

Minutes of the PSI Audit and Risk Committee held on-line due to the COVID-19 public health emergency, on 9th March 2022.

Agenda Item 1 – Private Committee Time

Issue

The Committee met in private session at the start of the meeting with Mr. Darragh Walsh, representing Crowe Ireland, the PSI’s statutory external auditor. No members of PSI staff were present.

Agenda Item 2 - Attendees & Apologies

Name	Role	Present (Yes/No)
Dr. Paul Gorecki	Committee Chair	Yes
Ms. Fiona Walsh	Committee Member	Yes
Mr. Liam Burke	Committee Member	No
Mr. John Given	Committee Member	No
Mr. Peter Dewhurst	Committee Member	Yes
Ms. Niamh O’Regan	Committee Member	Yes
Ms. Geraldine Campbell	Committee Member	Yes
Members of PSI staff in attendance included:		
Dr. Cheryl Stokes	Acting Head of Corporate Services	
Mr. Éanna Ó Lochlainn	Acting Head of Governance and Programme Delivery	
Dr. Lorraine Horgan	Interim Registrar	
Ms. Ciara Dooley	Regulatory Risk Coordinator	
Ms. Malika Hammani	Business Support and Finance Manager	
Mr. Brendan Flynn	Finance and Operational Performance Manager	
External Attendee		
Mr. Darragh Walsh	External Auditor, (Crowe Ireland), Audit Senior Manager	

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

Agenda Item 3

Issue

The Chair invited members of the Committee to declare any conflicts of interest with regard to any of the items scheduled for discussion at the meeting before it commenced.

Information

Members of Committees of Council are subject to Section 9, Schedule 1, of the Pharmacy Act 2007 regarding disclosures of interest, as outlined in Appendix 1 of the meeting agenda.

Decision Approved, and/or Action Requested

No conflicts of interest were declared by any member of the Committee, with regard to the items scheduled for discussion at the meeting.

Agenda Item 4

Issue

Request for Approval of the Minutes of the Audit and Risk Committee meeting held on the 30th November 2021

Information

The Chair noted that the draft minutes of the Audit and Risk Committee meeting held on the 30th of November 2021 had been circulated to Committee members in advance of the meeting, and that no amendments had been received.

Decision Approved, and/or Action Requested

Decision Approved: The Committee approved the minutes of the Audit and Risk Committee meeting held on 30th of November 2021, on the proposal of Ms. Niamh O'Regan, seconded by Ms. Fiona Walsh.

Agenda Item 5

Issue

Update on the Implementation of Internal Audit Recommendations

Information

A copy of the consolidated internal audit findings report was circulated to the Committee prior to the meeting. The Committee was informed that the Executive was proposing to close five of the recommendations set out in the report. Clarification was sought in relation to risk no. 1 and what the workforce current capacity issues were. It was noted that the organisational restructure and high turnover of staff over the last year, has led to an increased workload for remaining staff, while the PSI awaits appointment sanction from the Department of Health (DoH) to fill the vacancies which have arisen. It was confirmed that PSI had received sanction of five posts recently and that the continued process to sanction posts is ongoing with the DoH with 11 posts awaiting sanction. The Committee applauded the Executive for the progress they had made in relation to closing out the recommendations of the audit report despite this issue.

Decision Approved, and/or Action Requested

Decision Approved: The update was noted by the Committee.

Agenda Item 6

Issue

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

Information

The Committee was informed that there was nothing to report in relation to this agenda item and it would remain a rolling item on the agenda.

Decision Approved, and/or Action Requested

The report was noted.

Agenda Item 7

Issue

Request for Approval of the 2021 Annual Financial Statements
(a) Financial Statements Year End 2021
(b) External Audit Management Letter

Information

The documentation in relation to this agenda item was circulated to the Committee in advance to the meeting. The Acting Head of Corporate Services provided a high-level overview of the financial statements. Following questioning, the Committee was informed that income from interest receivable had dropped substantially due to the current challenging fiscal environment in which negative interest rates were increasingly becoming the norm for cash holdings. It was confirmed that in line with the PSI policy, that the PSI's reserves would not fall below 30% of income. The Committee was informed that the PSI Executive is evaluating the PSI position in relation to its reserves, and how it wants to utilise them in the future, and that this work is ongoing, and forms part of the PSI's Strategic Financing Review.

