

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

**Zoom Conference
17 May 2022, 16.30 – 17.35pm**

Present:

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

In Attendance:

Angela Fitzgerald	Chief Executive Officer	AF
Joan Heffernan	Quality and Risk Manager (minute taker)	JH
Sean Angland	Acting Chief Operations Officer	SA
██████████	Mazars *part of the meeting	██
██████████	Mazars *part of the meeting	██
David Murphy	Forecast Planning and Analysis Accountant, HIQA *part of the meeting	DM
Bala Krishnan	Chief Information Officer, HIQA *part of the meeting	BK
Brendan Thornton	Head of Project Management Office, HIQA *part of the meeting	BT

Apologies:

Name	Details	Initials
Kathleen Lombard	Board Secretary and Chief Risk Officer	KL

1.0 Quorum

A quorum was present and the meeting was duly convened.

2.0 Conflict of interest

No conflicts were declared.

3.0 Minutes of 12 April 2022

The Committee reviewed the minutes of 12 April 2022. It was agreed that the minutes were an accurate record of the meeting: MH proposed approval of the minutes and TMcN seconded the proposal; accordingly the minutes of the committee meeting of 12 April 2022 were approved by the committee.

4.0 Review of actions

JH updated the committee on the status of the actions. A number of actions were completed or listed for discussion on today's agenda. Remaining item for discussion at June's committee meeting.

5.0 Matters arising

No matters arising noted.

6.0 Emerging Issues

No emerging issues were noted.

7.0 Internal Audit Report – ICT Project Management Audit

██████████ and ██████████ from Mazars joined the meeting at this point. Bala Krishnan (BK) Chief Information Officer and Brendan Thornton (BT) Head of the Project Management Office also joined the meeting.

█████ presented the findings of the ICT project management audit stating that the findings of the audit demonstrates a reasonable assurance level. Findings indicated no high priority, two medium priority and three low priority recommendations. The Committee welcomed the planned actions to the project management framework which are intended to improve some aspects of the process.

In response to committee observations, it was noted that the fieldwork for this audit was carried out in November/December 2021 and there has been further developments since then. As such, a reasonable assurance was appropriate.

The committee queried the implementation dates for some of the recommendations. In reply, BK advised the committee that he is in the process of recruiting a Head of Project Management due to a recent vacancy and sourcing staff with appropriate skills is proving difficult in the current employment market. The committee asked for an update on the progress of filling this post at the next committee meeting.

The Committee also noted the auditor's compliments on the staff's engagement with the audit process. The Chair thanked ██████ for his report and █████, █████, BK and BT left the meeting at this point.

8.0 Planned Procurement for 2022 – Contracts for Board approval

SA presented a planned procurement schedule for 2022. This was developed as an additional control for ensuring appropriate oversight of procurement, given that procurement of third party services is increasing. SA advised that the Board approves all contracts greater than €250,000 and contracts greater than €50,000 that arise outside of the ordinary course of business.

In response to committee observations, it was noted that the extension of contracts greater than €250,000 are not currently brought to the Board's attention as the extension period is included in the original contract. The committee considered it good practice to notify the Board of large scale project contract extensions. SA advised that this can be included in Board reporting in the future.

9.0 Corporate Risk Report

JH advised the committee that the recent changes to the corporate risk register have been outlined on the first page of the risk report. These changes followed the Board's consideration of areas where corporate risks might arise and subsequent review by the EMT of the Board's input.

In response to committee queries, it was confirmed that:

- Risk 127 – this risk was generated following the division of the Regulation Directorate into two separate directorates. The resource requirements for each directorate are currently being reviewed.
- Risk 139 – controls are in place to mitigate this risk.

10.0 Finance Report

DM joined the meeting at this point and presented the finance report to the 31st March 2022 noting the following at the end of quarter one:

- Income exceeds budget by 6.6%
- Expenditure is 4% less than budget, year to date
- Nursing Home Expert Panel is 5.5 % below budget
- ER PRSI budget has been understated due to a budgeting error in calculation of yearly average rate and so giving rise to a variance

DM advised that most variances are timing related and will even out as the year progresses.

In response to committee observations, SA advised the following:

- Negative interest rates were incurred for last year but these were not substantial in nature and
- Additional recruitment costs incurred as a result of difficulties in filling some posts are built in to normal recruitment practices.

The Chair thanked DM for his presentation and DM left the meeting at this point.

11.0 AOB

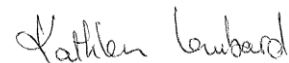
SA advised the Committee that HIQA has procured a new banking service as the current provider, Ulster Bank, is leaving the Irish market. Following a procurement process through the office of the OGP, Danske Bank was chosen as the new provider. At the request of the Chair, it was agreed that the Board be informed of this change. SA advised that Board approval would be required for new mandates and this may be required in advance of the July Board meeting. If this is required, email approval will be sought from the Board.

The meeting concluded at 17.35hrs.

Signed:



Bernadette Costello
Chair



Kathleen Lombard
Board Secretary

Review of Actions Following from the ARGC Meeting of 17 May 2022

	Action	Person Responsible	Timeframe
1	Update on the progress of filling the Head of Project Management post at the next committee meeting.	BK	June
2	Board to be notified of large scale project contract extensions in future Board reporting.	SA	As per schedule

Carried forward Actions

	Action	Person Responsible	Timeframe
9	Committee TORs to be reviewed following the completion of the annual committee evaluation.	KL	On June agenda

Recurrent actions

	Carried forward actions	Person Responsible	Timeframe
1	Inform committee between meetings of significant risks (red) escalated or de-escalated to the corporate risk register.	KL/PQ	Ongoing
2	Draft Committee meeting minutes to be issued within 10 working days of the meeting and any comments in relation to those draft minutes should be returned within 10 working days of receipt.	KL	Ongoing