Work is proceeding on the development of multidisciplinary working in primary care and is due to start its rollout towards the end of this year
  - The extensive engagement on the future of breast assessment services is now underway
  - The task and finish group on elective care centre is due to report in the autumn

## HSC Restructuring

- 67/17.3 The Interim Chief Executive advised that in relation to HSC restructuring and in particular the future transfer of the HSCB's functions, a paper on the proposed operating model of the future PHA would now be considered by TIG on 4<sup>th</sup> October as the 20<sup>th</sup> September meeting of TIG had been cancelled.

## Stroke Pre-consultation

- 67/17.4 The Interim Chief Executive advised that the HSC (led by the HSCB and the PHA) had held a series of meetings, engagements and workshops, with stroke survivors, carers and staff, politicians and the media over the last 13 weeks to listen and discuss how best to enhance stroke care. She added that this had included six public meetings which attracted very large numbers in Enniskillen (over 600) and also in Newry. As well as the public meetings there have been many individual meetings with local councils, charitable groups, politicians, staff in all the stroke services and workshops with over 150 stroke survivors.
- 67/17.5 The Interim Chief Executive said she was personally very grateful to the Reshaping Stroke Services Task Group, including clinicians and service users and the Chest Heart and Stroke Association for their significant efforts in leading the engagement process. In particular, Emer Hopkins, the stroke network lead, Dr Brid Farrell from PHA and the communications staff played an instrumental role in ensuring that a wide range of people have had their voices heard on this important issue.
- 67/17.6 The Interim Chief Executive reported that the pre-consultation closed last Friday and the invaluable feedback from all of the engagement events and the online and paper responses received would be evaluated and used to inform recommendations of the Regional Reshaping Stroke Services Group working to design the new model of services in Northern Ireland and into the future and that it is expected the proposals would then go out for formal public consultation in 2018. She added that following formal consultation in 2018 the group's final recommendations would be submitted to the DoH and future Minister for Health for final decisions.
- 67/17.7 Members **noted** the updates from the Interim Chief Executive.

## **68/17 Item 8 – Finance Update PHA Financial Performance Report (PHA/01/09/17)**

- 68/17.1 Mr Cummings presented the Finance Report for the period up to 31 July 2017, but said that there are no areas of underspend to be concerned about at this stage.
- 68/17.2 Members thanked Mr Cummings for the reformatted presentation of the budgets.

- 68/17.3 Discussion was held regarding the underspend from the Administration budgets and the 30 vacant posts that are creating slippage as approximately half of the administration budget relate to the Public Health Directorate.
- 68/17.4 Dr Harper advised that this was being kept under review and the biggest constraint in the recruitment of these posts was the low number of applicants to complete specialised training required. However she hoped to regain capacity next year.
- 68/17.5 The Interim Chief Executive reassured the Board that every effort was being made to recruit the vacant posts.
- 68/17.6 The Chair advised members of the timelines for the recruitment of the three Non-Executive Directors. He added that he understood the vacant posts will be advertised in mid-October, the shortlisting would take place in December and the interviews will be held in February 2018.
- 68/17.7 Mrs Mann-Kler questioned why there was such a long delay in the recruitment. The Chair reported that he had raised this matter at the Chairs' Forum and this would be one subject at a meeting between Chairs and the Head of the Civil Service.
- 68/17.8 The Board **noted** the Finance Report.
- 69/17 Item 9 – Draft PHA Investment Plan 2017/18 (PHA/02/09/17)**
- 69/17.1 Mr McClean presented the draft Investment Plan for noting and said that the plan sets out the PHA approach for managing the budget in 2017/18. He said that the PHA had been allocated a recurrent revenue budget of £85,455m for 2017/18 and he was anticipating that the PHA would break even, and that in year pressures would be monitored through the finance report.
- 69/17.2 Members asked if recurrent funding would be available for investment in 2017/18. Mr McClean said in addition to the funding allocated to address demographic pressures, the PHA was able to release £0.65m to address pressures and to support wider priorities.
- 69/17.3 Members **approved** the investment plan.
- 70/17 Item 10 – Draft Commissioning Plan 2017/18 (PHA/03/09/17)**
- 70/17.1 The Chair advised that he had circulated statements received from Mr Mahaffy and Mrs McKissick in advance.
- 70/17.2 Mr Cummings presented the Commissioning Plan for approval.
- 70/17.3 Mr Cummings advised the final draft of the Plan which has been

developed in response to the Commissioning Plan Direction issued by the Department of Health. He said that the purpose of the Plan is to provide an overview of key priorities and investment decisions, and what the public can reasonably expect in terms of access to services, based on ministerial themes and developed within the current financial context. He added that the Plan had been developed with significant input from senior PHA staff and had been considered by the senior management teams of both PHA and HSCB and agreed by the Board of HSCB.

- 70/17.4 Mr Cummings said that the Plan reflects the Commissioning Plan Directions and financial plan priorities as determined by the Department of Health. He noted the current financial situation and indicated his view that the Plan was reflective of this in addressing needs and pressures to the extent possible.
- 70/17.5 Members raised their concerns that the budget available to the health and social care for 2017/18 was inadequate to meet the increasing population needs and the pressures on services.
- 70/17.6 Members also raised their concerns that the introduction of HSC Trust Savings Plans, currently being consulted upon, would undo the positives the draft Commissioning Plan and increasingly challenge the capacity of service deliverers to continue to provide safe services and emphasised the need for greater focus on addressing the widening health inequalities in Northern Ireland.
- 70/17.7 The Interim Chief Executive advised members that the Health and Social Care Trust Savings Plans currently out for consultation would be considered by the HSCB and noted that savings plans and Trust Delivery Plans did not come to the PHA.
- 70/17.8 Mr Mahaffy raised his concerns regarding the scale of the proposed service cuts, the commissioning process and failure to assess need and tackle health inequalities.
- 70/17.9 The Chair also noted the statement received from Ms Joanne McKissick of the Patient Client Council which both welcomed and commended the Commissioning Plan. The Plan was co-produced with input from service users and carers.
- 70/17.10 Following substantial discussion members agreed that a covering letter highlighting the concerns of the Agency should be sent to the Permanent Secretary.
- 70/17.11 The Chair outlined that members had the option to vote for, against or to abstain.
- 70/17.12 The draft Commissioning Plan was agreed with seven votes in favour, one against and two abstentions.



