



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

HSE Audit & Risk Committee Meeting

Minutes

A meeting of the HSE Audit & Risk Committee was held on Friday 14 February 2020 at 08:15 am in Indigo Room, Dr Steevens Hospital, Dublin 8.

Members Present: Ann Markey (Acting Chair), Brendan Lenihan (Vice Chair), Fiona Ross, Pat Kirwan, Colm Campbell, Martin Pitt.

Apologies: Fergus Finlay, Tim Hynes.

HSE Executive Attendance: Stephen Mulvany, Dean Sullivan, Geraldine Smith, Patrick Lynch, Mairead Dolan, Dara Purcell (Secretary), Rebecca Kennedy.

Joined the Meeting: Andy Harkness, Ruth Foley, Seamus Leonard, Paula Brophy (Item 3.1 – Role of C&AG), Fran Thompson (Item 3.7 – ICT Capital Plan), Jim Curran (Item 4 – Capital), Eithne O’Sullivan (Item 6.2 – Protected Disclosures).

Minutes reflect the order in which items were considered and are numbered in accordance with the original agenda.

2. Governance and Administration

2.1 Welcome and Introductions

The Chair welcomed Committee members to the meeting and in the absence of executives, held a private session to consider the agenda and papers for the meeting and the approach to conducting the meeting.

2.2 Conflicts of Interest

No conflict of interest was declared.

2.3 Approval of Minutes

HSE Executives joined the meeting at this point. The minutes of previous meetings on 9 December 2019 and 17 January 2020 were agreed for signing by the Acting Chair. The Action Log for the Committee was noted and approved, and the Secretary advised that any outstanding actions not on the agenda are being followed up.

She undertook to provide an information paper to the Committee on the horizon scanning the C&AG had undertaken when they were planning the audit approach.

3.3 2019 Out-turn

The Committee noted the cumulative HSE position at the end of 2019, is a small positive variance following the Supplementary Estimate provision. The Committee welcomed the increased financial controls which helped achieve this position. The Committee requested the CFO to provide a paper to the next meeting setting out key drivers of 2019 closing position and the proposed utilisation, on a once-off basis, of this 2019 positive variance.

3.4 Annual Financial Statements Process

This item was presented to the Committee by M Dolan, ACFO, to provide a briefing on the statutory and regulatory responsibilities, timelines and processes in respect of the preparation of the AFS 2019. She briefed the Committee on the following timelines:

- Draft set of AFS and notes to the Comptroller and Auditor General (C&AG) by Friday 28 February 2020. (Code requirement)
- Board are scheduled to adopt AFS 2019 on Friday 27th March 2020.
- The Annual Report (AR) is due to be approved by the Board on Friday 24th April and must be submitted to the Minister by Friday 15th May 2020,
- There is no statutory requirement to submit a joint AR/AFS on or before 15th May, however, the HSE is intending to submit both the AR and AFS jointly.

Following discussion, the Committee noted the key dates and documentation that the Committee/Board will be required to review. M Dolan confirmed audit is on schedule at this point. The Committee noted this is a challenging timeline.

3.5 C&AG Management Letter

This item was presented to the Committee by the CFO, to provide the Committee with the key findings of the draft Management Letter 2018 along with a status report in respect of the HSE's management response to C&AG on same. It was noted that the current draft Management Letter 2018 has been shared with the relevant HSE divisions, CHOs and HGs and the FS team are currently collating the response. CFO informed the meeting that, from an initial review the current responses received are not complete and do not adequately respond to the finding and recommendation. They therefore require further support from Chief Officers and Chief Executive Officers as well as relevant National Directors. The CFO has written to the relevant EMT members to request their support to ensure that the management responses are improved.

Once the management response has been further reviewed and revised a full version will be brought to the Committee for input and advice.

The Chair noted once the ARC have had an opportunity to review and discuss this ML it will then go to the EMT for formal approval that it is in order and to recommend that it is in order for the CEO to formally respond to the C&AG.

The issue of cyber security was discussed. CIO briefed on the Cyber Security Strategy and confirmed the roll out of the Integrated Financial Management System (IFMS) will be integral to improvements in cyber security.

Following consideration of those issues by the Performance and Delivery Committee it is expected the ICT Capital Plan will be presented to the Board for approval.

