



**Minutes of the PSI Audit & Risk Committee meeting, which convened online on Wednesday, November 27th 2024.**

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

**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, Joanne Kissane, Registrar & Chief Officer, Mr. Éanna Ó Lochlainn, Corporate Governance & Planning Officer, Ms. Damhnait Gaughan, Head of Community Pharmacy Assurance and Mr. Dan Burns Head of Strategic Policy, Research, Communication, Governance & Programme Delivery, and Chief Risk Officer.

**Agenda Item 2 - Attendees & Apologies**

The Chair welcomed Ms. Anna McMahon, recently appointed to the Committee as an external member, whose first meeting this was.

Name	Role	Present (Yes/No)
Ms. Geraldine Campbell	Committee Chair	Yes
Mr. John Given	Committee Member	Yes
Mr. Peter Dewhurst	Committee Member	Yes
Dr. Paula Barry Walsh	Committee Member	No
Ms. Ciara Lynch	Committee Member	Yes
Ms. Anna McMahon	Committee Member	Yes
Dr. Cyril Sullivan	Committee Member	Yes
<b>Members of PSI staff &amp; non-Committee external attendees included:</b>		
Mr. Dan Burns	Head of Strategic Policy, Research, Communication, Governance & Programme Delivery, Chief Risk Officer, Data Protection Officer, Freedom of Information Officer	
Dr. Cheryl Stokes	Head of Corporate Services	
Mr. Éanna Ó Lochlainn	Corporate Governance and Planning Officer	
Ms. Elaine Cronin	Finance and Business Support Services Officer	
Ms. Eileen Troy	Finance and Support Services Manager	
Ms. Damhnait Gaughan	Head of Community Pharmacy Assurance	

Ms. Joanne Kissane	Registrar & Chief Officer
Ms. Gráinne Egan,	Human Resources and People Development Officer, Health & Safety Officer
Mr. Tony Cooney	Partner, Crowleys DFK (for agenda items 1, 5 and 6))

### 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 September 18th 2024.

#### Information

The Chair noted that the draft Minutes of the Audit and Risk Committee meeting held on September 18<sup>th</sup> 2024, 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 September 18<sup>th</sup> 2024, on the proposal of Mr. Peter Dewhurst and seconded by Mr. John Given.

### Agenda Item 5

### Issue

Request for Approval of the Internal Auditor's Report on the PSI's Environmental Impact.

### Information

The Internal Auditor informed the Committee that 5 low-level risks had been identified following completion of the audit. These had been accepted by the Executive. Questions were invited from the Committee. The Committee had no questions.

### Decision Approved and/or Action Requested

**Decision Approved:** The Committee approved the Internal Auditor's Report on the PSI's Environmental Impact on the proposal of Dr. Cyril Sullivan and seconded by Ms. Ciara Lynch.

## Agenda Item 6

### Issue

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

### Information

This item was withdrawn as the Report had not been completed in time for the meeting.

### Decision Approved and/or Action Requested

**Decision Approved:** None

## Agenda Item 7

### Issue

High-Level Overview of the Internal Audit Universe and Areas for Consideration in Developing Internal Audit Plan for 2025

### Information

The Internal Auditor, Mr. Tony Cooney of Crowleys DFK, outlined the range of audit options of systems, processes, and business areas, which he suggested could be selected by the Committee for inclusion in its internal audit plan for 2025/2026. Following

discussion by the Committee, it was agreed that the internal audits in 2025/2026 would focus on the following business areas and processes.

1. Third Country Qualification Route (TCQR) – Q2 2025
2. Business Continuity & Disaster Recovery– Q1 2025
3. Review of the System of Internal Control – Q3/4 2025
4. Pensions Management – Q1 2026
5. Human Resources & People Management – Q2 2026
6. Data Protection, FOI & Records Management – Q3 2026
7. Review of the System of Internal Control – Q4 2026

### Decision Approved and/or Action Requested

**Decision Approved:** It was agreed that a final draft of the plan would be tabled by Crowleys DFK and the Executive for approval at the Committee’s next meeting.

## Agenda Item 8

### Issue

Review of the Q3 PSI Financial Management Accounts.

### Information

The Committee was informed that the total income for the period was €6.462m, which is on budget for the year. This is compared to an income of €6.155m (€6.305m when adjusted for the accrual of Department of Health funding) in the same period last year. Pharmacist registration renewals and new pharmacist registrations were under budget by a combined €111k. When compared to the same period in 2023, there was a €101k positive variance.

It was noted that total expenditure for the period was €7.003m, showing a positive variance of €971k or 12%. Total payroll costs for the period were €3.138m, which was €284k or 8% under budget. This compared to €2.603m in the same period the previous year. It was highlighted to the Committee that while Strategic Objective Projects continued to incur costs during the period, much of the activity originally forecast to take place during quarters 3 and 4 has now been deferred to the next financial year, including Organisation Development and the Strategic Workforce Plan. Additionally, lower than-budgeted costs are forecast for many other Strategic Objective Projects, resulting in a projected positive variance of €150k on Strategic Objective Project spending by year-end.

Following questioning, the Executive informed the Committee that the full year-end forecast was not updated for quarter 3 but that trends identified at quarter 2 were anticipated to continue to year-end, with a smaller than budgeted deficit expected.

**Decision Approved and/or Action Requested**

The Committee noted the update.