- 71/17 Item 11 – Re-tender of Youth Engagement Services (previously known as One Stop Shop Service) (PHA/05/09/17)**
- 71/17.1 Dr Harper presented the Project Initiation Document for noting. She added that the PID set out the process to be followed for re-tendering of the Youth Engagement Service.
- 71/17.2 The Chair advised that he had visited the One Stop Shop in Londonderry and after speaking with a large number of clients they all stated emphatically that they benefit from the scheme because of the attitude of the staff to the clients. The Clients felt that they were treated with respect and concern and found it a very positive experience.
- 71/17.3 Members **noted** the Project Initiation Document.
- 72/17 Item 12 – Campaigns Update**
- 72/17.1 The Chair welcomed Mr Stephen Wilson to the meeting.
- 72/17.2 Mr Stephen Wilson gave a brief overview of the latest phase of the Dementia PIC ‘Still Me’.
- 72/17.3 Members congratulated the Communications team on the effectiveness and the quality of the first phase. Mr Wilson noted that due to the current pause in the campaign programme, the PHA communications programme would now focus on alternative channels for messaging. Members agreed that the current pause was unhelpful in helping the Agency to deliver on its key objectives and welcomed the work that is ongoing to optimise on other communication options in so far as these might offer viable alternatives.
- 73/17 Item 13 – Any Other Business**
- Open letter to staff
- 73/17.1 Alderman Porter asked if a letter of thanks to staff for their ongoing work from the Chair and Interim Chief Executive could be issued.
- Mesh Implants Media Coverage
- 73/17.2 Mr Coulter referred to recent local media reports concerning women and men who have complained of complications from the use of surgical meshes. He noted that PHA had been cited several times in news reports as the body which would be responding and asked what role the Agency has in this matter.
- 73/17.3 In response to this question Dr Harper said that the PHA had provided a medical spokesperson in response to the media enquiries on this issue, but that the corporate body with commissioning responsibility is HSCB rather than PHA. She explained that an information leaflet and consent form were being developed to assist Trusts in responding to any

individual patients.

Vaping

- 73/17.4 In response to a question, Dr Harper stated that it is not possible at this stage to assess whether or not vaping had long-term consequences for health. She explained that, as with smoking, it is likely to take many years of research before the long-term effects of vaping are understood fully.
- 73/17.5 One study published in the Journal of Cancer found that vaping causes changes in the cells in lung airways, similar to those that occur with smoking cigarettes. The changes were independent of the presence or absence of nicotine, and therefore would seem to relate to the chemicals created when vaping liquids are heated in an e-cigarette. If vaping is continued, the concern is that those changes would lead in the long-term, to cancer or other serious lung diseases.
- 73/17.6 As a result, PHA takes a precautionary approach, and advise only short-short term use of e-cigarettes within HSC-funded Stop Smoking Services, and after other regulated and quality-assured nicotine replacement therapies have been tried.

**74/17 Item 14 – Date and Time of Next Meeting**

Thursday 19 October 2017 at 1:30pm

Conference Rooms 3+4, 12/22 Linenhall Street, Belfast.

Signed by Chair:



Date: 19 October 2017

# **Public Health Agency**

## **Finance Report**

**2017-18**

**Month 5 - August 2017**



# PHA Financial Report - Executive Summary

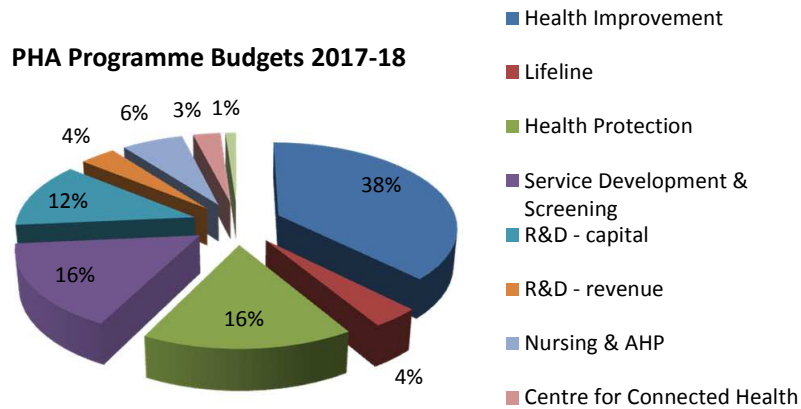
## Year to Date Financial Position (page 2)

At the end of month 5 PHA is underspent against its profiled budget by approximately £1.0m. Whilst this is not unusual for this stage of the year due to the difficulty of accurately profiling expenditure, budget managers need to be encouraged to review their positions and take the necessary action to minimise underspends.

As detailed on page 2, the underspend is primarily caused by slippage on Health Improvement budgets, combined with underspends on salaries budgets across the Agency.

## Programme Budgets (pages 3&4)

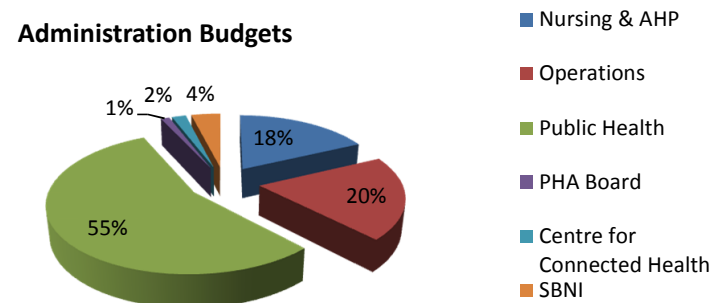
The chart below illustrates how the Programme budget is broken down across the main areas of expenditure.



## Administration Budgets (page 5)

Approximately half of the Administration budget relates to the Directorate of Public Health, as shown in the chart below.

There are currently approximately 30 vacant posts within PHA, and this is creating slippage on the Administration budget. It is currently estimated that this could rise to over £1m by year end, and this will be kept under close review as the year progresses.



## Full Year Forecast Position & Risks (page 2)

PHA is currently forecasting a breakeven position for the full year. Early projections indicate slippage will arise in-year from the Lifeline and Administration budgets in particular. Management will re-invest the Lifeline slippage in other suicide prevention and mental health initiatives where possible, however this remains an area of risk.

An Investment Plan is being developed which will incorporate the necessary actions to enable the PHA to achieve a breakeven position for the year.

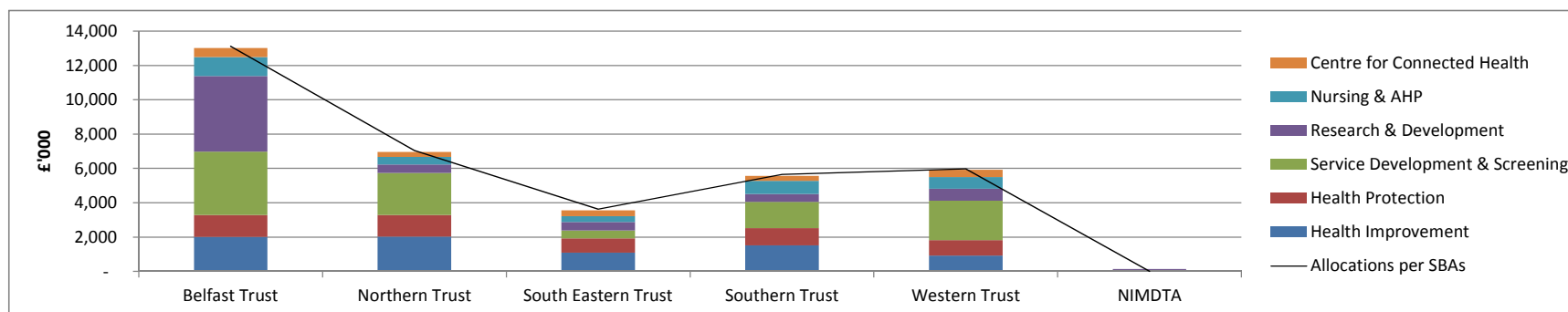
**Public Health Agency**  
**2017-18 Summary Position - August 2017**

