

Annual Report 2017



AN RIALTÓIR CÓGASÍOCHTA
THE PHARMACY REGULATOR



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Foreword

This Annual Report is presented to the Minister for Health in accordance with paragraph 17(1) of Schedule 1 to the Pharmacy Act 2007.

The Pharmaceutical Society of Ireland (PSI)

The PSI is a public body established in law to protect the health, safety and wellbeing of patients and the public by regulating pharmacists and pharmacies in Ireland.

PSI Council (1 January to 31 December 2017)

As at 31 December 2017 the PSI Council consisted of the President, Vice-President and 18 other Council members, as follows:

President: Mr Rory O'Donnell*

Vice-President: Ms Nicola Cantwell*

Council Members: Mr Hugo Bonar**
(Health Products Regulatory Authority (HPRA) Nominee)
Ms. Mary Rose Burke*
Mr Fintan Foy**
(Continuing Professional Development (CPD) in Relation to Pharmacy)
Dr Paul Gorecki**
Ms Joanne Kissane*
Mr Graham Knowles**
Ms Deirdre Larkin**
Mr Michael Lyons*
Mr Shane McCarthy**
Ms Muireann Ní Shuilleabháin*
Mr Pat O'Dowd** (Health Service Executive (HSE) Nominee)
Ms Marie Louisa Power*
Dr Ailis Quinlin**
Mr Sean Reilly*
Assoc Prof Sheila Ryder* (Pharmacy Schools Nominee)
Ms Ann Sheehan**
Ms Veronica Treacy*
Mr Paul Turpin**



Council Members who were in office for a period of 2017 are outlined below:

Dr Ann Frankish*

Mr Richard Collis*

Mr Edward MacManus*

Dr Chantelle Macnamara**

Ms Caroline McGrath*

Prof Kieran Murphy**

In accordance with section 10 of the Pharmacy Act 2007, all Council members of the PSI are appointed by the Minister for Health.

* Pharmacists appointed by the Minister in accordance with s10(3)(f) and (g) of the Pharmacy Act 2007

** Non-pharmacists appointed by the Minister in accordance with s10(3)(a) to (e) of the Pharmacy Act 2007

The names of the members of the Advisory Committees to Council are listed in Appendix B. The organisational structure of the PSI is available on the PSI's website.

Internal audit activities for 2017 were undertaken for the PSI by the firm Crowleys DFK, 16/17 College Green, Dublin 2.

The PSI's appointed external auditors in 2017 were JPA Brenson Lawlor, Brenson Lawlor House, Argyle Square, Morehampton Road, Dublin 4.

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Introduction from the PSI President and Registrar

As the pharmacy regulator, the PSI is tasked with the responsibility to protect and promote the health, safety and wellbeing of patients and the public by regulating pharmacists and pharmacies in Ireland.

We are committed to patient safety and the protection of the public and this Annual Report provides an overview of the activities we carried out in 2017 to meet those commitments. Our Corporate Strategy 2013-2017 guided our activities and priorities and this Annual Report reflects progress on achieving our objectives in the final year of that five-year Strategy.

The Council was pleased to see the development of a new Communications Strategy during the year. This will be of significant assistance in the implementation of the Council's new Corporate Strategy for 2018 - 2020, which places a clear focus on deepening our engagement with all of our stakeholders to ensure we are working together in the interest of the public. This renewed focus on impact will bring the PSI into line with modern communication practices and will play a crucial role in how PSI, as a modern regulatory body, achieves its mission.

During 2017, a comprehensive resourcing review was conducted on behalf of the Council. This was a very important exercise in ensuring that the organisation has access to the resources to deliver on the entirety of its 2018-2020 Strategy and, ultimately, to fulfil the requirements of its regulatory role now and into the future.

We also commenced a review of the current Code of Conduct for Pharmacists during the year. This work included a series of consultations to hear from as many people and organisations as possible. The current Code is in place since 2009 and it was timely to review it to ensure it continues to reflect current practice environments, the evolving pharmacist role and our changing health service. This work to date will help us to consider amendments to the Code to ensure it continues to perform for patients, pharmacists and for PSI as the regulator on behalf of the public.

As well as the project activities carried out in 2017, we continued to deliver on our key functions with extensive operational activity taking place in the areas of registration, inspection, investigation, consideration of complaints and disciplinary matters, practice development and the effective governance of the organisation.

A total of 208 routine pharmacy inspections and 102 registration related inspections were carried out during 2017. In addition to pharmacy inspections, we also carry out occasional mystery shopper exercises using specialist surveyors to assess risks to patient safety and compliance with key legislation and PSI guidance. For example, we assessed, for the third year, whether non-prescription medicines containing domperidone were being supplied in pharmacies according to updated marketing authorisation. The recent findings, and the previous years' comparisons, indicate a positive improvement in compliance. However, while this improvement is positive, the level of non-compliance remains a concern.

Between February and June 2017, PSI inspectors visited all 1,826 registered community pharmacies to conduct advisory visits and to answer questions in support of the introduction of the Pharmacy Assessment System. To coincide with these visits, we hosted a further six information events around the country. This significant programme of work was undertaken as part of the PSI's commitment to support pharmacies in using the Pharmacy Assessment System as an ongoing self-audit and review tool in the pharmacy.

We continued to engage with other health and regulatory agencies, to promote issues of mutual interest and to improve the contribution of the pharmacy profession to assure patient safety. Following the development of a joint working group between the PSI and the Medical Council in 2016, the first piece of joint work, *Guidance on Safe Prescribing and Dispensing of Controlled Drugs*, was launched at the 2017 National Patient Safety Conference in October. The guidance provides a useful resource to facilitate pharmacists and doctors in the safer prescribing and dispensing of controlled drugs, and to encourage best practice and promote a high level of professional standards in the treatment of patients.

During the summer of 2017, we worked with our colleagues in the Pharmaceutical Society of Northern Ireland (PSNI) to develop a draft Memorandum of Understanding to promote and govern inter-agency co-operation and

mutual assistance. We also assisted Bodywhys, the Eating Disorders Association of Ireland, in developing an information resource for pharmacists. The aim of the resource is to provide information for pharmacists on different types of eating disorders, to assist pharmacists in identifying someone with an eating disorder and to provide information on the supports available to those affected.

From an internal quality perspective, we committed in 2017 to adopting the European Foundation for Quality Management (EFQM) Excellence Model as the framework for quality development within the PSI. We are using this internationally-proven framework model to help us review organisational quality and to deliver high performance. We began our EFQM journey in 2017, with the aim of seeking external assessment against the EFQM model in 2019.

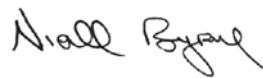
In preparation for the next stage in the strategic development of PSI, we invested significant time during 2017 in developing the Corporate Strategy for 2018-2020. This new Strategy is intended to build on the substantial work undertaken in recent years to implement the reforms arising from the Pharmacy Act 2007. The new Strategy, approved by the Council in December 2017, is the product of input from a wide range of people, including the Council and our many stakeholders who gave feedback at different stages in the process. The Strategy centres on our core objective of assuring public trust in pharmacy through effective regulation and sets our direction for change and further

development over the next three years. The Service Plan for 2018 sets out the objectives to be achieved in the first year of implementation of the Strategy. We look forward to commencing our three-year programme of work in partnership and collaboration with pharmacists and all of those working for safe and reliable pharmacy and healthcare services.

We are delighted to have joined the Healthy Ireland Network in 2017 and to support this Government-led initiative that aims to create an Irish society where everyone can enjoy physical and mental health, and where wellbeing is valued and promoted. It is our intention to support the initiative through our own work as the pharmacy regulator, as well as by embedding the principles in our workplace.

We would like to take this opportunity to acknowledge the staff and Council of the PSI for their enthusiasm, commitment and for the professional manner in which they perform their duties at all times. We would also like to thank the outgoing President, Dr Ann Frankish, for her dedication and service during her term of office, which encompassed the first half of 2017.

Finally, we look forward to continued engagement with the public and key stakeholders during 2018 as we work to deliver on the PSI's important public interest mission.



Niall Byrne
Registrar/Chief Officer



Rory O'Donnell
President



The Role and Function of the PSI

The Pharmaceutical Society of Ireland (PSI) protects the health, safety and wellbeing of patients and the public by regulating pharmacists and pharmacies in Ireland.

As the pharmacy regulator, the PSI sets the standard for pharmacists' education and training in Ireland and creates the standards and supports to promote good professional practice in pharmacy. The PSI registers pharmacists, pharmaceutical assistants and pharmacies, carries out inspections of pharmacies, and takes action when there is a concern about a pharmacist or a pharmacy, including when a complaint is received.


The PSI regulates the professional practice of approximately 6,096 pharmacists, 362 pharmaceutical assistants and 1,931 pharmacies.

Commitment to the Public

The main role of the PSI is to ensure public safety. The PSI is committed to carrying out its work independently, ethically and transparently.

The Pharmacy Act 2007 established the role and responsibilities of the PSI, which includes:

- Registration of pharmacists, pharmaceutical assistants and pharmacies;
- Setting standards for pharmacy education and training at undergraduate and postgraduate level, and ensuring all pharmacists are undertaking appropriate continuing professional development (CPD);
- Development of pharmacy practice for the benefit of patients and the wider health system;
- Regulation through inspection and enforcement, and considering complaints made against a pharmacist or a pharmacy, including the imposition of sanctions; and
- Providing advice and guidance to the public, pharmacy profession and to the Government on pharmacy care, treatment and service in Ireland.



Assuring trust
in pharmacy
through effective
regulation

Organisation and Governance:

The Registrar (Chief Officer) of the PSI is responsible for leading the day-to-day work and operation of the organisation and seeing that the Corporate Strategy is implemented efficiently and effectively.

Executive staff members at the PSI deliver on the PSI's strategic, statutory and organisational objectives in support of the work of the Council. The PSI's main operating Departments are:

- Office of the Registrar
- Regulation
- Education and Registration
- Pharmacy Practice Development
- Operations
- Corporate Governance and Public Affairs

Our Mission

We protect and promote the health, safety and wellbeing of patients and the public by taking timely and effective action to ensure that pharmacies in Ireland are competent and that pharmacies are operating to high standards of safety and reliability.

Our Vision

That the public has access to trusted pharmacy services and that the PSI makes a clear and demonstrable contribution to the availability and quality of those services.

Our Values





PSI Council 2017

The PSI operates under the aegis of the Department of Health and is governed by a 21-member Council. Each member is appointed by the Minister for Health in accordance with the provisions of the Pharmacy Act 2007. The Council is responsible for overseeing the delivery of the functions of the PSI, in the public interest. This includes setting the strategy for the PSI and making sure that the strategic objectives are achieved. The PSI has public responsibilities and must always act within the context of the public benefit.

The PSI Council held seven meetings in 2017 on the following dates: 26 January, 23 March, 18 May, 15 June, 22 June, 21 September and 7 December and held one training day on 26 October.

There are six Advisory Committees of the PSI Council: Administration and Finance Committee, Audit and Risk Committee, Inspection and Enforcement Committee, Pharmacy Practice Development Committee, Professional Development and Learning Committee and the Registration and Qualification Recognition Committee. There are three Disciplinary Committees of the PSI Council: Preliminary Proceedings Committee, Professional Conduct Committee and the Health Committee.

The overall attendance at Council and Committee meetings was high during 2017. This reflects the high level of commitment of Council and Committee members to continuously progress the PSI's work in fulfilling its statutory functions. As required under the Code of Practice for the Governance of State Bodies, the attendance levels, fees and expenses paid to members of the Council are set out in Appendix A and C, along with the attendance levels of members of each of the Advisory Committees of Council in Appendix B.

Major Policy Initiatives

Activities carried out during 2017 were aligned to the Council's strategic objectives as set out in the PSI's Corporate Strategy 2013-2017.

Promoting Lifelong Learning

- The ePortfolio Review, which forms part of a pharmacists continuing professional development (CPD), entered its second year with 1,300 pharmacists selected from the Register to submit an extract from their ePortfolio to the Irish Institute of Pharmacy (IIOP) for review.
- The selection process for Practice Review, as part of CPD, commenced in 2017, with the PSI randomly selecting the names of pharmacists from the cohort who completed their ePortfolio Review in 2016/2017.
- The five-year fully integrated Master's degree programmes successfully concluded the second year with students undertaking shadow placements in this year. These programmes were subject to ongoing accreditation and compliance review during the year.

Continuing to Assure High Standards of Patient Care and Good Pharmacy Practice

- A review of the training requirements in respect of emergency medicines and vaccines was carried out. The Council approved the proposed training requirements for supply and administration of emergency medicines and the training requirements for the supply and administration of vaccines in June.
- We commenced a review of the Code of Conduct for Pharmacists, which will help us consider whether it is fulfilling its required functions for patients, the public and pharmacists.
- We assisted in the development of European guidance on automated dose dispensing (ADD). The purpose of the guidelines is to harmonise the standards and approaches to ADD across Europe, to ensure that this service is provided to a consistently high standard, ensuring the safe supply of medicines to patients.
- We assisted Bodywhys, the Eating Disorders Association of Ireland in the development of an information resource for pharmacists. The resource provides information on different types of eating disorders, to assist pharmacists in identifying someone with an eating disorder and to provide information on the supports available to those affected and also highlight the potential misuse, and risks of misuse, of prescription-only and non-prescription medicines in this cohort of patients.
- Learnings from fitness to practise inquiries were shared with the pharmacy profession, to help improve pharmacy practice and patient safety, and to prevent similar errors from occurring again.

Facilitating the Development of Pharmacy as a Profession in Ireland

- Following the development of a joint working group with the Medical Council in 2016, joint guidance on the safe prescribing and dispensing of controlled drugs was launched at the National Patient Safety Conference in October.
- Implementation of the Future Pharmacy Practice – Meeting Patients’ Needs Report progressed during the year. Meetings with the Department of Health and the HSE took place to discuss how the key recommendations from the Report can be progressed through collaboration with relevant stakeholders.

Ensuring Fair Registration Procedures

- The European Union (Recognition of Professional Qualifications) Regulations 2017 were signed in January. To comply with these regulations, the PSI’s Registration, Fees and CPD Rules were amended.

Delivering an Effective Compliance System

- A total of 208 routine pharmacy inspections and 102 registration related inspections were carried out in 2017.
- An internal audit on complaints and fitness to practise was carried out and the report from the Internal Auditors was presented to the Audit and Risk Committee in March.
- We carried out, for the third year, a review of the sale of domperidone using specialist surveyors. 87% of the 75 community pharmacies examined, appropriately supplied domperidone in accordance with updated guidance.
- We continued to progress a project to implement changes to the policy approach for routine pharmacy inspections, including the roll out of the Pharmacy Assessment System and development of a regulatory risk assessment framework.
- PSI inspectors visited all community pharmacies to check that the Pharmacy Assessment System was being completed and to answer any questions pharmacists may have about it.

Ensuring the Delivery Capacity of the PSI

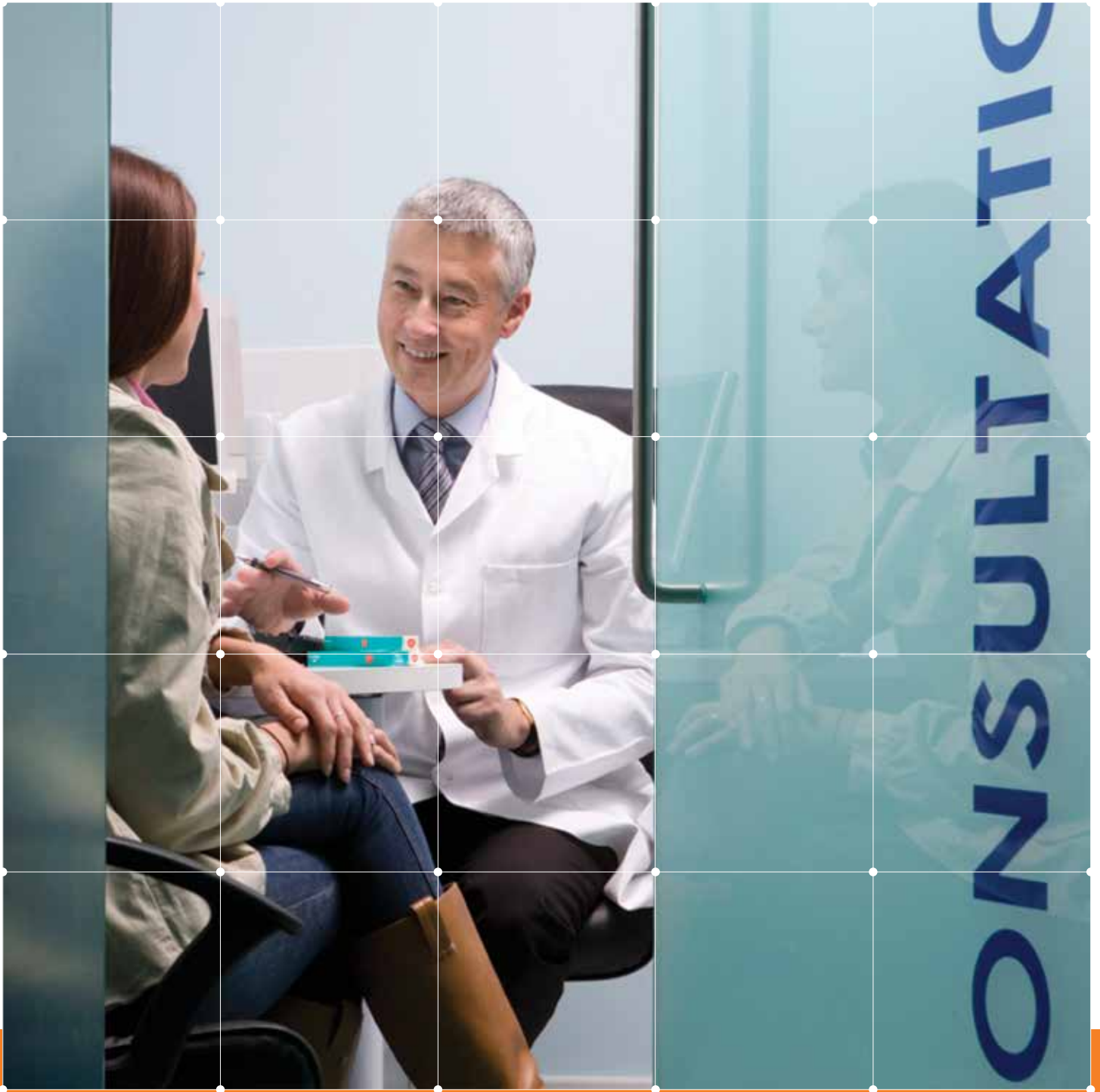
- A review of the current outsourcing arrangements with respect to the Irish Institute of Pharmacy (IIOP) was carried out, to inform any future development in this area.
- A new print management system was rolled out to replace the PSI's fleet of multifunction and standalone printers, reducing both the environmental impact and our printing costs.
- Security measures were upgraded by replacing the PSI's firewalls and upgrading the PSI's cyber security threat prevention software, in order to protect the PSI from a potential cyber security attack.
- The Corporate Strategy 2018-2020 was developed and approved by the Council in December. It outlines our objectives and work programmes for the next three years.

Corporate Governance

- Following stakeholder consultation in 2016 and early 2017, the Council approved the PSI's Customer Charter in March. The Charter outlines the nature and quality of service which customers can expect based on the twelve principles of quality customer service used by Government departments.
- Council elected a new President and Vice-President in June.
- Invitations for expressions of interest for membership of PSI Advisory and Disciplinary Committees were issued in 2017, to ensure that the capacity and necessary expertise of Council and Committees were maintained. The process was overseen by the Council's Nominations Sub-Group.
- A performance appraisal review system for Council and its Advisory Committees was implemented in 2017.
- Progress on the implementation of PSI Service Plan 2017 was reported to Council on a quarterly basis. The PSI Service Plan for 2018 was approved by Council in December.
- Council approved the appointment of JPA Brenson Lawlor as the PSI External Auditors for 2018-2020, in December.
- Council approved an updated Corporate Governance Framework in December.
- Work continued to ensure that data protection is embedded across all processes in the PSI, in preparation for the General Data Protection Regulation commencing in May 2018.

