

Report to Council on the Material Decisions of the Audit & Risk Committee at its meeting on

Tuesday, 18th March 2025

From: Ms. Geraldine Campbell, Chair.

The Audit & Risk Committee met online on Tuesday, March 18th, 2025.

The Committee met in closed session with representatives from the external auditor PKF Brenson Lawlor, to discuss the audit of the PSI's finances, and separately with representatives of the PSI's internal auditor Crowleys DFK, to discuss the report on the on the PSI's Systems and Procedures with regard to Equality, Diversity and Inclusion.

The agenda items below reflect the material decisions made by the Committee. The meeting agenda can be found in Appendix 1.

Agenda Item 4 - Approval of Minutes

The Committee approved the minutes of its meeting on November 27th 2024.

Agenda Item 5 - Request for Approval of the PSI's 2024 year-end financial statements.

Following the closed session with the external auditor, the draft Financial Statements 2024 were presented to the Committee by the Business Support and Finance Manager, in open session of the meeting.

The Committee remains concerned in relation to the delays in the transfer of superannuation funds collected by the PSI to the Department of Public Expenditure, NDP Delivery and Reform (DPENDR), as the funding mechanism for the scheme is yet to be approved by DPENDR.

The Committee remains concerned as this issue has been ongoing for a number of years, highlighted as an emphasis of matter each year as part of the audit of the financial statements, and that it remains unresolved despite multiple engagements with the Department of Health in relation to it. The Committee would like to highlight to Council its concern and recommend that the matter be considered further by Council. The Committee noted the actuarial review of the PSI's potential liabilities with regard to the PSI's Pre-existing Superannuation Scheme, which was noted in the financial statements.

The external auditor agreed that he would incorporate in note 20 on pensions, a wording reflecting both the pension assets, (cash ring-fenced funds), and the actuarial liability as calculated by the actuary.

The Committee considered the draft Financial Statement 2024 to be complete, consistent with information known to the Committee at this time and met the appropriate accounting standards.

The Committee noted the recommendation made by the external auditor in the External Audit Management Letter and management's response. The Committee approved the 2024 Financial Statements and the External Audit Management Letter and is recommending their approval to Council.

Agenda Item 6 - Request for Approval of PSI Annual Report 2024,

The draft PSI Annual Report 2024 and the Statement of Internal Control was presented to the Committee by the Registrar. Council is required, under the Code of Practice for the Governance of State Bodies, to confirm in its Annual Report that there has been a review of the effectiveness of the system of internal control.

The Committee discussed the Statement of Internal Control. The Committee confirmed that based on the information available to it, it was satisfied the PSI's systems of internal control were operating effectively in 2024.

The Committee reviewed the Report of the Audit & Risk Committee and noted that under the terms of the Code of Practice for the Governance of State Bodies, it should contain an opinion expressed by the Committee itself regarding the quality of internal and external audit activities. The Committee requested that the Report be amended accordingly. The Committee agreed, subject to amendment, that it reflected the work carried out by the Committee during 2024.

Council is required, under the Code of Practice for the Governance of State Bodies, to confirm in the Annual Report, that it has carried out an assessment of its principal risks, including a description of these risks, and their associated mitigation measures. The Committee reviewed the Risk Report, which includes the PSI's principal risks and uncertainties and was satisfied with the assessment of the PSI's principal risks.

The Committee approved the 2024 Statement of Internal Control, the Report of the Audit & Risk Committee, and the Risk Report: Principal Risks and Uncertainties, as contained in the PSI 2024

Annual Report, subject to the amendments which it had requested being made (which were subsequently approved via email), and is recommending their approval to Council at its meeting on 27 March 2025.

Agenda Item 8 - Request for Approval of the Internal Auditor's Report on the PSI's Systems and Procedures with regard to Equality, Diversity and Inclusion

The Committee met in closed session with the internal auditor, following which it approved, in open session, the Internal Auditor's Report on the PSI's Systems and Procedures with regard to Equality, Diversity and Inclusion. The report included one low-level finding. The representative from Crowleys DFK considered it to be a very positive report. It found that EDI is taken seriously within the organisation, supported by a very active EDI Working Group undertaking a range of positive initiatives.

