



Minutes for Public Council Meeting No. 78
Thursday 8 December 2016
PSI House, Fenian Street, Dublin 2

The public session of the 78th meeting of the Council of the Pharmaceutical Society of Ireland, established under the Pharmacy Act, 2007 commenced at 8:40am on Thursday, 8th December 2016 at PSI House, Fenian Street, Dublin 2.

Present: Dr. Ann Frankish, President, Mr. Rory O'Donnell, Vice-President, Mr. Hugo Bonar, Ms. Nicola Cantwell, Mr. Richard Collis, Mr. Fintan Foy, Dr. Paul Gorecki, Mr. Graham Knowles, Ms. Caroline McGrath, Mr. Pat O'Dowd, Mr. Shane McCarthy, Prof. Kieran Murphy, Ms. Muireann Ní Shuilleabháin, Asst. Prof. Sheila Ryder (from 11am), Mr. Edward McManus, Ms. Joanne Kissane, Dr. Chantelle McNamara, Ms. Deirdre Larkin and Mr. Paul Turpin.

PSI Staff: Mr. Niall Byrne, Registrar/Chief Officer, Dr. Cheryl Stokes, Mr. John Bryan, Dr. Lorraine Horgan Dr. Cora Nestor, Ms. Damhnait Gaughan, Ms. Debbie Chappat, Ms. Ruth Baily, Ms. Aoife Mellet (for part), Ms. Caroline Mellows (for part), Ms. Eileen Troy (for part), Mr. Donal Ryan (for part) and Ms. Vanessa O'Mahony (for part).

Public Gallery: The President welcomed the attendees in the public gallery.

A. Apologies

Apologies had been received from Ms. Ann Sheehan. Ms. Mary Rose Burke confirmed her attendance for the afternoon session.

B. Declaration of Interests

Under item B of the Council Agenda, the President drew Council members' attention to their obligations under paragraph 9 of Schedule 1 to the Pharmacy Act 2007, which deals with the necessary disclosure of certain interests by members of the Council. Those requirements are also reflected in the Code of Conduct adopted for Council members which requires that Council members *"be honest and open with regard to conflicts of interest (either real or perceived). Members must not use their position for personal gain in either business, political or social relationships. Therefore, a member who has, or may be perceived to have, such a personal interest in a particular matter under consideration should declare that interest, withdraw from all discussions relating to it and take no part in any vote on such matter."*

C. Draft Minutes of Public Council Meeting No 75

The President noted that the draft minutes of Public Council Meeting Number 75 had previously been circulated to Council members and that no amendments had been received. The Council approved the minutes of the public session of the Council meeting held on 15th of September 2016.

Decision: The minutes of Council meeting number 75 were unanimously approved by Council and signed by the President.

D. Office of the Registrar

Council members noted that the agenda presented for the meeting was quite substantive. The President addressed the Council and outlined that the scheduling of all of the matters on the public and private sections of the agenda were necessary to expedite the business of Council.

D1. Report of the Registrar

Mr. Niall Byrne, Registrar and Chief Officer, addressed the Council and gave an overview, by means of a presentation, of the key updates and significant recent developments. The Council had previously been circulated with the Registrar's Report which contains high level Unit updates together with key strategy and policy updates.

Following Mr. Byrne's presentation, the President welcomed queries from Council members.

Council members enquired whether, due to the lengthy agenda, going forward some functions could be discharged to an appointed Committee of the Council. Mr. Niall Byrne advised Council that currently under the legislation there is no specific authority for Council to sit in divisions, specifically in relation to the private agenda and reviewing of cases referred from the Disciplinary Committees. He informed Council that he had recently met with heads of other regulatory bodies to discuss fitness to practise issues. Mr. Byrne advised Council that a report had been prepared by the professional regulatory bodies, which had been chaired by a former PSI Registrar, Ms. Ciara McGoldrick, on current inconsistencies across professional regulatory bodies and required changes to the current structures, which was submitted to the Department of Health. One of the recommendations of this report was to establish a single tribunal body where complaints of all of the professional regulatory bodies would be heard. Other recommendations would require legislative change but because of staff turnover in the Department of Health, further work on the recommendations had not progressed. The Registrar advised that for now, apart from holding additional meetings, there are no immediate steps that can be taken to resolve this issue. Mr. Byrne advised Council that he will look into this matter in greater detail with the other professional regulatory bodies.

