

**Minutes of the PSI Audit and Risk Committee meeting, which was convened online, on Wednesday, 29<sup>th</sup> November 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**

Name	Role	Present (Yes/No)
Ms. Geraldine Campbell	Committee Chair	Yes
Mr. Liam Burke	Committee Member	Yes
Mr. John Given	Committee Member	No
Mr. Peter Dewhurst	Committee Member	Yes
Dr. Paula Barry Walsh	Committee Member	Yes
Ms. Ciara Lynch	Committee Member	Yes
Dr. Cyril Sullivan	Committee Member	Yes
<b>Members of PSI staff &amp; non-Committee external attendees included:</b>		
Dr. Lorraine Horgan	Head of Corporate Services (for agenda items 7-15)	
Dr. Cheryl Stokes	Head of Governance and Programme Delivery, Chief Risk Officer, Data Protection Officer, FOI Officer.	
Mr. Éanna Ó Lochlainn	Corporate Governance and Planning Officer	
Ms. Eileen Troy	Finance and Support Services Manager (for agenda items 7 and 8)	
Ms. Joanne Kissane	Registrar & Chief Officer	
Mr. Neil Wall	ICT and Corporate Reporting Manager (for agenda item 5)	
Ms. Patience Tafuma	Strategic HR Manager & Internal Health and Safety Appointee (for agenda item 12 )	
Mr. Tony Cooney	Partner, Crowleys DFK (for agenda items 1 and 5)	
Ms. Ciara Farrell	MPharm Student	
Ms. Laura Rice	MPharm Student	

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. The Chair welcomed recently appointed Committee member, Dr. Cyril Sullivan, whose first meeting this was.

### Agenda Item 4

#### Issue

Request for Approval of the Minutes of the Audit and Risk Committee meeting held on September 20th, 2023.

#### Information

The Chair noted that the draft Minutes of the Audit and Risk Committee meeting held on 20<sup>th</sup> September 2023 had been circulated to Committee members in advance of the meeting. One amendment was tabled at the meeting.

#### Decision Approved and/or Action Requested

**Decision Approved:** The Committee approved the Minutes of the Audit and Risk Committee meeting held on September 20th, 2023, on the proposal of Mr. Peter Dewhurst, and seconded by Mr. Liam Burke.

### Agenda Item 5

#### Issue

Request for Approval of the Internal Auditor's Gap Analysis of the PSI's Cyber Security

### Information

The Committee was informed by the Internal Auditor that the gap analysis had resulted in a number of minor findings, but that overall, the PSI's cyber security was in good order, and he was confident the risks identified would be addressed. The Committee queried why no scenario testing had to date been carried out by the PSI on its disaster recovery plan, and its incident recovery plan. The Committee was informed that delays in testing were due in part to the unanticipated circumstances arising from the onset of COVID-19, and its impact on the organisation and that a cybersecurity table top exercise had been carried out in November and scenario testing would be carried out twice a year from 2024.

Following further questioning, the Committee was informed that the PSI's ICT security is outsourced to a third party, and that regular ICT security awareness raising and training is carried out and simulated phishing exercises are conducted regularly to help heighten staff awareness of the risks posed by phishing.

### Decision Approved and/or Action Requested

**Decision Approved:** The Committee approved the Internal Auditor's Gap Analysis of the PSI's Cyber Security on the proposal of Dr. Paula Barry Walsh and seconded by Dr. Cyril Sullivan.

## Agenda Item 6

### Issue

**Request for Approval of the Request for Approval of Revised Updated PSI Data Protection Policy and PSI CCTV Policy**

### Information

The Committee discussed the amendments to the Data Protection Policy and CCTV Policy. The Committee noted the inclusion of Data Protection Impact Assessment (DPIA) in the glossary of the Data Protection Policy.

The Committee requested further information on the different types of special category data held by the PSI. This was provided by Executive.

The Committee discussed the PSI's duty of care with regard to the safety and well-being of individuals making a complaint to the PSI, and queried what protocols the PSI had in place in relation to information which might need to be shared with other bodies, to facilitate this. The Executive stated they would need to look into this.