	Annual Budget				Year to Date			
	Programme		Mgt & Admin	Total	Programme		Mgt & Admin	Total
	Trust £'000	PHA Direct £'000	£'000	£'000	Trust £'000	PHA Direct £'000	£'000	£'000
<b>Available Resources</b>								
Departmental Revenue Allocation	28,894	45,503	19,118	<b>93,515</b>	12,039	11,509	7,825	<b>31,372</b>
Revenue Income from Other Sources	-	93	349	<b>441</b>	-	13	139	<b>151</b>
Capital Grant Allocation & Income	6,663	3,779	-	<b>10,442</b>	2,776	323	-	<b>3,098</b>
<b>Total Available Resources</b>	<b>35,557</b>	<b>49,375</b>	<b>19,466</b>	<b>104,399</b>	<b>14,816</b>	<b>11,844</b>	<b>7,964</b>	<b>34,624</b>
<b>Expenditure</b>								
Trusts	35,557	-	-	<b>35,557</b>	14,816	-	-	<b>14,816</b>
PHA Direct Programme *	-	49,375	-	<b>49,375</b>	-	11,354	-	<b>11,354</b>
PHA Administration	-	-	19,466	<b>19,466</b>	-	-	7,495	<b>7,495</b>
<b>Total Proposed Budgets</b>	<b>35,557</b>	<b>49,375</b>	<b>19,466</b>	<b>104,399</b>	<b>14,816</b>	<b>11,354</b>	<b>7,495</b>	<b>33,665</b>
<b>Surplus/(Deficit) - Revenue</b>	-	-	-	-	(0)	520	469	<b>989</b>
<i>Cumulative variance (%)</i>					<i>0.00%</i>	<i>4.51%</i>	<i>5.89%</i>	<i>3.14%</i>
<b>Surplus/(Deficit) - Capital</b>	-	-	-	-	-	(30)	-	<b>(30)</b>
<i>Cumulative variance (%)</i>					<i>0.00%</i>	<i>-9.20%</i>	<i>0.00%</i>	<i>-0.96%</i>

\* PHA Direct Programme includes amounts which may transfer to Trusts later in the year

The year to date financial position for the PHA shows an underspend against profiled budget of approximately £1.0m, mainly due to spend behind profile on Revenue Budgets within Health Improvement (notably the demand-led Lifeline contract) and also a year to date underspend on Administration budgets (see page 5). It is currently anticipated that the PHA will breakeven for the year.

## Programme Expenditure with Trusts

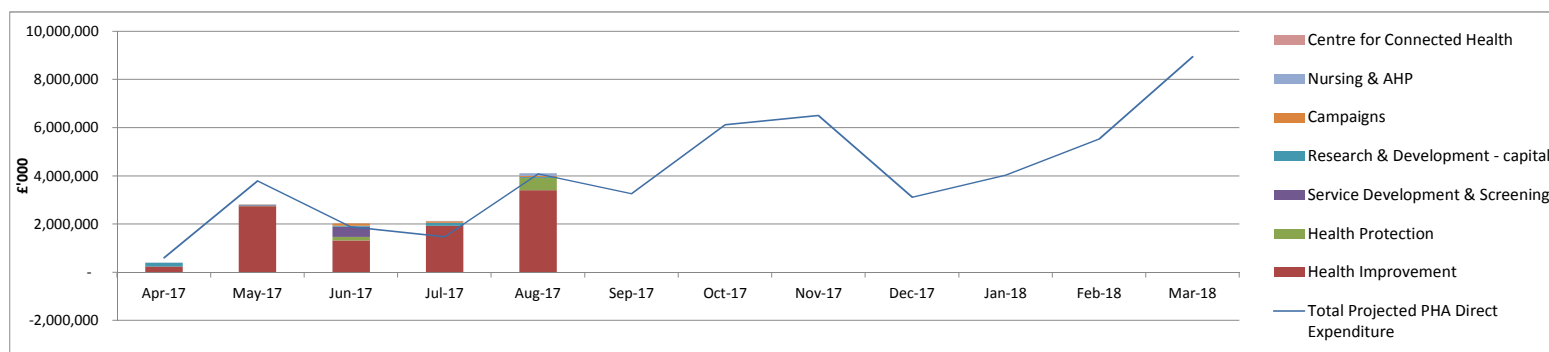


	Belfast Trust	Northern Trust	South Eastern Trust	Southern Trust	Western Trust	NIMDTA	Total Planned Expenditure	YTD Budget	YTD Expenditure	YTD Surplus / (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Current Trust RRLs</b>										
Health Improvement	2,005	2,036	1,092	1,512	928	-	<b>7,574</b>	3,156	3,156	-
Health Protection	1,288	1,252	832	1,010	901	-	<b>5,284</b>	2,202	2,202	-
Service Development & Screening	3,679	2,454	465	1,536	2,293	-	<b>10,427</b>	4,344	4,344	-
Research & Development	4,407	479	491	447	697	143	<b>6,663</b>	2,776	2,776	-
Nursing & AHP	1,113	451	332	774	677	-	<b>3,346</b>	1,394	1,394	-
Centre for Connected Health	528	282	348	282	425	-	<b>1,865</b>	777	777	-
Chief Executive	104	85	70	83	56	-	<b>398</b>	166	166	-
<b>Total current RRLs</b>	<b>13,125</b>	<b>7,039</b>	<b>3,630</b>	<b>5,643</b>	<b>5,977</b>	<b>143</b>	<b>35,557</b>	<b>14,816</b>	<b>14,816</b>	<b>-</b>
<b>Cumulative variance (%)</b>										<b>0.00%</b>

The above table shows the current Trust allocations split by budget area. These amounts are primarily Revenue Resource Limits (RRL) but also include the Capital Resource Limit (CRL) for Research and Development.

During the current month, an exercise to re-align budgets between Trust and Non-Trust has been carried out, and profiles have been amended accordingly. This explains the year to date breakeven position. A breakeven position is also anticipated for the full year.