Engaging with Stakeholders and Getting our Message Out

- The PSI signed up as a network member of Healthy Ireland, with the intention of supporting its principles and for the purpose of embedding the health and wellbeing agenda in our work place and through our role as the pharmacy regulator.
- A new Communications Strategy was approved by Council to bring the PSI into line with modern communication practices and as a reflection on research undertaken with key stakeholder groups.
- Six information events to inform pharmacists and the pharmacy team on the Pharmacy Assessment System were held around the country in March.
- A number of presentations were given to pharmacy students at undergraduate and postgraduate level, linking with a specific module in the students' programme, or introducing the PSI to first year students.
- The PSI met with other health professional regulatory bodies to discuss matters of mutual interest, including, fitness to practise processes and the implications of Brexit.



Highlights and Key Activities

Registration and Qualification Recognition

We maintain and update the Registers of Pharmacists and Pharmaceutical Assistants, which are available to the public online. Our functions include the processing of applications through national, EU and non-EU routes of registration; the processing of certificates of professional status for registrants accessing registration in other countries; the management of adherence to conditions placed on the registration of individual registrants and assisting with registration related queries.

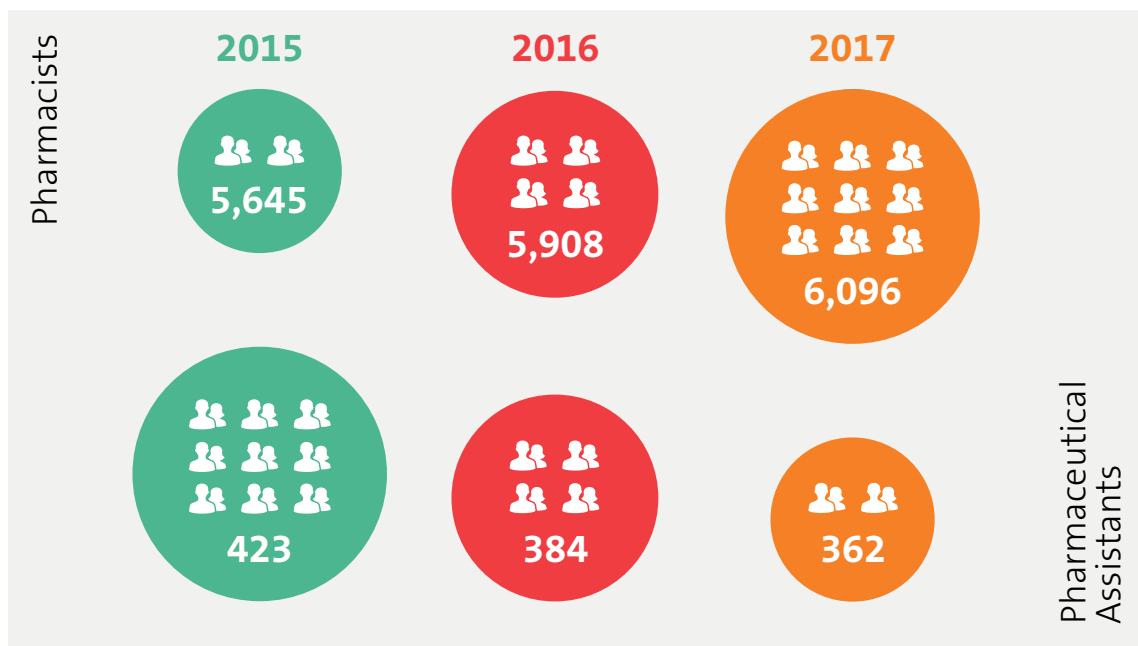
All pharmacists, pharmaceutical assistants and pharmacies must be registered with the PSI and entered in the relevant register in order to provide pharmacy care, treatment or services to the public. Registrants must apply for their continued registration each year to maintain registered status. This is also linked with continuing competence requirements.

We monitor compliance with any conditions imposed upon or undertakings attached to an individual's registration as a result of a fitness to practise inquiry, in order to maintain his/her continued registration.

Register of Pharmacists and Pharmaceutical Assistants

The number of registered pharmacists increased from 5,908 in 2016 to 6,096 in 2017. The number of registered pharmaceutical assistants decreased by 22 in that same period, as illustrated in figure 1.

Figure 1. Number of Registered Pharmacists and Pharmaceutical Assistants



New Registrants

In 2017, 346 new pharmacists were added to the Register of Pharmacists, 68% of new registrants were female. Legislative amendments deriving from the Professional Qualifications Directive were introduced in March 2017 and the certification of an individual’s competence in the English language is now a requirement for registration.

There are different routes of registration depending on where a pharmacy qualification has been awarded. The number of pharmacists registered by the PSI through those different registration routes is illustrated in figure 2. The breakdown for each country where the qualification was obtained is illustrated in figure 3.

Figure 2. Number of Pharmacists Added to the Register by Route

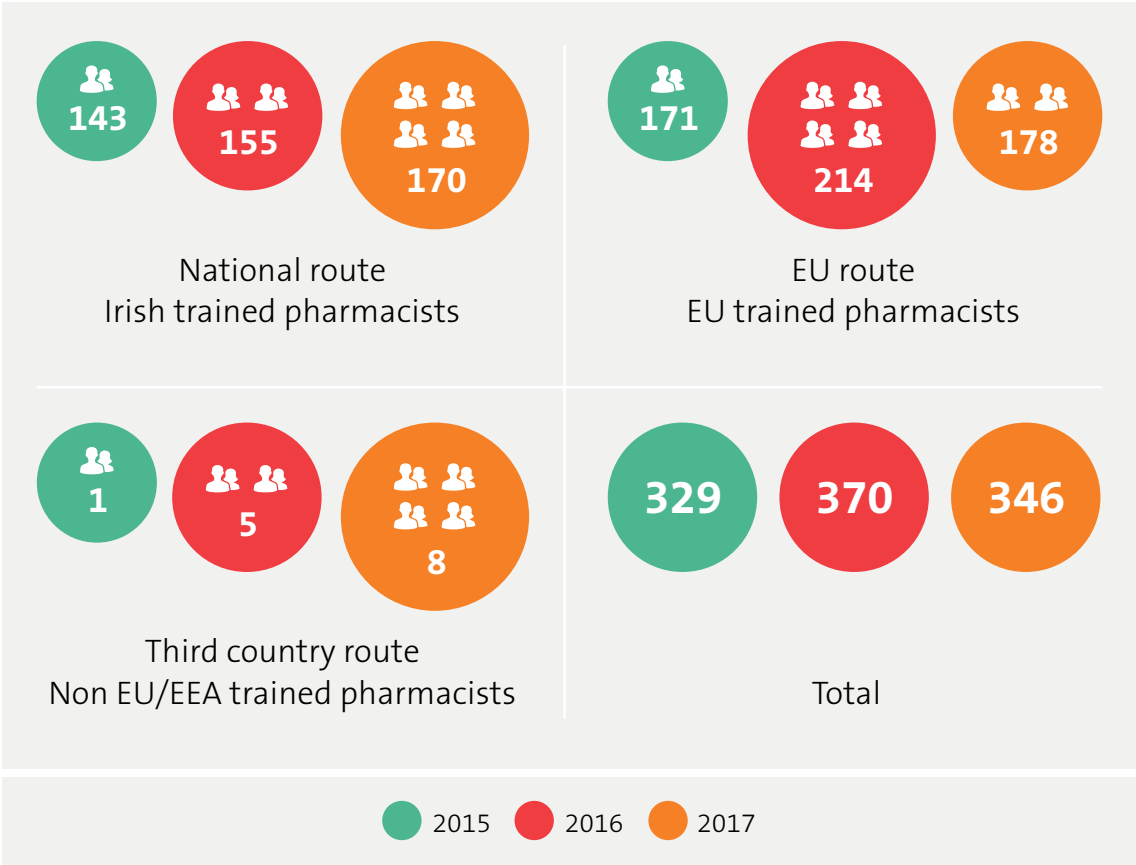
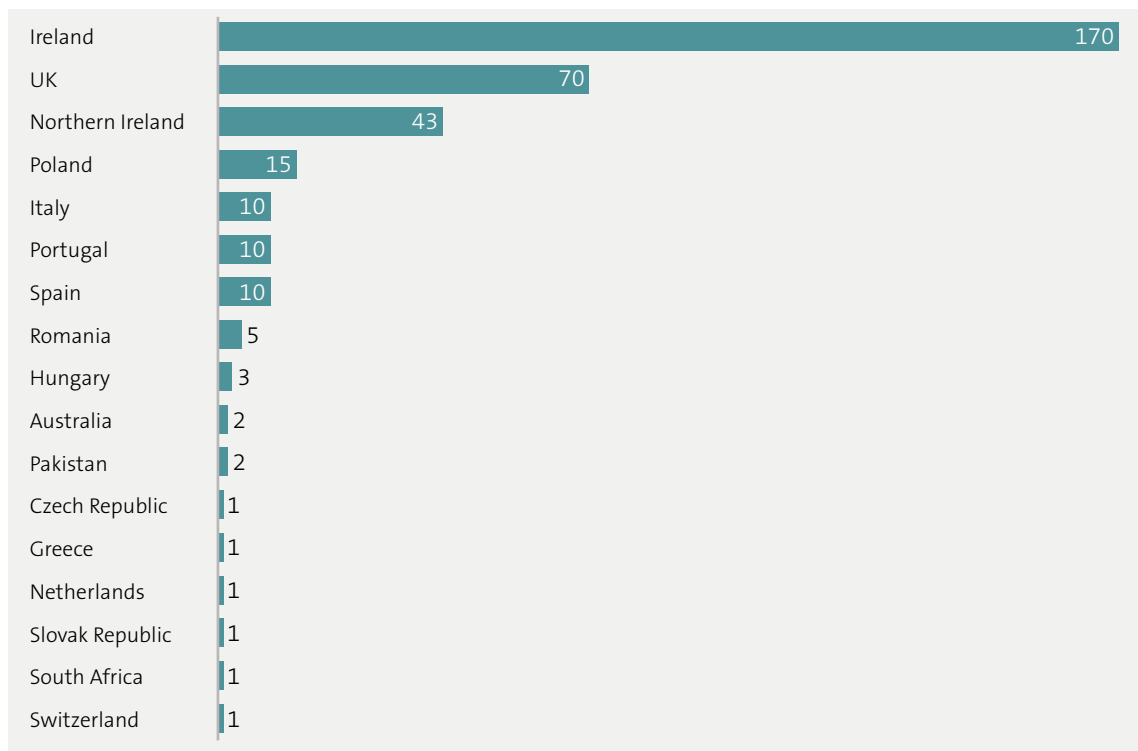


Figure 3. Country Where Qualification was Obtained



Cancellations

There were 176 cancellations from the Register of Pharmacists, with 22 pharmacists removed due to failure to apply for continued registration, pay their annual registration fee and then failing to apply for voluntary cancellation. Where a pharmacist indicated a reason for cancelling their registration, 34 pharmacists emigrated, 42 pharmacists retired, 16 pharmacists were returning abroad and five pharmacists cancelled their registration for study leave. The remaining 57 pharmacists provided other reasons. In 2017, two registered pharmacists passed away and one pharmacist was removed from the PSI Register.

In 2017, 24 pharmaceutical assistants cancelled their registration, 16 indicated that this was due to retirement.

Restorations

During 2017, 31 pharmacists were restored to the Register after previously voluntarily cancelling their registration and three pharmacists were restored to the Register after previously having their registration involuntary cancelled.

During 2017, two Pharmaceutical Assistants were restored to the Register after previously voluntarily cancelling their registration.

European Professional Card and the Alert Mechanism Procedure

Changes introduced by the European Professional Qualification Directive in 2016 saw the introduction of the European Professional Card (EPC) and the alert mechanism procedure. These are patient safety measures and are accessed via the Internal Market Information (IMI) system.

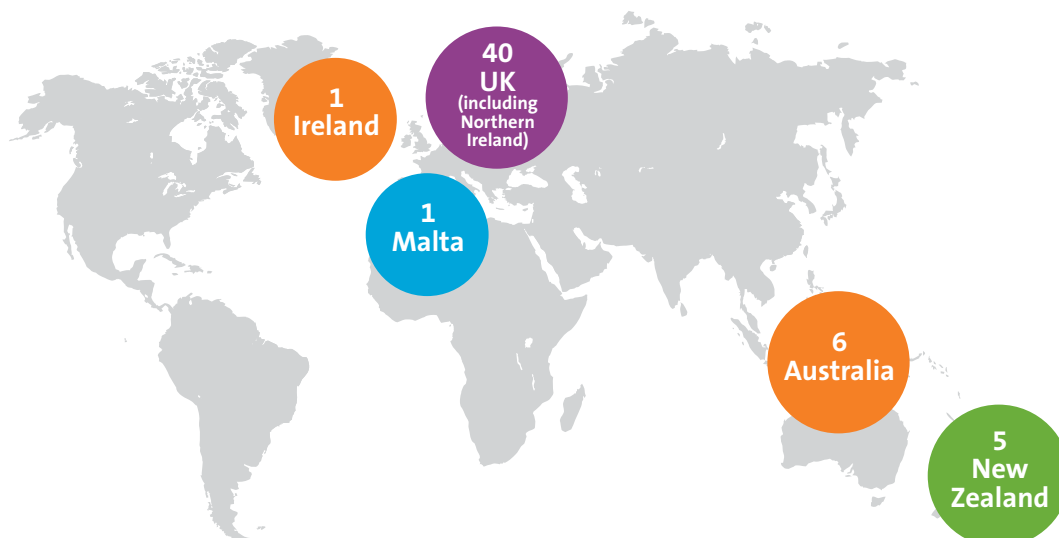
The EPC mechanism is an electronic procedure, which EU residents can now use to have their professional qualifications recognised in another EU country. When an EU resident seeks to move and work in another EU state, the home state facilitates the verification of the applicant's IMI file and the prospective host state makes the decision to recognise the qualification held. The recognition of a qualification does not give an automatic entitlement to practise. In Ireland, all pharmacists must be registered with the PSI before being entitled to practise and registration with the PSI must be undertaken once qualification recognition has been obtained. A total of eleven EPC applications were received in 2017. Of these, seven applications were approved, one was withdrawn and three were refused due to failure by the applicants to provide required documentation. Two applications for the temporary and occasional provision of services were received in 2017.

The alert mechanism procedure between EU countries requires all Member States to quickly warn each other if there are practice restrictions on professionals in a health or child-related profession. Alerts also apply to professionals who have used falsified diplomas for the recognition of their qualification. Alerts are received on a daily basis and are recorded by the PSI. We investigate these alerts if they relate to pharmacists. In 2017, we issued seven pharmacist alerts to competent authorities. These alerts were issued due to substantial reasons concerning the practice of the professional.

Certificates of Current Professional Status Issued

In 2017, 53 Certificates of Current Professional Status were issued on behalf of registrants accessing registration in other jurisdictions and with another Regulatory Authority in the Republic of Ireland. The breakdown of countries to which applications for registration were made is illustrated in figure 4.

Figure 4. Number of Certificates of Current Professional Status Issued



Professional Development and Learning

We are responsible for ensuring that pharmacy education and training is in line with best practice and the highest international standards. This includes producing rules, standards, and arranging for the accreditation of educational programmes for pharmacists, ensuring high standards of education and training, implementing a system of continuing professional development through the Irish Institute of Pharmacy and overseeing remedial education activities as directed by Council following fitness to practise proceedings.

Accreditation Matters – Qualification for Practice

The accreditation reviews for the five-year fully integrated Master's degree programmes in pharmacy provided by the Royal College of Surgeons in Ireland (RCSI), Trinity College Dublin (TCD) and University College Cork (UCC) continued in 2017. Each School of Pharmacy was visited in quarter one. The reports of the on-site visits were approved by the PSI Council in June.

Five-Year Fully Integrated Master's Degree Programme in Pharmacy

The third year of the five-year fully integrated Master's degree programmes in pharmacy commenced in September 2017. In early 2017, students undertook shadow placements in line with the experiential element of the programme.

The Affiliation for Pharmacy Practice Experiential Learning (APPEL), manages the common experiential learning components of the integrated five-year Master of Pharmacy (MPharm) degree programmes in the three Schools of Pharmacy. APPEL was created as a partnership between the three Schools of Pharmacy to facilitate streamlined, centralised management of the experiential learning placements made available to students by community, hospital, industry, and regulatory pharmacy bodies throughout the State.

Irish Institute of Pharmacy and the PSI's CPD Model

The first ePortfolio Review process concluded in March 2017, with 235 of the 256 pharmacists selected meeting the standards. The second ePortfolio Review process commenced in July 2017, with 1,300 pharmacists selected to submit an extract of their ePortfolio for review in accordance with the defined standards.

The Practice Review process commenced in October 2017, with pharmacists randomly selected for Practice Review events that will take place in April 2018. Only pharmacists in patient facing roles and who completed the 2016/2017 ePortfolio Review were eligible to be selected for Practice Review.



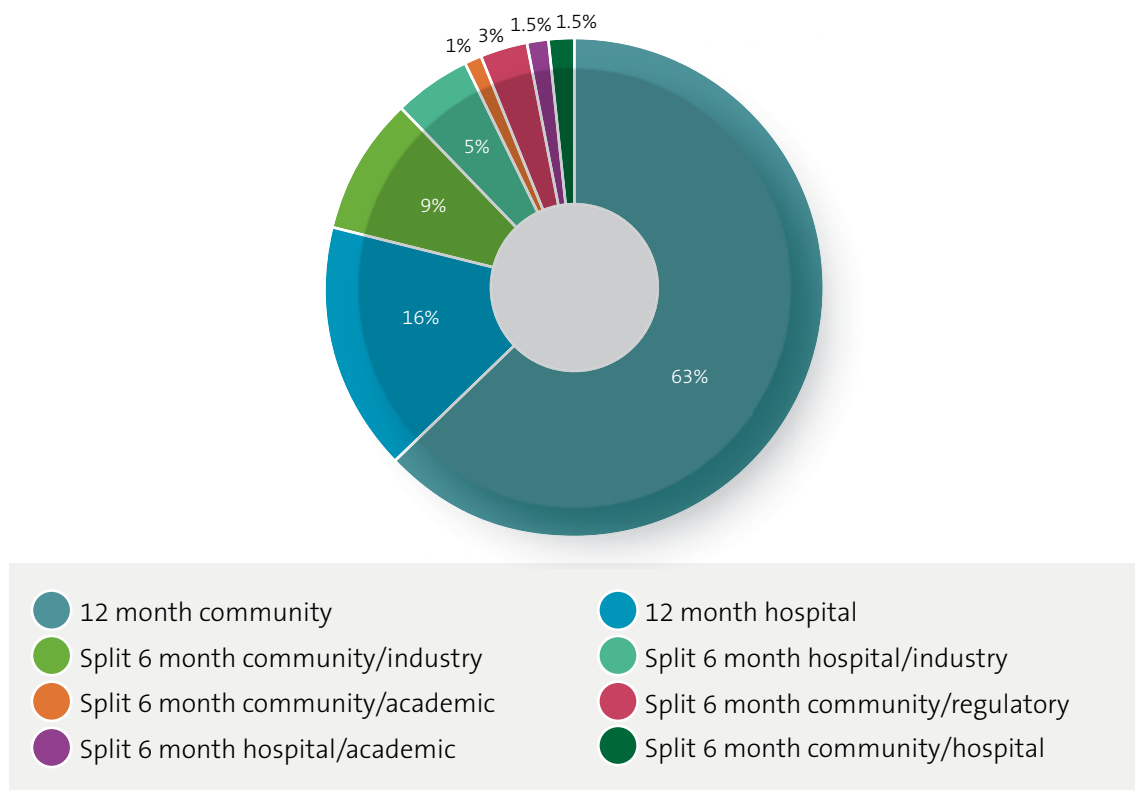
1,300
pharmacists
selected for
ePortfolio
Review

National Pharmacy Internship Programme

In May and October, 182 pharmacy interns sat the Professional Registration Examination (PRE), while 139 interns commenced the 2017/2018 National Pharmacy Internship Programme (NPIP) in autumn 2017. Of those, almost 78% will spend at least 6 months of their NPIP in community placements, over 22% will undertake a hospital placement, while 21% have chosen to undertake a split placement. Of all interns, 14% will undertake a placement in industry, 3% have opted for a placement in regulation, and just over 2% have chosen to undertake a placement in academia.