The Committee noted the absence of any reference to the oversight role of the Audit & Risk Committee in the Data Protection Policy, and requested that some reference to this be made in the Policy.

#### Decision Approved and/or Action Requested

**Decision Approved:** The Committee approved the updated Data Protection Policy subject to the amendments that had been requested, and the CCTV Policy on the proposal of Ms. Ciara Lynch and seconded by Mr. Liam Burke.

### Agenda Item 7

#### Issue

Update on Q3 Financial Management Accounts to 30 September 2023 including financial forecast to year-end

#### Information

The Chair welcomed Ms. Eileen Troy to the meeting, following her return to her role as the PSI's Finance and Support Services Manager.

The Committee was briefed on a number of high level variances, both positive and negative. This included the total income for the period which was €6.155m, and under budget by €40k or 1%. This compared to income of €5.812m in the same period last year. Pharmacists' registration renewals and new pharmacist registrations were also under budget by a combined sum of €87k. Recognition of Pharmacist Qualifications was ahead of budget by €132k due to the increased number of Third County Qualification Route applications, an increase of €50k compared to same period last year.

With regard to the PSI's Superannuation Scheme 2016, the Committee queried if an actuarial review had been carried out to establish the PSI's level of exposure with regard to potential pension payment liabilities under the 2016 scheme, and if it had not, should the accounts therefore be qualified. The Committee was informed that the last actuarial review had been carried out for the 2021 financial statements. The position taken by the PSI Executive on this matter to date has been that the PSI has no long-term actuarial liability with regard to the PSI Superannuation Scheme and the pension scheme is accounted for in the Financial Statement as a defined contribution scheme. The PSI was still awaiting confirmation from the Department of Public Expenditure, NDP Delivery and Reform or the Department of Health regarding the scheme's funding mechanism, and

whether or not those Departments accept PSI's position with regard to potential liabilities for the PSI arising from the 2016 Superannuation Scheme.

The Committee queried if Legal Assessors' fees were covered by an Office of Government Procurement Framework Agreement. The Executive confirmed they were not but the PSI was progressing a procurement exercise to establish a panel of legal assessors from which such services would be drawn down from in the future.

The Chair noted this would be Head of Corporate Services, Dr. Lorraine Horgan's last Audit & Risk Committee meeting as she would shortly be leaving the PSI. She thanked Dr. Horgan for work with the Committee over the years, and wished her well.

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

The update was noted by the Committee. The Committee requested that a forecast column be added to the Managements Accounts format for future presentations to the Committee.

### **Agenda Item 8**

#### **Issue**

[Update on Service Plan 2024 and Budget](#)

#### **Information**

The Committee was also informed that the recommendations of the Expert Taskforce to Support the Expansion of the Role of Pharmacists in Ireland were likely to impact on the 2024 Service Plan, in terms of the organisation's capacity, and the resources which would be required to implement those recommendations. Sanction was being sought from the Department for a number of new roles in relation to this.

The Committee queried what the principal risk was in relation to the delivery of the 2024 Service Plan. The Executive informed the Committee that the principal risk was the number of staff currently employed by the PSI, which was suboptimal with regard to Service Plan delivery.

The Committee noted that costs in relation to the Third Country Qualification Recognition (TCQR) route had risen, and that, pending the commencement of the revised TCQR route, those cost increases would continue to be absorbed by the PSI.

The Committee also noted that some of the PSI's operating costs were currently being funded from its reserves in line with Council's Reserves Policy.

