Minutes of the PSI Audit and Risk Committee meeting, which was held online, at 09.30 am on 11 September 2026.

Agenda Item 1 – Closed Session of the Committee

Issue
The Committee met in closed session from 09.30 am to 09.35 am with Crowleys DFK.

Agenda Item 2 - Attendees & Apologies

Name	Role	Present (Yes/No)
Dr Cyril Sullivan	Committee Chair	Yes
Mr Peter Dewhurst	Committee Member	Yes
Ms Emily Kelly	Committee Member	Yes
Mr Martin Kelly	Committee Member	Yes
Ms Ciara Lynch	Committee Member	No
Mr Leon O'Hagan	Committee Member	Yes
Members of PSI staff & non-Committee external attendees included:		
Ms Joanne Kissane	Registrar & Chief Officer	
Ms Ashlene Reyburn	Corporate Governance Manager	
Dr Cheryl Stokes	Head of Corporate Services	
Mr Dan Burns	Head of Registration and Education (for part)	
Ms Eileen Troy	Finance and Support Services Manager	
Ms Elaine Cronin	Finance Officer	
Mr Neil Wall	ICT Manager (for part)	
Dr Cora Nestor	Head of Pharmacy Practice Policy and Engagement (for part)	
Mr Des Butler	Fitness to Practise and Legal Affairs Manager (for part)	
Ms Ciara Brannigan	Procurement and Support Services Officer (for part)	
Ms Ruth Baily	Governance Executive	
Ms Fiona O'Sullivan	Crowley's DFK (for part)	

Agenda Item 3 – Declaration of Interests

Issue
The Chair invited members of the Committee to declare any conflicts of interest regarding any 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
Decision Approved: 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 – Request for Approval of the Minutes of the Audit and Risk Committee Meeting held on 5 June 2026

Issue
Request for Approval of the Minutes of the Audit and Risk Committee Meeting held on 5 June 2026

Information
The Chair noted that the draft Minutes of the Audit and Risk Committee meeting held on 5 June 2026 had been circulated to Committee members in advance of the meeting and that no amendments had been received.

Decision Approved and/or Action Requested
Decision Approved: The Committee approved the Minutes of the Audit and Risk Committee meeting, held on 5 June 2026, by consensus.

Agenda Item 5 – Internal Audit Report on the Review of PSI's Pensions Management

Issue
Internal Audit Report on Review of PSI's Pensions Management

Information
The Committee was presented with the Internal Audit Report on the Review of PSI's Pension Management carried out by Crowleys DFK. Fiona O'Sullivan presented the findings to the Committee. Crowleys DFK reported that their audit results indicate that reasonable assurance can be placed on the adequacy and operating effectiveness of controls to mitigate and/or manage risks relating to the oversight, governance and management of the SPSPS and 2016 PSI Superannuation Scheme. The audit identified no high-rated findings, with two findings rated as medium and five rated as low and therefore provided reasonable assurance in relation to the controls in place.

The Committee noted that historical pensions administration issues were partly attributable to longstanding resource constraints within the finance function. It was advised that recent recruitment to address pension administration had strengthened capacity and that the implementation of the audit recommendations should improve consistency and governance over the next 12 months.
The Committee was updated on engagement with the DoH in relation to the PSI Pension Scheme. It noted that the submission has been referred to DPER for a final decision, which may take up to six months and will not be subject to appeal. The Committee recognised the importance of obtaining certainty on the Scheme's long-term pension liabilities.

Decision Approved and/or Action Requested
Decision Approved: The Committee approved the Internal Audit Report on the Review of PSI's Pension Management by consensus.

Agenda Item 6 – Review of the Terms of Reference of the Committee

Issue
Review of the Terms of Reference of the Committee

Information
The Committee was presented with the annual updates to the Committee's terms of reference. The Committee was advised that the changes were primarily editorial. The Committee noted that overall responsibility for pensions remains with the Performance and Resources Committee, but that pension-related audit findings will continue to be monitored through the internal audit reporting processes.

Decision Approved and/or Action Requested
Decision Approved: The Committee approved the updated Terms of Reference of the Committee by consensus and recommended that the document be submitted for Council approval.

Agenda Item 7 – Cyber Security Report

Issue
Q3 Cyber Security Report

Information
The Committee discussed the Q3 Cyber Security Report. The Committee was advised that the organisational cyber risk ratings remain unchanged. The Committee was advised that the Incident Response Tabletop Exercise had been completed covering cybersecurity, fire, and flood scenarios with a report due shortly from Crowleys DFK, who carried out the exercise with the PSI. The Committee was advised that employee cybersecurity awareness remains strong, with 100% completion of quarterly security training and ongoing phishing simulations with reporting rates above industry norms. Backup success rates were reported at 98.69%, and email security blocked approximately 50% of incoming emails due to classifications including malicious and spam emails.

The Committee was updated on the move from quarterly vulnerability testing to bi-monthly testing, equivalent to approximately 24 reviews per year. The Committee welcomed the change as a significant strengthening of preventative cybersecurity controls.