## PHA Direct Programme Expenditure



	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Total	YTD Budget	YTD Spend	Variance		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Projected Expenditure</b>																		
Health Improvement	306	3,457	1,058	753	3,308	1,081	1,669	3,805	388	1,738	4,625	2,096	<b>24,284</b>	8,882	8,866	16	0.2%	
Lifeline	264	264	264	264	264	264	264	264	264	264	264	264	<b>3,173</b>	1,322	788	534	40.4%	
Health Protection	-	27	31	131	424	1,429	1,764	1,343	942	844	613	956	<b>8,503</b>	612	676	(64)	-10.4%	
Service Development & Screening	34	47	456	34	65	456	152	8	430	88	8	1,441	<b>3,219</b>	636	632	4	0.7%	
Research & Development - capital	-	-	64	259	-	-	-	-	-	-	-	3,457	<b>3,779</b>	323	352	(30)	-9.2%	
Research & Development - revenue	-	-	-	-	-	-	-	1,067	1,067	1,067	-	-	<b>3,200</b>	-	-	-	0.0%	
Campaigns	-	-	-	-	-	-	-	-	-	-	-	-	-	-	205	(205)	-100.0%	
Nursing & AHP	1	1	12	35	1	15	1,840	1	7	15	5	180	<b>2,111</b>	49	124	(75)	-154.7%	
Centre for Connected Health	-	-	-	-	20	20	425	20	20	20	20	20	<b>567</b>	20	-	20	100.0%	
Other	-	-	-	-	-	-	-	-	-	-	-	539	<b>539</b>	-	(289)	289	100.0%	
<b>Total Projected PHA Direct Expenditure</b>	<b>605</b>	<b>3,795</b>	<b>1,885</b>	<b>1,476</b>	<b>4,082</b>	<b>3,265</b>	<b>6,115</b>	<b>6,509</b>	<b>3,118</b>	<b>4,035</b>	<b>5,536</b>	<b>8,953</b>	<b>49,375</b>	<b>11,844</b>	<b>11,354</b>	<b>490</b>		
<i>Cumulative variance (%)</i>																	<b>4.14%</b>	
<b>Actual Expenditure</b>	<b>433</b>	<b>2,853</b>	<b>2,054</b>	<b>2,170</b>	<b>3,845</b>	-	-	-	-	-	-	-	<b>11,354</b>					
<b>Variance</b>	<b>172</b>	<b>942</b>	<b>(168)</b>	<b>(693)</b>	<b>237</b>								<b>490</b>					

The budgets and profiles are shown after adjusting for retractions and new allocations in the Allocation Letter from DoH. The Campaigns budget has been entirely retracted, and Price Inflation has not been applied to individual budgets but rather held centrally in the Other line for further discussion in the pending Investment Plan.

Expenditure is £0.5m behind profile for the year to date. The underspend is primarily due to Lifeline, offset by small overspends in other areas. Budget managers should review variances closely throughout the remainder of the year to ensure PHA meets its breakeven obligations.



**PHA Administration**  
2017-18 Directorate Budgets

	Nursing & AHP £'000	Operations £'000	Public Health £'000	PHA Board £'000	Centre for Connected Health £'000	SBNI £'000	Total £'000
<b>Annual Budget</b>							
Salaries	3,291	2,648	10,439	230	317	464	17,389
Goods & Services	204	1,206	326	33	51	297	2,116
Price Inflation				62			62
Savings target				(100)			(100)
<b>Total Budget</b>	<b>3,494</b>	<b>3,854</b>	<b>10,765</b>	<b>225</b>	<b>368</b>	<b>760</b>	<b>19,467</b>
<b>Budget profiled to date</b>							
Salaries	1,339	1,260	4,234	80	133	162	7,208
Goods & Services	62	503	136	8	7	39	756
<b>Total</b>	<b>1,401</b>	<b>1,763</b>	<b>4,370</b>	<b>88</b>	<b>140</b>	<b>201</b>	<b>7,964</b>
<b>Actual expenditure to date</b>							
Salaries	1,290	1,179	3,992	40	141	162	6,803
Goods & Services	58	516	103	(32)	8	39	692
<b>Total</b>	<b>1,348</b>	<b>1,695</b>	<b>4,095</b>	<b>8</b>	<b>149</b>	<b>201</b>	<b>7,495</b>
<b>Surplus/(Deficit) to date</b>							
Salaries	50	81	243	41	(8)	(0)	405
Goods & Services	4	(13)	33	40	(1)	0	64
<b>Surplus/(Deficit)</b>	<b>54</b>	<b>68</b>	<b>275</b>	<b>81</b>	<b>(9)</b>	<b>(0)</b>	<b>469</b>
<b>Cumulative variance (%)</b>	<b>3.84%</b>	<b>3.87%</b>	<b>6.30%</b>	<b>91.38%</b>	<b>-6.51%</b>	<b>0.00%</b>	<b>5.89%</b>

A savings target of £0.1m was applied to the PHA's Administration budget in 2017-18. This is currently held centrally within PHA Board, and will be managed across the Agency through scrutiny and other measures.

The year to date salaries position is showing a surplus which is being generated by approximately 30 vacancies currently within PHA. It is likely that this will continue to grow as the year progresses, and senior management will monitor this closely in the context of PHA's obligation to achieve a breakeven position for the financial year.

## PHA Prompt Payment

### Prompt Payment Statistics

	August 2017 Value	August 2017 Volume	Cumulative position as at 31 August 2017 Value	Cumulative position as at 31 August 2017 Volume
Total bills paid (relating to Prompt Payment target)	£4,766,579	502	£17,151,810	2,252
Total bills paid on time (within 30 days or under other agreed terms)	£4,735,520	464	£16,937,469	2,087
<b>Percentage of bills paid on time</b>	<b>99.3%</b>	<b>92.4%</b>	<b>98.8%</b>	<b>92.7%</b>

Prompt Payment performance for the year to date shows that on value the PHA is achieving its 30 day target of 95%, although on volume performance is slightly below target at 92.7%. PHA is making good progress on ensuring invoices are processed promptly, and efforts to maintain this good performance will continue for the remainder of the year.

The 10 day prompt payment performance remained strong at 91.0% by value for the year to date, which significantly exceeds the 10 day DHSSPS target for 2017-18 of 60%.

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*PHA/HSCB Annual Quality Report*

**date** 19 October 2017

**item** 9

**reference** PHA/02/10/17

**presented by** Mrs Mary Hinds, Director of Nursing, Midwifery and AHPs

**action required** For approval

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### **Summary**

The PHA and HSCB are required by the DoH to produce an Annual Quality report in line with the implementation of the Q2020 Strategy.

This is the PHA and HSCBs fourth Annual Quality report. The aim of the report is to share information and demonstrate improvements both to those who use health care services and those who deliver them.

The DoH issued guidance on the content of the Annual Report and the expected timescales for formal publication on 9th November 'World Quality Day' in conjunction with all HSC Trust and ALB Annual Quality reports.

The report has been written under the following 5 strategic goals:

- Transforming the Culture
- Strengthening the workforce
- Measuring the improvement
- Raising the standards
- Integrating the care

**Please note the final edited text version has been presented – The final designed version of the report will be available in hard copy for members to view at the meeting.**

### **Equality Impact Assessment**

Not applicable.

### **Recommendation**

The Board is asked to **APPROVE** the PHA/HSCB Annual Quality Report.

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*Mid-Year Assurance Statement*

**date** 19 October 2017

**item** 10

**reference** PHA/03/10/17

**presented by** Mrs Valerie Watts, Interim Chief Executive

**action required** For approval

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**Summary**

All arm's length bodies are required to submit a Mid-year Assurance Statement to the Department.