Figure 5 provides an overview of the structure of placements undertaken by pharmacy interns for the academic year 2017/2018.

Figure 5. Overview of Pharmacy Intern Placements for 2016/2017 NPIP Year



PSI Engagement with Pharmacy Students

Presenting to students at each of the Schools of Pharmacy remains a highlight of the PSI's schedule of events. Whether linking with a specific module in the students' programme, or introducing the PSI to first year students, staff working across different functional areas are given the opportunity to share the work of the regulator and enhance understanding of our role with future pharmacists.

Education Remediation

In 2017, six education remediation cases were overseen by the PSI. These cases arose from outcomes of disciplinary processes under Part 6 (Complaints, Inquiries and Discipline) of the Pharmacy Act 2007. In 2017, two of these cases reached conclusion and were closed.

Pharmacy Practice Development

We are responsible for the promotion of best practice standards and the improvement of pharmacy practice through the development of guidance and information resources on pharmacy practice, medication and patient safety issues. We also engage with stakeholders to help optimise the role of pharmacists, and thereby achieve improvements in quality of care to patients.



Code of Conduct Review

During 2017 we commenced a review of the Code of Conduct for Pharmacists. Section 7(2)(a)(iii) of the Pharmacy Act 2007 confers a duty on the PSI to draw up a Code of Conduct for pharmacists. The Code applies to all registered pharmacists whatever their scope of practice and is intended to provide support and guidance in the practice of their profession. Breaches of the Code may be considered professional misconduct under Part 6 of the Pharmacy Act. The review of the Code, which will continue in 2018, will help us to consider if the Code is fulfilling its required function for patients, the public and pharmacists, as well as from a regulatory perspective.

During May and June, we invited a wide range of feedback on the current Code of Conduct to help us consider any changes that might be needed in a revised Code. An online consultation was held with key stakeholders and pharmacists, where views were sought on the current Code of Conduct, areas for improvement, and what important characteristics pharmacists should demonstrate. We received responses from 465 pharmacists and 105 stakeholders. With the intention of gathering public opinion on trust in the pharmacy profession and to establish the character traits which the public think are most important in pharmacists, an independent survey was conducted, which involved face to face interviews with 1,000 members of the public. Workshops were also facilitated with members of the PSI Council and PSI staff during 2017. This review will continue in 2018.

Future Pharmacy Practice-Meeting Patients' Needs – Implementation Action Policy

In 2016, the PSI Council published the Future Pharmacy Practice - Meeting Patients' Needs Report to examine how pharmacy practice in Ireland can meet patients' needs in the future. The aim of the work is to provide insight into the envisaged role pharmacists should be playing in the context of national strategy, examining how pharmacy practice can progress, improve and most valuably contribute to the health and wellbeing of patients in an evolving healthcare sector.

In 2017, we focussed on engaging with stakeholders to share the recommendations and findings and to inform policy development and healthcare reform. We presented the findings and recommendations of the report to key policy makers in the Department of Health in June, to pharmacy stakeholders at the Irish Pharmacy Union conference in May and the Hospital Pharmacists Association of Ireland conference in April.

The findings of the report also contributed to external initiatives and policies on pharmacy and medicines issues, including the PSI's submissions to the national antimicrobial resistance action plan and the HSE's framework for chronic disease management. We also presented the findings of the report to undergraduate and postgraduate pharmacy students.

Working with Others

We continue to engage with other health and regulatory agencies to promote issues of mutual interest and to improve the contribution of the pharmacy profession to assure patient safety. In 2016, the PSI and the Medical Council established a joint working group to examine patient safety matters of mutual concern, focusing on safe prescribing and dispensing. This positive initiative aims to support collaborative practice between two healthcare regulators, ensuring patients receive the best possible care.

The first of these co-ordinated information pieces was the publication of the Guidance on Safe Prescribing and Dispensing of Controlled Drugs in 2017. The guidance is designed to operate as both an educational tool and also a working document that will be referred to on a frequent basis by both doctors and pharmacists. Drafted in consultation with doctors and pharmacists, the collaborative guide outlines the changes brought about by new Misuse of Drugs legislation, which came into effect in May. The guidance clearly sets out how those legal provisions and requirements are designed to enable patients to safely access controlled drugs, respecting their substantial potential for abuse and misuse. The joint guidance was jointly presented at the 2017 National Patient Safety Conference by PSI and Medical Council staff. We will continue to work collaboratively with the Medical Council in 2018.



Rory O'Donnell PSI President, Consillia Walsh Medical Council, John Barraghy Medical Council and Niall Byrne Registrar PSI



In 2017, we also worked with Bodywhys, the Eating Disorders Association of Ireland on the development of a booklet, which gives a detailed overview of eating disorders and advice for pharmacists who may be supporting patients directly affected by the issue. Pharmacists play a vital role in the detection of eating disorders by monitoring the use of prescription and non-prescription medications/products and complementary weight loss aids, as well as being alert to other signs and symptoms that could indicate an eating disorder.

We also supported the work of other health organisations through consultation. A number of consultations were responded to, including the HSE's national consultation on the National Nurse and Midwife Medicinal Product Prescribing Policy and the HSE's Assisted Decision-Making (Capacity) Act 2015 - a Guide for Health and Social Care Professionals. In addition to ongoing collaboration with key partner bodies, we continued to be active contributors to a range of public health working groups and committees including, Tobacco Free Ireland Programme, the National Smoking Cessation Guidelines Committee, the Methadone Prescribing Protocol Implementation Committee, and the National Office for Traffic Medicine Working Group. We continue to work closely with the Health Products Regulatory Authority (HPRA) and the Irish Food Allergy Network on areas of mutual concern. We also contributed to HIQA's Development of National Standards for the Prevention and Control of Healthcare Associated Infections (PCHAI) in Health and Social Care Services (outside the hospital setting).

Continuing to Assure High Standards of Patient Care and Good Pharmacy Practice

As part of ongoing assurance of good pharmacy practice and high standards of patient care, we developed a number of information resources on good pharmacy practice in 2017.

We continued to develop guidance to assist pharmacists and pharmacy owners in meeting the requirements of legislation introduced in 2015, allowing wider access to medicines in an emergency (S.I. 449/2015). We published an Explanatory Note for Pharmacists on the Supply of 'Emergency' prescription-Only Medicines to a Listed Organisation, which details what is to be done when pharmacists supply emergency medicines from a pharmacy to a listed organisation. The explanatory note emphasised the legal and professional responsibility pharmacists have in ensuring medicines are supplied with appropriate information to enable their correct use, and that the risk of them being used incorrectly or to cause harm is minimised.

In May 2017, changes were made to the Misuse of Drugs Regulations, which included additional requirements for all prescriptions for Schedule 2, Schedule 3 and Schedule 4 Part 1 controlled drugs. We issued a practice update in July explaining these changes and the new prescription requirements for these medications to ensure their continued safe supply. Due to this legislative change, we updated ten PSI guidelines, which were made available on the PSI website.

An amendment was made to the Regulation of Retail Pharmacy Businesses Regulations 2008 (S.I. No. 488 of 2008) by virtue of S.I. No. 80 of 2016 (i.e. insertion of Regulation 5(1) (ea)). The amendment clarified that pharmacy-only medicines are to be stored in a part of the premises to which the public does not have access. In light of this we updated the PSI Guidelines on the Storage of Medicinal Products within a Retail Pharmacy Business Regulation. These updated guidelines were approved by Council in December and are intended to be finalised and published in 2018.

We continued to draft guidelines for the profession, including draft Guidelines on the Supply of Non-Prescription Medicines from a Retail Pharmacy Business, which went out for public consultation in 2017. We are currently analysing the responses and the guideline is being reviewed and amended in light of the comments received. These guidelines are intended to be finalised and published in 2018.

Learning from Disciplinary Matters

As part of ongoing efforts to share learnings with the profession from complaints and fitness to practise inquiries, three learnings were shared through the PSI newsletter. These included learnings on the dispensing of the high tech medicines Revlimid, and Enbrel solution for injection. We publish these learnings to share practice issues with our registrants and to assist pharmacy staff in minimising the risk of similar issues arising in their pharmacies. Pharmacists are encouraged to use these learnings and observations to review and improve their own practice.

Pharmacy Practice Updates

Through the PSI newsletter, we also provide practice updates to highlight the need for pharmacists to be aware of specific pharmacovigilance considerations or adverse reactions. These included updates on the importance of including package leaflets (PLs) when dispensing medication, and the importance of counselling patients about the risk of abnormal pregnancies in women taking valproate containing medicines.

Following inclusion of oral methotrexate in the HPRA's Interchangeable List we issued a reminder to pharmacists that they play a critical role in ensuring the safe use of methotrexate, through their participation in the educating, counselling and monitoring of patients. This role is particularly important when supplying a substitute medicinal product.

PSI Query Management

We provide advice to members of the public, pharmacists and others through a query management system.

In 2017, 455 queries were received (an 8% increase since last year), the majority of which were from pharmacists (71%), as illustrated in figure 6. The most common queries from pharmacists and pharmacy staff related to the Misuse of Drugs Regulations, record keeping requirements for pharmacies and queries on general prescriptions, including those concerning prescriptions from outside Ireland. Of the queries received, 17% were from members of the public, the majority of which concerned questions about pricing.

Figure 6. Queries Received by Source



Inspection and Enforcement

We are responsible for the inspection of pharmacies and investigations to supervise compliance with statutory requirements. The purpose of our inspection function is to provide public assurance of safe standards of pharmacy practice, promote good and safe practice within pharmacies and to ensure compliance with legislative requirements, guidelines, best practice requirements and the Code of Conduct for pharmacists. We are also responsible for the registration of pharmacies and maintaining the Internet Supply List for the sale of non-prescription medicines over the internet.

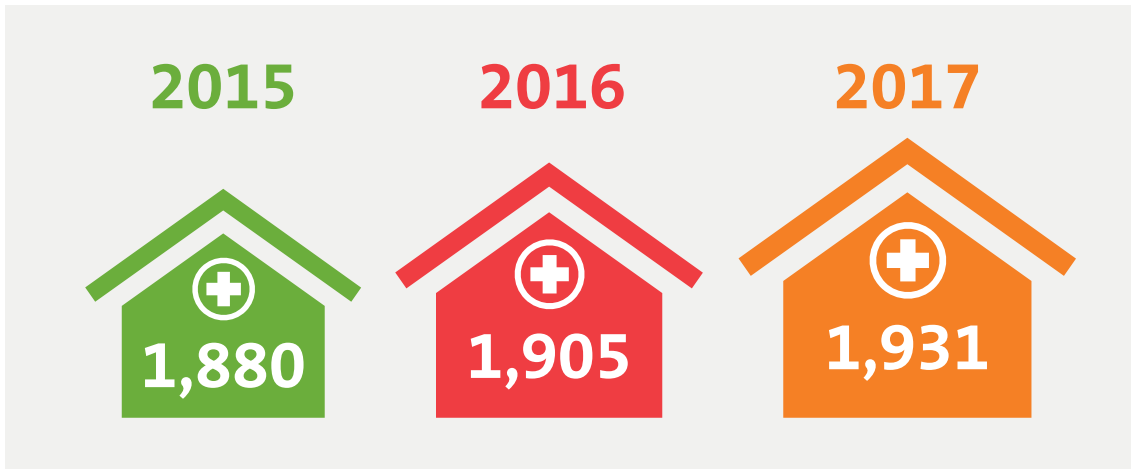
Registration of Pharmacies

In 2017, 38 new pharmacies were registered and opened, 89 pharmacies transferred ownership, and nine pharmacies relocated their premises. Figures 7 - 11 provide a comparison of pharmacy openings and cancellations over the recent three-year period.



There were 1,931 retail pharmacy businesses on the PSI Register at the end of 2017. The number of registered pharmacies has increased year on year, as illustrated in figure 12.

Figure 12. Total Number of Registered Pharmacies



Inspections

We inspect pharmacies to assess compliance with the Pharmacy Act 2007 and other pharmacy, medicines and animal remedies legislation in the interests of the health and safety of the public.

Registration Related Inspections - Section 19 of the Pharmacy Act 2007

As part of the application process for registering a pharmacy, we conduct registration related inspections. The purpose of these inspections is to assess compliance with the Regulation of Retail Pharmacy Businesses Regulations 2008 and PSI guidelines. A total of 102 registration related inspections were carried out in 2017, as illustrated in figure 13.

Pharmacy Inspections - Section 67 of the Pharmacy Act 2007

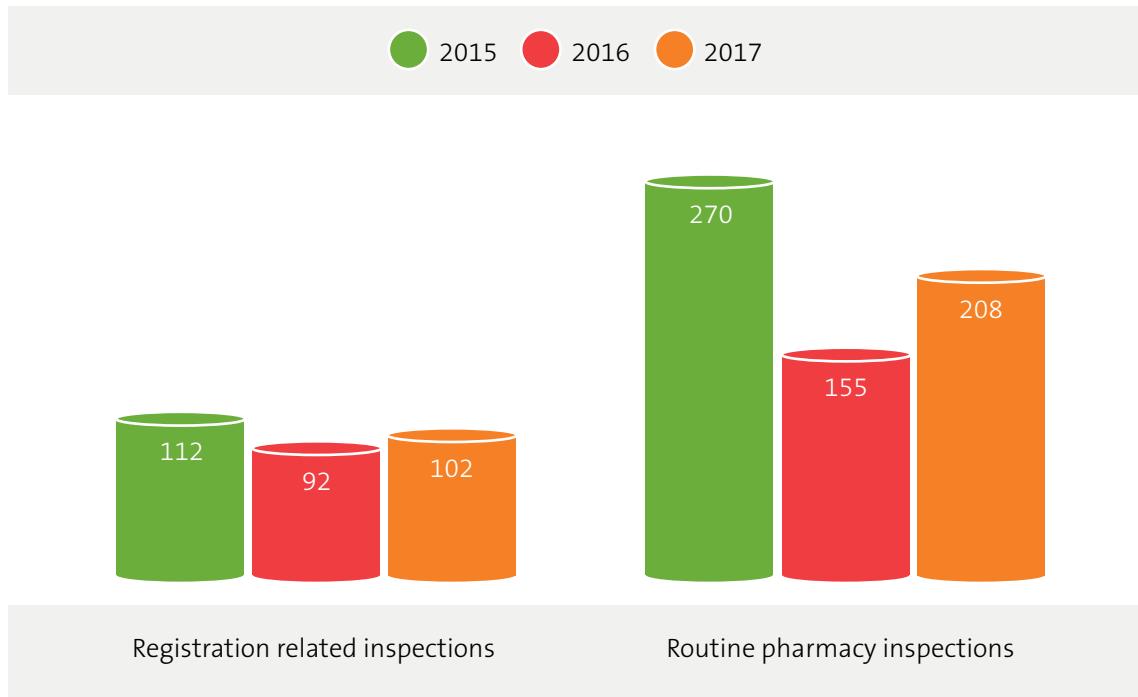
A total of 208 pharmacy inspections were carried out in 2017, as illustrated in figure 13. Inspections conducted included systems inspections, re-inspections, and thematic inspections.

Systems inspections are carried out to review the quality systems and governance arrangements of the pharmacy. These inspections examine the way prescription only medicines and controlled drugs are supplied from the pharmacy and to make sure there is a legitimate and safe basis for the supply of these medicines. These inspections also assess the premises, workflow and the conditions that exist for the storage and preparation of medicines in the pharmacy.

Re-inspections are undertaken at the direction of the Registrar following consideration of a PSI Authorised Officer's (Inspector) report. These inspections are conducted to verify the implementation of any confirmations and assurances of compliance provided by the superintendent pharmacist after the previous inspection of the pharmacy.

Thematic inspections are conducted to assess certain other services provided by pharmacies. In 2017, 27 flu vaccination inspections were conducted to review the provision of the seasonal influenza vaccination service provided by pharmacists. We also conducted 10 internet supply inspections to assess the supply of non-prescription medicines from pharmacies registered on the Internet Supply List.

Figure 13. Number of Inspections by Inspection Type



We publish resources to assist pharmacists and pharmacy owners to prepare for inspections on the PSI website and in the PSI newsletter. These resources include inspection preparation checklists, the Pharmacy Assessment System and Inspectors' advice articles. The advice contained in these articles provides information to pharmacists and pharmacy owners and is often in response to registration-related issues or non-compliance trends noted during inspections. In 2017, seven topics were raised for consideration through the newsletter. An overview of the findings and key statistics of inspections carried out in 2016 was also published on the PSI website in April. These findings are made available to provide feedback and information to the profession, and to link to relevant resources which are available to assist pharmacists, pharmacy owners and pharmacy staff in meeting the standards of compliance expected under the Pharmacy Act 2007 and other legislation.

Inspection Policy Project

In 2017, we continued to progress the project to implement changes to the policy approach for routine pharmacy inspections, including the roll out of the Pharmacy Assessment System and development of a regulatory risk assessment framework.

In October, we held four focus group meetings to discuss the quality of services that pharmacies provide to the public, and to seek participant's thoughts on how a pharmacy's commitment to ensuring patient safety can be demonstrated at inspections.

Pharmacy Assessment System

The Pharmacy Assessment System is intended to be a practical tool to facilitate the supervising pharmacist, in conjunction with the superintendent pharmacist, pharmacy owner and pharmacy team, to critically review their pharmacy's practice, validate and record good practice and identify areas where improvements are required. Completion of the Assessment System provides evidence, both to the public and to the PSI, of the commitment of the pharmacy team. It also ensures patient safety and quality of care in providing services and treatment in compliance with statutory requirements, PSI guidance and principles of good pharmacy practice.

The first cycle of the Pharmacy Assessment System commenced in pharmacies in January. To assist supervising pharmacists and their teams in the adoption of this new Assessment System, PSI Inspectors conducted advisory visits to pharmacies to answer any questions on it and also to check that it was being completed.

PSI Inspectors carried out a total of 1,826 advisory visits to pharmacies between February and June 2017. At these visits, 90% of pharmacies had started using the system, while 79% of pharmacies said that the system had helped them to identify areas for improvement in their pharmacy.

Continuing on from the six information events held in 2016, we held a further six events in March, to provide information and support in the roll out of the Pharmacy Assessment System.

An educational poster about the Pharmacy Assessment System was presented and displayed at the National Patient Safety Conference in October 2017.

Throughout 2017, all pharmacies and supervising pharmacists were sent monthly email alerts to assist them to complete the sections of the first two cycles of the Pharmacy Assessment System.

Investigation

The PSI carries out investigations under Part 7 of the Pharmacy Act 2007. Investigations typically involve a pharmacy visit or series of visits, the analysis of pharmacy records, taking statements and carrying out interviews. A total of ten investigations were commenced during 2017, in addition to activities conducted in relation to 28 investigations commenced prior to 2017. A total of eight investigation files were closed during 2017, and 30 investigation files were open at the end of 2017. The number of investigations in 2017 is illustrated in figure 14. We adopt a collaborative approach to investigations and continue to work with other agencies.

Figure 14. Number of Investigations



We also review and assess concerns raised by members of the public and external bodies and concerns referred from our Legal Affairs Unit. In 2017, 55 concerns were referred to our Inspection and Enforcement Unit.

Specialist Surveyor Activity

Specialist surveyor services are utilised by the PSI as part of information-gathering exercises and to assess compliance with legal and regulatory requirements. We carried out a special surveyor exercise in 2016 to examine the sale and supply of domperidone containing medicines. An overview of the findings from this exercise was published on the PSI website and PSI newsletter in April 2017.

