

**Minutes of the PSI Audit and Risk Committee meeting, which was convened online, on  
Wednesday, 13<sup>th</sup> March 2024.**

**Agenda Item 1 – Closed Session of the Committee**

Issue
The Committee met in closed session with representatives from the internal auditor, Crowley's DFK, and Crowe Ireland, the PSI's external auditor. 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>		
Mr. John Bryan	Head of Community Pharmacy Assurance	
Mr. Dan Burns	Head of Strategic Policy, Research and Communication	
Dr. Cheryl Stokes	Head of Corporate Services	
Mr. Éanna Ó Lochlainn	Corporate Governance and Planning Officer	
Ms. Eileen Troy	Finance and Support Services Project Manager	
Ms. Joanne Kissane	Registrar & Chief Officer	
Ms. Aoife Mellett	Acting Head of Governance & Programme Delivery, Chief Risk Officer, Data Protection Officer, FOI Officer.	
Mr. Tony Cooney	Crowley's DFK (for agenda items 1 and 5)	
Ms. Katie McDonnell	Crowe Ireland (for agenda items 1 and 6)	
Mr. Shaw McClung	Crowe Ireland (for agenda items 1 and 6)	

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.

### Agenda Item 4

#### Issue

Request for Approval of the Minutes of the Audit and Risk Committee meeting held on 29<sup>th</sup> November 2023.

#### Information

The Chair noted that the draft Minutes of the Audit and Risk Committee meeting held on 29<sup>th</sup> November 2023 had been circulated to Committee members in advance of the meeting and that three 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 29<sup>th</sup> November 2023, as amended, 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 High-Level Review of the PSI's System of Internal Control

### Information

The Internal Auditor presented the results of the High Level Review of the PSI's System of Internal Control to the Committee. The Committee was informed that following the review, the Internal Auditor was in a position to provide reasonable, as opposed to substantial, assurance to the Committee with regard to the PSI's System of Internal Control. The Committee discussed the five low-level recommendations and reviewed management's response to the findings, and noted its commitment to address the findings.

### Decision Approved and/or Action Requested

**Decision Approved:** The Committee approved the Request for Approval of the Internal Auditor's High Level Review of the PSI's System of Internal Control, on the proposal of Mr. Peter Dewhurst and seconded by Ms. Ciara Lynch.

## Agenda Item 6

### Issue

Request for Approval of the 2023 Annual Financial Statements incorporating,  
(a) Financial Statements Year End 2023 and (b) External Audit Management Letter

### Information

The Head of Corporate Services and the Finance and Support Services Manager presented the draft 2023 Financial Statements and the External Audit Management Letter to the Committee in open session. The Committee noted, following its revaluation in October 2023, that there had been a substantial drop in PSI House's (Freehold Property) fair value. The Committee was informed that revaluations were carried out every 3-5 years as per PSI's Accounting policies and that it was last revalued in 2019. The Committee suggested that more regular revaluations of the Freehold Property now be undertaken;

(i) outside of the current review period that is stated under PSI's Accounting policies

and,

(ii) that a note to Council of the estimation of the value, be then included in all future annual reports.

The Committee requested that an actuarial review of the PSI's potential liabilities with regard to its superannuation pension scheme be carried out in preparation for the year-end Financial Statements for 2024 and that any liabilities identified be incorporated or noted in the year-end 2024 Financial Statements. The last actuarial evaluation was carried out in 2022 for the 2021 financial year.

The Committee requested the wording relating to material losses and fraud be changed to state that none had been identified. The Committee requested more detail relating to the PSI's expenditure on consultancy, to ensure compliance with the Code of Practice for the Governance of State Bodies. The Committee noted the significant increase in the PSI's pay costs arising from the increase in staff numbers and the implementation of public service pay agreements.

The Committee considered the draft financial statements to be complete, consistent with information known to the Committee at this time and met the appropriate accounting standards. The Committee noted the two recommendations made by the External Auditor in the External Audit Management Letter and management's response. It approved the 2023 Annual Financial Statements and the External Audit Management Letter and recommended their approval to Council.

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

**Decision Approved:** The Committee approved the Request for Approval of the 2023 Annual Financial Statements incorporating,

(a) the Financial Statements Year End 2023 and,

(b) External Audit Management Letter

on the proposal of Dr. Cyril Sullivan and seconded by Ms. Ciara Lynch.

#### **Agenda Item 7**

##### **Issue**

Request for Approval of the PSI 2023 Annual Report incorporating,

(a) Statement of Internal Control.

(b) Report of the Audit and Risk Committee.

