

**Minutes of the PSI Audit and Risk Committee convened in person at PSI House, and online, on Wednesday 7<sup>th</sup> June 2023.**

**Agenda Item 1 – Closed Session of the Committee**

**Issue**

The Committee met in closed session with Mr. Tony Cooney representing the PSI's Internal Auditor, Crowley's DFK. No members of PSI staff were present.

**Agenda Item 2 - Attendees & Apologies**

The Chair welcomed Ms. Ciara Lynch, the recently appointed external member of the Committee, whose first meeting this was, and thanked Mr. Graham Knowles whose last meeting this would be, following completion of his term of office on both the PSI Council, and on the Audit and Risk Committee

<b>Name</b>	<b>Role</b>	<b>Present (Yes/No)</b>
Ms. Geraldine Campbell	Committee Chair	Yes
Mr. Graham Knowles	Committee Member	Yes
Mr. Liam Burke	Committee Member	Yes
Mr. John Given	Committee Member (online)	Yes
Mr. Peter Dewhurst	Committee Member	No
Dr. Paula Barry Walsh	Committee Member (online)	Yes
Ms Ciara Lynch	Committee Member	Yes
<b>Members of PSI staff &amp; non Committee external attendees included:</b>		
Mr. John Bryan	Head of Community Pharmacy Assurance	
Dr. Cheryl Stokes	Head of Governance and Programme Delivery	
Mr. Éanna Ó Lochlainn	Corporate Governance and Planning Officer	
Dr. Lorraine Horgan	Head of Corporate Services	
Ms. Malika Hammani	Finance and Support Services Manager	
Ms. Joanne Kissane	Registrar	
Ms. Patience Tafuma	Strategic HR Manager(online)	
Mr. Neil Wall	ICT & Corporate Reporting Manager	
Ms. Éilis Crimmins	Quality and Safety Manager	
Mr. Tony Cooney	Partner, Crowleys DFK (for part)	

Colour code: *Red—for decision; Green—for discussion; Blue—for information*

### Agenda Item 3

#### Issue

The Chair invited members of the Committee to declare any conflicts of interest with regard to any of the items scheduled for discussion at the meeting before it commenced.

#### Information

Members of Committees of Council are subject to Section 9, Schedule 1, of the Pharmacy Act 2007 regarding disclosures of interest, as outlined in Appendix 1 of the meeting agenda.

#### Decision Approved and/or Action Requested

No conflicts of interest were declared by any member of the Committee with regard to the items scheduled for discussion at the meeting.

### Agenda Item 4

#### Issue

Request for Approval of the Minutes of the Audit and Risk Committee meeting held on March 15<sup>th</sup>, 2023.

#### Information

The Chair noted that the draft Minutes of the Audit and Risk Committee meeting held on March 15<sup>th</sup>, 2023, had been circulated to Committee members in advance of the meeting and that no amendments had been received. On foot of the approval of the draft Minutes, the Committee queried progress on the PSI's 2022 Protected Disclosures Report and was informed that following a delay, it was due to be published imminently, as part of the PSI's Annual Report

#### Decision Approved and/or Action Requested

**Decision Approved:** The Committee approved the Minutes of the Audit and Risk Committee meeting held on March 15<sup>th</sup>, 2023, on the proposal of Mr. Liam Burke and seconded by Mr. Graham Knowles.

## Agenda Item 5

### Issue

**Request for Approval of Internal Auditor's Report on the PSI's Pharmacy Inspection Processes**

### Information

The Committee agreed that the finding of limited assurance offered in the Internal Auditor's Report, with regard to the PSI's pharmacy inspection processes, was a matter of considerable concern. The Committee noted that the shortage of authorised officers and the absence of a modern IT system are contributing to the PSI failing to meet its inspection targets. The Committee discussed the 6 findings, (3 high, 2 medium, and 1 low) and reviewed management's response to the findings. The Executive highlighted that there had been delays in receiving sanction from the Department of Health in relation to backfilling posts, and also sanctioning new posts provided for in the PSI's target operating model. The Executive confirmed that sanction had recently been confirmed with regard to additional posts within the Community Pharmacy, Quality and Safety Team. The Executive also highlighted that the audit only focussed on the inspection process, and that the remit of authorised officers was wider, as it involved, e.g., Veterinary Medicines, Falsified Medicines Directive etc. The Committee also noted the focus by authorised officers on risk-based inspection to ensure that available resources were being used effectively.

The Committee was assured by the Executive that ensuring patient safety continued to be a priority for the PSI. The Committee was also assured by the Executive, that it remained confident that the PSI would reach the target number of inspections agreed with Department of Health, subject to the Community, Pharmacy, Quality and Safety Team recruiting the sanctioned posts, and that a regulatory risk framework would also be put in place. The Committee expressed the view that this operational area should be considered for review as part of the next internal audit plan 2024-2025, in order to monitor what progress had been made with regard to the matters raised.

### Decision Approved and/or Action Requested

**Decision Approved:** The Committee approved the Internal Auditor's Report on the PSI's Pharmacy Inspection Processes on the proposal of Mr. Graham Knowles, seconded by Ms. Ciara Lynch.

## Agenda Item 6

### Issue

Q1 Financial Accounts to 31 March 2023

### Information

A copy of the Q1 Financial Accounts to 31 March 2023 had been circulated to the Committee in advance of the meeting. The Committee was informed that the total income for the period was €1.936m which was under budget by €136k or 6.57%. This compared to income of €1.843m in the same period in 2022. The Committee was informed that total organisational costs for the period were €81k, which was €9k or 13% over budget due to overspend on consultancy fees during the period. Inquiry solicitors' fees were also over budget by €32k due to two inquiries being adjourned at the end of 2022, and reconvened in early 2023. The Committee queried what processes were in place to ensure that legal fee expenditure was being monitored. The Committee was informed that legal fees were carefully managed, with each invoice fully itemised, but ultimately legal fees would always be demand driven, given the PSI's regulatory remit.