Enforcement

Where significant issues are identified during an inspection or an investigation, these reports are considered by the Registrar under Section 71 of the Pharmacy Act 2007. The Registrar considered 26 files under Section 71 of the Pharmacy Act 2007 during 2017.

Following this consideration of the written report, and any responses received, the Registrar may take the following actions:

- No further action
- Make a complaint about a pharmacist(s) and/or a pharmacy
- Take a prosecution in the District or Circuit Court
- Take any other action deemed appropriate, for example directing a re-inspection of a pharmacy, requiring an individual to attend at a meeting, seeking undertakings etc.

During 2017, following the Registrar's consideration of a PSI Inspector's report:

- Under Section 71(1)(b), five pharmacists were referred to the complaints process
- Under Section 71(1)(d), 22 other actions were taken at the direction of the Registrar, including re-inspections, meetings with registrants, requiring undertakings, referral to other agencies and issuing enforcement letters
- No further action was taken in eight cases, under Section 71(1)(a).

In 2017, the PSI also took two prosecutions for multiple breaches of pharmacy legislation. Both pharmacies who were the subject of the prosecutions were convicted and fined.

Internet Supply of Non-Prescription Medicines

The PSI is responsible for the registration and maintenance of the Internet Supply List for registered pharmacies and non-pharmacy retailers who are involved in the internet supply of non-prescription medicinal products. In 2017, 115 applications for entry to the Internet Supply List (Part A and Part B) were received and processed. At the end of 2017, there were 50 pharmacies on Part A of the Internet Supply List and 65 non-pharmacies on Part B of the Internet Supply List.

In 2017, 33 enforcement actions were taken in relation to the internet supply of non-prescription medicinal products, including letters issued to pharmacies and non-pharmacies regarding compliance with relevant requirements. In addition, 10 inspections were also carried out to review the internet supply of non-prescription medicines from pharmacies.



Working with Others

We continued to work in conjunction with many organisations and groups nationally and internationally, including the HSE, HPRA, Veterinary Council of Ireland, Department of Agriculture and the Controlled Drugs Cross Border Group. The Controlled Drugs Cross Border Group meetings provide a forum to promote co-operation between regulatory bodies, operating shared intelligence and information across national borders (Ireland, Great Britain, Northern Ireland and Channel Islands), and to support the safer management of controlled drugs in each jurisdiction.

Legal Affairs and Fitness to Practise

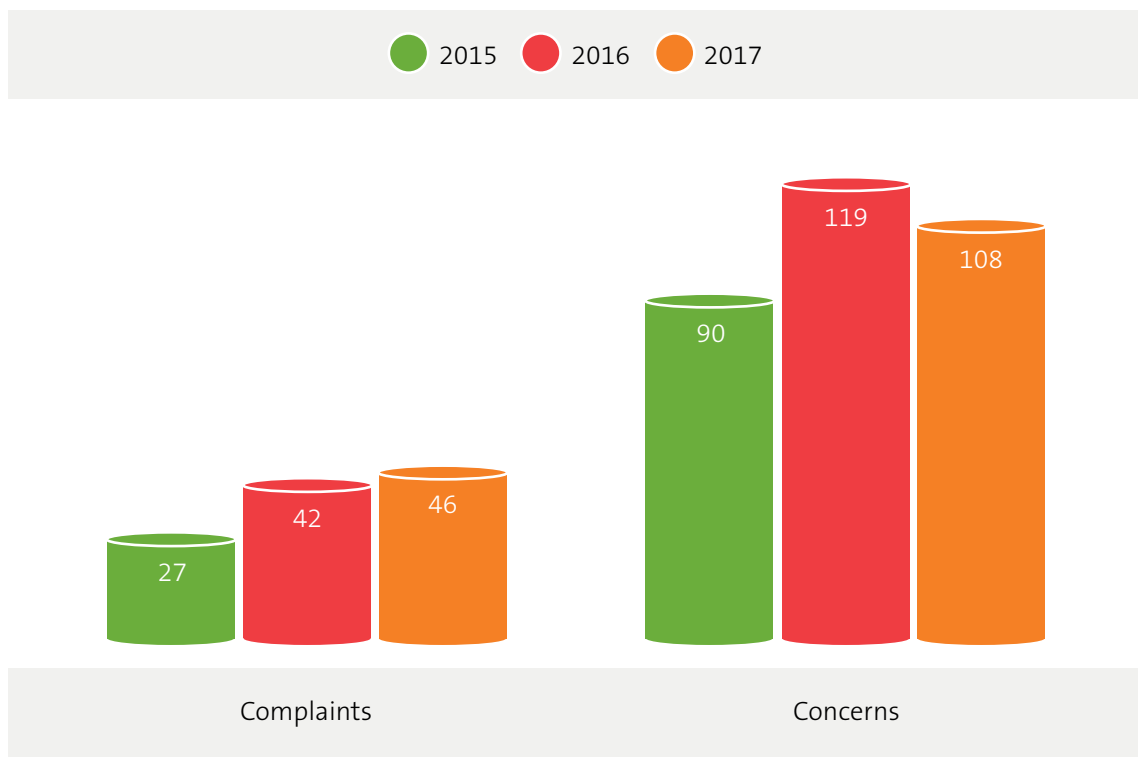
We are responsible for processing all complaints and expressions of concern in a timely and efficient manner. We receive and act on complaints and information about the competence and conduct of pharmacists and pharmacy owners.

Complaints and Concerns

A complaint can be made by, or on behalf of, any person about a pharmacist or pharmacy. This includes members of the public, pharmacists, other health professionals and the Registrar of the PSI. We also deal with expressions of concern which are received about pharmacists and pharmacies.

In 2017, a total of 46 complaints were received, compared to 42 complaints received in 2016. We also received 108 expressions of concern in 2017, compared to 119 in 2016, as illustrated in figure 15.

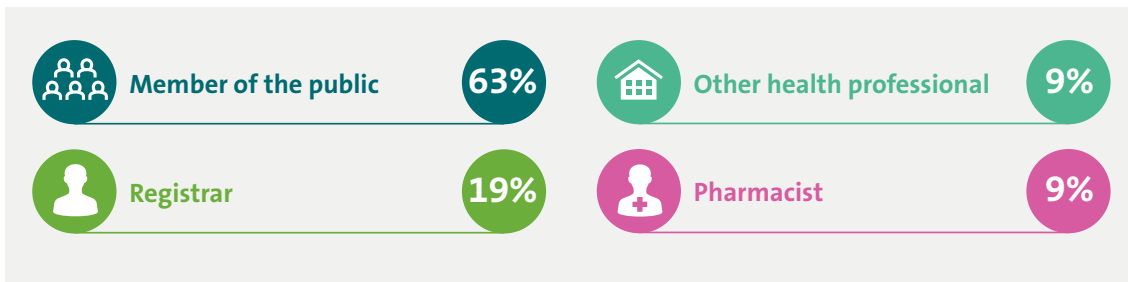
Figure 15. Total Number of Complaints and Expressions of Concern Received



Complaints

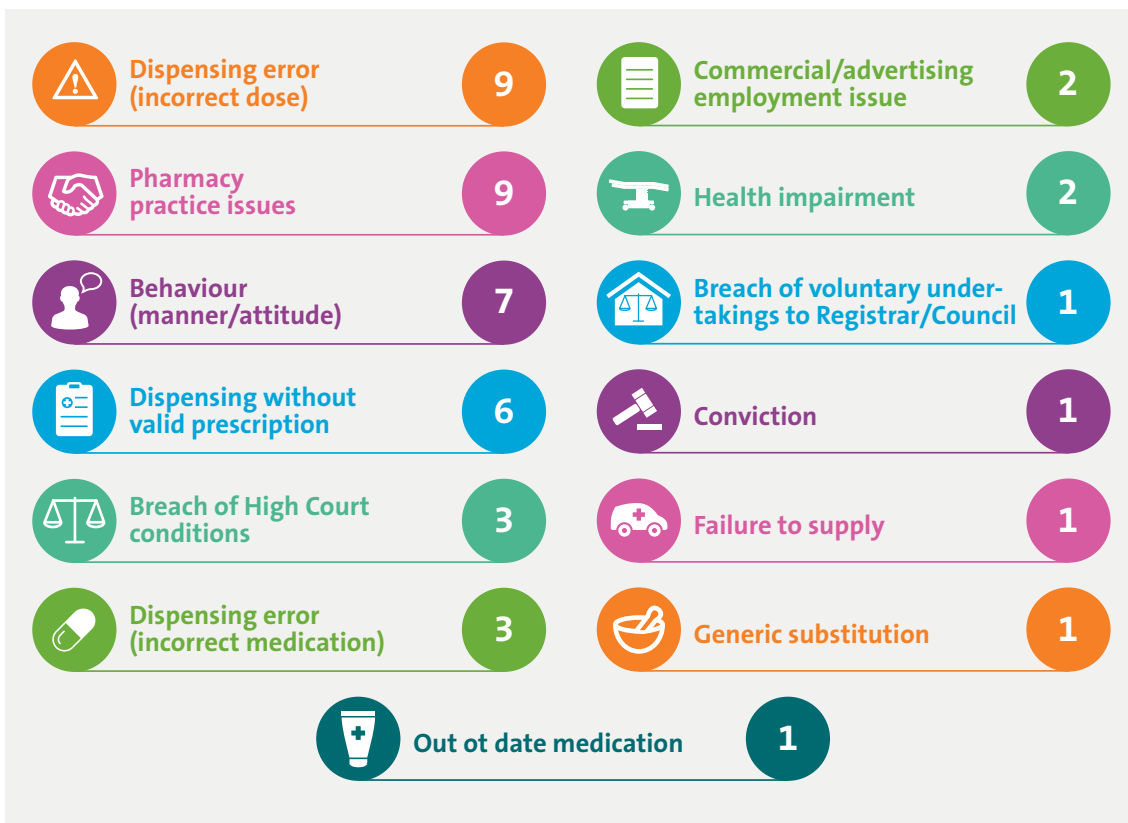
The majority of complaints received were from members of the public, as illustrated in figure 16. The Registrar was responsible for making 19% of the complaints, most of which were made following the Registrar's consideration of a PSI Inspector's report further to either an inspection or an investigation.

Figure 16. Breakdown of Complaints by Source



The complaints received in 2017 are broken down by category in figure 17¹. The highest number of complaints received related to dispensing errors and pharmacy practice issues. A total of 12 complaints related to dispensing errors. A total of nine complaints alleged that the incorrect dose of the correct medicine had been supplied to a patient and three alleged the wrong medicine had been supplied. A further nine complaints related to pharmacy practice issues, which can include matters relating to the management of medicines, record keeping, storage and disposal of medication and counselling of patients.

Figure 17. Categories of Complaints Received

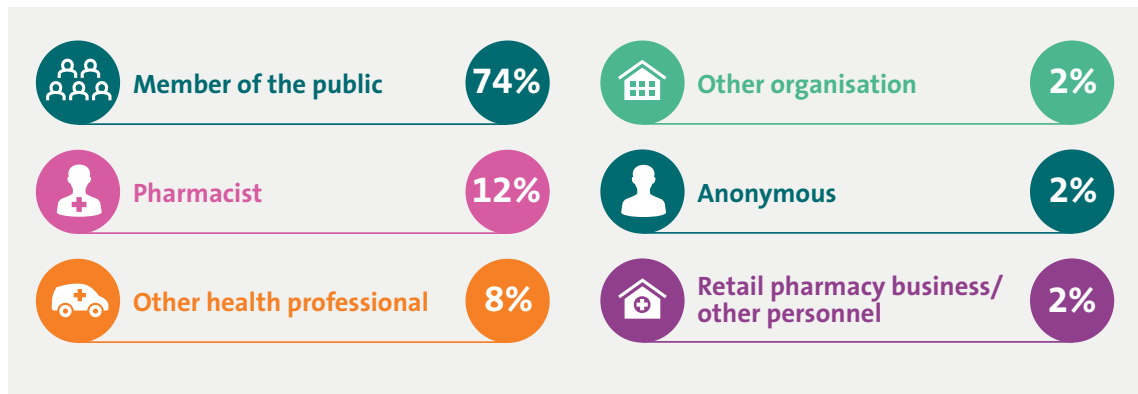


¹ Please note categories were revised in 2017 and new categories were included to provide better insight into the type of complaints received.

Concerns

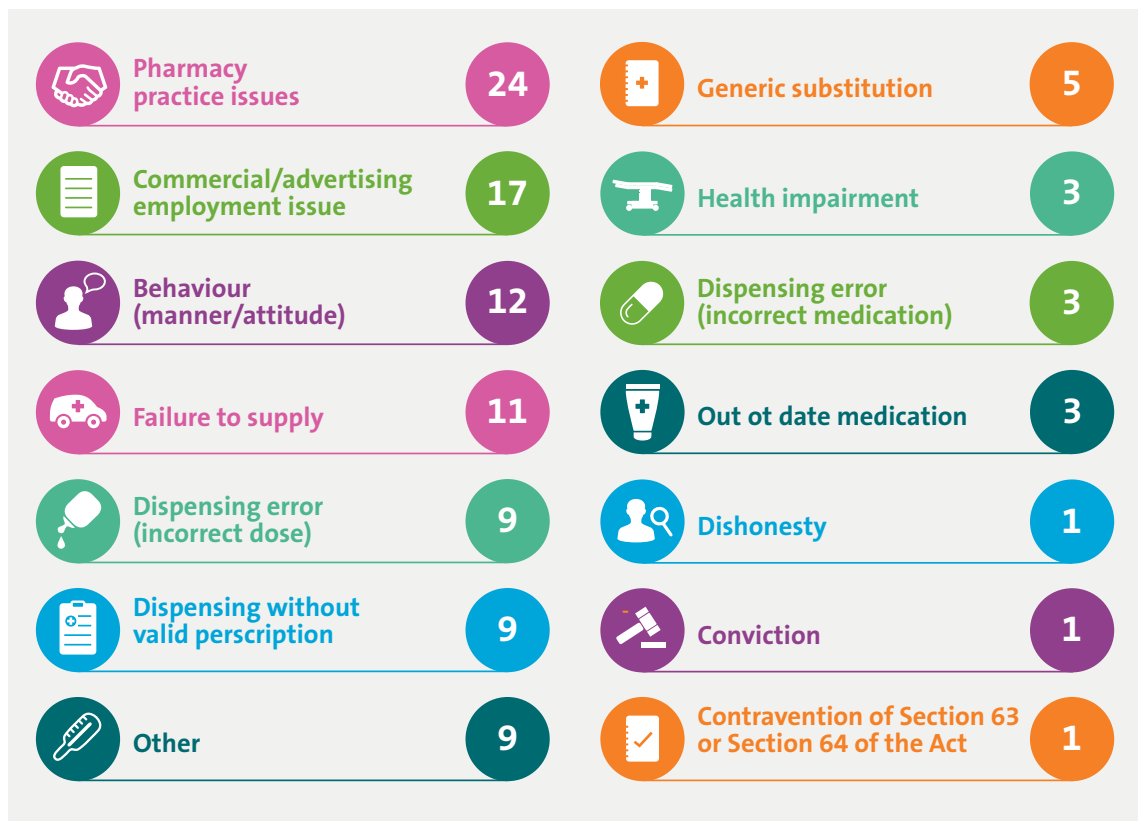
In addition to processing complaints, we also deal with expressions of concern about pharmacists and pharmacies, where a written complaint is not received. The PSI received 108 expressions of concern in 2017. The majority of concerns received were from members of the public, as illustrated in figure 18 below.

Figure 18. Breakdown of Concerns by Source



The concerns received are broken down by category in figure 19. Of the 108 expressions of concern received, 14 resulted in formal complaints, 78 were dealt with internally and as at 31 December, 16 remained under review.

Figure 19. Categories of Concerns Received



The Preliminary Proceedings Committee

The Preliminary Proceedings Committee (PPC) considers complaints made about pharmacists and pharmacies and decides whether there is sufficient cause to warrant further action being taken in relation to the complaint.

The PPC may decide there is a case for further action and refer the complaint to either mediation or a Committee of Inquiry.

Alternatively, the PPC may decide there is not sufficient cause to warrant further action. In such cases, the PPC provides advice to the Council confirming that, in their view, there is not sufficient cause for further disciplinary action being taken against either a pharmacist or pharmacy. If the Council agrees, the complaint process ends and no further action will be taken regarding the complaint. If the Council does not agree, it will send the complaint back to the PPC, who will refer the complaint to mediation or to a Committee of Inquiry.

- **Complaints Considered by the Preliminary Proceedings Committee**

During 2017, the PPC considered 57 complaints and 89% of the complaints were considered within six months.

The following is a summary of the PPC's decisions in relation to the 57 complaints considered:

- **Further Action**

The PPC sent 17 complaints forward for further action. Of these:

- Eight complaints were referred to the Professional Conduct Committee (PCC) for inquiry;
 - Eight complaints were referred to the Health Committee for inquiry; and
 - One complaint was referred for mediation.
-

- **No Further Action**

The PPC advised the Council that 40 complaints did not warrant further action. The Council agreed with the advice of the PPC in relation to all of these complaints.

- **Withdrawn Complaints**

Under Section 44 of the Act, a complainant may withdraw their complaint at any stage of the complaint process. Where a complainant applies to withdraw a complaint, the Committee considers the complaint and may, with the Council's agreement:

- decide no further action is required; or
 - proceed as if the complaint has not been withdrawn.
-

A total of three complaints considered by the PPC were withdrawn by complainants. The PPC decided, with Council's agreement, to take no further action in relation to two complaints and to proceed as if the complaint had not been withdrawn in relation to one complaint.

An Overview of Fitness to Practise Inquiries and Outcomes

In 2017, 13 inquiries, which related to 18 separate complaints were heard and concluded before a Committee of Inquiry.

A total of five inquiries, which related to ten complaints were heard by the Health Committee. Health Committee inquiries are held in private due to the sensitive nature of the complaints.

The remaining eight inquiries were heard before the Professional Conduct Committee (PCC). One further inquiry was commenced in 2017, however, it was adjourned until 2018 and is therefore not included in the statistics for 2017. A number of the inquiries heard in 2017 involved more than one respondent (pharmacist or pharmacy).

• Outcomes

- In eight inquiries, findings were made against at least one respondent. Of these, four of these hearings took place before the Health Committee and the other four hearings took place before the Professional Conduct Committee.
 - In two Inquiries, the Committee of Inquiry accepted undertakings² from the respondent.
 - In three inquiries, the complaints were not substantiated and in accordance with Section 48 of the Act, were dismissed.
-

• Mediation

In 2017 the PPC referred one complaint to mediation in accordance with Section 37 of the Act. The mediation was successful and resulted in the registrant consenting to being censured and providing undertakings that a monitoring and mentoring programme, regarding specific areas of practise, would be completed within a designated time period. The outcome of the mediation was also published on the PSI website.