(c) Risk Report: Principal Risks and Uncertainties

## Information

The draft PSI Annual Report 2023 and the Statement of Internal Control was presented to the Committee by the Registrar. The Committee discussed the Statement of Internal Control and noted that under the terms of the Code of Practice for the Governance of State Bodies, the PSI Council, is required to form its own view regarding the PSI's system of Internal controls, and that this should be specifically referenced in the Statement. The Committee confirmed that based on the information available to it, it was satisfied that the PSI's systems of internal control were operating effectively in 2023. 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 its own effectiveness. 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 2023.

The Committee reviewed its Risk Report, which includes the PSI's principal risks and uncertainties and was satisfied with the assessment of the PSI's principal risks.

## Decision Approved and/or Action Requested

**Decision Approved:** The Committee approved, subject to amendment, the PSI 2023 Annual Report incorporating,

- (a) Statement of Internal Control.
- (b) Report of the Audit and Risk Committee.
- (c) Risk Report: Principal Risks and Uncertainties

on the proposal of Mr. Liam Burke and seconded by Ms. Ciara Lynch.

## Agenda Item 8

### 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 informed that since it last viewed the Log at its meeting on 29th November 2023, there were currently twenty-three internal audit recommendations, and that nine were now flagged for closure, as the recommendations had been acted upon. The Committee queried progress on the internal audit

recommendation regarding the reconciliation of deferred income on the PSI's REGIE platform and were informed it was due to be completed in Q3.

#### Decision Approved and/or Action Requested

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 Strategic Policy, Research & Communication Risk Register.

#### Information

Copies of the Corporate Risk Register had been circulated to the Committee in advance of the meeting by the Acting Chief Risk Officer. The Committee were informed that the number of pharmacies operating without a supervising pharmacist, in breach of the Pharmacy Act 2007, had reduced from ninety-seven when the Committee had last viewed the Register to eighty-four. The Executive informed the Committee that the number of registered pharmacists had increased and that vacancies were being filled, and it agreed that though the direction of travel was good, the number of pharmacies operating without a supervising pharmacist in breach of the Pharmacy Act 2007 should be as close to zero as possible, allowing for normal fluctuation in timelines when recruiting new supervising pharmacists.

The Committee asked for further detail with the regard to the risk relating to the Temporary Absence Rule, and the PSI's strategy for its mitigation. The Committee was informed that data was still being sought with regard to the matter, and that a survey will shortly be sent to superintendent pharmacists, following which a further risk assessment would be carried out.

The Committee discussed adding a separate column to the Risk Register indicating which RAGB colour captured the risk appetite agreed by Council in relation to each risk. The Executive indicated that a piece of work would need to be done with Council to explore this before any changes could be made to the current process. JK indicated that internal resourcing will influence when this might be capable of being carried out. However, a session with Council will be organised at an upcoming Council meeting to explore their risk appetite.

The Committee reviewed the Strategic Policy, Research & Communication Risk Register. It queried what the cost of the PSI's new website would be. The figure was provided to the Committee. The Committee emphasised the importance of considering the needs of stakeholders with any of the nine protected characteristics under Equality Legislation with regard to the website design, to ensure the PSI met its Public Sector Duty requirements.

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

The Committee noted the update on the Corporate Risk Register and the Strategic Policy, Research & Communication Risk Register

### Agenda Item 10

#### 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 report on the management of any major incidents, near misses, and lessons learned and acted upon, was noted by the Committee.

### Agenda Item 11

#### Issue

Report on the management of any Data Breaches

#### Information

The Acting Data Protection Officer informed the Committee that there had been no data breaches in 2024 to date.

#### Decision Approved and/or Action Requested

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

## Agenda Item 12

### Issue

Report on the management of any Freedom of Information Requests.

### Information

The Acting Freedom of Information Officer informed the Committee that the PSI received five 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 13

### Issue

Any Other Business

### Information

One item was tabled.

### Decision Approved and/or Action Requested

The Committee requested that a copy of the Public Accounts Committee Report on RTE be circulated to all Committee members with a view to assessing if there were any potential learnings for the PSI Audit & Risk Committee arising from the Report.

## Closed Session of the Committee

### Issue

The Committee met in closed session with the Registrar, the Acting Chief Risk Officer, and the Head of Community Pharmacy Assurance to discuss matters relating to the risk arising from the number of pharmacies operating without a supervising pharmacist in breach of the Pharmacy Act 2007.

**The meeting finished at 16:00**



**Signed:**

\_\_\_\_\_  
**Chair**

\_\_\_\_\_  
**Date**