The attached Mid-year Assurance Statement was considered by the Governance and Audit Committee at its meeting of 11 October 2017. The final statement will be sent once approved by the PHA Board.

**Equality Impact Assessment**

Not applicable.

**Recommendation**

The Board is asked to **APPROVE** the Mid-Year Assurance Statement.

## **PUBLIC HEALTH AGENCY: MID-YEAR ASSURANCE STATEMENT**

This statement concerns the condition of the system of internal governance in the Public Health Agency as at 30 September 2017

The scope of my responsibilities as Accounting Officer for the Public Health Agency, the overall assurance and accountability arrangements surrounding my Accounting Officer role, the organisation's business planning and risk management, and governance framework, remain as set out in the Governance Statement which I signed on 13 June 2017. The purpose of this mid-year assurance statement is to attest to the continuing effectiveness of the system of internal governance. In accordance with Departmental guidance, I do this under the following headings.

### **1. Governance Framework**

The Governance framework as described in the most recent Governance Statement continues in operation. The Governance and Audit Committee and the Remuneration Committee have continued to meet and to discharge their assigned business. Minutes of their meetings, together with board meeting minutes containing the Committees' reports, are available for Departmental inspection to further attest to this.

### **2. Assurance Framework**

An Assurance Framework, which operates to maintain, and help provide reasonable assurance of the effectiveness of controls, has been approved and is reviewed by the board. Minutes of board meetings are available to further attest to this.

### **3. Risk Register**

I confirm that the Corporate Risk Register has been regularly reviewed by the board of the organisation and that risk management systems/processes are in place throughout the organisation. As part of the board-led system of risk management, the Register is presented to the Governance and Audit Committee for discussion and approval and all significant risks are reported to the Board – most recently on 13 June 2017.

In addition I confirm that Information Risk continues to be managed and controlled as part of this process.

#### **4. Performance against Business Plan Objectives/Targets**

I confirm satisfactory progress towards the achievement of the objectives and targets set by out in the organisation's business plan as approved by the Department.

#### **5. Finance**

I confirm that proper financial controls are in place to enable me to ensure value for money, propriety and regularity of expenditure under my control, manage my organisation's budget, protect any financial assets under my care and achieve maximum utilisation of my budget to support the achievement of financial targets.

I confirm compliance with the principles set out in MPMNI and the Financial Memoranda which includes:

- safeguarding funds and ensuring that they are applied only to the purposes for which they were voted;
- seeking Departmental approval for any expenditure outside the delegated limits in accordance with Departmental guidance;
- preparation of business cases for all expenditure proposals in line with Northern Ireland Guide Expenditure Appraisal and Evaluation (NIGEAE) and Departmental guidance and ensuring that the organisation's procurement, projects and processes are systematically evaluated and assessed;
- accounting accurately for the organisation's financial position and transactions;
- securing goods and services through competitive means unless there are convincing reasons to the contrary; and
- procurement activity should be carried out by means of a Service Level Agreement with a recognised and approved Centre of Procurement Expertise (CoPE)

Adequacy and adherence to these controls are regularly reviewed through the completion of Controls Assurance assessments and by Internal and External Auditors. Any issues are detailed in sections 7-9.

## **6. Information Governance - General Data Protect Regulation (GDPR)**

I can confirm that my organisation is taking appropriate steps and carrying out the necessary actions to ensure we are appropriately prepared for GDPR by May 2018.

## **7. Controls Assurance**

I confirm implementation of action plans arising from the year-end self-assessments of compliance with Controls Assurance Standards.

## **8. External Audit Reports**

There were no priority 1 or 2 recommendations made by the External Auditor in the 2016/17 Report to Those Charged with Governance.

## **9. Internal Audit**

I confirm implementation of the accepted recommendations made by internal audit.

Internal Audit carried out a full review of the recommendations from the 2016/17 internal audits and provided a detailed progress report to the Governance and Audit Committee on 11 October 2017. A copy of this report is available if required. Of the 51 recommendations identified, 86% have been fully implemented and 14% partially implemented. Action is currently being taken to ensure the remaining recommendations are being fully implemented.

Three reports have been finalised for 2017/18:

<b>Title</b>	<b>Level of Assurance</b>
PHA Risk Management 2017/18	Satisfactory
PHA Research and Development 2017/18	Limited

The Management of Health and Social Well-being Improvement Contracts	Satisfactory assurance for the management of contracts; limited assurance for the procurement of contracts
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Management have accepted all recommendations made by the Internal Auditor and are progressing towards implementation; progress is regularly reviewed by the Governance and Audit Committee.

### **10. RQIA and Other Reports**

I confirm implementation of the accepted recommendations made by RQIA.

The RQIA Review of the Diabetic Eye Screening programme was published in May 2015. A modernisation programme was established and action plan developed. Significant progress has been made with actions in place, or on track, to address all the recommendations in the RQIA report. Specifically, preparatory work has been completed to inform a pre-consultation and then consultation on the future service model. This will be considered by PHA Management Team and Board in the next few weeks. The DESP Project Board continues to oversee all aspects of the work to modernise the service and address the RQIA recommendations.

### **11. NAO Audit Committee Checklist**

I confirm completion of the NAO Audit Committee Checklist and that action plans will be implemented to address any issues. I also confirm that any relevant issues will be reported to the Department.

### **12. Board Governance Self-Assessment Tool**

I confirm completion of the Board Governance Self-Assessment Tool and that action plans will be implemented to address any issues. I also confirm that any relevant issues will be reported to the Department.



Most recently the PHA Non Executive Directors attended bespoke finance training under the auspices of the 2017/18 PHA board development plan.

### **13. Internal Control Divergences**

*The following issues were recorded in the Governance Statement, and continue to be considered as internal control divergences:*

#### **Business Services Transformation Project/Shared Services**

The Business Services Transformation Program (BSTP) introduced new HSC wide computer systems in 2012/13 and implemented Shared Services for Accounts Payable, Receivable, Payroll and Recruitment.

While BSO has made significant progress in the control environment there remains priority 1 audit recommendations for Payroll and Recruitment Shared Services with unacceptable and limited levels of assurance being received from the Internal Auditor in 2016/17. While the issues raised in these audit reports have limited impact on PHA, it is of some concern that progress on issues identified in prior years has not been made. Additionally, during 2016/17 new system stability issues relating to the Human Resources, Payroll and Travel system have been identified which resulted in contingency measures being used to ensure staff were paid and a recalculation of employers' superannuation across the HSC. An action plan has been developed by BSO to attempt to address the control and system stability issues. A Payroll Transformation Team has been established to oversee and take forward the action plan and a Payroll Transformation KPI Report is to be made available on a monthly basis. All HSC organisations are continuing to closely monitor progress.