One Council member expressed concern that the new Pharmacy Assessment System caused confusion with regard to the role of pharmaceutical assistants, with some pharmacies reducing assistants' working hours as a consequence. Mr. Byrne advised the Council that the Pharmacy Assessment System was created to help ensure efficiency and proportionality in how PSI discharges

its regulatory functions. The Registrar informed Council that he had recently met with representatives of the Pharmaceutical Assistants Association and that the matter will come before Council again in January in the context of the proposed rules and he hoped that at that stage there will be a clearer position on the matter of the proposed rules and the response to the public consultation process, which was held earlier in 2016.

In responding to a question from Council in relation to the Department of Health's management of electronic records and the validation of pharmacy software systems, Mr. Byrne advised the Council that this issue remains a priority for the Executive and was discussed at a recent meeting between the PSI and the Department of Health. At this meeting it was agreed that the Department of Health will engage with a number of stakeholders on this issue including software developers. Mr Byrne added that PSI, as regulator, is writing to the Department to highlight areas of recordkeeping which would require to be assured in any e-enabled recordkeeping system.

In responding to a question from Council on the EFQM Excellence Model, the Registrar informed Council that this model is owned by a not-for-profit body based in Brussels and is being implemented by private and public sector bodies globally. Mr. Byrne advised Council that he has seen first-hand how the EFQM Model helps organisations articulate the results they wish to achieve and to be clear as to how they organise to achieve those results. Mr. Byrne advised that PSI will explore how the EFQM Excellence Model could apply to PSI's systems and processes in 2017. A budget line for this project is in the proposed 2017 Budget.

D2. Approval of Service Plan 2017

The PSI Service Plan 2017 was circulated to all Council members. The Registrar addressed the Council and highlighted some key areas, which the PSI will concentrate on in the coming year. These include transitioning from the current corporate strategy to a new corporate strategy, continuing to focus on measurable and demonstrable results, looking ahead at what the PSI would look like in the next 3 to 5 years and what types of regulatory challenges it will face. In 2017, Mr. Byrne highlighted that work will be conducted on reviewing the regulation of hospital pharmacies under the Pharmacy Act 2007.

Mr Byrne advised Council that in 2017 the PSI will focus on developing a coherent Workforce Planning Strategy to ensure that the organisation has the necessary workforce to conduct its regulatory functions to the requisite standard. The outcome of this may have resource implications and to this effect a funding review will need to be undertaken to ascertain the PSI's core funding requirements. On this point and by way of illustration, Mr Byrne provided a summary comparison of pay costs across a number of other regulatory bodies. While HPRA and HIQA spend 69 percent and 74 percent of their costs on pay, respectively, the PSI only spends 46 percent which suggests a significant disparity in available staff between those regulators and PSI. Mr Byrne stated that work will also be conducted on the development of a new Communication and Digital Media Strategy in 2017.

One Council member requested that in order to be assured of the efficient working of the PSI's regulatory functions that it would continue to receive reports providing metrics on complaints as

was presented earlier this year. Council was advised that the PSI has developed a tool to ensure fitness to practise cases progress rapidly through the system and that improvements have already been made. A Council member suggested establishing a call-over system to help increase efficiency in the functioning of the complaints and disciplinary process overseen by the PSI, in line with the Pharmacy Act 2007. The Head of Regulation confirmed that such a system is currently being introduced.

Council agreed that the Service Plan would be considered following consideration of the budget for 2017 under the Administration and Finance section of the agenda.

E. Corporate Governance and Public Affairs

E1. Report of the Chairpersons Forum

The President of the PSI, Dr Ann Frankish, updated the PSI Council on discussions from the Chairpersons Forum. Since the last report to Council in March 2016, the Chairpersons Forum held one meeting. At this meeting, the Chairpersons' Forum reviewed its updated Terms of Reference, and discussed a number of governance matters, namely the updated PSI Governance Framework, implementation of the recommendations made by the Chartered Institute for Public Finance and Accountancy (CIPFA) following its governance review, and policies developed from these recommendations. Council was satisfied with the Report from the Chairpersons Forum and had no further questions.

E2. Updated Terms of Reference of the Chairpersons Forum

Council members considered the updated Terms of Reference of the Chairpersons Forum. Council requested that the membership of the Chairperson Forum be included in the Terms of Reference.

Decision: The Terms of Reference were approved by Council on the proposal of Prof Kieran Murphy and seconded by Ms Deirdre Larkin, subject to the inclusion of the membership of the Chairpersons Forum.