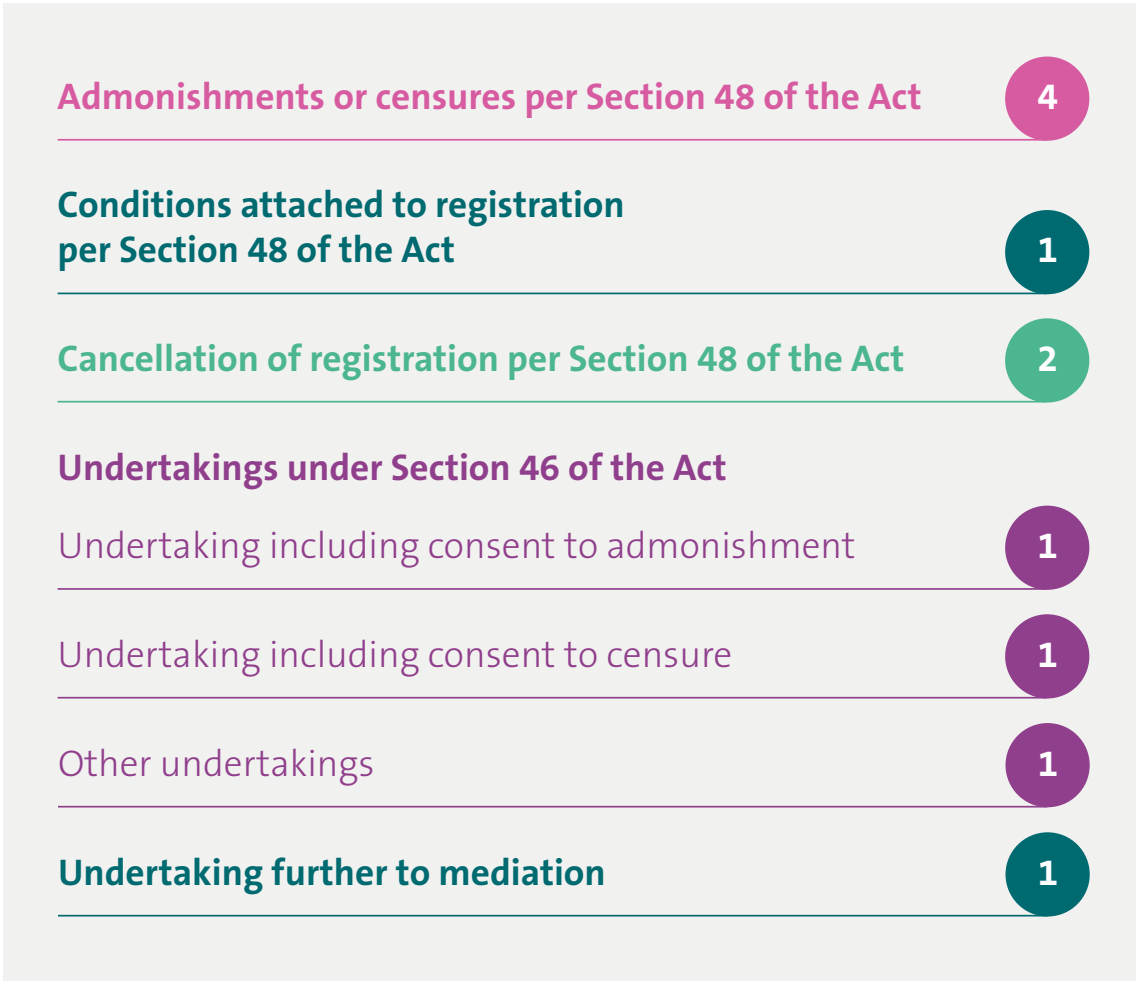
• Sanctions imposed by the Council pursuant to Section 48 of the Pharmacy Act in 2017

A respondent (pharmacist or pharmacy) may have one or more sanctions imposed following an inquiry. For example, a pharmacist may be censured and also have conditions attached to his/her registration. Figure 20 reports the total number of sanctions imposed by Council following an inquiry, as at 31 December 2017³.

² The Committee of Inquiry may request an undertaking from a respondent under section 46 of the Pharmacy Act 2007.

³ Not all sanctions recommended by either the Health or Professional Conduct Committees were considered by Council in 2017. Therefore, Council will impose sanctions in 2018 in relation to a number of inquiries which concluded in 2017.

Figure 20. Sanctions and Undertakings



- **Callovers**

Callover meetings (“Callovers”) of the Health Committee and Professional Conduct Committee were introduced in 2017.

A Callover is a meeting where the Health Committee and the Professional Conduct Committee can consider matters such as dates for inquiry, applications for adjournment, privacy applications or other preliminary applications. The Committees may also direct that specific timelines be complied with in order to ensure that a case is ready for hearing. In total, six Callovers were held during 2017.

- **Applications for Interim Suspension Pursuant to Section 45 of the Pharmacy Act 2007**

The Council of the PSI may apply to the High Court for an order to immediately suspend the registration of a registered pharmacist or registered pharmacy against whom a complaint has been made, if there is a risk to the health and safety of the public, which is of such magnitude that registration should be suspended pending the conclusion of the inquiry process. In 2017, the Council of the PSI made one application to the High Court pursuant to Section 45.

Other Activity

Guide for Pharmacists and Pharmacy Owners

In 2017, two new guides were published on the PSI website to assist pharmacists and pharmacy owners who are the subject of a complaint. The first guide, Guide for Pharmacists and Pharmacy Owners on the Complaint Process, explains the initial stage of a complaint and how ultimately the complaint is considered by the PPC and Council. The second guide, Guide for Pharmacists and Pharmacy Owners, on the Inquiry Process provides information on what to expect before, during and after an Inquiry.

Video-Link Evidence

The Pharmaceutical Society of Ireland (Receiving and Recording of Evidence by a Committee of Inquiry) Rules 2017 came into force in May. These Rules allow a Committee of Inquiry to receive evidence at a hearing from a witness by video link or other means of transmission.

A number of witnesses provided evidence to a Committee of Inquiry via live-video link in 2017 following the introduction of these Rules.

Corporate Governance

We implement strategic management practices to support the organisation's effectiveness and efficiency through robust annual business planning and reporting processes, in order to support Council and its Advisory Committees. We also ensure compliance with legislative, and corporate governance requirements.

Council and Advisory Committees Business

Throughout 2017, we worked on developing and consulting on the PSI's next Corporate Strategy, as required under the Code of Practice for the Governance of State Bodies. A sub-group of the Council was established to support and provide input throughout the research and development phase. Broad consultation and engagement with the Council, registrants, Department of Health, patient and healthcare advocates, and pharmacy representative organisations ensured that our strategic objectives would reflect on the needs of those linked with our work. The new Strategy outlines four strategic results areas and sets one clear central organisational goal – to assure trust in pharmacy through effective regulation. This is the commitment that the PSI is making for 2018-2020 and against which the organisation will assess its performance. The Strategy was agreed by the Council at year end. It will be published and implemented in early 2018.



In 2017, we provided governance, policy advice and meeting support to the Council and Advisory Committees. Council received ongoing training throughout the year on various topics relevant to their role. As required under the Code of Practice for the Governance of State Bodies, the PSI Council also undertook a self-assessment evaluation of its own performance and that of its Committees.

Compliance with Relevant Legislation

The PSI must ensure compliance with applicable legislation including the Ethics in Public Office Acts, Protected Disclosures Act, Freedom of Information Act and Data Protection Acts. In 2017, we ensured compliance with relevant legislation, we processed five freedom of information requests and 107 third party data protection access requests.

In 2017, we continued our preparation for the new General Data Protection Regulation, which is coming into effect across the EU in May 2018. As part of this we conducted awareness training and started auditing the personal information that we hold. A review of all data protection policies was carried out and training sessions for all staff on data protection were held. Further work in this area will be conducted throughout 2018.

Compliance with Best Practice in Governance

All PSI staff, Council and Committee members have a role to play in assuring good governance and adherence to the Code of Practice for the Governance of State Bodies, as well as the relevant provisions in the Pharmacy Act 2007 and its associated statutory instruments.

In 2017, we carried out an audit of our compliance with the Code of Practice for the Governance of State Bodies to identify any potential gaps in compliance. Current policies were updated and additional procedures were developed to enhance our levels of compliance with the Code. In December, the Council also approved an updated Risk Management Policy and Corporate Governance Framework. As part of the Department of Health's oversight arrangements, we met with officials from the Department of Health three times in 2017 to discuss governance related matters.

State bodies are required to publish a Customer Charter, which outlines the nature and quality of service which customers can expect based on the twelve principles of quality customer service used by Government departments. In 2017, the PSI Council approved a Customer Charter, which is available on our website, and a Customer Action Plan which sets out our approach the quality of service outlined in the Charter. We continue to monitor performance against the standards set out in the Customer Charter and to identify areas for improvement.

Communications and Public Affairs

Our Communications Strategy supports effective engagement with all of our stakeholders across our varying functions. It is designed to ensure patient safety is core to our communications, and that we are creating awareness and understanding of the PSI's role. We carry out regular public consultations, develop information campaigns to support our activities, hold meetings and workshops, liaise with the media, ensure we make available our reports and details of our work, and maintain constant channels of information through our website, social media platforms and newsletter.

The PSI's Corporate Strategies continuously recognise the importance of effective communication and collaboration in order to achieve our mission and create awareness and understanding of the pharmacy regulator's role. We have a responsibility to support pharmacists and their teams in the provision of safe and appropriate pharmacy practice that can be relied upon and trusted by the public, as well as a duty to make available information to the public and other stakeholders and to contribute to wider initiatives furthering public health, wellbeing and safety.

Engaging with Stakeholders – Supporting PSI Projects

To assist in the implementation of the PSI's next Corporate Strategy 2018-2020, we took time during 2017 to develop a Communications Strategy to support its implementation. This new Communications Strategy was approved by Council in June and considers research undertaken with several stakeholder audiences during the year. Overall, through planned campaigns and strategic collaboration with others, our aim is to support the organisation's goal to further build public trust and confidence in pharmacy and the system of regulation, and to create or strengthen beneficial relationships with those working in pharmacy, patients and the public, and in the wider healthcare environment. We have recognised the changing technology landscape and demand for different types of media, including social media content and videos.

We continue to undertake internal and external research to gain feedback on work we are carrying out and to help us in planning for the future. During 2017, this research included a media and stakeholder audit, staff and Council surveys and independent surveys of a sample of registrant pharmacists and an independent, short public survey. In 2017, we carried out four public consultations, which included a consultation on a draft PSI Corporate Strategy 2018-2020, and guidance for pharmacists, including the joint guidance between the PSI and Medical Council. Our consultations ensure that our work is informed by, and takes account of, our stakeholders.

In 2016, we published a Patient Charter, with the aim of informing patients about what they can expect in their interaction with a community pharmacist, or in a pharmacy, as well as highlighting the role of pharmacists. In 2017, we continued to encourage pharmacists to display the Patient Charter in their pharmacy, to help demonstrate the role that they can play in assisting people to look after their health.

Getting Our Message Out

We recognise that our website is an important source of information and we strive to regularly update and review its content. During 2017, we undertook a significant review of the complaint and disciplinary section of the website, including creating two information videos. We also made significant improvements to inform people about our inspection processes, and added more answers to our FAQ section, of use to both those working in pharmacy and for members of the public. The questions and answers reflect on the nature and recurrence of frequently asked questions to our practice query service.

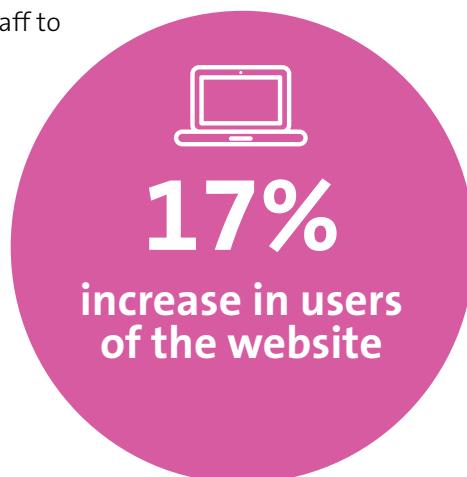
The PSI website continued its year on year increase in website visits and sessions. The website had a 21% increase in sessions, a 17% increase in users and a 24% increase in unique page views compared to 2016.

In late 2017, we began to build a presence for the PSI on Twitter and LinkedIn as an additional way to quickly reach out and message to new and existing audiences. These social media channels are used to communicate, promote and distribute information relating primarily to the work of the PSI.

The PSI newsletter is a means of maintaining regular contact with PSI registrants and all those who subscribe to receive PSI updates. In 2017, seven newsletters were issued during the year to provide the latest pharmacy practice guidance, advice and relevant professional and public health updates. The newsletters are archived on the PSI website so that they can be usefully referenced. Other timely updates were sent by email on a range of topics to registrants throughout the year.

In 2017, we issued nine press releases and shared other information to generate awareness of the PSI and to highlight key matters relevant to pharmacists and others. This included widely circulating a notice about the upcoming end of the four-year pharmacy degree programme and National Pharmacy Internship Programme across several media, while World Pharmacy Day in September provided the opportunity to promote the numerous contributions the pharmacy profession makes to public health. We also dealt with 32 media queries in 2017, on a variety of topics, and facilitated public and media attendance at Council meetings and disciplinary inquiries throughout the year.

It is our aim to use clear, plain English in our communications and on our website. We continued to raise staff awareness of literacy and numeracy challenges that may affect those engaging with us, and encouraged all staff to adopt plain English principles, supported by resources and training available from the National Adult Literacy Agency (NALA).



Operations

Administration and Finance

We manage the PSI finances, ensuring that the Council fulfils its legislative requirements and applies best practice to the governance of its financial affairs.

Financial Management

In March, the Council approved the Annual Financial Statements for the year ended 31 December 2016 following completion of the external audit. During the year, we reported to Council on the management accounts against budgets and also presented the 2018 budget for approval.

A key strategic development was the completion of a Comprehensive Resourcing Review for 2018-2020 (the Mazars Report), which included a financial review and a projected funding model for 2018-2022.

Significant activities undertaken in this area included:

- Roll-out of phase 2 of the financial system improvement project, which included enhancement of the Council and senior management reporting pack, and the implementation of a document management system for finance records and a fixed asset module within Sage 200.
- Ongoing review and update of the financial policies and procedures including a revision of the Travel and Subsistence Policy and Procedures following new circulars on subsistence allowances and motor travel rates issued by the Department of Public Expenditure and Reform.
- Ongoing reconciliation of the PSI Superannuation Scheme 2016 to date, including independent verification of the adequacy of the Superannuation Fund liability provision in the financial statements and the amount held on deposit to meet this liability.
- Continuing management of the Irish Institute of Pharmacy (IIOF) funding.
- Ongoing management of the fee income process including increased usage of the electronic fund transfer (EFT) payment option for pharmacies, which increased to 33% in 2017 compared to 19% in 2016, and reduced the quantity of cheques received from pharmacies in line with the national payment plan.

We publish quarterly reports on our website of our compliance with the prompt payment of accounts legislation, and submit these quarterly to the Department of Health. In quarter four, 64% of our creditors had been paid within 15 days and a further 25% within 30 days.

In 2017, funds were invested as per the approved Investment Management Policy, which requires that funds are secure at all times and in capital guaranteed investments. The funds must be held in financial institutions authorised by the Central Bank of Ireland and approved by Council. PSI funds are currently invested with AIB Bank, Bank of Ireland, KBC and Ulster Bank. The investment of funds throughout the year was based on the best rates available as funds matured.

The results for 2017 show an operating deficit of (€283,153) (2016- surplus of €53,984) against a budgeted deficit of (€322,575). Further detail and analysis of the 2017 operational results are included in the Financial Report.

Procurement

In January, Council approved the 2017 annual procurement plan. We continue to utilise, where appropriate, centrally established frameworks by the Office of Government Procurement (OGP) to maximise the value for money achievable.

In 2017, the following significant public procurement competitions were completed:

- Establishment of a single user framework agreement for consultancy services and initial contract awarded to providers to carry out a core funding review (incorporating a workforce plan and workforce development strategy).
- Contract awarded for external auditing and tax compliance services utilising the OGP framework for Multi-Supplier Framework Agreements for the Provision of Accounting, Audit and Financial Services.
- Contract awarded for the provision of stenography and transcription services utilising the OGP framework.
- Contracts awarded for the provisions of legal services utilising OGP framework for the provision of legal services for public bodies.

Facilities Management

We work with an outsourced facility management service provider for the provision of facilities management and related services to the PSI. The service provider is responsible for assisting us in maintaining a fit for purpose, safe and efficient premises, and in facilitating arrangements for internal and stakeholder use of PSI facilities for meetings and other events.

Key services delivered during the year included:

- CCTV policy review including review of data protection requirements
- Energy review and Sustainable Energy Authority of Ireland (SEAI) compliance assistance
- Screens added to additional meeting rooms to enhance collaborative working
- Portable appliance testing (PAT) carried out throughout the building

Human Resources

We maintain a positive working environment for all employees that supports equality and diversity and encourages innovation and continuous improvement through the provision of HR services, systems, policies and procedures.

A key strategic development was the completion of the Mazars Report, which included a strategic workforce plan element. The review was conducted in a series of phases: core function analysis; human resourcing review assessment; analysis of total resources and analysis of the funding model.

The report was presented to Council in September and included the key findings and recommendations following the completion of the core function supply, demand analysis and human resourcing review, and a strategic workforce plan for the PSI for the period 2018-2020.

Following the Council's approval to seek sanction from the Department of Health for 15 new posts (14.5 FTEs), the process to develop the associated business cases for submission to the Department commenced in quarter four.

Recruitment and selection activity remained an important priority during the year and included external open recruitment competitions for a number of roles including Governance and Planning Officer, Financial Accountant, Accounts Administrator and Senior Pharmacist Advisers (maternity leave cover).

Organisation-wide learning and development initiatives for staff included performance management, decision driving training for PSI Inspectors, presentation skills training, customer relations/service training and mandatory manual handling awareness training. PSI staff members also participated in a two-day management development programme and a three-day leadership development programme, which was run in collaboration with the Health and Social Care Professionals Council and Registration Boards (CORU) and delivered by the Institute of Public Administration (IPA).

A new Learning and Development Policy was developed and rolled-out and a full review of all our HR policies and procedures commenced.

As part of the PSI's ongoing Workplace Wellbeing initiatives, a number of activities took place to celebrate National Workplace Wellbeing Day, a new Workplace Wellbeing Group was established and a new Employee Assistance Programme with enhanced services was launched for members of staff.

The PSI positively promotes and rigorously observes the principles of equal opportunity and is committed to implementing policies to promote equal opportunities. We are also committed to providing a service that upholds an individual's rights to equal treatment established by equality legislation, and we aim to ensure that our services and facilities accommodate the diverse needs of all our customers in an appropriate manner.

ICT

We continuously monitor and review internal systems and processes in order to implement appropriate information and communications technologies to support the delivery of technology, operations and services.

Further enhancements to the PSI's registration system were undertaken during 2017.

We continued to provide support for registrants in the use of online facilities. Online continued registration by pharmacists increased from 93% in 2016 to 95% in 2017. In September, we simplified the login process for all registrants by removing the pin number access.

In August, following a public procurement mini-tender process, a new print management system was successfully implemented. The new print system incorporates green technologies, reducing both the environmental impact, our printing costs and should also improve our ability to manage long-term costs.

A major review of all ICT policies and procedures was undertaken towards the end of 2017 and a new Staff Identification and Access Card Policy was rolled-out in quarter three.

Audio-visual enhancements were carried out throughout PSI House, including changes to the inquiry room to allow video calls during inquiries.

We continue to explore and implement measures to ensure that an appropriate level of ICT systems security is in place, with a view to ongoing enhancement and increased security levels.

Report from the Audit and Risk Committee

The PSI has an internal audit system which consists of the Internal Auditors and the Audit and Risk Committee. The Audit and Risk Committee meets on a quarterly basis to review reports prepared by the Internal Auditor and consider other relevant issues. It reports on a quarterly basis to the Council assuring it, if it believes it is justified in doing so, that the PSI has adequate financial and non-financial control systems in place.

A rolling three-year Internal Audit Plan is revised annually by the Audit and Risk Committee, where required. The Internal Audit Plan for the period 2014-2017 took into account areas of potential risk and expired mid-year in 2017 and the Internal Auditors, in line with a one-year extension to their contract, developed a one year Internal Audit Plan from June 2017 to June 2018, which was approved by the Audit and Risk Committee. The Internal Auditor provided the Committee with quarterly reports on assignments, which highlighted deficiencies or weaknesses, if any, in the systems of internal control, and the recommended corrective measures to be taken where necessary.

In 2017, the Audit and Risk Committee held four meetings and reviewed reports from the Internal Auditors relating to:

- Fitness to Practise
- Internal Control Framework
- Travel, Subsistence and Payroll
- Value for Money

The Committee also received regular reports from management on the implementation of recommendations from internal audit reports and was briefed on the financial position of the PSI, staffing and superannuation. The Committee also received updates from management on the implementation of the recommendations identified as part of an external governance review carried out by the Chartered Institute of Public Finance and Accountancy.