The Committee noted the PSI's cyber recovery and incident response and organisational recovery readiness and emphasised the importance of conducting live recovery testing. The Committee further noted the importance of prioritising the recovery of critical systems, acknowledging that the likelihood of a cyber-attack requires a balanced focus on recovery and resilience, as well as prevention.

The Committee noted that the PSI's AI Policy restricts the use of AI tools to approved enterprise solutions, except where a formal exemption has been granted. Monitoring of AI application usage is in place, with preliminary findings indicating compliance with the policy.

Decision Approved and/or Action Requested
Decision Approved: No actions arose from this agenda item.

Agenda Item 8 – Management Accounts to 30 June 2026 plus high-level forecast

- **High-level update on the impact of the fee increase**

Issue
Management Accounts to 30 June 2026 plus high-level forecast ➢ High-level update on the impact of the fee increase

Information
The Committee was presented with the Q2 Management Accounts to review, covering financial performance from January to June 2026, together with the forecast outturn for the full year. The Committee was advised that this would be the final set of accounts requiring adjustment to the 2025 comparatives arising from the REGIE deferred-income reporting correction. The Committee was advised that the principal variance in both income and expenditure related to delays in the Third Country Qualification Recognition (TCQR) examination process following procurement delays. The forecast income variance was approximately €404,000, primarily reflecting a €705,000 TCQR shortfall, partly offset by additional Department of Health funding. This included a €15,000 increase in IIOP funding and approximately €279,000 in other Department funding, which would be drawn down only as related expenditure was incurred. Operating expenditure at Q2 was approximately €1 million below budget, largely due to timing differences in projects, with substantial activity planned for the second half of the year. The year-end expenditure variance was forecast at approximately €598,000, again principally attributable to TCQR. The Committee was advised that Fitness to Practise costs were forecast to be €188,000 below budget. Payroll costs were forecast to be €198,000 below budget, offset by a €245,000 overspend on temporary staff used to cover recruitment gaps.

The Committee was advised that forecast interest income had reduced from €35,000 to €23,000. Investment gains or losses arising from the transfer of PSI funds from the NTMA to Davy were not yet included and would be assessed further in Q3. The Committee was also advised that the pension fund remained primarily invested in short-term NTMA Exchequer Notes at a fixed 1% return and was recognised on the balance sheet with a corresponding liability.

The Committee requested sight of the Investment Strategy, approved by Council, underpinning the Davy arrangements at its next meeting. The Committee was advised that the expenditure planned for the remainder of the year was ambitious and confirmed that a revised Q3 outturn would be presented at the November meeting. The Service Plan and Budget for 2027 is currently being prepared and budget holders will be asked to provide realistic year-end spending forecasts in preparation for the Q3/Q4 outturn.

The Committee was presented with high-level reserves, and income and expenditure projections through to 2031, demonstrating that the recent fee increase is expected to maintain reserve levels above the policy threshold of 50% of turnover. Forecasts indicate a move toward break-even performance by 2028 and modest surpluses from 2029 onward.

Decision Approved and/or Action Requested

Decision Approved: The Committee requested sight of the Investment Strategy, approved by Council, underpinning the Davy arrangements at its next meeting.

Agenda Item 9 – TCQR – Update on Implementation Action Plan to operationalise the TCQR route

Issue

TCQR – Update on Implementation Action Plan to operationalise the TCQR route

Information

The Committee received an update on the implementation of the revised Third Country Qualification Recognition (TCQR) Route, which is now fully operational, with applicants progressing through both assessment pathways and examinations underway.

Demand for the route remains high, resulting in processing backlogs. Measures are being taken to increase assessment and examination capacity, including the recruitment of an additional internal assessor and discussions with RCSI regarding additional examination sittings. Reducing processing times and addressing the backlog of applications remain key priorities.

The Committee was advised that the initial examination pass rate was largely in line with expectations for a high stakes assessment of this nature, although it is too early to establish trends. A small number of appeals have resulted in amended outcomes, and the dual-assessment process continues to support robust decision-making.

The Committee noted the update and the ongoing work to improve processing times, increase capacity, and reduce the remaining backlog.

Decision Approved and/or Action Requested
Decision Approved: The Committee noted the update on TCQR.

Agenda Item 10 – Update on the Implementation of Internal Audit Recommendations

Issue
Update on the Implementation of Internal Audit Recommendations

Information
The Committee was updated on the outstanding internal audit recommendations. The registration and education recommendation remained partly open, as the relevant rules had been submitted to the Minister and a response was awaited. The Committee was advised that the matter was scheduled for discussion at a meeting with the Minister on 21 September, following which a further update would be provided to the Committee. The Committee was advised that two of the three actions had been completed on the Corporate Services Governance and Programme Delivery Audit. The remaining action concerned the review of the Business Continuity Plan and Disaster Recovery Plan, which would be presented to the Committee for consideration at its next meeting in November. The Committee was advised that the recommendations from the Pensions Audit Report will be added to the log and monitored through the Committee's quarterly updates.