E3. CIPFA Report and Implementation of the Recommendations

a. CIPFA Report: Publication and Dissemination

The President advised Council that she would take each item under this agenda item and seek a proposer and seconder at the end for all of the items.

The Chairpersons Forum, at its last meeting, considered the publication and dissemination of the CIPFA Report and recommends to Council that the CIPFA Report should be submitted to the Department of Health with a cover letter indicating that a consensus among Council members was not reached on the proposed structural changes and that the Report would subsequently be published on the PSI website

Council members reviewed and discussed the content of the letter to accompany the CIPFA Report. The Registrar highlighted that this issue needed to be progressed as a matter of urgency as the Department of Health has been waiting to receive and publish the report for the past year, and wished to know whether Council has adopted the report. Following debate, Council approved the submission of the CIPFA report to the Department of Health followed by the publication of the report on the PSI's website.

b. Review of the Governance Action Plan to implement the recommendations

The President indicated that the Chairpersons Forum considered the Governance Action Plan at its last meeting and was satisfied that the recommendations were being implemented. Additional items addressed at the Chairpersons Forum, such as the publishing of disclosure of interests, accessing Advisory Committee documentation, training sessions for Council members and scheduling of closed sessions were all addressed in the Chairpersons Forum Report.

During the discussions on the implementation of the recommendations of the CIPFA report, a Council member expressed his concern over the amount of information given to the Council to digest ahead of each meeting and highlighted that the CIPFA report recommended that information should be disseminated as soon as it is ready. The Registrar advised Council that as provided for in the Council Rules, as amended, that the timeframe agreed to circulate the agenda to Council is seven days in advance of the meeting and that the Executive endeavours to provide all of the documentation seven days in advance. The Registrar outlined to Council that he is happy to implement matters to improve the functioning of the Council and welcomes suggestions from Council on how best to do this. Council noted the updated Governance Action Plan.

c. Updated Corporate Governance Framework

The President advised Council that the PSI Corporate Governance Framework was updated to be in line with the recommendations made by CIPFA in its Governance Review, and the updated Code of Practice for the Governance of State Bodies 2016, issued by DPER. The President advised Council that the Chairpersons Forum considered the updated Framework and recommends its approval to Council. The Corporate Governance Framework will be reviewed on an annual basis by Council going forward. Council approved the updated Corporate Governance Framework.

d. Resolution procedure for a Breach of the Code of Conduct for Council and Advisory Committee members

The President advised Council that the Chairpersons Forum considered the procedure and recommended that further information be included around notifications to the Minister for Health, and suggested revised wording under some sections. The President confirmed that subsequently to the meeting of the Chairpersons Forum, the document had been considered by the Department of Health and the PSI's legal team and reviewed again by the Chairpersons Forum and that further changes had been made to strengthen the document. The President advised Council that the Chairpersons Forum is recommending the Resolution Procedure to Council for approval. Council

approved the Resolution procedure for a Breach of the Code of Conduct for Council and Advisory Committee members.

e. Conflict Resolution Procedure

The President advised Council that the Chairpersons Forum, at its last meeting requested that a conflict resolution procedure be developed in addition to the resolution procedure for a possible breach of the Code of Conduct for Council and Advisory Committee members. This procedure was developed by the Executive and subsequently reviewed by the Chairpersons Forum and that the Forum is recommending the Conflict Resolution Procedure to Council for approval. Council approved the Conflict Resolution Procedure.

f. Performance Evaluation Proposal for Council and Advisory Committee members

The President advised Council that the Performance Evaluation Proposal provides a format and schedule for how performance reviews should be conducted for Council and Advisory Committees. The Chairpersons Forum considered the proposal and recommends it to Council for approval and implementation. One Council member was concerned that the survey would take longer than the time indicated. The Head of the Corporate Governance and Public Affairs Unit, Dr Cheryl Stokes, advised that the timings provided are approximate and would vary between Council members. Council approved the proposal for the structure, content and implementation of the performance evaluation proposal for Council and Advisory Committee members.

g. Updated Whistleblowing policy under the Protected Disclosure in the Public Interest Act 2014

As recommended by CIPFA in its 2015 Governance Review, the PSI Whistleblowing Policy was updated to be in line with further guidance issued by the Department of Public Expenditure and Reform. Dr Frankish advised Council that the Audit Committee had reviewed the updated Whistleblowing Policy at its last meeting on the 1st December and is recommending it to Council for approval.