The Committee was informed that the budget for the Service Plan 2024 was proposed within the constraints of available resources and provisions in the Strategic Financing Review (SFR) outputs to date and the scenario modelling approved by Council in October 2021 and the organisation's Reserves Policy. In response to a query regarding the level of the reserves, the Committee was informed that the SFR elements to be progressed in 2024 include a detailed cash flow to be developed for the years 2024-2026, an updating of the assumptions underpinning the scenario modelling and the commencement of a core funding review. The Committee noted that current expenditure indicates that the minimum level of 50% of turnover/fee income that is provided for in the Reserves Policy is likely to be breached in 2026, and based on that policy, this would indicate a review of the current fee income should be undertaken. The previous modelling/assumptions approved by Council in October 2021 indicated that the minimum threshold would be breached in 2027. In response to a query from the Committee regarding changes in fee levels, the Committee was informed that there had been two fee cuts, one approx. 10% in 2010 and 5% in 2014 since the fees were first set in 2008 and that all fee changes required the approval of the Minister for Health and were set out in a statutory instrument.

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

The Committee noted the update.

### **Agenda Item 9**

#### **Issue**

[Update on the Implementation of Internal Audit Recommendations](#)

#### **Information**

Copies of the Internal Audit Recommendations Log had been circulated to the Committee in advance of the meeting. The Committee was updated on progress made on the implementation of recommendations since its last meeting on the 20<sup>th</sup> September 2023.

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

The Committee noted the update.

### **Agenda Item 10(a)**

#### **Issue**

[Review of the Corporate Risk Register](#)

## Information

Copies of the Corporate Risk Register had been circulated to the Committee in advance of the meeting. The Committee was informed there had been no change to either the number of risks, or the magnitude of the risks that were currently logged on the Register, since the last meeting on 20<sup>th</sup> September.

## Decision Approved, and/or Action Requested

The Committee discussed the changes made to the Corporate Risk Register template based on the implementation of the Risk Management Framework approved by Council in October 2023. The Committee noted their appeared to be no completion strategy in place for the risk relating to the temporary absence rules. The Executive informed the Committee that efforts were ongoing with regard to this risk, and that further information was required in relation to the number of pharmaceutical assistants operating in the absence of a nominated supervising pharmacist and also in relation to their scope of practise to further assess this risk and that a further survey would be carried out in quarter one 2024.

The Chair informed the Committee that the risk relating to the number of pharmacies operating without a nominated supervising pharmacist would be the subject of a workshop at the next meeting of the Committee.

## Agenda Item 10(b)

### Issue

Review of the Governance & Programme Delivery Risk Register

### Information

Copies of the Governance & Programme Delivery Risk Register Risk Register had been circulated to the Committee in advance of the meeting. The Committee was informed that the risk arising from the PSI's current levels of data retention was being actively managed.

### Decision Approved, and/or Action Requested

The Committee noted the update on the Governance & Programme Delivery Risk Register.

## Agenda Item 11 – Annual Review of the Terms of Reference of the Audit and Risk Committee

### Issue

Annual Review of the Terms of Reference of the Audit and Risk Committee.

### Information

The Chair asked the Committee to consider ways and means through which it could provide further active assurance to Council.

### Decision Approved, and/or Action Requested

The Committee requested that any changes to its terms of reference should be in full alignment with the role of the Committee as set out in the PSI's Risk Management Framework.

## Agenda Item 12

### Issue

Update on the management of any health and safety related incidents, near misses, and lessons learned, and acted upon.

### Information

The Internal Health and Safety Appointee informed the Committee that there had been no health and safety related incidents since the Committee last met on the 20<sup>th</sup> of September 2023. The carrying out of the latest health and safety risk assessment was brought to the attention of the Committee.

### Decision Approved and/or Action Requested

**Decision Approved:** The update was noted by the Committee.

## Agenda Item 13

### 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 last met on the 20<sup>th</sup> of September 2023.

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

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

#### **Agenda Item 14**

##### **Issue**

Report on the management of any Freedom of Information Requests.

##### **Information**

The Freedom of Information Officer informed the Committee that the PSI received nine freedom of information requests in the year 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 15**

##### **Issue**

Any Other Business

##### **Information**

The Committee met in closed session with the Registrar and the Head of Corporate Services, with no other staff present, to be briefed on a particular matter.

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

The briefing was noted by the Committee.

**The meeting finished at 15:35**

**Signed:**

**Chair**

          
**Date**