Decision Approved and/or Action Requested
Decision Approved: No actions arose from this agenda item.

Agenda Item 11 – (a) Review of the PSI Corporate Risk Register
(b) Review of the Pharmacy Practice, Policy and Engagement Risk Registers

Issue
(a) Review of the PSI Corporate Risk Register (b) Review of the Pharmacy Practice, Policy and Engagement Risk Registers

Information
The Committee reviewed the Corporate Risk Register and received an update on the status of each principal corporate risk. The Committee noted that the overall risk ratings for Regulatory and Legal, Security, People, Financial and Pharmacy Act Reform risks remained unchanged, with a number of updates recorded in relation to mitigation measures and recent developments. The Committee was advised of ongoing recruitment activity to address workforce capacity risks and noted that the People risk may improve as new appointments become established.

The Committee noted a reduction in the risk associated with the Third Country Qualification Recognition (TCQR) route, reflecting progress in implementation and operation of the route. However, a residual risk remains due to application volumes and processing delays.
The Committee also noted the ongoing work relating to financial sustainability and legislative reform of the Pharmacy Act, including planned engagement with the Minister.
The Committee discussed the readability and accessibility of the current risk register format and was advised that options for improvement would be considered as part of the 2027 Service Plan.

The Committee considered the Pharmacy Practice, Policy and Engagement Risk Register, which had been developed following the establishment of the new business unit under the revised organisational structure.
The Committee noted three risks relating to patient and public engagement, external understanding of PSI's regulatory role, and the consistency of professional guidance. Members were advised of the mitigation measures in place, including participation in a patient and public involvement research project, recruitment of a Communications Manager, and a programme of work to review and update older guidance.

The Committee was advised that emerging risks were being monitored, particularly given the pace of change in pharmacy practice with the expansion of the role of the pharmacist. However, PSI's participation in relevant working groups and increased resources within the area meant that no additional risk currently required inclusion on the register.

Decision Approved and/or Action Requested
Decision Approved: No actions arose from this agenda item.

Agenda Item 12 – Approval of Corporate Governance Framework

Issue
Approval of Corporate Governance Framework

Information
The Committee was advised that the Corporate Governance Framework had been reviewed and updated. The changes are primarily editorial in nature and include updates to reflect the revised organisational structure, the inclusion of a section on environmental policy and compliance, and an enhanced statement on risk appetite. The Committee was also advised that the procurement process for the review of the Risk Management Framework had concluded. A revised framework is expected to be presented to the Committee and Council before the end of the year.

Decision Approved and/or Action Requested
Decision Approved: The Committee approved the updated Corporate Governance Framework by consensus and recommended that the document be submitted for Council approval.

Agenda Item 13 – Report from PSI Internal Health and Safety Appointee on the management of any major incidents, near misses, and lessons learned, and acted upon

Issue
Report from PSI Internal Health and Safety Appointee on the management of any major incidents, near misses, and lessons learned, and acted upon

Information
The Committee was advised that there were no major incidents or near misses to report since the last meeting.

Decision Approved and/or Action Requested
Decision Approved: No actions arose from this agenda item.

Agenda Item 14 – Report from the PSI Data Protection Officer on the management of any data breaches

Issue
Report from the PSI Data Protection Officer on the management of any data breaches

Information
The Committee was advised that there were no data breaches since the last meeting.

Decision Approved and/or Action Requested
Decision Approved: No actions arose from this agenda item.

Agenda Item 15 – Report from the PSI Freedom of Information Officer on the management of freedom of information requests received

Issue
Report from the PSI Freedom of Information Officer on the management of freedom of information requests received

Information
The Committee was advised that one Freedom of Information request was received since the last meeting which was part - granted and closed in July.

Decision Approved and/or Action Requested
Decision Approved: No actions arose from this agenda item.

Agenda Item 16 – AOB

Issue
AOB The Committee was advised of a number of items of AOB

Information
1. The Committee was advised that the DoH had updated PSI on the timeline for the Periodic Critical Review. It will now not take place in the first six months of 2027. 2. The Committee was advised that PSI has been asked to submit a report to the Sodium Valproate Inquiry. The request came in late June, and the report is to be submitted by 25 September. 3. The Committee was advised that the recently appointed Council member had resigned as they were no longer in a position to take up the role. The DoH is reviewing the other candidates on the panel with PAS to look at appointing another Council member. 4. The Committee was advised that the procurement process for internal audit has commenced and will be completed by the end of November. The Committee was assured that the current internal work plan would be complete by the end of the current internal audit contract.

Decision Approved and/or Action Requested
Decision Approved: No actions arose from this agenda item.

Agenda Item 17 – Closed Session of the Committee

Issue
Closed Session of the Committee

Information
The Committee met in Closed Session

Decision Approved and/or Action Requested
Decision Approved: No actions arose from this agenda item.

The Meeting Concluded at 11.40 am

Signed _____ **Dated**_____