The Council wished to know whether this policy applied to Council and Advisory Committee members. Dr Stokes advised that the Protected Disclosures Act 2014 applied to employees of the PSI and that there was no provision in the legislation for Council and Advisory Committee members. Council members are office holders but not employees of the PSI. It was agreed that as Council members have the opportunity to raise issues under the Corporate Governance Framework that developing a separate policy for Council members may not be necessary unless Council specifically required the development of such a policy. Council approved the updated whistleblowing policy and agreed to give consideration as to the need for a Whistleblowing policy for Council members.

h. Gifts and Hospitality Policy and Procedure

The President advised Council that further to the governance review by CIPFA, and as required in the Code of Practice for the Governance of State Bodies (2016) to provide practical guidance and

direction on such areas as gifts and entertainment and on other ethical considerations which arise routinely, a Gifts and Hospitality Policy has been prepared to provide guidance to staff, Council and Committee members in relation to the giving and receiving of gifts and hospitality. The Gifts and Hospitality Policy and Procedure is being recommended to Council for approval. Council approved the Gifts and Hospitality policy and procedure.

Decision: Council approved the:

- (a) Content of the letter to accompany the CIPFA report and agreed that following submission to the Department of Health that it should be published on the PSI website;**
- (c) Updated Corporate Governance Framework;**
- (d) Resolution procedure for a Breach of the Code of Conduct for Council and Advisory Committee members;**
- (e) Conflict Resolution Procedure;**
- (f) Proposal for the structure, content and implementation of the Performance Evaluation Proposal for Council and Advisory Committee members;**
- (f) Updated Whistleblowing policy under the Protected Disclosure in the Public Interest Act 2014;**
- (g) Gifts and Hospitality Policy and Procedure; and**

Council noted:

- (b) The updated Governance Action Plan;**

on the proposal of Mr. Hugo Bonar and seconded by Mr. Paul Gorecki.

E4. Report of the Audit Committee

Mr. Pat O'Dowd, Chair of the Audit Committee, addressed the Council and advised Council members that they had been circulated with the Report of the Audit Committee, highlighted some key items for Council arising from the last Audit Committee meeting and invited questions from Council. Council was satisfied with the report from the Chair of the Audit Committee.

E5. Nominations Sub-Group

The Chair of the Nominations Sub-Group, Mr. Shane McCarthy, addressed the Council and provided an update on the work of the Sub-Group. Mr. McCarthy advised Council that an expression of interest process for vacancies on the Advisory and Disciplinary Committees took place in November 2016.

Mr. McCarthy stated that a total of 124 applications were received from 90 individuals. He also advised Council that the quality of applications received was impressive and that the Nominations Sub-Group met on 29 November to initiate the review of all applications received and are proposing to Council candidates to fill positions on the Advisory Committees. He advised Council that a panel will also be constituted for future vacancies. The Nominations Sub-Group will be reviewing

applications received for the Disciplinary Committees in January 2017 and have requested the recruitment of a suitable independent person who would be able to assist the Sub-Group in this process.

E6. Appointments and Re-appointments to Advisory Committees

Mr McCarthy advised that at its meeting on the 29th November, the Nominations Sub-Group considered the appointments and re-appointments required for Advisory Committees, based on the competency requirements of each Committee. Mr McCarthy stated that a memo had been circulated to all Council members with recommendations for appointments and re-appointments. He added that the Advisory Committees skills were being refreshed to ensure a balance between pharmacist, non-pharmacist members and other requisite experience. Council members commended the establishment of the Nominations Sub-Group.

Decision: Council approved the appointments and re-appointments outlined in the memo for a term of two years commencing on 16th of December 2016 to 15th of December 2018. Council approved the appointment of Mr Hugo Bonar as Chair of the Inspection and Enforcement Committee and Graham Knowles as Chair of the Registration and Qualification Recognition Committee for the remainder of their current terms following the expiry of the term of office of the current Chairs. The appointments and re-appointments were made by Council on the proposal of Ms. Caroline McGrath and seconded by Ms. Muireann Ní Shuilleabháin.

E7. Appointment of Returning Officer, Substitute Returning Officer and Scrutineer for the purposes of the election of Council members in 2017

The President addressed Council and advised that the terms of office of eight Council members will come to an end in 2017. In accordance with Section 10(3)(f) of the Pharmacy Act 2007, an election will be held to select five registered pharmacists for appointment by the Minister for Health to the Council. In accordance with section 6(1) of the Rules, the Council is required to appoint a Returning Officer and a substitute Returning Officer, along with two persons to act as Scrutineers.