4. Capital

4.1 & 4.2 Capital Plan Current Draft Update

The CSO and J Curran, Head of Estates provided an update on the commitment of capital resources over a seven-year period (2020-2026) and gave committee members an overview of indicative capital expenditure across major projects and programmes (i.e. new capital construction), Infrastructural risk (i.e. minor capital), Equipment purchase and Ambulance. The Committee also reviewed the decisions and risks in the Ambulance Replacement Programme and Medical Equipment.

Following discussion, the Committee noted funding allocated in years 2021 and 2022 is not sufficient to allow all projects funded in 2020 to be progresses in 2021 and 2022. Discussions on overall funding for projects is ongoing with the DoH.

The Committee also discussed the model of HSE medium term (7 years) capital requirements (by category, by project) and recommended this model be captured in the current Corporate Plan process.

4.3 Elective Hospital Projects and Trauma Centres

The CSO presented this item, noting the development of dedicated Elective facilities was identified as a priority in the Sláintecare Report (2017) and in the National Development Plan.

Following discussion, the Committee noted:

- 1 The HSE, in conjunction with the Sláintecare Programme Implementation Office and the Department of Health, is taking forward a detailed process to consider the number and nature of proposed centres needed.
- 2 It is intended to develop a broad understanding of how elective care is currently delivered nationally, review national and international exemplar service models of elective hospitals, identify the scope of services to be provided at elective hospitals and the locations of same.
- 3 A further update on the development of elective centres will be brought to the Committee later in 2020.

The Committee noted investment will be required in order for the two Major Trauma Centres, Trauma Units and Elective Care Centres to meet full-service specifications and potential.

Trauma Centres

CSO presented this item giving an overview of the Trauma Strategy and discussed with the Committee the background to the designation process the appointment of the Independent Assessment Panel, the application of the assessment criteria and the resultant advice to the HSE. Following the discussion, it was agreed that the advice of the IAP on the Committee noted hospitals to be designated

with SVUHG and requested a briefing at a future meeting. Specifically, the Committee asked Estates to revert at that point with contingency plans in the event that the required consents are not provided or are delayed. This is so as to ensure maximum value for capital funding expended to date on the project.

6. Risk Management

6.1 Report from ND QAV

Briefing on Corporate Risk

P Lynch, National Director QAV, advised that the Executive Management Team is in the process of reviewing the HSE's Corporate Risk Register. Three EMT risk workshops were held on the 25 November, 18 December 2019 and the 9 January 2020.

The Committee were advised that each EMT Member was required to complete a risk assessment for each of the risks identified. In particular they were required to: Review and finalise the risk description, identify and list the core controls that are currently in place to mitigate the risk, list the additional controls that are required to mitigate the risk, and for each of the additional controls (actions) that are required to mitigate the risk, the appropriate EMT member that holds the remit for the delivery of the action needs to be identified.

The Committee were further briefed on the Chief Risk Officer competition and noted that the closing date for applications for the post was the 15 January 2020. Further reports will be brought to the Committee at future meetings.

6.2 Protected Disclosures

E O'Sullivan, Authorised Person for the HSE, joined the meeting for this item and provided an update on Protected Disclosures since this item was last considered by the Audit and Risk Committee in October 2019. She discussed with the Committee the provisional statistical information related to Protected Disclosures in 2019; the escalation process for Protected Disclosures; and provided an update on the Review of Protected Disclosures and the new EU directive in relation to Protected Disclosures which has to be transposed into Irish law by 2021.

Following the discussion, the Committee noted this paper as part of the on-going reporting on Protected Disclosures to the Audit and Risk Committee.

6.3 Annual Report

Verbal update provided on timelines for completion. The Committee emphasised that the Annual Report should reflect the risks identified on the Corporate Risk Register and provide a balanced view of the operating environment and the challenges to achieving targets.

5. Internal Audit

8. Internal Controls

Freedom of Information

Briefing paper on operation of FOI noted.

9. Any Other Business

Date of Next Meeting: 13 March 2020, 8:15 am, Indigo Room, Dr Steevens Hospital.

Meeting concluded at 13:30 with a discussion among members in the absence of HSE Executives.

Ann Markey agreed to review the Statement of Internal Control in consultation with M Dolan, ACFO.

Signed: Ann Markey

A/Chairperson

13/03/2020

Date