The Council's monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal auditor, the Audit and Risk Committee which oversees the work of the internal auditor, the external auditor and the senior managers within the PSI who have responsibility for the development and maintenance of the control framework.

The Audit and Risk Committee welcomes the progress the PSI continues to make in embedding risk management across its systems and processes. At each meeting the Committee reviewed quarterly risk reports, the corporate risk register, and conducted in-depth analysis of the following PSI Department risk registers in 2017:

- Education and Registration Department
- Corporate Governance and Public Affairs Department
- Pharmacy Practice Development Department
- Regulation Department

The Committee was assured of the comprehensiveness, reliability and integrity of the processes in place, and mitigating actions taken where required, and believe they are sufficient to support Council decisions, accountability, and management of risk.

In 2017, the Committee met with the Internal Auditors on one occasion. The Committee also reviewed, with the External Auditor, the external audit management letter and the organisation's response, and is satisfied with the response from management.

The PSI operates in accordance with the Code of Practice for the Governance of State Bodies. The PSI conducted an extensive exercise to determine the level of compliance with the Code of Practice for the Governance of State Bodies to ensure the PSI was compliant by the deadline of 2017. The Audit and Risk Committee welcomes the progress made by the PSI in updating its systems and processes, in order to enhance its continued compliance with governance best practice.

It is the opinion of the Audit and Risk Committee that the PSI has adequate systems of risk management and internal control in place which will ensure that risks are identified, mitigated and controlled, allowing the PSI to meet its legal and regulatory obligations.



Paul Turpin

Chair of the Audit and Risk Committee

Risk Management Report

The PSI is committed to managing its risks, in order to facilitate better decision-making and business planning, based on a clear understanding of the risks faced by the organisation, and their likely consequences. In pursuit of these objectives, we have a risk management process operating across all levels of the organisation.

While the PSI Council has ultimate responsibility for the PSI's system of internal control, there are defined roles for the Registrar, Senior Management Team, PSI staff, Advisory Committees, the Audit and Risk Committee, as well as the Internal and External Auditors. The PSI's risk management framework aims to ensure the organisation provides timely and effective responses in a fluid and challenging operating environment. The PSI Council is responsible for setting the risk appetite, approving the risk management policy, and monitoring its effectiveness. As a public body, tasked with acting in the interests of patient safety and public protection, the PSI seeks to mitigate all risk in these areas.

In 2017, the PSI Council carried out an assessment of the PSI's principal risks, updated the risk appetite statements and its risk management policy and guidelines. A quarterly report on all risk based activity was presented to the Senior Management Team, the Audit and Risk Committee and the Council, following a review conducted by all Departments of the risks associated with their areas of responsibility. The Council also received risk management training in 2017.

Principal Risks and Uncertainties

Risk Profile

The PSI's principal risks and uncertainties are summarised according to the category to which they relate, based on the likelihood of occurrence, and potential consequence for the PSI, using the processes outlined in our risk management policy. The PSI Council has considered the nature and extent of the significant risks it is willing to take in order to achieve the PSI's strategic objectives.

1. Budgetary and Financial Risks

1.1) The PSI has an ambitious strategic agenda with a number of high profile projects to be delivered in the coming year. Lack of requisite financial resources available through annual operational income may impact on achieving our strategic objectives within the timelines set out.

Mitigation

The PSI has taken steps to mitigate this risk by:

- Continuously reviewing priorities in the context of resource availability, service provision and risks and exposures;
- Establishing cash flow maximisation strategies and cost containment/reduction activities;
- Ensuring audit and accountability obligations and other requirements are being complied with;
- Ensuring budgetary management and reporting arrangements;
- Ongoing oversight by the Registrar, Administration and Finance Committee, Audit and Risk Committee and Council;
- Completion of a core funding review in 2017 to determine the full cost of regulation;
- Outsourcing activities where value for money can be achieved;
- Engaging with other regulatory bodies to ensure sharing of resources and information where applicable; and
- Utilising technology where possible to streamline PSI activity to free up resources.

1.2) Without specific guidance from the Department of Public Expenditure and Reform, there is a potential risk to PSI of a fund deficit should it materialise that the superannuation fund be administered on an actuarial valuation basis.

Mitigation

The PSI has taken steps to mitigate this risk by:

- Ongoing engagement with the Department of Health to seek clarification and outline of steps to be taken by PSI prior to transfer of funds;
- Annual independent verification of the PSI's superannuation fund liability;
- Actuarial valuations carried out as required.

2. Governance and Compliance Risks

2.1) The PSI is both a regulator, and a regulated body, and this imposes significant compliance obligations on the organisation. In this context, there is risk of potential non-compliance with PSI's statutory, governance and professional obligations.

Mitigation

The PSI has taken steps to mitigate this risk by:

- Applying necessary resources to ensure ongoing compliance with the requirements of the Pharmacy Act 2007 and other relevant legislation, and monitoring implications for the PSI's work programme;
- Conducting regular and systematic briefings with stakeholders, and sharing of knowledge with staff, Council and Committees on new and proposed legislative and regulatory provisions;
- Conducting internal and external audits, which feed into the PSI's risk management framework;
- Implementing a risk based approach to legal and regulatory obligations;
- Engaging with its stakeholders, and peer regulatory bodies; and
- Providing ongoing training to PSI staff, Council and Committees.

3. Operational Risks

3.1) This risk reflects on the ability of each Department of the PSI to carry out their day to day duties and obligations efficiently and effectively while ensuring an appropriate professional and timely response and meeting customer service standards within the current resource and budgetary envelope. This risk also takes cognisance of external factors such as the current uncertainties surrounding the implications of Brexit for the PSI.

Mitigation

The PSI has taken steps to mitigate this risk by:

- Emphasising delivery of a high-quality service across all the Departments supported by good management and oversight processes;
- Providing training, education, awareness raising and communication about policies and procedures;
- Developing records and document management systems as well as secure information management, data protection and IT controls;
- Establishing more cross divisional engagement and opportunities to foster greater collaboration; and
- Engagement with the Department of Health and other professional regulators both in Ireland and in Europe.

- 3.2)** There is a risk that limited integration and functionality of the PSI's ICT systems is impacting on the implementation of PSI business functions and could lead to potential exposures in security.

Mitigation

The PSI has taken steps to mitigate this risk by:

- Conducting a comprehensive review of PSI's ICT systems, processes and ICT security;
- Conducting system updates on an as needed basis, within the constraints of the current system;
- Implementing regular testing and upgrades to firewalls and antivirus software;
- Ongoing user awareness and training programmes; and
- Implementation of annual disaster recovery testing.

- 3.3)** There is a risk that the uncertainty in relation to pharmacy policy and the regulatory remit of the PSI in the context of healthcare reform, may impact on the PSI's strategic focus in this area.

Mitigation

The PSI has taken steps to mitigate this risk by:

- Engaging with the Department of Health to ensure that the system of regulation is fit for purpose and supported by relevant and up to date legislation; and
- Examining the model of regulation as it applies to hospital pharmacies falling under the definition of a retail pharmacy business as provided for in the Pharmacy Act 2007.

- 3.4)** The PSI over recent years, has introduced significant reform to the qualification for practice and also continuing professional development for pharmacists. The PSI continues to monitor the roll out of the reform programme recognising the potential risk to patient safety of poor engagement by pharmacists with continuing professional development.

Mitigation

The PSI has taken steps to mitigate this risk by:

- Engagement with the Schools of Pharmacy, the Affiliation for Pharmacy Practice Experiential Learning with regard to the qualification for practice;
- Ongoing engagement with the Irish Institute of Pharmacy, to ensure high levels of engagement by pharmacists with continuing professional development.

4. Stakeholder / Inter agency Risks

4.1) The PSI recognises the dependencies and reciprocal responsibilities in its relationship with its key stakeholders.

Mitigation

The PSI has taken steps to mitigate this risk by:

- Fostering effective and professional relationships with a range of external stakeholders including the public, the profession, representative groups and key government departments;
- Working with competent authorities, both domestic and overseas, on registration, recognition of professional practice and regulatory issues;
- Clarifying PSI's role as a regulator, and linkages to other regulatory bodies and agencies;
- Representation of the PSI on a range of national, regional and local professional, network and industry groupings; and
- Using public consultations to inform its work and contribute to public consultations conducted by other stakeholders.

5. Personnel and Talent Management Risks

5.1) There is a risk that the PSI may not have sufficient staffing resources to adequately meet its functions and responsibilities under the Pharmacy Act 2007.

Mitigation

The PSI has taken steps to mitigate this risk by:

- Completing a workforce resourcing review in 2017 and development of a strategic workforce plan.

Financial Report

for the period 1 January 2017 to 31 December 2017

The 2017 annual accounts of the PSI have been audited by JPA Brenson Lawlor, and the details of the accounts are shown in the attached Financial Statements for the year ended 31 December 2017.

Income

Total income in 2017 was €7.340m, which was an increase on €7.315m in 2016. The PSI is mainly self-funded, currently with three main sources of income: registration and administration fee income, interest income and funding from the Department of Health for the Irish Institute of Pharmacy.

Total registration fee income for 2017 of €6.740m was €25k higher than in 2016. The main factor in contributing to the increase in income was a net increase in pharmacist registration fee income over a decrease in retail pharmacy business registration income.

The majority of continued registration fees are collected in November and December each year and are released over the applicable income period. The resultant deferred income (prepaid fees) held at the 31 December 2017 was €6.125m and is reflected in the cash held at that date in the Statement of Financial Position.

In 2017, funding of €0.600m was received from the Department of Health in respect of the Irish Institute of Pharmacy. The drawdown of €0.600m represents the full allocation of funds from the Department of Health for 2017.

There was a slight increase in interest income in 2017 with a return on investment of just €0.017m in 2017, compared to €0.009m in 2016, primarily due to virtually zero interest rates and the PSI's investment management policy with a zero-risk appetite. Overall interest income continues to be substantially reduced from previous years.

Cost of Operations

The total cost of operations in 2017 was €7.641m compared to €7.270 in the previous year.

Pay Costs

The level of permanent whole-time staff approved by the Department of Health in 2017 was not exceeded. The average number of staff on payroll during the year was 39. In 2017, the PSI also engaged temporary resources, namely agency staff, to enable the PSI to continue to fulfil its statutory obligations.

The total pay costs, including employer PRSI, pension costs and temporary staff costs in 2017 were €3.245m an increase of €0.119m on the 2016 cost of €3.126m. Direct pay costs amounted to €2.726m for the year, which is an increase of €0.037m on the 2016 cost of €2.689m.

In compliance with the Code of Practice for the Governance of State Bodies 2016, the Registrar's salary costs, as approved by the Minister for Health with the consent of the Minister for Public Expenditure and Reform, are disclosed in the Annual Financial Statements.

The fees and travel expenses paid to Council members, Committee members and employees of the PSI are also subject to scrutiny by the Internal Auditors and the Audit and Risk Committee and are formally approved by the Registrar. Travel expenses and subsistence, including international travel expenses, are disclosed in the annual Financial Statements.

In compliance with Schedule 1, paragraph 14 of the Pharmacy Act 2007, staff pay rates are approved by the Minister for Health, with the consent of the Minister for Public Expenditure and Reform, for health sector grades. No bonuses, overtime or performance payments were paid by the PSI in 2017, in accordance with the directive of the Department of Public Expenditure and Reform.

The level of absenteeism of PSI staff continued to be low in 2017 at 1.34%, down from 1.82% in 2016. The commitment and dedication to work by PSI staff is highly valued by the Registrar and Council, particularly viewing the complex and expanding services required to be carried out.

Non-Pay Costs

The total non-pay costs in 2017 were €4.396m (2016: €4.144m). The major elements were:

	2017	2016
	€m	€m
• Legal fees	0.747	0.694
• Tax and financial advisory fees	0.045	0.050
• Public affairs/ marketing fees	0.052	0.133
• Pensions and human resources	0.032	0.068
• Other consultancy fees	0.000	0.015
• Professional fees	0.043	0.046
• ICT costs	0.346	0.323
• Printing, postage and stationery	0.143	0.193
• Repairs, maintenance and other property costs	0.131	0.130
• Depreciation	0.202	0.209
• Other education costs	0.063	0.025
• Future pharmacy research project	0.000	0.077
• Irish Institute of Pharmacy (IIOP)	1.394	1.215
• APPEL	0.128	0.000

The Irish Institute of Pharmacy (IIOF) operated for a full calendar year in 2017 and drew down its full operating budget allocation of €1,393,750. This included the €600,000 Department of Health funding for the Institute.

In December, the Council authorised the use of the Income and Expenditure Reserve to fund the Code of Conduct project. In 2017, an amount of €13,161 was expended in relation to the project and allocated against the Reserve. In May, the Council also authorised supplementary funding for the Professional Registration Examination Fee (PRE) of the National Pharmacy Internship Programme to be funded by the PSI's Income and Expenditure Reserve. In 2017, an amount of €50,400 was expended in relation to the PRE fees and allocated against Reserve.

The seed-funding of the IT system and online tutor pharmacist training for the Affiliation for Pharmacy Practice Experiential Learning (APPEL) was approved by Council in December 2016 to be funded from the remaining balance in the Property Reserve Fund and the balance from the Income and Expenditure Reserve. In 2017 an amount of €128k was expended in relation to seed-funding this project.

The PSI continued to use its approved Procurement Policy and implement its Corporate Procurement Plan 2014-2017 and the 2017 Annual Procurement Plan to ensure that best value for money was achieved and costs contained to the best of our ability.

Financial Results 2017 Against Budget

The table below outlines the operating income and expenditure result for 2017 against the original 2017 budget. These figures exclude capital related transactions, which are accounted for in the Balance Sheet.

Outturns for the year 2017 from operating activities against original budget

	Original Budget €	Outturn €	Variance €	% Variance %
Total income	7,337,485	7,340,336	2,851	0.04%
Expenditure				
Pay costs	3,413,130	3,245,079	168,051	4.92%
Non pay costs	4,623,827	4,395,463	228,364	4.94%
Total expenditure	8,036,957	7,640,542	396,415	4.93%
Deficit from on operating activities	(699,472)	(300,206)	399,266	57.08%
Interest income	14,750	17,053	2,303	15.61%
Surplus/(deficit)	(684,722)	(283,153)	401,569	58.65%
Funding from reserves	362,148	191,561	170,587	47.10%
Adjusted surplus/(deficit) for the year	(322,574)	(91,592)	(230,982)	71.61%

Statement of Financial Position

The PSI's Statement of Financial Position as at 31 December 2017 shows that total assets exceeded total liabilities by €23.218m compared to €23.164m at 31 December 2016. This is the net assets of the PSI including PSI House. It is represented in the Statement of Financial Position as follows:

	2017	2016
	€m	€m
Income and expenditure account	8.802	8.957
Revaluation reserve	11.517	11.517
Property surplus reserve	0.116	0.244
Designated legal reserve	2.500	2.500
Closing reserves	22.935	23.218

PSI House was independently valued by Murphy Mulhall Chartered Surveyors on 17 February 2016 to a fair value of €16.460m. This revaluation was reflected in the 2015 Financial Statements with the creation of a revaluation reserve of €11.517m. There is no change to the value of PSI House as reflected in the 2017 financial statements.

The cash balance in the Statement of Financial Position at 31 December 2017 was €15.723m. At that point the cash reached a peak as the majority of registrants had prepaid their fees (deferred income) for the following year. The value of this deferred income was €6.125m.

The cash balance includes the following commitments:

	2017
Deferred income (prepayment of fees)	6.125
Statutory staff superannuation scheme funds	4.021
Designated legal reserve	2.500
Property surplus reserve	0.116
Income and Expenditure Reserve minimum level - circa	2.000
Total cash committed	14.762
Unrestricted cash	0.961
	15.723

The PSI's statutory staff superannuation schemes fund relates to the 'Pharmaceutical Society of Ireland Superannuation Scheme 2016' which was formally established on 10 March 2016, when SI 136 of 2016 was signed by the Minister for Health with the consent of the Minister for Public Expenditure and Reform which adopted the Rules for Pre-existing Public Service Pension Scheme Members Regulations 2014 (S.I. No. 582 of 2014). This is a defined benefit scheme for the granting of superannuation benefits to, or in respect of, members of the staff. However, the scheme's funds are held in a designated deposit account pending approval of the funding mechanism for the scheme. The Department of Health is liaising with the Department of Public Expenditure and Reform to progress this matter.

The Auditors, JPA Brenson Lawlor, state in the independent auditor's report that, in their opinion, the Financial Statements give a true and fair view of the state of the PSI's affairs as at 31 December 2017 and of its results for the year 2017. They are also of the opinion that the results for the year have been properly prepared in accordance with Schedule 1, paragraph 16 of the Pharmacy Act 2007 and Generally Accepted Accounting Practice in Ireland. They are also of the opinion that the 'The Statement on the System of Internal Controls' in the Financial Statements reflects PSI's compliance with the requirements of paragraph 1.9 (iv) of the Code of Practice for the Governance of State Bodies 2016. They also confirm that they obtained all the information and explanations necessary for the purpose of the audit and the financial statements are in agreement with the accounting records. In their opinion, the accounting records of the PSI were sufficient to permit the Financial Statements to be readily and properly audited.



Financial Statements
for the Year Ended
31 December 2017

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Report from the President

In compliance with the Department of Public Expenditure and Reform's Code of Practice for the Governance of State Bodies 2016, I would like to confirm that:

- i. There were no commercially significant developments affecting the ongoing operations of the PSI in 2017.
- ii. All appropriate procedures for financial reporting, internal audit, travel, procurement and asset disposals are being carried out.
- iii. The Corporate Governance Framework also outlines that the PSI complies with disposal procedures for assets as outlined in the Code of Practice for the Governance of State Bodies. The Pharmacy Act 2007 states that any surplus following disposal of assets can be allocated to the development of education, research or any other public purpose connected with pharmacy.
- iv. A statement on the Systems of Internal Control has been included as part of this report.
- v. Codes of Conduct for Council, Advisory Committee members and employees of the PSI were reviewed and updated in 2017 and are being adhered to.
- vi. Government policy on the pay of Chief Executives and all State body employees is being complied with. The PSI also complies with Government guidelines on the payment of Council Members' fees.
- vii. The Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector are being complied with.
- viii. As the PSI is self-funding and therefore not in receipt of money from the Exchequer, the PSI is currently seeking clarification from the Department of Finance regarding the applicability of the Public Spending Code to the PSI.
- ix. The PSI is in compliance with Circular 25/2016 on the Protocol for the Provision of Information to Members of the Oireachtas by State Bodies.
- x. There are procedures in place for the making of protected disclosures in accordance with section 21(1) of the Protected Disclosures Act 2014. Details on protected disclosures made to the PSI in 2017 are contained in Appendix E of this report.
- xi. The PSI has undertaken steps to ensure that its systems and processes are compliant with the updated Department of Public Expenditure and Reform's Code of Practice for the Governance of State Bodies, 2016, except for the pension liability (Section 1.4 (ix) Business and Financial Reporting Requirements), as disclosed in the Financial Statements. The PSI is also in the process of developing a value for money strategy to be fully compliant under section 1.9 Expenditure and Performance.
- xii. Government travel policy requirements are being complied with in all respects which include procedures to monitor, report and enforce relevant rules and requirements regarding foreign travel by employees of the PSI or Council members as outlined in the Code of Practice for the Governance of State Bodies.
- xiii. The PSI complies with its obligations under tax law.
- xiv. The PSI has currently no off-balance sheet financial transactions or significant post-balance sheet events.
- xv. The PSI currently has no legal disputes with other State bodies.
- xvi. The PSI has no subsidiaries on which to report.

This report has been formally approved by the PSI Council on 22 March 2018 and signed by the President:



Mr. Rory O'Donnell, President

Statement on the System of Internal Control

for the year ended 31 December 2017

On behalf of the Council, I acknowledge our responsibility for the system of internal control in the PSI, and for putting in place processes and procedures for the purpose of ensuring that the system is effective.