The following are nominated to fulfil these roles:

1. Returning Officer Registrar, Niall Byrne;
2. Substitute Returning Officer Head of Corporate Governance and Public Affairs, Dr Cheryl Stokes;
3. Scrutineer 1 Cicely Roche, TCD; and
4. Scrutineer 2 John Lynch, HPRA.

Decision: The appointment of the Returning Officer, the Substitute Returning Officer, and Scrutineers for the election of Council members in 2017 was approved by Council following the proposal of Mr. Hugo Bonar and seconded by Mr. Graham Knowles.

F. Professional Development and Learning

F1. Report of the Professional Development and Learning Committee

The Chair of the Professional Development and Learning Committee, Prof Kieran Murphy, addressed the Council stating that Council members had been circulated with a report of the Professional Development and Learning Committee. Council members were satisfied with the report from the Chair of the Professional Development and Learning Committee and had no further questions.

F2. Approval of the Irish Institute of Pharmacy (IIOF) within the Royal College of Surgeons (RCSI) as a Certifying Body under Medicinal Products (Prescription Control and Supply) (Amendment)(No 2) Regulations 2015 SI No 449 of 2015 SI

Under this agenda item, Prof. Kieran Murphy stated that the Council is requested to consider a request from the Irish Institute of Pharmacy (IIOF) at the Royal College of Surgeons in Ireland seeking recognition as a body that can issue a certificate to those pharmacists who satisfactorily complete the Diagnosis and Treatment of an Acute Asthmatic Attack and the Supply and Administration of Salbutamol training course, to be provided by the IIOF, as required under Regulation 4B of the Medicinal Products (Prescription and Control of Supply) Regulations 2003, as amended.

Professor Murphy reminded Council members that the PSI has a role in accreditation of the course and in the approval of the body as a certifying body for each course.

Decision: Council approved the IIOF, within the RCSI, as a body that can issue a certificate to those pharmacists who satisfactorily complete the Diagnosis and Treatment of an Acute Asthmatic Attack and the Supply and Administration of Salbutamol training course, to be provided by the IIOF, as required under Regulation 4B of the Medicinal Products (Prescription and Control of Supply) Regulations 2003, as amended, on the proposal of Ms. Nicola Cantwell and seconded by Ms. Caroline McGrath.

F3. Approval of the 2017 IIOF Annual Work Programmes (PSI funded and DoH funded)

Prof. Kieran Murphy addressed Council and advised Council members that they had been circulated with both the PSI funded and the Department of Health funded Annual Work Programmes for 2017. Prof. Murphy advised Council that the work programmes were similar to previous ones submitted.

Decision: The 2017 IIOF Annual Work Programmes were approved by Council on the proposal of Ms. Joanne Kissane and seconded by Mr. Fintan Foy.

F4. Quarterly Update on the Implementation of the PSI's CPD model and delivery of the Irish Institute of Pharmacy services

Prof Kieran Murphy advised Council members that they had been circulated with a report providing a quarterly update on the implementation of the PSI's CPD model. Council members were satisfied with the report and noted its contents.

F5. Quarterly Update on the Implementation of the five-year integrated pharmacy degree programme

Prof Kieran Murphy advised Council members that they had been circulated with a report providing a quarterly update on the implementation of the five-year integrated pharmacy degree programme. Council members were satisfied with the report and noted its content.

F6. Approval of the syllabus for the Equivalence Exam undertaken as part of the Third Country Qualification process

Prof Kieran Murphy advised Council members that they had been circulated with a syllabus developed by University College Cork (UCC), which was recently awarded the contract to act as the new provider of the Equivalence Exam, and that it is expected that the first Equivalence Exam to be provided by UCC will be held in the first quarter of 2017 and thereafter twice yearly.

The Head of the Professional Development and Learning Unit, Ms Damhnait Gaughan, responded to questions from Council regarding the Third Country route of registration and advised Council that when an individual from a Third Country presents for registration they must satisfy the PSI that they have competency in the English language.

