

Minutes of the PSI Audit and Risk Committee meeting, which was convened online, on Wednesday, 18th September 2024.

Agenda Item 1 – Closed Session of the Committee

Issue

The Committee met in closed session with the Registrar and Head of Corporate Services to discuss operational matters -HR. No other members of PSI staff were present.

Agenda Item 2 - Attendees & Apologies

The Chair expressed her thanks to Mr. Liam Burke for his dedication and service to the PSI, as he would shortly complete his second and final term as an external non-Council member of the PSI's Audit & Risk Committee, and this was to be his last meeting. Mr. Burke thanked the Chair.

Name	Role	Present (Yes/No)
Ms. Geraldine Campbell	Committee Chair	Yes
Mr. Liam Burke	Committee Member	Yes
Mr. John Given	Committee Member	Yes
Mr. Peter Dewhurst	Committee Member	Yes
Dr. Paula Barry Walsh	Committee Member	Yes
Ms. Ciara Lynch	Committee Member	Yes
Dr. Cyril Sullivan	Committee Member	No
Members of PSI staff & non-Committee external attendees included:		
Ms. Laura Irwin	Community Pharmacy Quality & Safety Manager	
Mr. Éanna Ó Lochlainn	Corporate Governance and Planning Officer	
Ms. Elaine Cronin	Finance & Business Support Officer	
Ms. Aoife Mellett	Acting Head of Governance & Programme Delivery, Chief Risk Officer, Data Protection Officer, FOI Officer.	
Ms. Joanne Kissane	Registrar & Chief Officer	
Dr. Cheryl Stokes	Head of Corporate Services	

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

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

Issue

Request for Approval of the Minutes of the Audit and Risk Committee Meeting held on 29th May 2024

Information

The Chair noted that the draft Minutes of the Audit and Risk Committee meeting held on 29th May 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 29th May 2024, as amended, on the proposal of Mr. Peter Dewhurst and seconded by Dr. Paula Barry Walsh.

Agenda Item 5

Issue

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

Information

This agenda item was postponed until the next meeting of the Committee, as the internal auditor's report had not been completed in time for the meeting.

Decision Approved and/or Action Requested

Decision Approved: None

Agenda Item 6

Issue

Review of the Q2 PSI Financial Management Accounts, including financial forecast to year end.

Information

The Committee was informed that the total payroll cost for the period was €2.392m, which was €113.8k or 4.5% under budget. This compared to €2.055m in the same period last year, which represented an increase of 16%. Total organisational costs for the period were €140k, which was €49k or 26% under budget. Total income for the period was €4.309m, which is on budget for the year. This compared to income of €3.892m in the same period last year. The Committee was informed that Irish Institute of Pharmacy (IIOOP) costs for the period had been recognised, and all associated grant income from the Department of Health for the period had been accrued and recognised. It was noted that the PSI outturn to year end indicates a projected deficit of €1.792m, which represents a 15% positive variance on the approved annual budget.

The Committee noted that the PSI's bank deposits had been reduced to €16m and queried the reason. The Committee was informed that PSI cash reserves increase during the busy registration period of October to December each year, and this reserve is then utilised during the following months when registration receipts are not as high.

The Committee noted an increase in debtors and was informed that the PSI receives a consistently high number of pre-payment invoices, and that the increase in debtors was primarily due to €300k in accrued IIOOP grant income. It was noted that it is anticipated this will balance out by the end of the year as IIOOP grant income is typically received in full before year end.

Decision Approved and/or Action Requested

Decision Approved: The Committee noted the Q2 PSI Financial Management Accounts, including financial forecast to year end.

Agenda Item 7

Issue

Request for approval of draft PSI Anti-Fraud & Corruption Policy

Information

The Committee discussed the draft Anti-Fraud and Corruption Policy, and requested a number of changes including; that a requirement to notify other organisations of incidents of fraud or corruption at the PSI, be specifically referenced in the policy; that a process flow chart be included incorporating reporting requirements to the Committee and/or Council, as well as a rationalisation of the opening paragraphs. The Committee also requested that the definition of fraud be broadened to incorporate what might be termed fraud of a non-monetary nature, such as double jobbing, or working less than the contracted minimum 35 hour week. The Committee requested that Anti-Fraud & Corruption training be made mandatory for all staff, and that it be conducted on a regular basis. The Committee asked for a change in emphasis regarding the PSI internal audit function from 'can do' to 'must do'. It also requested that specific references be made to the role of the External Auditor with regard to the detection of fraud. It asked that Council's obligations with regard to fraud and corruption within the organisation, also be clearly set out in the revised draft policy.

Decision Approved and/or Action Requested

Decision Approved: The Committee requested a number of changes to the text of the PSI Anti-Fraud and Corruption Policy, pending completion of which, the Executive was invited to re-table the policy for approval again at the next Committee meeting, scheduled to convene on Wednesday, 27th November 2024.

Agenda Item 8

Issue

Update on the Implementation of Internal Audit Recommendations.

Information

A copy of the Internal Audit Recommendations Log was circulated to the Committee before the meeting. The Committee was informed that since it last viewed the Log at its meeting on 29th May 2024, there were fourteen internal audit recommendations and that three were now flagged for closure (identified as the blue items in the Log), as the recommendations had been acted upon. The Committee queried if the action being proposed to address the internal audit recommendation regarding Risk-Based Pharmacy Inspection Selection Methodology did, in fact, address the risk. The Committee was informed that the action outlined on the Log was an interim measure arising from the continued delay in the delivery of phases 3 and 4 of the PSI's Business Transformation Programme.

