

Minutes

Minutes of Performance and Resources Committee Meeting held on 19 May 2021 via MS Teams due to the Covid-19 Public Health Emergency.

Agenda Item 1 - Apologies

Name	Role	Present (Yes/No)
Mr Graham Knowles (GK)	Chair	Yes
Ms Dorothy Donovan (DD)		Yes
Ms Geraldine Crowley (GC)		No (Apologies)
Mr Fintan Foy (FF)		No (Apologies)
Mr Roy Hogan (RH)		Yes
Mr Mark Jordan (MJ)		No (Apologies)
Dr Shane McCarthy (SMC)		Yes
Members of PSI staff in attendance included:		
Mr Niall Byrne (NB)	For Agenda Items 1-4, 7 and 11	
Ms Elaine Cronin (EC)		
Mr Brendan Flynn (BF)	For Agenda Items 1-6, 8 and 11	
Dr Lorraine Horgan (LH)		
Ms Caroline Murphy (CM)	For Agenda Item 9	
Mr Neil Wall (NW)	For Agenda Item 12	

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

Agenda Item 2 – Declaration of Interests

Issue
No conflicts of interest were declared.

Agenda Item 3 – Approval of Agenda

Issue
The Committee considered and approved the agenda.

Decision Approved, and/or Action Requested
The agenda was proposed by Ms Dorothy Donovan and seconded by Mr Roy Hogan.

Agenda Item 4 – Approval of Minutes of Committee meeting held on 31 March 2021

Issue
The minutes of the meeting held on 31 March 2021 were considered and agreed.

Decision Approved, and/or Action Requested
The Committee considered and approved the minutes of the 31 March 2021 meeting. The minutes were proposed by Ms Dorothy Donovan and seconded by Graham Knowles as Chair in the absence of any other Committee member who had been present at the 31 March meeting.

Agenda Item 5 2021 Work Plan Project

Agenda Item 5.1 Deliver the Year two objectives of our Business Transformation Programme – Project Health Card

Information
The Committee was updated on the progress of the Business Transformation Programme (BTP). The Committee was advised that the 'go live' date planned for 26 July 2021 is on track. Deployment of Phase 1 of the project is dependent on development and testing of outstanding functionality (User Acceptance Testing). The Committee noted that the people-change aspects of the project are also being given careful consideration, with a Change Management plan in place, and involvement from BearingPoint.

Agenda Item 6 2021 Work Plan Project – Develop the Strategic Financing Review for PSI

Agenda Item 6.1 Review of assumptions underpinning the Strategic Financing Review

Information
The Committee was updated on the review of the assumptions underpinning the Strategic Financing Review (SFR) carried out by the Executive in May.
The underlying data for the Central Statistics Office's (CSO) March Retail Sales Index (RSI) was discussed. The Committee queried the extract from the March RSI and whether there

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was a discrepancy between the reported figures. The Executive undertook to verify the source and to issue an updated version of the revised assumptions to the Committee.

The Committee discussed the averaging of prior-year results to inform the assumptions, particularly in areas with clear driving trends. It was noted that legal costs were demand led, with expenses correlating to complaints received and complexity. The Committee discussed the use of prior year averages to inform the SFR assumptions relating to legal costs for the fitness to practise (FtP) process as detailed in the SFR assumptions. Committee requested the Executive to present an overview of FtP demand trends and associated costs at its next meeting and how they inform the scenario modelling assumptions as part of the SFR.

The Executive highlighted the variance in projected and actual registrations for 2020 and noted the basis for assumptions in this area for 2021, with 7000 pharmacist registrants anticipated.

The Committee discussed factoring the age profile of pharmacist registrants into the SFR assumptions and how this could inform forecasting on future fee income over the medium and long term.

Finally, given the volume of the tracked changes to the Council approved assumptions being carried forward in the SFR document, the Committee agreed that while audit files with full tracked changes should be retained, a clean version of the SFR with new tracked changes from just the previous revision will be circulated for future meetings of the Committee.

Decision Approved, and/or Action Requested

Subject to a correction to the March Retail Sales Index figure, the updates to the assumptions underpinning the Strategic Funding Review were approved by the Committee as proposed by Ms Dorothy Donovan and seconded by Mr Roy Hogan.

Agenda Item 6.2 Overview of scenario modelling assumptions

Information

The Committee was provided with an overview by the Chair by means of a PowerPoint presentation of the work in progress on scenario modelling assumptions. The three scenarios will be refined, and an overview will be circulated to the Committee for comment in the coming weeks. The Committee discussed making the resultant model (once agreed by Council) a standing agenda item, updated regularly, and with the functionality of accepting various scenarios for analysis; for example, the ability to

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compare the impact of different macro-economic information on the budget over a fixed timeframe, or how different scenarios impact on reserves.