#### **Quality, Quantity and Financial Controls**

While acknowledging the difficulties in commissioning and supporting services provided to the population of Northern Ireland in an environment where demand for these services continues to increase and the budget available for commissioning them remains constrained, the actions taken by the PHA during 2016/17 enabled it to

maintain the integrity of existing services commissioned and to ensure that additional priorities were implemented and progressed, within budget. The PHA will continue to take appropriate actions and manage its budget to ensure the most effective service provision possible within budget constraints.

The outlook for 2017/18 is increasingly constrained, particularly in respect of resource funding. In a statement to the House of Commons on 24 April 2017 the Secretary of State for Northern Ireland outlined an indicative Budget position for NI departments. This position was based on the advice of the Head of the NI Civil Service (NICS) in conjunction with the NICS Board. The purpose of this statement was to provide clarity to departments as to the basis for departmental allocations in the absence of an Executive, so that Permanent Secretaries can plan and prepare to take more detailed decisions in that light. The departmental allocations set out by the Secretary of State provide the basis on which departments are now planning for 2017/18. In addition the Secretary of State made a further written statement to Parliament on 19 July 2017 in which he set out updated indicative allocations for NI departments which included an additional £60.1m for Health. However, the Secretary of State was clear that the indicative budget position did not constrain the ability of an incoming Executive to adjust its priorities during the year. Therefore, while there is the potential for an incoming Executive to adjust these plans and also to allocate the unallocated resources, individual departments cannot anticipate any additional funding at this stage until such decisions are made.

Across the HSC sector it is expected that the significant financial challenges faced will intensify and extensive budget planning work to support the 2017/18 financial plan is ongoing between the PHA and Department of Health (DoH). However, as with other financial years the PHA remains committed to achieving financial break-even.

### **Management of Contracts with the Community and Voluntary Sector**

The 2017/18 Internal Audit report on the management of health and social wellbeing improvement contracts provides satisfactory assurance on the system of internal

controls over PHA's management of health and social wellbeing contracts, reflecting the significant work that has been undertaken by the PHA. Service Level Agreements are in place, appropriate monitoring arrangements have been developed, payments are only released on approval of previous progress returns, and a procurement plan is in place, with action being taken against it during the year.

However, while Internal Audit acknowledged the improving position, a priority one finding remains in respect of the procurement of services. Limited progress was made in progressing the Procurement Plan during 2016/17 due to a number of factors including staff capacity and waiting for the new DoH Protect Life Strategy to enable mental health tenders to be progressed. The PHA has agreed that the priority for 2017/18 will be to progress the following procurements: Protect Life 2; One Stop Shop; Healthy Places; and Lifeline. These are all complex tenders that will require significant time to plan and implement and it is not expected that the new services will be operational before 2018/19.

The PHA's Procurement Plan is a live document, and is continually revised to ensure that all contracts are included and the timelines set are achievable given the significant resources required to manage each tender. Progress against the Procurement Plan is monitored by the PHA Procurement Board.

PHA also continues to work closely with BSO Procurement and Logistics Service (PALS) and Directorate of Legal Services (DLS) to develop appropriate social care procurement processes and documentation. This work is overseen by the PHA Procurement Board.

It is recognised however that social care procurement is still a relatively new area for the wider HSC, and the PHA continues to work closely with colleagues in HSCB, BSO, the HSC Trusts and the DoH, to develop and put in place appropriate and proportionate regional processes that meet the new procurement regulations.

## **Reduction in the PHA Management and Administration Budget**

Over the past three years, the PHA's management and administration budget has been reduced year on year.

The 2015/16 management and administration allocation for the PHA was reduced by 15% (£2.8m). In order to meet this significant budget reduction, the PHA introduced a number of controls reducing goods and services expenditure, along with vacancy controls. However in order to achieve the savings required on a recurring basis it was necessary to avail of the Voluntary Exit Scheme (VES).

As the end dates of staff leaving under VES were phased in with effect from January 2016 through to June 2016, the full impact of these reductions only became clear during 2016/17. The loss of the knowledge and experience of the staff and of the posts, has impacted on how the PHA undertakes its business, not least of all in the area of social care procurement. The PHA has undertaken measures to ensure that core and essential work is maintained, including some internal restructuring, and prioritisation of work.

In 2016/17 there was a further reduction of 10% (£1.6m) from the management and administration budget. This has been further exacerbated by another reduction of 0.6% (£100k) in 2017/18.

While this adds to the existing pressures, the PHA will continue to undertake appropriate measures to ensure that core and essential work is maintained. The PHA will continue to work closely with the DoH.

*The following issue has been identified as a new internal control divergence:*

## **Campaigns Budget**

One of the PHA core functions as set out in the Health and Social Care (Reform) Act (Northern Ireland) 2009 is "health promotion, including in particular enabling people in

Northern Ireland to increase control over and improve their health and social wellbeing” (section 13 (2) (a)). In undertaking this function, the PHA may “provide information, advice and assistance.” (Section 13 (4) (f)) The running of evidence based social marketing campaigns has been a core element of how the PHA carries out this function. Since its establishment in 2009 the PHA has led on the development and commissioning of many campaigns aimed at informing the public about key health and wellbeing issues and providing the information and ‘nudge’ to take action to improve their health and wellbeing, for example mental health, obesity and tobacco control campaigns.

However, as part of the 2017/18 budget reductions, the PHA campaigns budget (£1.195m) has been removed. While it is noted that this reduction is non-recurring, this will have an impact on the ability to raise public awareness, and enable behavioural change on key health and wellbeing issues. There is also uncertainty in regard to planning ahead for 2018/19.

While the scale will be much reduced, the PHA will look to other lower-cost and lower impact means of messaging during 2017/18 and will seek to further develop a range of key partnerships that can help to disseminate priority public health communications.

#### **14. Mid-year assurance report from Chief Internal Auditor**

I confirm that I have referred to the Mid-Year Assurance report from the Chief Internal Auditor, which details the organisation’s implementation of accepted audit recommendations e.g. Controls Assurance Action Plans and Risk Register Action Plans.

*Signed*

*Date*

**CHIEF EXECUTIVE & ACCOUNTING OFFICER**



**MINUTES**

**Minutes of the Governance and Audit Committee  
Monday 5<sup>th</sup> June 2017 at 1.30pm,  
Fifth Floor Meeting Room, 12/22 Linenhall Street,  
Belfast, BT2 8HS**

**PRESENT:**

- Mr Brian Coulter - Chair
- Mr Leslie Drew - Non-Executive Director
- Mr Thomas Mahaffy - Non-Executive Director
- Ms Deepa Mann-Kler - Non-Executive Director

**IN ATTENDANCE:**

- Miss Rosemary Taylor - Asst. Director, Planning and Operational Services
- Mrs Michelle Tennyson - Asst. Director, Nursing and AHPs
- Mr Paul Cummings - Director of Finance, HSCB
- Ms Jane Davidson - Head Accountant, HSCB
- Mr David Charles - Internal Audit, BSO
- Mr Brian O'Neill - NI Audit Office
- Mr Brian Clerkin - ASM
- Mr Robert Graham - Secretariat

**APOLOGIES:**

- Mr Ed McClean - Director of Operations
- Mrs Catherine McKeown - Internal Audit, BSO

		<b>Action</b>
<b>30/17</b>	<b>Item 1 – Welcome and Apologies</b>	
30/17.1	The Chair welcomed everyone to the meeting. Apologies were noted from Mr Ed McClean and Mrs Catherine McKeown.	
<b>31/17</b>	<b>Item 2 - Declaration of Interests</b>	
31/17.1	The Chair asked if anyone had interests to declare relevant to any items on the agenda. No interests were declared.	