Decision: **The syllabus for the Equivalence Exam undertaken as part of the Third Country Qualification process was approved by Council on the proposal of Dr Chantelle McNamara and seconded by Ms. Muireann Ní Shuilleabháin.**

G. Inspection and Enforcement

G1. Report of the Inspection and Enforcement Committee

The Chair of the Inspection and Enforcement Committee, Mr. Richard Collis, handed over to Mr Graham Knowles who had chaired the last meeting of the Inspection and Enforcement Committee, in his absence and advised Council members that they had been circulated with a report of the Inspection and Enforcement Committee. Council was satisfied with the report from the Inspection and Enforcement Committee and had no further questions.

G2. Update on the roll out of the Pharmacy Assessment System

The Head of the Regulation Department, Mr John Bryan, provided a verbal update on the roll out of the Pharmacy Assessment System. Mr. Bryan stated that the self-assessment system was issued to all pharmacies and was now available on the PSI website. The Inspection and Enforcement Unit

conducted six roadshows with 640 people in attendance. The roadshows provided an opportunity to present in detail how to complete the assessment. Mr. Bryan advised Council that the roll out of the Pharmacy Assessment System will continue into 2017, with the first half of the year looking at embedding the new system across all pharmacies and the second half of the year focussing on monitoring the utilisation of the Pharmacy Assessment System. Thus far, positive feedback has been received from pharmacists. Mr. Bryan acknowledged the presence of Council member Ms. Muireann Ní Shuilleabháin at one of the roadshows. Ms. Ní Shuilleabháin stated that there was genuine acceptance and engagement of the self-assessment system from pharmacists.

H. Pharmacy Practice Development

H1. Report of the Pharmacy Practice Development Committee

The Chair of the Pharmacy Practice Development Committee, Ms. Caroline McGrath, addressed Council stating that Council members had been circulated with a report of the Pharmacy Practice Development Committee. Council members were satisfied with the report from the Chair of the Pharmacy Practice Development Committee and had no further questions. Ms. McGrath advised Council members that copies of the Future Pharmacy Practice Report were available at the meeting for all Council members, as not all Council members had been in a position to attend the launch in November.

H2. Approval of the Draft Guidelines on the Keeping of Records in Respect of Medicinal Products when Conducting a Retail Pharmacy Business

Ms. Caroline McGrath addressed Council stating that Council members had been circulated with a copy of the draft guidelines on the keeping of records in respect of medicinal products. She outlined that the purpose of these guidelines is to facilitate compliance with Regulation 12 of the Regulation of Retail Pharmacy Businesses Regulations 2008 (S.I. 488 of 2008) in relation to the keeping of records when conducting a retail pharmacy business. Ms. McGrath informed Council that the guidelines went out for public consultation in early 2016 and that 25 responses had been received. The guidelines were reviewed and updated in light of the comments received during the public consultation process.

Decision: Council approved the Guidelines on Keeping of Records in respect of Medicinal Products when conducting a retail pharmacy business on the proposal of Ms. Joanne Kissane and seconded by Ms. Deirdre Larkin.

I. Registration and Qualification Recognition

I1. Report of the Registration and Qualification Recognition Committee

The Chair of the Registration and Qualification Recognition Committee, Mr. Pat O'Dowd, addressed the Council stating that Council members had been circulated with a report of the Registration and Qualification Recognition Committee. Council was satisfied with the report from the Registration and Qualification Recognition Committee and had no further questions.

J. Administration and Finance

J1. Report of the Administration and Finance Committee

The Chair of the Administration and Finance Committee, Mr. Shane McCarthy, addressed Council stating that Council members had been circulated with a report from the Administration and Finance Committee following its meeting held on 15th November 2016 which reconvened on 25th November. There was substantive discussion by Council members on items presented for their consideration by the Administration and Finance Committee, which are addressed under the relevant headings below.

J2. Approval of the General Reserves Policy

Mr. Shane McCarthy advised Council members that the Administration and Finance Committee reviewed the draft policy on the PSI's General Reserves at its last Committee meeting. The Committee was asked to consider an appropriate minimum level of General Reserve to be maintained and the criteria to be met for the utilisation of the General Reserve. The Administration and Finance Committee requested that Council approve the General Reserve Policy as follows:

- That a minimum general reserve level be maintained at 30 per cent of the PSI's annual registration fee income receivable.
- That the General Reserve be used for activities that meet the following criteria:
 - Activities that 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. Activities that are of a cyclical nature of less than five years should be funded from operational expenditure.
- That the policy be monitored and reviewed regularly and, at a minimum, no less than once a year by the Committee with any recommendations for change to be referred to Council for its consideration and approval.
- Council members sought the views of the Registrar on the General Reserves Policy who indicated his support for the setting of a nominated reserves amount.