Agenda Item 6.3 Project Health Card

Information

The Committee was updated on the review of the Strategic Financing Review Project Health Card. A scenario modelling workshop with the Committee Chair took place on 5 May 2021. The deadline for completion of the expenditure analysis and scenario modelling for the 2021 to 2023 period has been moved to 16 July 2021, but the end-year timeframe remains on track and the overall project is trending green.

Agenda Item 7 2021 Work Plan Project – Implement an organisation and people development programme to underpin business transformation (ODP)

Agenda Item 7.1 Request for approval of 2021 budget re-allocation to support delivery and implementation of the ODP

Information

The Committee discussed the budget re-allocation required to support delivery and implementation of the ODP. Based on the necessary support requirements for the Phase 5 implementation phase of the ODP, the approval of the Performance and Resources Committee is requested to re-allocate €25,000 (VAT inclusive) of underspend in the PSI 2021 expenditure budget to the ODP. This amount will allow for the required level of change management expertise to support change management and implementation of the new organisation structure and related work processes during the remainder of 2021.

Previous discussions on the matter were noted by the Committee, and there was agreement to support the proposal. There followed a discussion on the accuracy of green coding the Health Card when a decision on funding is outstanding (now resolved) and this was noted. The Executive outlined contingencies should the budget re-allocation not have been approved.

Decision Approved, and/or Action Requested

The Committee approved the I&E budget re-allocation required to support delivery and implementation of the ODP. The budget reallocation was proposed by Ms Dorothy Donovan and seconded by Dr Shane McCarthy.

Agenda Item 7.2 ODP Project Health Card

Information

The Committee was updated on the organisation and people development programme (ODP). The project commenced in 2020 and has involved extensive engagement with all staff and significant effort from the Executive Leadership Team around the new Target Operating Model. The next stage is to validate and socialise this operating model with the wider management team, the Change Champions Network, and all staff.

The Committee discussed projected staffing requirements for the Target Operating Model, with the Executive noting that BearingPoint has indicated an ultimate head count of 60. Once confirmed, this proposal will come before the Committee and Council at a future date.

Agenda Item 8 Finance

Agenda Item 8.1 Management accounts and end-year financial forecast

Agenda Item 8.1.1 Approval of the Management Accounts to 31 March 2021, incorporating a high-level year-end forecast, for submission to Council

Information

The Committee discussed the Management Accounts to 31 March 2021. Any variances in the accounts were noted and related in the main to in-year cost profiling. The Committee also noted the high-level year-end forecast carried out by the Executive and the current forecasted saving of c. €168k.

Decision Approved, and/or Action Requested

The Committee agreed to recommend to Council the approval of the management accounts (incorporating the high-level year-end forecast) at its June meeting. The Management Accounts to 31 March were proposed by Mr Roy Hogan and seconded by Dr Shane McCarthy.

Agenda Item 8.1.2 High level financial forecast to year-end

Information

The Committee discussed the high-level financial forecast to year-end, the current forecasted saving of c. €168k, and noted that a detailed forecasting exercise would be conducted by the Executive in July and presented to the Committee at its September meeting.

Agenda Item 8.2 Treasury Management Policy

Agenda Item 8.2.1 Revised Treasury Management Policy

Information

The Committee discussed the revisions to the Treasury Management Policy (TMP) which have been introduced to reflect the distinction between State-backed investment institutions (referred to in the Treasury Management Policy as Category A institutions) and commercial institutions (referred to as Category B institutions). The Committee additionally discussed waiving upper deposit limits for State-backed (Category A) investment institution deposits.

A discussion followed on the context of institutions leaving the Irish market, the expanding prevalence of negative interest rates, and managing the organisation's overall risk profile within a changing landscape.

Decision Approved, and/or Action Requested

Subject to an update to the TMP to waive upper deposit limits for State-backed investment institutions, the Committee agreed to recommend to Council at its June meeting the approval of the revision of the Treasury Management Policy to reflect a differentiation between State-backed investment institutions and the commercial banking sector. The revised Treasury Management Policy was proposed by Ms Dorothy Donovan and seconded by Shane McCarthy.

Agenda Item 8.2.2 Proposal to open a second deposit account with the National Treasury Management Agency (NTMA)

Information

The Committee discussed opening a second account with the National Treasury Management Agency for the purposes of investing the legacy superannuation scheme funds (PSI Superannuation Scheme 2016). The Committee was advised that the first National Treasury Management Agency account for general funds was opened in early March.