**32/17 Item 3 – Chair’s Business**

- 32/17.1 Mr Coulter said that the PHA Chair had asked if it would be possible to review the schedule of Governance and Audit Committee meetings in order to allow for more timely reporting to the PHA Board. He asked the Executive to consider if this can be achieved and to bring forward suggestions.
- 32/17.2

Mr Coulter proposed that Item 9, the meeting with the Internal and External Auditors, is dealt with at the end of the meeting.

**33/17 Item 4 – Minutes of previous meeting held on 12 April 2017**

- 33/17.1 The minutes of the previous meeting, held on 12 April 2017, were approved as an accurate record of the meeting, subject to one amendment, the removal of the words, “Mr Coulter said that the Committee should write to the Chief Nursing Officer regarding these”, in paragraph 22/17.9

**34/17 Item 5 – Matters Arising**

- 34/17.1 There were no matters arising.

**35/17 Item 6 – Internal Audit**

*Shared Services Update [GAC/28/06/17]*

- 35/17.1 Mr Charles began the Internal Audit update by presenting the summary report on the BSO Shared Services Audits. He said that while these are the responsibility of BSO, the summary report is shared with PHA as a customer relying on the functions.
- 35/17.2 Mr Charles advised that Internal Audit provided a limited assurance on the Payroll Shared Service in relation to payroll processing, and an unacceptable assurance in relation to the payroll system and function stability. He said that there are a number of Priority 1 findings identified in this area and it has been recommended that



these issues are escalated to the BSO Corporate Risk Register. He went on to say that within payroll staffing and resourcing, there has been limited progress made in implementing repeat recommendations and that there is a large dependence on a small number of individuals. Finally, he said that Internal Audit have recommended that a review of the management resourcing and structuring within Payroll SSC should be commissioned by BSO.

- 35/17.3 Mr Drew said that the contents of the report were very concerning and asked what BSO was doing. Ms Mann-Kler added that the Chief Executive of BSO had been invited to the Governance and Audit Committee last year, and undertook to ensure that all Priority 1 recommendations would be dealt with within 3 months, but that the situation seemed to be worsening. Mr Drew asked whether the Department could impose special measures.
- 35/17.4 Mr Cummings advised that there have been changes to the system since September that have impacted on the service. He said that the Directors of Finance have contacted Deborah McNeilly at the Department of Health to pass on their concerns. He acknowledged that while the impact on PHA is minimal the Committee is right to be concerned.
- 35/17.5 Mr Coulter asked if this had been raised with the Audit Committee of BSO. Mr Charles said that although he does not attend its Audit Committee, he said that the report has been received and that the Committee is taking its findings very seriously. Mr Drew suggested that special measures may be required. Mr Cummings noted that the Northern Ireland Civil Service is considering a larger shared service that could include Civil Service, HSC and other public sector organisations.
- 35/17.6 Mr Cummings said that this issue was raised at the last Board meeting of HSCB and that members requested that the Chief Executive write to the Department. He suggested that the PHA Board could make a similar request. He added that one of the key issues was that

many of the payroll staff did not move to the new location for the service.

35/17.7 Ms Mann-Kler asked if there was anything else that the Governance and Audit Committee could be doing. Mr Drew said that he would expect to see some form of recovery plan. Mr Cummings said that the Directors of Finance would wish to see some form of review, but it is currently a “live” project with Deborah McNeilly as Senior Responsible Officer. Mr Coulter said that he would write to the Chair of the BSO Audit Committee to communicate the Committees concerns and ask what action is proposed. Mr O’Neill added that this could feature as a value for money study by the Comptroller and Audit General and that he would speak to him about this.

Mr  
Coulter

35/17.8 Mr Charles moved on to the other areas of Shared Services. He said that following the audit of Recruitment a limited assurance had been given, which was an improvement on the unacceptable assurance given at the last audit, but that there remained some Priority 1 recommendations.

35/17.9 For accounts payable, Mr Charles said that there was a satisfactory level of assurance, with a small number of Priority 1 recommendations, and for income there was also a satisfactory level of assurance given.

35/17.10 Mr Charles advised that some audit work had been carried out around the FPL upgrade project, but further work would be undertaken in 2017/18.

35/17.11 Members noted the Shared Services update.

*HIA Annual Report [GAC/29/06/17]*

35/17.12 Mr Charles moved onto the Head of Internal Audit Annual Report which he explained summarises the work done during the previous financial year. He advised that 6 audits had been undertaken and that all of the Priority 1 weaknesses (7 in total) were listed. He said that Internal Audit had verified PHA’s substantive compliance against five of the Controls Assurance Standards.

- 35/17.13 Mr Charles said that the next section covered Shared Services which has already been discussed.
- 35/17.14 Mr Charles said that overall, it was the opinion of the Head of Internal Audit that PHA has a satisfactory system of internal control.
- 35/17.15 Mr Drew referenced the audit on Connected Health and queried how this area is performance managed. Mr Coulter recalled that there had been a recommendation regarding this and Miss Taylor advised that management had responded to this recommendation.
- 35/17.16 Members noted the Head of Internal Audit Annual Report.  
*IA Strategy incorporating IA Annual Plan [GAC/30/06/17]*
- 35/17.17 Mr Charles presented the Internal Audit Plan for 2017/18. He explained how the Plan had been developed and then highlighted the summary page showing each of the proposed assignments. He explained that Information Governance had been proposed, but given that there are new Data Protection regulations being introduced, this is proposed for Year 2.
- 35/17.18 Ms Mann-Kler asked if cyber security should feature given the recent NHS UK incident. Mr Charles said that as BSO provides PHA's IT infrastructure, it would be most appropriate to look at this under BSO's audit work. He added that Internal Audit had recently appointed an Audit Manager specifically in the area of IT.
- 35/17.19 Ms Mann-Kler asked about how VES is managed and targeted and its impact on the organisation given the lack of clarity about finance, restructuring and functions. It was noted that this is more relevant to the Corporate Risk Register. Mr Coulter said that it is the responsibility of management to keep the Board informed.
- 35/17.20 Members **APPROVED** the Internal Audit Strategy and Annual Plan.