### Decision Approved and/or Action Requested

**Decision Approved:** The update on the Q1 Financial Accounts to 31 March 2023 was noted by the Committee.

## Agenda Item 7

### Issue

Update on the Implementation of Internal Audit Recommendations

### Information

The Committee was informed that no recommendations to close off any of the internal audit recommendations was being proposed. The Committee queried how realistic some of the revised completion dates on the internal audit recommendations log, were. The Committee was informed that the dates were kept under regular review.

### Decision Approved and/or Action Requested

**Decision Approved:** The update on the Implementation of Internal Audit Recommendations was noted by the Committee

## Agenda Item 8

### Issue

Output from the Performance Review of the Committee carried out by Governance Ireland

### Information

A copy of the Council and Advisory Committee Performance Review, carried out by Governance Ireland, had been circulated to the Committee in advance of the meeting. The Committee was informed that there were nine recommendations contained in the Report. The Committee noted the recommendations that related to Advisory Committees in relation to induction, training and development. The Committee was informed that the Special Purposes Committee was currently reviewing the recommendations in order to bring an action plan to Council in relation to the implementation of the recommendations. Committee members were asked to consider any training deficits or training opportunities required by the Audit and Risk Committee, to ensure a more consistent approach to training of Audit and Risk Committee members. The Audit & Risk Committee Chair said she would ensure that the Audit & Risk Committee's feedback would be incorporated into the action plan prior to its approval by the Special Purposes Committee.

### Decision Approved and/or Action Requested

The update on the performance review of the Committee carried out by Governance Ireland was noted by the Committee.

## Agenda Item 9(a)

### Issue

PSI Corporate Risk Register

### Information

A copy of the PSI's Corporate Risk Register was circulated to the Committee in advance of the meeting. The Chief Risk Officer informed the Committee there was no change to the number of risks listed on the Register, since the last meeting of the Committee. She invited questions from the Committee. The Committee noted there appeared to be no risk controls indicating, how risks were being mitigated, and whether or not they were having any impacted on the residual risk, listed on the Corporate Risk Register. The Committee also noted there was no indication of who the risk owners were. The Committee

requested that the risk control column be reviewed and separated into risk controls and action plans. The Executive agreed to carry out a further review of the Corporate Risk Register

The Committee queried progress on the review of the Pharmacy Act. The Registrar informed the Committee that the PSI had submitted a paper to the Department of Health on this matter in June 2022, which had also just been published on the PSI's website. The Committee was informed that PSI was about to commence work to commission evidence-based reviews on the regulation of retail pharmacy businesses and will be working closely with the Department in this regard.

#### **Decision Approved, and/or Action Requested**

The Committee noted the update regarding the PSI Corporate Risk Register.

### **Agenda Item 9(b)**

#### **Issue**

Review of the Corporate Services Risk Registers

#### **Information**

Copies of the Human Resources, ICT, Facilities, and Finance Risk Registers had been circulated to the Committee in advance of the meeting. The Committee received an update from the Executive in relation to the risks. The Committee noted that an annual staff engagement survey was being re-introduced in 2023. The Committee also queried how the ELT was considering the organisational effectiveness of blending working and how this was to be assessed. The Committee was informed that this was being looked at with a review to be conducted in October 2023 following the 6-month pilot of blended working in the PSI. The Committee queried what mitigation measures were in place with the regard to the risk arising from work-related stress and employee absenteeism. The Committee was informed that individual interventions are actively managed on a case-by-case basis. PSI will also arrange for a burnout survey to be administered to all staff in due course.

The Committee re-emphasised the importance of a rolling programme of data protection and cyber security impact assessments being conducted as part of the design phase of all future PSI projects and programmes. It also noted that an internal audit, which will undertake a gap analysis to the Public Sector Cyber Security Baseline Standards, would be carried out in Q1 2024.

The Committee was informed that following a recent training exercise, there were currently 16 fire wardens on the PSI staff.

#### Decision Approved, and/or Action Requested

The Committee noted the update on the Corporate Services Risk Register.

### Agenda Item 10

#### Issue

Report on the management of any major incidents, near misses, and lessons learned and acted upon.

#### Information

The Committee was informed by the Internal Health and Safety Appointee that there had been no major incidents or near misses regarding the health and safety of PSI staff, contractors, or others present on the PSI's premises, or whilst working elsewhere on behalf of the PSI. The Data Protection Officer informed the Committee there had been two data breaches since the Committee's last meeting, one of which had been reported to the Data Protection Commissioner.

The Committee queried where KPIs were reported on in relation to processing FOI requests. The Executive informed the Committee that the timeframes were set out in the legislation and can be extended, in certain circumstances, as provided for in the legislation. The Committee was also informed that the number and type of FOI requests were published on the PSI website. The Committee requested that a standing item be included on future Audit & Risk Committee meeting agendas detailing the number of Freedom of Information requests received in each quarter, and the timeframe within which a response was issued to each request by the PSI.

#### Decision Approved, and/or Action Requested

The Committee noted the update.

### Agenda Item 13 – Closed Session of the Committee

#### Issue

Any Other Business

#### Information

The Committee met in closed session for a briefing on a particular matter from Ms. Joanne Kissane, PSI Registrar and Chief Officer. No other member of PSI staff was present.

**Decision Approved, and/or Action Requested**

None.

**The meeting finished at 16:05**

**Signed:**

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**Chair**

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**Date**