Agenda Item 9 - Request for Approval of Audit & Risk Committee Workplan 2025, incorporating the 2025 Internal Audit Plan

The Committee approved the Audit & Risk Committee Workplan 2025, incorporating the 2025 Internal Audit Plan, on the understanding that the Internal Audit Plan would continue to be subject to ongoing review and amendment, if deemed necessary by the Committee, in consultation with the internal auditor.

As agreed in the Internal Audit Plan 2025, the following audits will be conducted in 2025:

- 1. Business Continuity and Disaster Recovery
- 2. Third Country Qualification Recognition Route (TCQR)
- 3. High Level Review of the System of Internal Control

Agenda Item 10 - Request for Recommendation to Council of Approval of updated policies.

The committee approved the following revised updated policies, recommending them to Council:

- (a) Corporate Governance Framework (subject to minor amendments requested being made)
- (b) Risk Management Framework (subject to minor amendments requested being made)
- (c) Internal Protected Disclosure Policy
- (d) External Protected Disclosure Policy

These updated policies and frameworks will be before Council for consideration at its meeting on 24 April 2025.

Agenda PSI Audit & Risk Committee 09:15am Tuesday, March 18th 2025 Location: Online

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

09:15am	1.	Closed Session of the Committee with representatives	Chair
		from the external auditor PKF Brenson Lawlor	
09.30am	2.	Apologies.	Chair
09.31am	3.	Declaration of Interests (See Appendix A).	Chair
09:32am	4.	Request for Approval of the Minutes of the Audit and	Chair
		Risk Committee Meeting held on November 27th 2024	
09:33am	5.	Request for Approval of the PSI's 2024 year-end	
		financial statements.	
		(a) Financial Statements 2024	C. Stokes/E. Troy
		(b) External Audit Management Letter	PKF Brenson Lawlor
09.50am	6.	Request for Approval of PSI Annual Report 2024	
		(a) Statement of Internal Control	Registrar
		(b) Report of the Audit & Risk Committee	Chair
		Committee	Chair
		(c) Risk Report: Principal Risk and	Chan
		Uncertainties	
10.10am	7.	Closed Session of the Committee with representatives from Crowleys DFK to discuss Report on the PSI's Systems and Procedures with regard to Equality, Diversity and Inclusion.	Crowley's DFK
10:20am	8.	Request for Approval of the Internal Auditor's Report on the PSI's Systems and Procedures with regard to Equality, Diversity and Inclusion.	Crowley's DFK

11:51am	19.	Closed session with Acting Head of Governance and Programme Delivery.	Chair
11:50am	18.	Any Other Business.	Chair
11:40am	17.	PSI Protected Disclosure Report 2024.	D. Burns
11:35am	16.	Report from the PSI Freedom of Information Officer on the management of freedom of information requests received.	D. Burns
11:30am	15.	Self-evaluation of Audit and Risk Committee - Outputs of Self-Evaluation survey December 2024.	Chair
11:25am	14.	Report from the PSI Data Protection Officer on the management of any data breaches.	D. Burns
11:20am	13.	Report from PSI Health and Safety Officer on the management of any major incidents, near misses, and lessons learned, and acted upon.	G. Egan
11:00am	12.	(a) Review of the PSI Corporate Risk Register.(b) Review of the Governance & Programme Delivery Risk Register.	D. Burns D. Burns
10:50am 11:00am	11.	Update on the Implementation of Internal Audit Recommendations.	D. Burns
		(d) External Protected Disclosure Policy	
		(b) PSI Risk Management Framework (c) Internal Protected Disclosure Policy	
		(a) PSI Corporate Governance Framework	
10:40am	10.	Request for Recommendation to Council of Approval of updated policies:	D. Burns
10:30am	9.	Request for Approval of Audit & Risk Committee Workplan 2025, incorporating the 2025 Internal Audit Plan	Chair