*HSCNI Cyber Security Assessment [GAC/31/06/17]*

- 35/17.21 Mr Charles advised that Internal Audit had designed a questionnaire which was issued to the 5 HSC Trusts and the BSO and the results analysed. He said that this work was particularly relevant given the recent NHS cyber attack.
- 35/17.22 Mr Charles said that there were a series of recommendations emanating from the Report and he highlighted monitoring as an area where there were particular issues. Miss Taylor said that this Report was considered at a recent SIRO meeting, and that all organisations are taking its findings very seriously. She added that BSO had carried out an initial scoping exercise to assess the cost of implementing all of the recommendations.
- 35/17.23 Ms Mann-Kler asked if there was an action plan and if it had been agreed that all of the actions would be taken forward. Miss Taylor advised that this is being taken forward regionally. Mr Coulter noted that the cost of the recent attack in England was large. Mr Cummings advised that one of the reasons that Northern Ireland had not been affected, was because there had been investment to ensure that the HSC systems were upgraded to the latest software.
- 35/17.24 Ms Mann-Kler returned to the issue of where the risk for cyber security sits. Mr Drew said that PHA should receive assurance from BSO and if there is any learning from the recent incident in England. Mr Cummings said that there is an IT Strategy Board which is part of the eHealth Strategy. Mr Coulter suggested that there should be an update for the PHA Board.
- 35/17.25 Members noted the HSCNI Cyber Security assessment.

## 36/17 Item 7 – Finance

### *Annual Report and Accounts Incorporating Governance Statement and Letter of Representation*

- 36/17.1 Mr Cummings advised that the Annual Report and Accounts were submitted to the Northern Ireland Audit Office on 4 May. Since then, he explained that there have been some minor typographical changes and that the Governance Statement had been revised following a request from the Department. He said that a statement has been inserted outlining the financial challenge, and that this is consistent with other HSC organisations.
- 36/17.2 Mr Coulter said that this wording reflects the uncertainties facing all HSC bodies. Mr Cummings said that he was content.
- 36/17.3 Mr Cummings moved onto the Accounts section and said that the key finding is that PHA achieved a break-even position finishing with a year-end surplus of £75k. He said that it was a clean set of accounts.
- 36/17.4 Members **APPROVED** the Annual Report and Accounts.

## 37/17 Item 8 – External Auditor’s Report to those Charged with Governance

- 37/17.1 Mr Clerkin circulated the draft report and thanked Jane Davidson and the Finance team for their co-operation during the course of the audit. He said that there were no issues arising from the audit which would prevent the accounts from being signed off at the PHA Board meeting next week.
- 37/17.2 Mr Clerkin went through the draft Report to those Charged with Governance. In the section on risk, he said that the issues relating to BSO Shared Services did not impact on the accounts, and that for any other identified risks, PHA has controls in place to mitigate these as much as possible.
- 37/17.3 Within the Annual Report and Accounts, Mr Clerkin said

that no major issues had been identified, but he suggested that the Chair's section, Chief Executive's foreword, the management report and accountability report should be streamlined to avoid duplication. He advised that the prompt payment statistic may be incorrect as BSO had included some payments made to staff within their calculations.

37/17.4 Mr Clerkin advised that there were no significant adjustments required and that the draft letter of representation could be signed off following the PHA Board meeting.

37/17.5 Mr Coulter queried whether the recent information governance incident should be referenced in the report. Miss Taylor said that it was not included as it had not been classified as a breach by the Information Commissioner's Office. Mr O'Neill said that it has been seen before that an organisation would declare that there had been an incident, but it wasn't classed as a breach. Miss Taylor agreed to review the wording.

Miss  
Taylor

37/17.6 Mr Coulter asked about the provision for employers liability of £370k, but Mr Cummings said that he would not be privy to the detail but it relates to one case.

37/17.7 Members noted the draft Report to those Charged with Governance.

### **38/17 Item 9 – Annual Meeting with Auditors (External and Internal) without officers present**

38/17.1 At the end of the meeting the Non-Executive Directors held a separate meeting with the auditors.

38/17.2 At that meeting the auditors said that they had no specific to raise regarding the audit process this year.

38/17.3 The members raised various concerns regarding Shared Services and cyber security.

38/17.4 There was also discussion regarding whether the Chief Executive should attend the Committee and it was

agreed that this is considered to be good practice if only occasionally.

### **39/17 Item 10 – Corporate Governance**

*Corporate Risk Register (as at 31 March 2017)*  
*[GAC/32/06/17]*

- 39/17.1 Miss Taylor presented the Corporate Risk Register as at 31 March 2017 and explained that two of the risks had been removed.
- 39/17.2 Ms Mann-Kler asked whether there should be a risk on PHA's Corporate Risk Register relating to cyber security given the recent incident in the UK. Mr Cummings suggested that at the next review of the Register a decision could be made as to whether it should appear on a directorate risk register or the Corporate Risk Register. It was agreed that Miss Taylor would speak to the Chief Executive regarding this so that the Chief Executive can further brief the Board at the meeting on 13 June.
- 39/17.3 Ms Mann-Kler asked about the market testing of roll forward contracts and if an approximate value could be given. She noted that information had been shared with members following the recent Board workshop that she was unable to attend. Miss Taylor said that if there was anything that members were not clear about following the workshop, then the relevant staff would be happy to deal with any queries.
- 39/17.4 The Committee **APPROVED** the Corporate Risk Register which will be brought to the PHA Board on 13 June.

### **40/17 Item 11 – Update on Use of Single Tender Actions** **[GAC/33/06/17]**

- 40/17.1 Miss Taylor explained that an update on the use of Single Tender Actions (or Direct Award Contracts) is brought to the Committee twice a year. She said that of 24 DACs undertaken in 2016/17, 19 related to goods and services and 5 to social care procurement. She added that of the 19 that related to goods and services, 2 were deemed to

the grant awards, 15 were rated as “green” and 2 as “amber”. The amber DACs related to the appointment of locum consultants, in line with HR advice.

40/17.2 Ms Mann-Kler asked about the EU thresholds and noted that some of the DACs were in excess of these, and asked how they were approved. Mr Cummings explained that awards of that value would have to be approved by the Permanent Secretary.

40/17.3 Members noted the update on the use of Single Tender Actions.

#### **41/17 Item 12 – Information Governance Action Plan Update**

41/17.1 Miss Taylor advised that an updated Action Plan was not available for members as the Information Governance Steering Group had met only last week. She said that the Action Plan had been reviewed, and that the one of the key actions was in the areas of training where a new e-learning programme had been launched. She added that Information Asset Registers had been reviewed.

41/17.2 Miss Taylor noted that one of the challenges for this year will be the new Data Protection regulations.

41/17.3 Members noted the Information Governance Action Plan update.

#### **42/17 Item 13 – Audit Committee Self-Assessment Checklist [GAC/34/06/17]**

42/17.1 The Chair presented the Audit Committee Self-Assessment checklist and asked if members had any queries. No queries were raised.

42/17.2 Members **APPROVED** the Audit Committee self-assessment checklist.

#### **43/17 Item 14 – Any Other Business**

43/17.1 There was no other business.



**44/17 | Item 15 – Date and Time of Next Meeting**

Date: Wednesday 11 October 2017  
Time: 9.30am  
Venue: Fifth Floor Meeting Room  
Belfast  
BT2 8BS

Signed by Chair: **Brian Coulter**

Date: **11 October 2017**