Decision Approved, and/or Action Requested

The Committee agreed to recommend to Council at its June meeting the opening of a second deposit account with the National Treasury Management Agency for the purposes of the PSI Superannuation Scheme monies held by PSI on behalf of the state. The proposal to recommend to Council the opening of a second deposit account with the National Treasury Management Agency was proposed by Mr Roy Hogan and seconded by Dr Shane McCarthy.

Agenda Item 8.2.3 Quarterly Review of compliance with the Treasury Management Policy (invested funds and policy metrics)

Information

The Committee was updated on the Treasury Management Policy and metrics and noted that all funds are in compliance.

Agenda Item 8.3 Update on PSI Procurement Plan delivery and contract extensions

Information

The Committee was updated on the PSI Procurement Plan and status of the various competitions currently in train.

The Committee also noted the status of the proposed contract extension for managed print, scanning and copying services and supported the approach and its oversight by the Registrar.

The meeting adjourned at 11h28 and reconvened at 11h35.

Agenda Item 9 Disciplinary Committees

Agenda Item 9.1 Update on EOI for Disciplinary Committees

Issue

The Committee was reminded of the requirement for “pharmacy owners” which meet the new definition under the amended section 34 of the Pharmacy Act 2007 (expected to be commenced in July 2021) to be appointed to the Disciplinary Committees, and the recent call for expressions of interest (EOI) for the Reserve Panel of the Disciplinary Committees. The Legal Affairs Manager referred to the Memo under 9.1 with the papers which summarised the process and progress to date, and the next steps. Applications under the EOI closed on 23 April 2021 and six applications were received. These will now be reviewed by the independent Assessment Panel on 19th May 2021, and proposed appointments will go before Council on 24th June 2021. It is anticipated that provided all candidates meet the selection criteria, they will all be appointed to the Reserve Panel.

Agenda Item 9.2 Appointments and Reappointment to the Disciplinary Committees for submission to Council

Issue

The Committee discussed the proposed reappointment of one member to the Disciplinary Committees.

Issue

Mr William Paul Ard's term as a lay member on the PCC is due to expire on 28 September 2021 following three years on the PCC. The Chair of the PCC, Mr Dermott Jewell, and Mr Ard have both agreed to the proposed reappointment. The Committee discussed the reappointment of Mr William Paul Ard to the PCC for a further term of five years, which would bring him up to the maximum term permissible of eight years.

The Committee discussed generally, the selection process for appointing new members from the Reserve Panel to the Disciplinary Committees, in circumstances when appointments to the Reserve Panel in 2019 did not carry any priority rankings. It was pointed out that Council had agreed that the Executive could select and recommend appointments directly from the Reserve Panel to Council (without having to go through this Committee) based on the need for expediency when vacancies arose, but that any selection process had to take into account gender, diversity and inclusion criteria in accordance with the Code of Practice for the Governance of State Bodies. The Legal Affairs Manager confirmed that this selection process was adhered to in the most objective way possible and described the approach for the Committee. The Committee agreed that it would be important to document a process by which the selection and appointment of Committee members takes place in perhaps a decision tree or process map, and the Executive agreed to look at this. The Chair undertook to liaise with the Legal Affairs Manager on the initial design in advance of its presentation at the September meeting of the Committee.

Decision Approved, and/or Action Requested

The Committee agreed to recommend to Council at its June meeting, the reappointment of Mr William Paul Ard to the Preliminary Proceedings Committee when his current term expires, for a further term of 5 years. Proposed by Dr Shane McCarthy, seconded by Mr Roy Hogan.

Agenda Item 10 Staffing and Recruitment matters

Agenda Item 10.1 Workforce Planning and Recruitment Update

Information

The Committee noted the update circulated in advance on the recruitment activity currently in train and new appointments made since the last meeting.

Ms. Dorothy Donovan left the meeting at 10h45.

Agenda Item 10.2 Development of PSI's new HR Strategy 2021-2023: overview of key elements

Information

The Committee was updated by means of a PowerPoint presentation by the Executive on the progress of the development of PSI's new HR Strategy for the period 2021-2023. The Committee noted the engagement with management and staff conducted over the course of the past months. The proposed key objectives were presented as focussing on: (1) PSI's approach to learning and development; (2) people development and the role of line managers, and (3) the future of work for PSI. The Committee discussed the direction of the proposed HR Strategy – currently under the working title of 'Shaping our Future – Towards Better Ways of Working' – and agreed to validate the strategic orientation as set out in the presentation. The Committee noted that next steps encompassed the drafting of the strategy and, following review and approval by the ELT, a final version would be issued by email to the Committee for its information prior to this version being issued to Council for its review and adoption at its June 2021 meeting. The Committee was satisfied with the approach proposed by the Executive.

In the context of exit interviews which had been referenced in the Executive's presentation, the Committee discussed how exit interviews might be implemented at Council level. The Chair undertook to bring this proposal to the next meeting of the Special Purposes Committee.