Mr. Darragh Walsh, Audit Senior Manager, from Crowe Ireland confirmed to the Committee that it was a clean audit report with no issues and the PSI had responded to its queries.

Decision Approved, and/or Action Requested

Decision Approved: The Committee approved the 2021 Annual Financial Statements on the proposal of Ms. Fiona Walsh, seconded by Mr. Peter Dewhurst.

Decision Approved: The Committee approved the External Auditor's Management Letter on the proposal of Ms. Geraldine Campbell, seconded by Ms. Niamh O'Regan.

Agenda Item 8

Issue

Request for Approval of the PSI 2021 Annual Report
(a) Statement of Internal Control
(b) Report of the Audit and Risk Committee
(c) Risk Report: Principal Risks and Uncertainties

Information

Documentation in relation to this agenda item was circulated to the Committee in advance of the meeting. Mr. Darragh Walsh confirmed that the statement of internal control formed part of the financial statements and reference is made to it in the audit report. The Committee discussed the Statement of Internal Control and was satisfied that the PSI's systems of internal control were operating effectively in 2021. The Committee reviewed the Risk Report, which included the PSI's principal risks and uncertainties and was satisfied with the assessment of the principal risks. The Committee also reviewed the Report from the Audit and Risk Committee and agreed that it adequately reflected the work that had been carried out by the Committee during 2021. Mr. Walsh left the meeting.

Decision Approved, and/or Action Requested

Decision Approved: The Committee approved the financial section of the 2021 Annual Report, incorporating the Statement of Internal Control, the Report of the Audit and Risk Committee, and the Risk Report: Principal Risks and Uncertainties and is recommending its approval to Council, on the proposal of Ms. Fiona Walsh, seconded by Ms. Niamh O'Regan.

Agenda Item 9(a)

Issue

Corporate Risk Register

Information

The Corporate Risk Register was circulated to the Committee in advance of the meeting. The Committee was informed that no additional risk had been added to the risk register since it had been presented to Council on March 3rd 2022. It was noted the residual risk for the two COVID related risks had been lowered. In relation to the security risk (risk no.3), the Committee drew attention to the unintended consequence arising from the potential burden on end users, due to mitigation measures in relation to IT security. The Committee was assured that the burden on end users is not onerous.

Decision Approved, and/or Action Requested

The Committee noted the Corporate Risk Register.

Agenda Item 9(b)

Issue

Review of the Governance & Programme Delivery Risk Register

Information

The Governance and Programme Delivery Risk Register was circulated to Committee in advance of the meeting. The Committee was reminded that this Business Area is a new corporate substructure, which has arisen from the organisational development project, and that some risks on the old Corporate Governance and Public Affair Department's risk register, have migrated to the Strategic Policy and Communication risk register. The regulatory risk was noted, and the Committee was informed that the PSI is in the early stages of moving to becoming a more risk-based regulator and this is an area in progress.

Decision Approved, and/or Action Requested

The Committee noted the Governance and Programme Delivery Risk Register.

Agenda Item 10

Issue

Any Other Business

Information

The Chair acknowledged the challenges posed by the internal reorganisation following the departure of the Registrar, Mr. Niall Byrne in December 2021, and the appointment of Dr. Lorraine Horgan as Interim Registrar, Mr. Éanna Ó Lochlainn as Acting Head of Governance and Programme Delivery, and Dr. Cheryl Stokes as Acting Head of Corporate Services.

The Chair informed the Committee that this would be his last meeting as Chair, and that he wished to thank the Committee and PSI Executive for their support during his term of office. Members of the Committee thanked the Chair for his contribution. The Interim Registrar also extended her thanks to the Chair, on behalf of the Executive.

Decision Approved, and/or Action Requested

None.

The meeting finished at: 11.14am

Signed:

Chair

Date