The system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

The Council has taken steps to ensure an appropriate internal control environment is in place by:

- Establishing formal procedures through various Committee functions to monitor the activities and safeguard the assets of the organisation.
- Clearly defining and documenting management responsibilities, powers, policies and procedures in relation to activity.
- Developing a strong culture of accountability across all levels of the organisation.
- Establishing procedures for monitoring the effectiveness of internal control, which includes the appointment of Internal and External Auditors who operate in accordance with the Code of Practice for the Governance of State Bodies and report to the Audit and Risk Committee.
- Working closely with Government and various agencies and institutions to ensure that there is a clear understanding of the functions of the PSI and support for the PSI's strategies to fulfill its statutory obligations.

The Council has also established processes to identify and evaluate risks to the organisation. This is achieved in a number of ways including:

- Identifying the nature, extent and financial implications of risks facing the PSI.
- Assessing the likelihood of identified risks occurring.
- Assessing the PSI's ability to manage and mitigate the risks that do occur.
- Carrying out regular reviews of strategic plans and objectives, both short and long-term, and evaluating the risks of bringing those plans to fruition.
- Setting annual and longer term targets for each area of the organisation followed by regular reporting on the results achieved.
- Presenting risks to the Audit and Risk Committee and Council at each meeting to ensure the risk management framework is operating effectively.

The system of internal control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular, it includes:

- A detailed budgeting system with an annual budget, which is reviewed and agreed by the Council.
- Regular review by the Administration and Finance Committee, the Audit and Risk Committee and Council of quarterly management accounts, which indicate performance against agreed budget and provide explanation of significant deviations from budget.
- Setting targets to measure financial and other performances.
- Schedule 1, paragraph 16 of the Pharmacy Act 2007 requires the Council to prepare financial statements for each financial year, which give a true and fair view of the income, expenditure, assets and liabilities of the PSI.
- The Administration and Finance Committee also has an oversight role of both the financial affairs and the strategic planning of the PSI's finances in line with the Corporate Strategy 2013-2017.
- Addressing financial implications of major business risks through setting authorisation limits and segregating duties.
- Establishing procurement procedures to ensure compliance with procurement rules and guidelines set out by the Office of Government Procurement.

In 2017 the following controls were reviewed/implemented:

- Quarterly management accounts were reviewed by the Audit and Risk and the Administration and Finance Committees, and Council with an explanation of significant deviations from budget.
- Annual accounts for 2016 were reviewed and approved by Council with explanation of significant variances.
- The Council carried out a review of the risk management framework and also received risk management training.
- A comprehensive resourcing review was carried out to ensure we have the capacity to meet the requirements of our role, now and into the future
- As provided for in the PSI's Internal Audit Plan 2014 - 2017, the Internal Auditors conducted reviews in the following areas:
 - Fitness to Practise
 - Travel and Subsistence and Payroll
 - Value for Money

In 2017 the Council conducted an annual review of the effectiveness of the PSI's system of internal control, through its Internal Auditors, the results of which were reported to the Audit and Risk Committee, who in turn reported to the Council.

No weaknesses in internal control resulted in material losses, contingencies or uncertainties which require disclosure in the Financial Statements or the Auditor's Report on the Financial Statements. Appropriate steps recommended by the Internal Auditors are being undertaken. No breaches were reported for 2017. All elements of the control system were operational no material losses or frauds occurred in 2017.

The PSI complies with current procurement rules and guidelines set out by the Office of Government Procurement.

This statement of internal control has been formally reviewed and approved by the PSI Council on 22 March 2018 and signed on its behalf by the President:



Mr. Rory O'Donnell
President

Statement of the Council's Responsibilities

for the year ended 31 December 2017

The Council is responsible for preparing the Councils' report and the financial statements in accordance with Irish law and regulations.

Schedule 1, paragraph 16, of the Pharmacy Act 2007 requires the Council to prepare the Financial Statements for each financial year. Under the law, the Council have elected to prepare the Financial Statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland and Irish law.

In preparing these Financial Statements, the Council is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the Financial Statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- the Financial Statements on the going concern basis unless it is inappropriate to presume that the PSI will continue in business.

The Council is responsible for ensuring that the PSI keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the PSI, enable at any time the assets, liabilities, financial position and profit or loss of the PSI to be determined with reasonable accuracy, enable them to ensure that the financial statements and Councils' report comply with Paragraph 16 of the Pharmacy Act 2007 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the PSI and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Council 22 March 2018



Mr. Rory O'Donnell
President



Ms. Nicola Cantwell
Vice President

Independent Auditors' Report to the Council of the PSI for the year ended 31 December 2017

We have audited the Financial Statements of the Pharmaceutical Society of Ireland (PSI) for the year ended 31 December 2017, which comprise the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows and related notes. The relevant financial reporting framework that has been applied in their preparation is FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland.

In our opinion the Financial Statements:

- give a true and fair view of the state of the PSI's affairs as at 31 December 2017 and of its results for the year then ended;
- have been properly prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland;
- have been prepared in accordance with the requirements of the Pharmacy Act 2007; and
- the Statement on the System of Internal Controls on pages 63-65 reflects the PSI's compliance with the requirements of paragraph 1.9 (iv) of the Code of Practice for the Governance of State Bodies 2016, and is consistent with the information gathered during our audit.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Treatment of Retirement Pension

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosures in Note 18 to the Financial Statements concerning the accounting treatment for retirement benefits. The PSI has not been advised on how best to administer the funds of the defined benefit pension scheme as the Department of Public Expenditure and Reform have yet to approve the funding mechanism for the scheme. The pension scheme has been accounted for in the Financial Statements as if it were a defined contributions scheme. Should the pension scheme have been accounted for under FRS 102 Section 28 the actuarial gain / loss would be recognised in the Statement of Comprehensive Income and the surplus / deficit of the funds' assets over its liabilities would be recognised in the Statement of Financial Position as an asset or liability.

Conclusions on Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report where:

- the Councils' use of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Council Members not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the PSI ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

Other Information

The Council is responsible for the other information. The other information comprises the information included in the annual report, other than the Financial Statements and our auditor's report thereon. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are Required to Report by Schedule 1, Paragraph 16, of the Pharmacy Act 2007

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the PSI were sufficient to permit the Financial Statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

Matters on which we are Required to Report by Exception

Based on the knowledge and understanding of the body and its environment obtained in the course of the audit, we have not identified any material misstatements in the Councils' report.

We have nothing to report in respect of our obligations under Schedule 1, paragraph 16, of the Pharmacy Act 2007 to report to you if, in our opinion, the disclosures of Councils' remuneration and transactions specified by law are not made.

Respective Responsibilities of Council and Auditors

As explained more fully in the Councils' Responsibilities Statement, the Council are responsible for the preparation of the Annual Report and the Financial Statements in accordance with Schedule 1, paragraph 16, of the Pharmacy Act 2007 and the accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Council are responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

The Purpose of our Audit Work and to whom we owe our Responsibilities

This report is made solely to the Council's members, as a body. Our audit work has been undertaken so that we might state to the Council's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council and the Council's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas McDonald
for and on behalf of JPA Brenson Lawlor
Chartered Accountants
Argyle Square
Morehampton Road
Donnybrook
Dublin 4
22 March 2018

Income Statement

for the year ended 31 December 2017

	Note	2017 €	2016 €
Income	3	7,340,336	7,314,829
Operating expenses		(7,640,542)	(7,269,847)
Operating (deficit)/surplus		(300,206)	44,982
Interest receivable	9	17,053	8,912
(Deficit)/surplus before taxation		(283,153)	53,894
Taxation	11	-	-
(Deficit)/surplus for the financial year		(283,153)	53,894

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 73 to 86 form part of these financial statements.

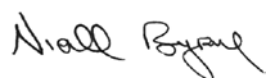
Statement of Financial Position

as at 31 December 2017

	Note	2017 €	2016 €
Fixed assets			
Tangible assets	12	17,963,560	18,137,929
		17,963,560	18,137,929
Current assets			
Debtors	14	148,528	131,490
Cash at bank and in hand	15	15,720,081	15,236,311
		15,868,609	15,367,801
Creditors: amounts falling due within one year	17	(10,897,338)	(10,287,746)
Net current assets		4,971,271	5,080,055
Total assets less current liabilities		22,934,831	23,217,984
Reserves			
Revaluation reserve	18	11,517,079	11,517,079
Property surplus reserve	18	116,218	244,218
Designated legal reserve	18	2,500,000	2,500,000
Income and expenditure account	18	8,801,534	8,956,687
Closing reserves		22,934,831	23,217,984

The Financial Statements were approved and authorised for issue by the Council on 22 March 2018.

Signed on behalf of the Council:



Mr Rory O'Donnell
President



Mr Nicola Cantwell
Vice-President

Statement of Cash Flows

for the year ended 31 December 2017

	2017		2016	
	€	€	€	€
Cash flows from operating activities				
Surplus / (deficit) for the financial year	(283,153)		53,894	
Depreciation on tangible assets	202,434		208,571	
Interest received	(17,053)		(8,912)	
Decrease/(increase) in debtors	(17,038)		(60,302)	
Increase/(decrease) in creditors due within one year	609,590		173,984	
Net cash flows from operating activities		494,780		367,235
Cash flows from investing activities				
Purchase of tangible fixed assets	(28,062)		(52,885)	
Interest received	17,053		8,912	
Net cash flows from investing activities		(11,009)		(43,973)
Net (decrease)/increase in cash and cash equivalents		483,771		323,262
Cash and cash equivalents at beginning of financial year		15,236,311		14,913,049
Cash and cash equivalents at beginning of financial year		15,720,081		15,236,311
Relating to:		15,720,081		15,236,311
Cash at bank and in hand				

The notes on pages 73 to 86 form part of these financial statements.

Notes to the Financial Statements for the year ended 31 December 2017

1. Accounting Policies

1.1 Compliance with accounting standards and basis of preparation

The Financial Statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the Republic of Ireland issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland, with the exception of the superannuation scheme, as the provisions of FRS 102 Section 28, Accounting for Employee Benefits, have not been applied.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Council to exercise judgment in applying the company's accounting policies (see note 2).

The financial statements are prepared in euros, which is the functional currency of the organisation. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention modified to include certain items at fair value. The following accounting policies have been applied:

1.2 Income

Income is recognised in the financial statements in the year to which the income relates to. To the extent income is received in advance, it is deferred and recognised in the relevant period for which services for these registrations or fees are given.

1.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The PSI adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the PSI. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Except as below, depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method. The estimated useful lives range as follows:

Depreciation

Depreciation is provided on the following basis:

Freehold property	-	Not depreciated
Office equipment and fittings	-	12.5% straight line
Computer equipment and software	-	33.3% straight line
Portraits, medals and badges	-	Not depreciated
Refurbishments – Electrical	-	5% straight line
Refurbishments – Mechanical and lift	-	5% straight line
Refurbishments – Fittings	-	12.5% straight line
Refurbishments – Audio visual	-	12.5% straight line

Notes to the Financial Statements for the year ended 31 December 2017

The freehold property owned by the PSI is re-valued every three to five years to reflect the current market value. The resultant revaluation is recognised in the Statement of Comprehensive Income.

Although FRS 102 Section 17 in relation to Property, Plant and Equipment normally requires the systematic annual depreciation of property, the Council believe the policy of not providing depreciation on the freehold property is appropriate. The policy adopted of re-valuation of the property more accurately reflects its value to the PSI, because the PSI has a policy and practice of regular maintenance and repairs such that the property is kept to its previously assessed standard of performance and the estimated residual value is material.

The carrying value of tangible fixed assets are reviewed annually for impairment in periods where events or changes in circumstances indicate the carrying value may not be recoverable.

1.4 Revaluation of tangible fixed assets

Freehold property is carried at current year value at fair value at the date of the revaluation less any subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of Financial Position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Comprehensive Income, unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in the Income Statement.

1.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.6 Financial instruments

The PSI only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Financial assets and liabilities that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Notes to the Financial Statements for the year ended 31 December 2017

1.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

1.9 Pensions

The Pharmaceutical Society of Ireland Superannuation Scheme 2016

On 10 March 2016, SI 136 of 2016 was signed by the Minister for Health with the consent of the Minister for Public Expenditure and Reform which adopted the Rules for Pre-existing Public Service Pension Scheme Members Regulations 2014 (S.I. No. 582 of 2014) and the PSI Superannuation Scheme 2016 came into operation for the granting of superannuation benefits to or in respect of members of the staff.

The PSI's contributions to the scheme are charged to the Income Statement in the period to which they relate. A funding mechanism for this scheme has not yet been approved and as such the scheme funds are being collected and held on deposit by the PSI. The provisions of FRS 102 Section 28, Accounting for Retirement Benefits, have not been applied.

The Single Public Service Pension Scheme

The Single Public Service Pension Scheme came into effect on the 1 January 2013 as provided for in the Public Service Pensions (Single Scheme and Other Provisions) Act 2012. The Act provides for a single scheme for new entrants to the public service. The PSI collects and remits contributions for this scheme to the Department of Public Expenditure and Reform.

1.10 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

1.11 Interest income

Interest income is recognised in the Income Statement using the effective interest method.

1.12 Income and expenditure reserve

The Council recommend the minimum level of the Income and Expenditure Reserve be maintained at 30 per cent of the PSI's annual registration fee income receivable and that the Reserve be used only for specific activities. The activities must meet the following criteria:

- Activities are once-off in nature and aligned to the PSI's long-term strategic goals; and
- Activities that are not annual in nature but for which their occurrence is of a frequency that is a minimum of every five years or longer.

1.13 Designated legal reserve

The PSI established a designated reserve within its reserves, which has been set aside by the Council for a specific purpose, namely for the cost of any future legal cases that the PSI may encounter. Expenditure cannot be directly set against designated reserves but is taken through the Income statement. A transfer is then made from the Income and Expenditure Reserve as appropriate.

Notes to the Financial Statements for the year ended 31 December 2017

1.14 The Property Surplus Reserve consists of the net proceeds from the PSI's recent property transactions. Schedule 1 paragraph 12(2) of the Pharmacy Act stipulates that the Council may spend the surplus, including any surplus following disposal of assets as it sees fit, on the development of education, research, or any other public purpose connected with pharmacy. As such, the net proceeds from property transactions are ring fenced until such time as the Council allocates this to appropriate projects. Expenditure cannot be directly set against this reserve but is instead taken through the Income Statement. A transfer is then made from the Income and Expenditure Reserve as appropriate.

1.15 Taxation

The Finance Act 2013, Section 35, amends the Schedule to the Taxes Consolidation Act 1997 to include the Pharmaceutical Society of Ireland in the list of specified non-commercial State sponsored bodies that qualify for exemption from certain tax provisions under Section 227, of the Taxes Consolidation Act 1997.

2. Judgments and key sources of estimation uncertainty

The preparation of these Financial Statements requires the Council to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The Council considers the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

Going Concern

The PSI has prepared budgets for a period of at least twelve months from the date of the approval of the Financial Statements, which demonstrate that there is no material uncertainty regarding the PSI's ability to meet its liabilities as they fall due, and to continue as a going concern.

The PSI has a reasonable expectation, at the time of approving the Financial Statements, that the PSI has adequate resources to continue its operations. For this reason, the PSI continues to adopt the going concern basis in preparing the Financial Statements.

Notes to the Financial Statements for the year ended 31 December 2017

3. Income

The total income of the PSI has been derived from its principle activity wholly undertaken in Ireland.

	2017	2016
	€	€
Registration of pharmacists	2,373,304	2,299,058
Registration of retail pharmacy business (RPB)	4,255,997	4,304,951
Administration charges and other registration costs	111,034	110,820
Department of Health funding for Irish Institute of Pharmacy (IloP)	600,000	600,000
	7,340,336	7,314,829

4. Operating surplus/(deficit)

Operating surplus/(deficit) for the year is charged after charging:

	2017	2016
	€	€
Depreciation of tangible assets	202,433	208,569
Other pension costs	402,192	414,458
Audit remuneration (including VAT) - Audit fees	12,054	12,116
	616,003	635,143

5. Employees

5.1. Average numbers

The average monthly number of employees during the year was as follows:

	2017	2016
	€	€
Office and management	39	40

5.2. Aggregate remuneration

Their aggregate remuneration comprised:

	2017	2016
	€	€
Wages and salaries	2,628,328	2,499,732
Social insurance costs	214,559	211,601
Pension costs	402,192	414,458
	3,245,079	3,125,791

Notes to the Financial Statements

for the year ended 31 December 2017

5.3. Analysis of staff salary costs in excess of €60,000:

The number of employees whose employment benefits fell within each bank of €10,000 from €60,000 up is as follows:

	2017	2016
€60,000 to €70,000	7	10
€70,000 to €80,000	4	1
€80,000 to €90,000	2	3
€90,000 to €100,000	-	-
€100,000 to €110,000	-	-
€110,000 to €120,000	1	-
	14	14

5.4. Key management personal

The remuneration of key management personal was as follows:

	2017 €	2016 €
Wages and salaries	534,159	416,431
Other pension costs	128,917	104,108
	663,076	520,539

5.5. Registrar remuneration

Included in wages and salaries above is Registrar remuneration and Acting Registrar remuneration as follows:

	2017 €	2016 €
Niall Byrne	110,521	45,710
Damnait Gaughan (Acting Registrar until 26 July 2016)	-	49,122
	110,521	94,832

Notes to the Financial Statements
for the year ended 31 December 2017

6. Other Staff Costs

6.1 Staff travel and subsistence

	2017	2016
	€	€
Domestic	37,695	25,682
International	6,930	14,940
	44,625	40,622

6.2 Hospitality expenditure

	2017	2016
	€	€
Staff hospitality	2,681	1,743
	2,681	1,743

7. Councils'/Committee Members' Remuneration

	2017	2016
	€	€
Council/Committee members' remuneration	198,786	185,599
	198,786	185,599

8. Councils'/Committee Members' Travel and Subsistence

	2017	2016
	€	€
Domestic	73,188	49,506
International	2,335	4,168
	75,523	53,674

9. Interest Receivable

	2017	2016
	€	€
Bank interest receivable	17,053	8,912
	17,053	8,912

Notes to the Financial Statements

for the year ended 31 December 2017

10. Consultancy and Legal Costs

10.1 Consultancy costs

Consultancy costs include the cost of external advice to management and exclude outsourced 'business as usual' functions.

	2017
	€
General legal advice	37,789
Financial advice	39,286
Public affairs	45,756
Human resources	32,410
Other	39,020
	194,261
	-
Consultancy costs capitalized	-
Consultancy costs charge to the Income and Expenditure and Retained Earnings Reserves	194,261
	194,261

10.2 Legal costs and settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the PSI which is disclosed in Consultancy costs above.

	2017
	€
Legal Fees	709,301
Conciliation and arbitration payments settlements	-
	709,301

Legal costs relates to PSI's activities arising out of Part 6 of the Pharmacy Act 2007. It includes fees relating to external advisors, barristers, witnesses (expert and factual), legal assessors and 3rd party legal fees.

In 2016, legal fees amounted to €694,215 which also includes fees relating to advices received regarding other activities arising out of the Pharmacy Act 2007 such as registration, education and other operational costs.

Notes to the Financial Statements

for the year ended 31 December 2017

11. Taxation

The PSI is exempt from liability to Corporation Tax under Section 227 of the Taxes Consolidation Act 1997.