Ms. Dorothy Donovan returned to the meeting at 11h00

Decision Approved, and/or Action Requested

The Committee agreed to suggest the exit interview process for departing Council members as a useful intervention as part of the broader Council effectiveness suite of measures. Mr Graham Knowles will bring this to the Special Purposes Committee at its next meeting.

Agenda Item 10.3 Update on new Employee Handbook

Information

The Committee was advised on the progress of the new PSI employee handbook. A draft is currently with the Executive Leadership Team and, subject to its review and consideration, it is hoped to roll-out the handbook to staff over the Summer and seek feedback from them after a six-month period. The handbook will also be provided to the Committee for its consideration over the Summer and in advance of the September meeting. The status of the associated HR policies was noted by the Committee. The Committee also noted that all approved HR policies in operation would be posted on the Council's iPad information library.

Agenda Item 11 Service Plan Performance

Agenda Item 11.1 Update on Service Plan Project Health Tracker

Information

The Committee was updated on the status of the Service Plan for 2021. The Committee was advised the milestones and resourcing for the projects have been put in place. It was noted that the projects are largely running to plan and while some projects are trending amber there is no concern for their delivery.

The Committee discussed the project budget for assessing emerging risks to the continued availability of a professional pharmacy workforce within community pharmacy in Ireland. The Registrar expanded on the overview, explaining that this is part of a multi-stakeholder project, where the focus for this year is a scoping exercise, with consultancy support needed in framing the problem, analysing the economic dimension, as well as other issues around the sector. The project budget outlined may not be fully realised in 2021 and may run into 2022.

A discussion followed on rolling patient experience programmes in general, and the potential for comparative research over time. While relatively common in hospital settings, the Registrar suggested that these programmes would be a new addition to community pharmacy.

Agenda Item 11.2 EFQM – Embed the discipline and approaches underpinning Excellence throughout PSI

Information

The Committee was updated on the status of the EFQM project, with submission for re-accreditation due in 2022. A small working group will be constituted during the summer to progress the submission.

Agenda Item 11.3 Develop and commence delivery of a new HR Strategy 2021-2023

Information

The Committee was provided with an overview of the new HR strategy in development (see also item 8.2 above).

Agenda Item 11.4 Enhance our customer services and engagement with key stakeholders by developing an improved website and improve our use of social media platforms

Information

The Committee was reminded that the procurement of the new PSI website had been on hold during 2020. The tendering process for the website has been re-activated and the project is a key priority for 2021. Once a successful tenderer has been appointed target delivery dates will be assigned to remaining key milestones, which may run into 2022.

Agenda Item 12 IT Updates

Agenda Item 12.1 ICT Security Policies for Council and Committee Members

Information

The Committee discussed the ICT Security Policies for Council, Advisory Committee and Disciplinary Committee Members.

Decision Approved, and/or Action Requested

The Committee agreed to recommend to Council the ICT Security Policies for Council and Advisory Committee and Disciplinary Committee Members at its June meeting. The ICT Security Policies for Council and Advisory Committee and Disciplinary Committee Members were proposed by Ms Dorothy Donovan and seconded by Mr Roy Hogan.

Agenda Item 12.2 Cybersecurity update and overview of vulnerability assessment (March/April 2021)

Information

The Committee was updated on cybersecurity, including an overview of ransomware. The Executive also provided an update on recent diagnostics conducted on the PSI's systems and ongoing PSI cybersecurity measures.

Agenda Item 13 General Matters

Agenda Item 13.1 Areas of focus for next meeting

Information

The Committee will continue to follow the work plan for the year, with several items requiring Committee attention before the next scheduled meeting. These include work on the Strategic Financing Review, with a particular focus on the proposed scenarios for modelling purposes, the review of the Employee Handbook and the noting of the HR Strategy, all of which will be circulated to the Committee by email.

Information

In other business, the benefits of remote attendance were noted. The Committee discussed the possibility for hybrid distributed meetings in future.

Dr Shane McCarthy left the meeting at 13h14.

Agenda Item 13.2 Recap of decisions taken at this meeting for Committee Report to Council

Information

- Approval of Agenda of 19 May 2021 Committee meeting
- Approval of Minutes of 31 March 2021 Committee meeting
- Approval of Management Accounts to 31 March 2021, incorporating a high-level year-end forecast, for submission to Council
- Approval of revised Treasury Management Policy
- Approval of proposal to open a second deposit account with the National Treasury Management Agency (NTMA)
- Approval of Reappointment to the Disciplinary Committees for submission to Council
- Approval of ICT Security Policies for Council and Committee Members

The meeting concluded at: 13.17hrs

Signed by:

Chair

Date