Decision: The General Reserves Policy was approved by Council on the proposal of Mr. Graham Knowles and seconded by Mr. Rory O'Donnell.

J3. Approval of the PSI Funding Review

Mr. Shane McCarthy advised Council members that the PSI is now operating a large deficit where the projected deficit for 2016 was projected to be approximately €300,000. Mr. McCarthy stated that the Council needed to make a decision on whether to undertake a fee review now, or to await the outcome of the process determining the next Corporate Strategy for the organisation. Mr. McCarthy highlighted that it was as a result of the size of the projected deficit that the Administration and Finance Committee requested that the Executive, subject to the approval of Council, should immediately commence the process of commissioning an independent external body

to conduct the funding review with a view to proposing an appropriate fee level for consideration by Council in the first quarter of 2017.

Council noted in the briefing memo that the funding review will involve carrying out an assessment of the PSI's core funding requirements so that it can effectively and efficiently deliver on its statutory functions while working within a balanced budget. Council also noted the need for the organisation to consider the required resourcing in the context of PSI's duty to discharge its statutory functions to the requisite standard consistent with maintaining public confidence and safety. The Administration and Finance Committee had suggested that the funding review will commence in January with a view to any outcomes being implemented by September 2017.

Council members requested further information on who will conduct this review and at what cost. Mr. McCarthy advised Council that the former fee review had cost approximately €15,000 and he did not anticipate it costing more than this. The Head of Operations, Dr. Lorraine Horgan, advised Council that the commissioning of the funding review will be undertaken in line with public procurement rules and proper procedure and that progress update reports on the process will be submitted to the Administration and Finance Committee.

There was debate among Council members on whether a fee review was appropriate at this time. Some Council members were of the view that pharmacy and pharmacist fees were already at a high level. Others suggested that cost containment should be addressed before introducing the possibility of a fee review. Council members also suggested that notification of registration renewals should include an indication of the amount of the fee owing that was attributed to continuing professional development (CPD) purposes so registrants would have clarity as to the portion of the fee that is attributed to CPD.

Some Council members felt that the implications of introducing a fee review should be fully considered first and suggested that the Executive should discuss this issue with the Department of Health. Council members agreed that although the Council provides oversight and accountability on PSI budgets, it was the Registrar's responsibility to ensure that resources are being used efficiently. In this regard, Council members sought assurance from the Registrar that resources in the PSI were spent efficiently on the PSI's basic regulation functions. The Registrar's view was that the core funding requirements of the PSI needed to be ascertained and that the process to identify the cost of funding the PSI to deliver on its remit to the requisite standard would no doubt require the public to be consulted in view of the PSI's public interest focus.

The Registrar, Mr. Byrne, advised the Council that since his appointment as Registrar of the PSI in August 2016, he has undertaken significant work to understand the funding situation of the PSI. Mr. Byrne advised Council that in terms of cost containment, some expenditure lines had been reduced in the 2017 budget but impacts would inevitably be felt as a result. Mr. Byrne advised Council that the majority of expenditure is on non-pay costs and does not relate to staffing. The President reminded Council that all PSI staffing needs are reviewed and sanctioned by both the Department of Health and, for some senior posts, by the Department of Public Expenditure and Reform. Mr. Byrne cautioned that the need for balancing the budget should not negatively impact the delivery of PSI functions to the standard required to assure public safety and confidence in pharmacy.

Decision **The commencement of a PSI Funding Review was approved by Ms. Caroline McGrath and seconded by Dr. Paul Gorecki**

J4. Approval of Management Accounts for the period to 30 September 2016

Mr McCarthy presented the Management Accounts of the period to 30 September 2016.

Decision: **The management accounts were approved by Council on the proposal of Mr. Hugo Bonar and seconded by Mr. Pat O'Dowd**

J5 Approval of revised Investment Management Policy

Mr. Shane McCarthy advised the Council that the Administration and Finance Committee, at its last meeting, considered the proposed changes to the Investment Management Policy, which were based on the experience to date of working with, and implementing, the policy together with the views expressed by the Committee at its previous meeting held on 30 August. The Committee agreed to recommend the revised Investment Management Policy to Council for approval.