The Committee queried if the Executive was satisfied that the updated Travel and Subsistence Policy, whereby individuals were required to submit expense claims within three months, would address recent challenges of expense claims coming in after that period. The Executive confirmed that this requirement had been in the previous policy but that additional controls had been introduced in the updated policy, in relation to the timing by which expense claims must be received in order for them to be included in the next payment run, which was intended to further streamline the processing of expense claims.

Decision Approved and/or Action Requested

Decision Approved: The Committee noted the update on the Internal Audit Recommendations.

Agenda Item 9

Issue

Review with the PSI Chief Risk Officer of the Corporate Risk Register and Review of the Practitioner Assurance Risk Register.

Information

A copy of the Corporate Risk Register had been circulated to the Committee in advance of the meeting by the Chief Risk Officer. The Committee was advised there had been no change to the number of risks on the Register since its last meeting.

The Executive invited the Committee to consider removing the risk relating to the absence of supervising pharmacists in retail pharmacy businesses (RPBs) from the PSI's Corporate Risk Register and placing it instead on the Community Pharmacy Assurance Risk Register as the number of pharmacies operating in the absence of a supervising pharmacist had now reduced to 46. The Committee acknowledged there had been a reduction in the number of pharmacies operating without a nominated supervising pharmacist and that the risk was being managed. It was the Committee's view that the Risk Consequence should be reduced from 4 to 3 (i.e. Moderate: The consequences of the risk materialising would have a moderate impact on day-to-day operational delivery in the PSI. Some immediate action might be required to address risk impact, and the development of an action plan should be considered).

The Committee stated that there should be an agreed mechanism whereby, if Council agreed to remove the risk from the Corporate Risk Register, parameters would be put in place that would trigger the risk being brought back on to the PSI Corporate Risk Register. The Committee suggested a proposal for discussion be brought to Council if the risk were to be removed from the PSI Corporate Risk Register and transferred to the Community Pharmacy Assurance Risk Register. The Committee agreed that, subject to Council approval at its meeting on October 3, the risk should be removed from the Corporate Risk Register to the Community Pharmacy Assurance Risk Register.

The Committee expressed concern that the Risk Likelihood (as stated in the residual risk) regarding a cyber-attack was quantified at 2 (i.e. Unlikely: Can reasonably be expected not to occur or has only occurred once in the past 10 years in the PSI, or similar organisations). The Executive stated that they were confident any cyber-attack on the PSI would be managed through the risk controls and action plans. The Committee expressed the view that even were this to be the case, it had no bearing on the likelihood of an attack occurring. The Executive agreed to re-consider the residual risk rating in advance of the next meeting of the Committee.

With regard to the Practitioner Assurance Risk Register (Fitness To Practise and Legal Affairs), the Committee discussed the number of cases referred for inquiry, which had not been completed within 18 months, in accordance with the key performance indicator, as agreed with Council. The Committee were advised that this risk related to the shortage of pharmacist expert witnesses over the past 12 months and the corresponding impact this had on the KPI. The Committee were advised that this risk had now reduced as an EOI for Expert Witnesses had occurred and the shortage of community pharmacists had alleviated over the past year. The Committee expressed concern with regard to the mental stress such delays were having on respondents who were the subject of complaints. The Committee were advised that, separately, the Executive would provide an update to the

Council in Q4 regarding this KPI generally, with a focus on whether it should be removed or updated, to better reflect the current landscape.

Decision Approved, and/or Action Requested

Decision Approved: The Committee noted the update on the Corporate Risk Register and the Practitioner Assurance Risk Register.

Agenda Item 10

Issue

Updated PSI Safety Statement.

Information

In the absence of the Internal Health and Safety Appointee, the Head of Corporate Services informed the Committee that the PSI's Safety Statement had been updated. The Head of Corporate Services highlighted to the Committee that, to date, the Safety Statement had not been approved by Council due to the delegations in place and that the Registrar is responsible for leading the day-to-day work and operation of the organisation. She confirmed that it had previously been approved by the Executive Leadership Team and signed by the Registrar. The Committee requested that the document be considered again by them at their next meeting, with a view to recommending it to Council for approval. The Committee also requested that training for Council members be organised in order for them to have a better understanding of the requirements of employers.

Decision Approved and/or Action Requested

Decision Approved: The Safety Statement was noted by the Committee, and it was agreed that it would be considered again at its next meeting.

Agenda Item 11

Issue

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

Information

In the absence of the Internal Health and Safety Appointee, the Head of Corporate Services informed the Committee that there had been no major incidents, near misses, and lessons learned and acted upon since it had last met.

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 12

Issue

Report on the management of any Data Breaches

Information

The Data Protection Officer informed the Committee that there had been one data breach since the Committee's last meeting, which had been reported to the Data Protection Commissioner.

Decision Approved and/or Action Requested

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

Agenda Item 13

Issue

Report on the management of any Freedom of Information Requests.

Information

The Freedom of Information Officer informed the Committee that the PSI had received 19 Freedom of Information requests in 2024 to date.

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 14

Issue

Any Other Business

Information

No item had been tabled.

Decision Approved and/or Action Requested

Decision Approved: None

The meeting finished at 15:20

Signed:

Chair

Date