12. Tangible Fixed Assets

	Freehold land and buildings	Premises improvements	Portraits, medals and badges	Office fixture and fittings	Computer equipment & software	Total
	€	€	€	€	€	€
Cost						
At 1 January 2017	16,460,000	1,915,905	10,431	241,964	1,075,486	19,703,786
Additions	-	-	-	-	28,062	28,062
At 31 December 2017	<u>16,460,000</u>	<u>1,915,905</u>	<u>10,431</u>	<u>241,964</u>	<u>1,103,548</u>	<u>19,731,848</u>
Depreciation and impairment						
At 1 January 2017	-	454,781	-	124,689	986,387	1,565,855
Depreciation charged in the year	-	119,091	-	28,158	55,185	202,434
At 31 December 2017	-	573,870	-	152,847	1,041,572	1,768,289
Carrying amount						
At 31 December 2017	<u>16,460,000</u>	<u>1,342,035</u>	<u>10,431</u>	<u>89,117</u>	<u>61,976</u>	<u>17,963,560</u>
<i>At 31 December 2016</i>	<u>16,460,000</u>	<u>1,461,124</u>	<u>10,431</u>	<u>117,275</u>	<u>89,099</u>	<u>18,137,929</u>

Notes to the Financial Statements

for the year ended 31 December 2017

13. Financial Instruments

	2017 €	2016 €
Financial assets		
Bank and cash balances	15,270,081	14,859,785
Trade debtors	31,520	18,730
	15,301,601	14,878,515
Financial liabilities		
Trade creditors	175,515	72,258

14. Debtors

	2017 €	2016 €
Trade debtors	31,520	10,680
Other debtors	-	8,050
Prepayments and accrued income	117,008	112,760
	148,528	131,490

15. Cash and cash equivalents

	2017 €	2016 €
Cash at bank and in hand	15,720,081	15,236,311
	15,720,081	15,236,311

Notes to the Financial Statements for the year ended 31 December 2017

16. Cash

	2017 €	2016 €
Cash at hand	66	227
Current accounts	299,972	1,247,634
Superannuation funds deposit account	4,040,791	3,711,880
Fixed term deposits	11,379,252	10,276,570
	15,720,081	15,236,311

Cash held in fixed term deposits contains the designated legal reserve fund of €2,500,000, a Property Surplus Reserve of €116,218 and an Income and Expenditure minimum reserve of 30% of registration fee income (approximately €2M)

17. Creditors: amounts falling due within one year

	2017 €	2016 €
Trade creditors	164,789	40,373
Other creditors	10,726	31,886
PAYE/PRSI	98,767	107,165
PWST	36,644	39,080
Deferred income	6,124,501	5,959,725
Accruals	441,259	401,832
PSI Superannuation schemes	4,020,652	3,707,685
	10,897,338	10,287,746

18. Reserves

18.1 Revaluation reserve

The freehold property was valued by Murphy Mulhall Chartered Surveyors, on the 17 February 2016 to a fair value of €16,460,000. The PSI reflected this revised valuation in the accounts for the year ended 31 December 2015.

Notes to the Financial Statements for the year ended 31 December 2017

18.2 Property surplus reserve

The property surplus reserve was set up to ensure the overall surplus on the organisations recent property transactions is ring fenced. Schedule 1 paragraph 12(2) of the Pharmacy Act stipulates that the Council may spend the surplus, including any surplus following disposal of assets as it sees fit, on the development of education, research or any other public purpose connected with pharmacy.

The Affiliation for Pharmacy Practice Experiential Learning (APPEL) was approved by Council on the 8 December 2016 to be funded by from the remaining balance in the Property Reserve Fund and the balance from the General Reserve. In 2017 an amount of €128k was expended in relation to seed-funding this project. The remaining balance at year end 31 December 2017 was €116,218.

18.3 Designated legal reserve

In accordance with the PSI's financial strategy, a designated legal reserve has been established as a reserve to cover any significant costs arising from legal challenges to any part of the Pharmacy Act 2007 and from any of the PSI's rulings. In accordance with the PSI's accounting policy where such funds are no longer required they will be released back to the General Reserve.

18.4 Income and expenditure reserve

The Income and Expenditure Reserve represents cumulative surpluses and deficits recognised in the Income Statement, net of transfers to and from other reserves.

The Council recommend the minimum level of the Income and Expenditure Reserve be maintained at 30 per cent of the PSI's annual registration fee income receivable and that the Reserve be used only for specific activities. The activities must meet the following criteria:

- Activities are once-off in nature and aligned to the PSI's long-term strategic goals; and
- Activities that are not annual in nature but for which their occurrence is of a frequency that is a minimum of every five years or longer.

The Council authorised the use of the Reserve to fund the Code of Conduct project and the Professional Registration Examination Fee (PRE) of the National Pharmacy Internship Programme for the academic years 2017/2018 and 2018/2019.

Notes to the Financial Statements

for the year ended 31 December 2017

19. Movements in Reserves

The movements in reserves during the year are detailed below:

	Revaluation Reserve	Property Surplus Reserve	Designated Legal Reserve	Income and Expenditure Reserve	Total Reserves
	€	€	€	€	€
At 1 January 2017	11,517,079	244,218	2,500,000	8,956,687	23,217,984
Surplus/(deficit)for the year	-	-	-	(283,153)	(283,153)
Transfer to income and expenditure	-	(128,000)	-	-	(128,000)
Transfer from property surplus reserve	-	-	-	128,000	128,000
Total	11,517,079	116,218	2,500,000	8,801,534	22,934,831

20. Pension Commitments

The Pharmaceutical Society of Ireland Superannuation Scheme 2016

Under schedule 1 of the Pharmacy Act 2007, the PSI is required to provide a scheme for the granting of superannuation benefits to and in respect of its staff members subject to Ministerial approval.

The Pharmaceutical Society of Ireland Superannuation Scheme 2016 (SI 136 of 2016) was signed by the Minister for Health with the consent of the Minister for Public Expenditure and Reform on the 10 March 2016 and commenced the operation of the Scheme on that date. The Rules set out in the Schedule to the Rules for Pre-existing Public Service Pension Scheme Members Regulations 2014 (S.I. No. 582 of 2014) are adopted as a Scheme for the granting of superannuation benefits to or in respect of members of the staff. The adoption and approval of this Statutory Instrument incorporates the Staff Superannuation Scheme and the Spouse's and Children's Contributory Pension Schemes under one main scheme i.e. The Pharmaceutical Society of Ireland Superannuation Scheme 2016. The scheme was closed to new entrants to the public sector as of the 31 December 2012.

The PSI makes agreed employer contributions to the scheme which are accrued in the year they become payable. The funding mechanism for the Scheme has not yet been approved by the Department of Public Expenditure and Reform. As such the PSI is currently holding the collected contributions in a designated deposit account until such time as the funding mechanism is formally approved.

Under these circumstances and in view of the above, it is the view of the PSI that the provisions of FRS 102 Section 28, Accounting for Employee Benefits are currently not appropriate. Accordingly, it is accounting for its contributions as if the Scheme was a defined contribution scheme.

Notes to the Financial Statements for the year ended 31 December 2017

The Single Public Service Pension Scheme

The Single Public Service Pension Scheme came into effect on the 1 January 2013 as provided for in the Public Service Pensions (Single Scheme and other Provisions) Act 2012.

The Single Scheme applies to all pensionable first-time entrants to the public service as well as to former public servants returning to the public service after a break of more than 26 weeks. The Scheme is a career average defined benefits scheme.

The PSI is responsible for collecting and remitting contributions for this scheme to the Department of Public Expenditure and Reform. These contributions comprise both an employer and employee element. The PSI are responsible for paying all scheme benefits financed from the contributions payable to Department of Public Expenditure and Reform and in accordance with their instruction. There are no benefits currently payable under the scheme. The PSI considers that the pension arrangements as described above have the same financial effect from the PSI's point of view as a defined contribution scheme. The PSI is of the view that the provisions of FRS 102 Section 28, Accounting for Employee Benefits, which arise under defined benefit schemes are not appropriate in these circumstances.

21. Events after the balance sheet date

There have been no other circumstances or events subsequent to the year end, which require adjustment to, or disclosure in the financial statements or in the notes thereto.

22. Related Parties

There were no transactions with related parties that require disclosure.

23. Controlling Party

The PSI is controlled by the Council subject to the provisions of the Pharmacy Act 2007.

24. Approval of the Financial Statements

The Council approved and authorised these Financial Statements for issue of 22 March 2018.

Appendix A

Attendance of Council Members in 2017

Council Member (as at 31 December 2017)	No. of Meetings Attended*	Full Attendance	Partial Attendance	Date of Original Appointment
Mr Hugo Bonar	6/7	6	0	29 October 2015
Ms Mary Rose Burke	6/7	4	2	2 February 2016
Ms Nicola Cantwell	5/7	5	0	18 June 2013
Mr Fintan Foy	5/7	5	0	17 June 2015
Dr Paul Gorecki	6/7	6	0	31 January 2014
Ms Joanne Kissane	5/7	4	1	17 June 2015
Mr Graham Knowles	7/7	7	0	17 June 2015
Ms Deirdre Larkin	4/7	4	0	22 May 2007
Mr Michael Lyons	3/3	3	0	21 June 2017
Mr Shane McCarthy	6/7	4	2	13 March 2014
Ms Muireann Ní Shuilleabháin	5/7	5	0	17 June 2015
Mr Rory O'Donnell	7/7	7	0	17 June 2015
Mr Pat O'Dowd	6/7	5	1	18 June 2013
Ms Maria Louisa Power	3/3	3	0	21 June 2017
Dr Ailis Quinlan	2/3	2	0	21 June 2017
Mr Sean Reilly	3/3	3	0	21 June 2017
Assoc Prof Sheila Ryder	6/7	4	2	17 June 2015
Ms Ann Sheehan	6/7	6	0	17 June 2015
Ms Veronica Treacy	3/3	3	0	21 June 2017
Mr Paul Turpin	5/7	5	0	17 June 2015
Former Council members who were in office for part of 2017				
Mr Richard Collis	3/5	3	0	18 June 2013
Dr Ann Frankish	3/4	3	0	22 May 2009
Mr Edward MacManus	2/4	1	1	22 October 2014
Dr Chantelle Macnamara	2/4	2	0	18 June 2013
Ms Caroline McGrath	3/4	3	0	18 June 2013
Prof Kieran Murphy	4/5	3	1	31 July 2013

* The number of attendances/total number of meetings, varies according to dates of appointment, and completion of terms in office. Committee members listed include those who served on the Committee for any period during 2017, and the total number of meetings to which they were invited to attend, for the period they were in office.

Appendix B

Attendance of Committee Members in 2017

Pharmacy Practice Development Committee

Committee Member	No. of meetings attended*
Ms Caroline McGrath (Chair)	1/1
Ms Ann Sheehan (Chair)	4/4
Ms Nicola Cantwell	2/4
Dr Paul Gorecki	3/4
Dr Aoife Fleming	2/4
John Michael Morris	4/4
Ms Muireann Ní Shuilleabháin	2/4
Mr Rory O'Donnell	0/1
Ms Kathleen Walsh	3/4
Mr Leon O'Hagan	4/4
Mr Pat O'Dowd	3/4

Registration and Qualification Recognition Committee

Committee Member	No. of meetings attended*
Mr Graham Knowles (Chair)	4/4
Mr Tom Collins	1/4
Ms Joanne Kissane	4/4
Mr Michael Lyons	4/4
Ms Sadhbh Brangan	3/3
Dr Chantelle MacNamara	0/2
Mr Edward McManus	2/2
Ms Rita O'Brien	3/4
Assoc Prof Sheila Ryder	3/4
Ms Ann Sheehan	4/4
Mr Stephen Kealy	3/4

Inspection and Enforcement Committee

Committee Member	No. of meetings attended*
Mr Hugo Bonar (Chair)	4/4
Ms Nicola Cantwell	1/3
Mr Denis Doherty	3/4
Ms Maria Hegarty	2/3
Mr Dermot O'Donnell	4/4
Mr Keith O'Hourihane	4/4
Mr Graham Knowles	3/4
Mr Michael Lernihan	3/4
Ms Maread Galvin	3/4

Professional Development and Learning Committee

Committee Member	No. of meetings attended*
Prof Kieran Murphy (Chair)	3/3
Ms Mary-Rose Burke	3/5
Mr Graham English	3/4
Ms Michelle Flood	3/5
Mr Fintan Foy	4/5
Mr David Irwin	4/5
Assoc Prof Sheila Ryder	5/5
Ms Susan Stack	5/5

Administration and Finance Committee

Committee Members	No of Meetings Attended*
Mr Shane McCarthy (Chair)	6/6
Ms Mary Rose Burke	5/6
Mr Richard Collins	2/3
Mr Fintan Foy	5/6
Dr. Paul Gorecki	4/6
Ms Deirdre Larkin	4/6
Mr Edward MacManus	3/3
Ms Muireann Ní Shuilleabháin	2/3
Mr Sean Reilly	1/1
Ms Veronica Treacy	1/1
Mr Paul Turpin	4/6

Audit and Risk Committee

Committee members	No. of Meetings Attended*
Mr Pat O'Dowd (Chair)	4/4
Ms Wendy Kennedy	4/4
Ms Rachel Gubbins	3/4
Mr Martin Higgins	2/4
Mr Paul Turpin	3/4
Mr Nacie Rice	(Resigned March 2017) 1/1
Mr Graham Knowles	3/4
Ms Marie Louisa Power	0/1

Chairpersons' Forum

Forum members	No. of Meetings Attended*
Dr Ann Frankish	2/2
Mr Hugo Bonar	3/4
Mr Shane McCarthy	4/4
Ms Caroline McGrath	2/2
Prof Kieran Murphy	1/2
Mr Rory O'Donnell	4/4
Mr Pat O'Dowd	0/4
Mr Graham Knowles	3/4
Ms Nicola Cantwell	2/2
Assoc Prof Sheila Ryder	1/1
Mr Fintan Foy	1/1
Ms Ann Sheehan	1/1

* The number of attendances/total number of meetings, varies according to dates of appointment, and completion of terms in office. Committee members listed include those who served on the Committee for any period during 2017, and the total number of meetings to which they were invited to attend, for the period they were in office.

Appendix C

Fees and Expenses Paid to Council Members in 2017

Council Member	Fees Paid in 2017 ¹	Expenses Paid in 2017 ²
	€	€
Mr Hugo Bonar	-	1,449.27
Ms Mary Rose Burke	7,695.00	-
Ms Nicola Cantwell	7,695.00	1,330.02
Mr Fintan Foy	7,695.00	-
Dr Paul Gorecki	7,695.00	-
Ms Joanne Kissane	7,695.00	244.64
Mr Graham Knowles	7,695.00	8,407.96
Ms Deirdre Larkin	7,695.00	134.90
Mr Michael Lyons	4,066.08	2,713.69
Mr Shane McCarthy	7,695.00	12,680.77
Ms Muireann Ní Shuilleabháin	7,695.00	7,189.52
Mr Rory O'Donnell	9,862.05	10,725.68
Mr Pat O'Dowd	-	108.00
Ms Maria Louisa Power	-	2,370.40
Dr Ailis Quinlan	4,066.08	42.68
Mr Sean Reilly	4,066.08	42.60
Assoc. Prof Sheila Ryder	-	-
Ms Ann Sheehan	7,695.00	8,312.41
Ms Veronica Treacy	-	193.42
Mr Paul Turpin	4,803.45	-
Council members who were in office for a period of 2017		
Mr Richard Collis	3,518.32	-
Dr Ann Frankish	5,472.94	83.38
Mr Edward MacManus	3,518.32	-
Dr Chantelle Macnamara	3,518.32	342.82
Ms Caroline McGrath	3,518.32	-
Prof Kieran Murphy	-	645.97

¹ Fee payment is in line with the duration of term in office during 2017. Council Members employed in the public sector were not paid fees in 2017.

² Aggregate expenses paid up to 31 December 2017.

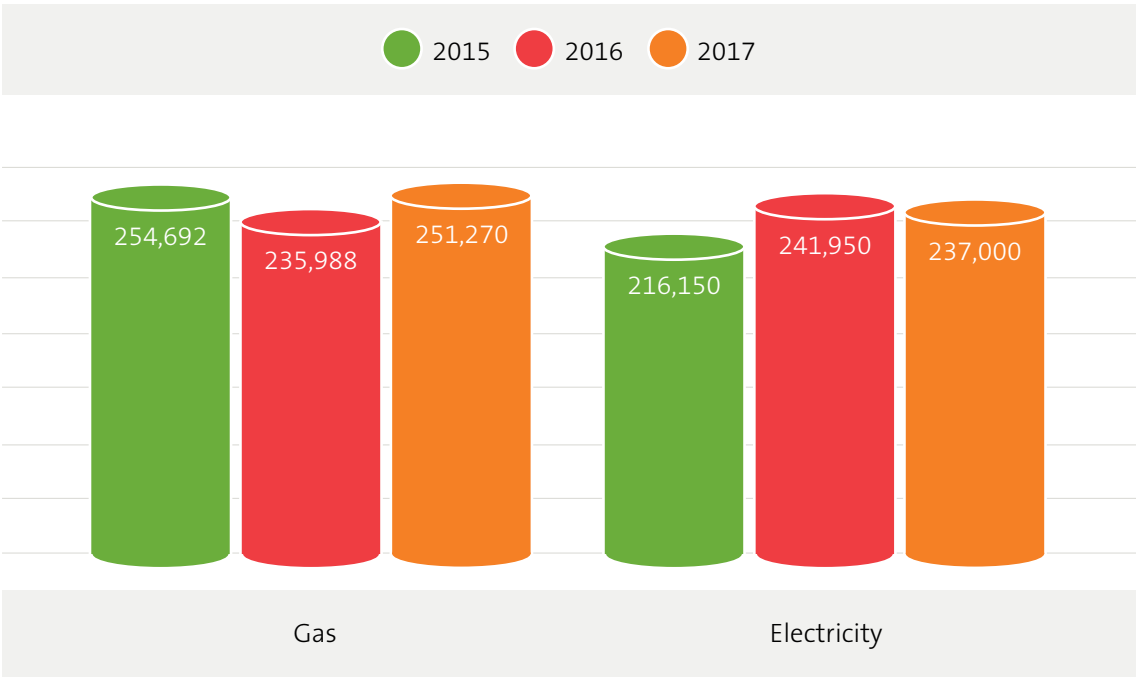
Appendix D

Review of energy usage in 2017

PSI personnel occupy 1,920 m² of office space located in Dublin. In 2017, the PSI consumed 488,270 KW of energy, consisting of:

- 237,000 KW of electricity
- 251,270 KW of gas

Figure 21. Energy Usage in the PSI



Actions Undertaken in 2017

January 1 to December 31, 2017 is the fourth complete year of operation in PSI House. Energy usage measurements for that 12-month cycle compare consistently with 2016 with just over 2% of an increase in energy usage overall.

The current premises employs a very cost-effective and efficient energy management system, including using both natural and mechanical ventilation, the use of motion detection lighting systems and an intelligent building management system which monitors the energy usage and adjusts according to the environmental conditions.

Actions Planned for 2018

We are aware of energy controls and continue to provide input for the purposes of maintaining best practice in energy usage throughout the building. The energy system will continue to be maintained annually and monitored regularly to maintain efficiencies.

Appendix E

Report on the Protected Disclosures Act 2014

The Protected Disclosures Act 2014 commenced on 15 July 2014. It provides for the protection of persons from action being taken against them in respect of disclosures made by them in the public interest.

This report covers the period from 1 January 2017 to 31 December 2017. The purpose of this report is to discharge the statutory obligation of the PSI under Section 22 of the Protected Disclosures Act 2014 (“the Act”) to prepare and publish not later than 30 June in each year a report detailing:

- (a) the number of protected disclosures made to the PSI,
- (b) the action (if any) taken in response to those protected disclosures, and
- (c) such other information relating to those protected disclosures and the action taken as may be requested by the Minister from time to time (No such information was requested by the Minister).

Section 6

- No disclosures were made in the timeframe set out above to the PSI as an employer, under Section 6 of the Act.

Section 7

- Pursuant to Statutory Instrument No. 339 of 2014, the Registrar of the PSI has been prescribed as the prescribed person in respect of all matters relating to the regulation of pharmacists and pharmacies in the State, including the Society’s responsibility for supervising compliance with the Pharmacy Act 2007.
- In 2017, 19 potential protected disclosures were received from workers¹ by the PSI under Section 7 of the Act. The information disclosed in each case was reviewed and dealt with in accordance with standard PSI policy and procedures. The PSI did not disclose the identity of these workers.

Signed:  _____

Mr Rory O’Donnell

President

22 March 2018

¹ As set out in the definition of “worker” contained at section 3(1) of the Act

The Pharmaceutical Society of Ireland
The Pharmacy Regulator
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