**Agenda Item 9**

**Issue**

Service Plan and Budget 2025

**Information**

The Committee was informed the PSI would have a significant budget deficit in the next financial year. The Committee asked for an update in relation to the Strategic Financing Review and was advised that PSI would be going to tender for support with regard to carrying out a Core Funding Review in Q1 2025. The Committee was also informed that negotiations with the Department of Health were ongoing across a range of issues, including the PSI's role with regard to the implementation of the Network and Information Security Directive (NIS2), as well as additional funding for the Institute of Pharmacy. The Committee noted that based on current projections, the PSI would breach the reserve threshold set by the Council (50% of fee income) between 2026 and 2027.

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

The Committee noted the update.

**Agenda Item 11**

**Issue**

Appointment of External Auditor

**Information**

The Committee was informed that the PSI's current External Auditor had declined to extend its contract with the PSI for a further 12 months and that a tender would now be required for a new External Auditor.

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

The Committee noted the update on the appointment of an External Auditor. The Committee agreed that Dr. Cyril Sullivan would sit on the evaluation panel as part of the procurement process. The Committee also agreed to consider, via email, the appointment of a new External Auditor for recommendation to Council.

### Agenda Item 12

#### Issue

Request for approval of draft PSI Anti-Fraud Policy.

#### Information

Following a request by the Committee for a number of amendments to the draft submitted at its last meeting, a revised draft PSI Anti-Fraud Policy was provided to the Committee for its approval.

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

**Decision Approved:** The Committee approved the revised draft PSI Anti-Fraud Policy on the proposal of Mr. John Given and seconded by Mr. Peter Dewhurst.

### Agenda Item 13

#### Issue

Update on the Implementation of Internal Audit Recommendations.

#### Information

The Committee was updated on the Internal Audit Recommendations Log. The Committee noted two recommendations (7 and 12) were being proposed for closure as the internal audit findings had now been addressed. These related respectively to cyber security and separately, the complaints case management system. The Committee noted that 6 items on the Log remained red. With regard to item 8 on the Log, the Committee sought assurance that a new PSI Inspections Policy would be delivered in Q1 2025. The Executive provided assurance with regard to the delivery of the new policy in Q1 2025.

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

The Committee noted the update.

### Agenda Item 14(a)

#### Issue

Review of the Corporate Risk Register

#### Information

A copy of the Register had been circulated before the meeting. The Chair noted the risk regarding the Third Country Qualification Route (TCQR) had already been discussed during the closed session. The Committee queried why, in spite of the mitigating measure put in place by the organisation, the residual risk for Risk 1 (the absence of a temporary absence rule) remained red. The Committee asked for further information regarding the provision by the PSI of a CPD framework for Pharmaceutical Assistants.

#### Decision Approved and/or Action Requested

The Committee noted the update. Following a discussion regarding Risk 2, which is related to the PSI's cybersecurity, the Committee requested that the residual risk be revised as, in the Committee's view, it should remain red. The Committee also requested that a standing item be added to the agenda going forward to update the Committee on risks relating to the PSI's cybersecurity.

### Agenda Item 14(b)

#### Issue

Review of the Community Pharmacy Assurance Risk Register

#### Information

The Committee was informed there were currently 6 risks on the Community Pharmacy Assurance Risk Register, a copy of which had been circulated to the Committee in advance of the meeting. The Committee was informed that the Register was updated on a quarterly basis.

#### Decision Approved and/or Action Requested

The Committee noted the update.

### Agenda Item 15

#### Issue

Approval of the PSI's Updated PSI Safety Statement.

#### Information

Following amendments requested by the Committee at its last meeting, a revised draft PSI Safety Statement was circulated to the Committee in advance of the meeting.

#### Decision Approved and/or Action Requested

**Decision Approved:** The Committee approved the revised draft PSI Safety Statement on the proposal of Ms. Ciara Lynch, and seconded by Mr. Peter Dewhurst

### Agenda Item 16

#### 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

Ms. Gráinne Egan, PSI's newly appointed Health & Safety Officer, was introduced to the Committee. She informed the Committee that there had been no major incidents or health and safety related near misses.

#### Decision Approved and/or Action Requested

**Decision Approved:** The Committee noted the report on the management of any major incidents, near misses, and lessons learned and acted upon.

### Agenda Item 17

#### Issue

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

#### Information

The Data Protection Officer informed the Committee that there had been 2 data breaches since the Committee's last meeting, neither of which had been reported to the office of Data Protection Commission as they did not meet the threshold for reporting to the DPC.

#### Decision Approved and/or Action Requested



**Decision Approved:** The report on the management of any data breaches was noted by the Committee.

## Agenda Item 18

### Issue

Report on the management of any Freedom of Information Requests.

### Information

The Freedom of Information Officer informed the Committee that the PSI received 5 freedom of information requests since it had last met, bringing the year-to-date total to 19.

### Decision Approved and/or Action Requested

**Decision Approved:** The report on the management of freedom of information requests received by the PSI was noted by the Committee.

## Agenda Item 19

### Issue

Review and Update of the PSI Audit & Risk Committee Terms of Reference

### Information

The Committee reviewed its current Terms of Reference. The Committee agreed that no changes were required.

### Decision Approved and/or Action Requested

**Decision Approved:** The Audit & Risk Committee Terms of Reference were approved by the Committee on the proposal of Dr. Cyril Sullivan and seconded by Ms. Ciara Lynch.

## Agenda Item 20

### Issue

Any Other Business

### Information

The Registrar met in closed session with the Committee to discuss an ongoing HR issue. No other members of PSI staff were present.

**Decision Approved and/or Action Requested**

**Decision Approved:** None

**The meeting finished at 16:30**

**Signed:**

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**Chair**

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**Date**