

Draft Minutes of the Audit, Risk and Governance Committee (ARGC)

**Zoom Conference
9 February 2022, 4 pm – 5 pm**

Present:

Name	Details	Initials
Bernadette Costello	Committee Chair	CS
Martin Higgins	Committee member	MH
Caroline Spillane	Committee member	BC
Tony McNamara	Committee member	TMcN
Donall Curtin	Committee member	DC

In Attendance:

Kathleen Lombard	Board Secretary & Chief Risk Officer	KL
Sean Angland	Acting Chief Operating Officer	SA
Eleanor Noonan	Head of Finance	EN
Shay Fox	ICT Manager	SF

1. Quorum

A quorum was present and the meeting was duly convened.

2. Conflict of interest

No conflicts were declared.

3. Draft minutes

3a. Draft minutes 18 January 2022

The Committee reviewed the minutes of 18 January 2022. It was agreed that the minutes were an accurate record of the meeting. DC proposed approval of the minutes and CS seconded the proposal; accordingly the minutes of the committee meeting of 18 January 2022 were approved by the committee.

3b. Draft minutes 21 September 2021

The Chair reminded the committee that at the January meeting, she had undertaken to reflect further on DC's comments on the September minutes. In doing so, she reviewed the governance advice provided to the Board Secretary on minute taking, sought the views of the IPA and considered how best to reflect DC's views appropriately while ensuring that the record was accurate and balanced. As a result, the wording of the September meeting minute has been revised and re-issued to the committee in advance of the meeting.

MH proposed approval of the minutes of 21 September 2021 and CS seconded the proposal; accordingly the minutes of the committee meeting of 21 September 2022 were approved by the committee. DC's dissension was noted.

4. Draft annual financial statements 2021

SA presented the draft Financial Statements for 2021 to the Committee, outlining the regulatory framework and the process for approval including the statutory requirement to submit draft accounts to the Comptroller and Auditor General for audit not later than 3 months after the end of the year.

SA outlined key requirements for inclusion in the accounts including the Statement on internal control, the governance statement and disclosures of areas of non-compliance with the Code. He highlighted that there were three areas of non-compliance with procurement requirements identified during 2021. He also highlighted that an additional adjustment will be made to the accounts before presenting them to the Board next week. SA confirmed in response to queries from the committee

- the circumstances that gave rise to the late adjustment will be examined
- the committee will be informed of the outcome and any resultant process changes
- reporting on procurement will be increased in light of increased third party service provision and
- The internal auditor will be informed of the late adjustment.

The Committee reviewed the accounts in detail and the following was confirmed response to a number of queries:

- An item will be reclassified to ensure uniformity of coding with the previous year
- Additional detail will be included under the Governance and strategy line item and
- Minor changes to board and committee members' names and attendances will be made.

The Committee also noted that:

- In relation to prompt payment penalties, while values are not materially significant, it should be impressed upon managers that compliance with prompt payment legislation is required and expected and
- Because professional fees are increasing, further analysis of such fees will be required by the committee at future meetings

The Committee agreed that subject to the changes proposed by the committee, the financial statements for 2021 will be recommended to the Board for approval.

SA confirmed that the requested revisions will be made to the accounts prior to the Board's review and subject to the Board approval, the financial statements will be submitted to the C&AG for audit.

The Chair thanked SA and EN for their presentation of the draft annual accounts and for the responses to the queries from the Committee.

5. Start of Year submission 2022

Shay Fox (SF) from the Information Division presented a paper to the Committee on the Start of Year submission for 2022 and explained that this is an annual submission to the Department of Health (DoH) relating to IT projects. SF set out the costs for:

- New project initiatives
- Projects that were previously approved and rolled forward to 2022 and
- Operational costs such as managed services, licensing, hosting and support and maintenance.

The Committee requested that in view of the significant capital investment involved in the Digital and Data Strategy and the Prism replacement project, together with the need for assurance around value for money, a paper is presented to the Committee on the governance arrangements for the constituent projects including authorization levels and the management of stage breaks.

The Committee agreed that the Start of Year submission will be recommended to the Board for approval. SF left the meeting at this point.

6. Any other Business

The Chair advised the Committee that she will be presenting items at the upcoming Board strategy session that from the ARGC's perspective will require a focus during 2022 and invited thoughts from the committee. Items suggested included

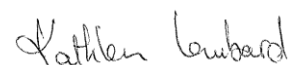
- Increase in third party service provision and implications for oversight
- Capital project oversight and reporting and
- Oversight responsibility and arrangements for the sustainability agenda.

The Chair thanked the committee for their input and there being no further business, the meeting was closed.

Signed:



Bernadette Costello
Chair



Kathleen Lombard
Board Secretary

Actions following from the ARGC Meeting of 9 Feb 2022

	Action	Person Responsible	Time-frame
1	In relation to the late adjustment to accounts <ul style="list-style-type: none"> - the circumstances that gave rise to the late adjustment will be examined - the committee will be informed of the outcome and any resultant process changes - The internal auditor will be informed of the late adjustment. 	SA	March meeting
2	Specific reporting on procurement in light of increased third party service provision	BK/SA	March meeting
3	Changes to be made to the accounts as follows: <ul style="list-style-type: none"> - An item will be reclassified to ensure uniformity of coding with the previous year - Additional detail will be included under the Governance and strategy line item and - Minor changes to board and committee members' names and attendances will be made. 	SA	immediate
4	compliance with prompt payment legislation is to be emphasised with management	SA	immediate
5	In the context of the SOY submission, a paper on the governance arrangements for the constituent projects including authorization levels and the management of stage breaks	BK/SF	March meeting