A Council member queried the risk appetite of the investment policy stating that investing in one sector only and in three institutions within that sector may be risky. It was suggested that PSI investments could be placed in sectors with good ratings. Mr. Byrne advised that the objective of the policy was not to expose the PSI's capital to risk. He added that the Executive could look at adopting alternative investment strategies. However, this would require a change to the current investment policy and would have resource implications which may not make this approach worthwhile. In consideration, Council retained the current investment policy strategies.

Decision: **The Investment Management Policy was approved by Council on the proposal of Ms. Deirdre Larkin and was seconded by Mr. Paul Turpin**

J6. Committee Governance

The Council was presented with the updated Terms of Reference for the Administration and Finance Committee and the proposed composition and membership of the Administration and Finance Committee. Council members had no further questions.

Decision: **(a) The updated Terms of Reference for the Administration and Finance Committee were approved by Council on the proposal of Mr. Graham Knowles and Mr. Pat O'Dowd.**

(b) The proposed composition and membership of the Administration and Finance Committee was approved by Council on the proposal of Ms. Joanne Kissane and seconded by Prof. Sheila Ryder.

J7. Approval of the Budget 2017

Mr. Shane McCarthy advised Council members that the budget for 2017 was scrutinised at the last Administration and Finance Committee. Justification was sought from the Executive on each budget line and a range of cuts had been introduced by the Executive. However, Mr. McCarthy drew the attention of the Council to the operating deficit which still remained at €367,000 (this rises to approximately €685,000 when the APPEL seed-funding is included). Mr. McCarthy emphasised the need to have greater focus on the cost implications of decisions made at Council level and suggested that in future Council decision-making should be informed by a consideration of the cost implications and source of funding.

There was some discussion, by Council members, on particular items budgeted for next year. The President emphasised to Council members that the Council meeting was not a forum for repeating deliberations that had already taken place at Committee level and re-iterated that the Chair of the Administration and Finance Committee had indicated that the budget had been significantly scrutinised by the Administration and Finance Committee and that the Committee was recommending it to Council for approval.

Decision: The Service Plan and Budget for 2017 were approved by Council on the proposal of Mr. Paul Turpin and seconded by Ms. Muireann Ní Shuilleabháin.

K. Fitness to Practise and Legal Affairs

K1. and K2. Report of the Mediation Sub-Group and PSI Mediation Guidelines

The Chair of the Mediation Sub-Group, Mr. Hugo Bonar, addressed the Council stating that Council members had been circulated with a report of the Mediation Sub-Group. Mr. Bonar stated that he would be taking both the report and the revised Mediation Guidelines together.

Mr. Hugo Bonar advised Council that the guidelines had been prepared pursuant to Section 37(1) of the Pharmacy Act, 2007 and are intended to give guidance on the resolution of complaints by mediation pursuant to sections 37 and 40 of the Act. Mr. Bonar stated that the guidelines were revised to take into consideration those items which are not suitable for mediation. In responding to a query, Mr Bonar also stated that were the registrant and the registrar agreeable to go to mediation, in the context of all evidence being available as a result of an inspection, that such a situation could be resolved by mediation.

The Report outlined three main recommendations which were; to revert to the Department of Health with a further request for the Pharmacy Act 2007 to be amended to include the Registrar in mediation, increased investigative powers for the Preliminary Proceedings Committee and for the power to dispose of complaints at a screening stage of the complaints process enabling a complaint to be dealt with at an early stage and thereby reducing costs.

The Council congratulated the Mediation Sub-Group on its work and welcomed the development of the updated Mediation Guidelines. One Council member was concerned that unsuccessful mediations may lead to increased costs and to similar conduct being treated differently. Another

Council member suggested that when appointing a mediator, that this person should be independent and that the formation of a panel of qualified and accredited independent mediators should go through the Nominations Sub-Group.

Decision: **The PSI Mediation Guidelines were approved by Council on the proposal of Ms. Nicola Cantwell and seconded by Mr. Shane McCarthy.**

L. Council Business

L1. Dates for Council Meetings in 2017

Council members reviewed the proposed dates for meetings in 2017. The meeting scheduled for 22nd September will be changed to Thursday the 21st September.

Decision: **The dates for Council meetings were approved by Council following the proposal of Mr. Hugo Bonar and seconded by Ms. Deirdre Larkin.**

L2. Council Members' Time

The President addressed Council and advised that no Council member had notified their intention to speak during this agenda item.

The meeting ended at 12:32pm.

President

Date