

Minutes of the HSE Directorate meeting

Monday 31st March, 2014

Members present: T. O'Brien (Chairman), L. McGuinness, S. Mulvany, S. O'Keeffe, P. Healy*, J. Hennessy and T. Byrne.
(* joined by teleconference)

Apologies: I. Carter

In attendance D. Purcell (Secretary)

Joined the Meeting: P. Cross, V. Plant and L. Woods

Time & Location: Room 1.11, Dr. Steevens' Hospital, Dublin 8 at 9.30am

Item	Discussion / Comments	Action
1	<p>Annual Financial Statements 2013</p> <p>P. Cross and V. Plant joined the meeting for consideration of this item.</p> <p>1.1 Report and Recommendations to Directorate on Annual Financial Statements 2013</p> <p>T. Byrne spoke to the assurance report circulated to the Directorate prior to the meeting and confirmed the AFS have been prepared in accordance with the accounting standards specified by the Minister. Subject to finalisation of accounting treatment for transfer of historical capital deficits to revenue reserves (which is under consideration and pending approval by the Department of Health), the 2013 AFS are final and no material changes to the Financial Statements are anticipated. He noted, however, that the audit and certain other work were ongoing and that some changes may still be required as a result, particularly in relation to disclosure matters. He recommended to the Directorate that the adoption of the draft Annual Financial Statements is in order for the purposes of their submission to the C&AG for audit and to the Minister.</p> <p>P. Cross, Chairman HSE Audit Committee reported that the Audit Committee had considered the draft AFS 2013 at its meetings on the 13th, 20th and 24th March 2014. The Committee had also considered the draft Statement of Internal Financial Controls and the summary report on the Review of the System of Internal Controls.</p> <p>During consideration of the accounts the Committee had recommended changes to the layout of certain elements of the accounts and explanatory notes which had been included in the draft accounts now being considered. The key issues considered included going concern; net current liabilities; capital deficit; compliance with FRS 17; tax accrual; prescription levy; stock and bad debts; remuneration; disclosures relating to related party transactions and EU Regulations income.</p> <p>P. Cross informed the Directorate that there had been significant engagement with the Office of the Comptroller and Auditor General and officials from the Office of the C&AG had attended the three Committee meetings. The officials had indicated a likelihood of a clean audit opinion with no material changes to the current draft of</p>	

<p>the accounts. He reported on the control weaknesses that are being considered by the C&AG in the context of the Audit certification.</p> <p>P. Cross indicated the Audit Committee's view that some improvement could be made in the annual Controls Assurance Process.</p> <p>P Cross noted that certain work relating to the draft accounts and SIFC recommended by the Audit Committee remained outstanding for completion by the Finance Division. He recommended that consideration be given to an acceleration of the accounts and SIFC production timetable in future years in order to allow more timely engagement with the Audit Committee.</p> <p>P. Cross acknowledged the significant work of the Finance Division and, noting the outstanding matters acknowledged by the CFO, indicated Audit Committee support of the recommendation by the CFO that the draft accounts be adopted by the Directorate for submission to the C&AG for audit and to the Minister.</p> <p>The Directorate also reviewed the draft Statement of Internal Financial Control and noted that the Controls Assurance Process work was ongoing.</p> <p><u>Action agreed:</u></p> <ul style="list-style-type: none"> • T. Byrne to issue memo to National Directors to emphasise requirement for compliance with the Controls Assurance Process. • T. Byrne to liaise with I. Carter to progress the new project underway in relation to income from services provided under EU regulations. <p>1.1 Report from the Audit Committee</p> <p>P. Cross reported on the work undertaken by the Committee, holding four formal meetings since the appointment of its members in January 2014, and mentioned in particular his engagement with the Risk Committee Chairman. He also noted that the approved minutes of the January 2014 Audit Committee had been on the Directorate agenda at its February 2014 meeting and that minutes of future Committee meetings will be circulated to the Directorate for noting.</p> <p>1.3 Adoption of the Annual Financial Statements 2013 in accordance with section 36(4) of the Health Act, 2004</p> <p>The Director General confirmed that, in accordance with the Health Act 2004, there was a statutory requirement to adopt the draft Annual Financial Statements (AFS) 2013 on or before the 1st April 2014, for the purposes of their submission to the C&AG for audit and to the Minister. Following a review of the draft accounts by the Directorate, the adoption of the AFS 2013, subject to any audit adjustments which may arise after approval not being material, was proposed by L. McGuinness, seconded by J. Hennessy and agreed. <i>Directorate Decision No.31.03(10)2014</i></p> <p>The Director General and CFO were nominated to sign the final draft of the AFS 2013 and these accounts would in accordance with the Health Act 2004 be submitted to the C&AG for audit and the Minister for Health.</p>	<p>T. Byrne</p> <p>T. Byrne/ I. Carter</p>
---	--

2	Minutes from previous meeting on the 18th February 2014	
	The minutes of the Directorate meeting on the 18 th February 2014 were approved.	
3	Performance Reporting	
	<p>Performance Assurance Report – January 2014 L. McGuinness/T. Byrne presented the key messages on service performance, employment and finances in the January 2014 report.</p> <p>L. McGuinness reported on the key issues to be addressed arising from the March NPPAG meeting – cost containment plans to address financial variance in planned expenditure particularly in the acute services; the need to develop key performance indicators against which progress on the quality and patient safety programme within Divisions can be measured; data issues with EWTD compliance and measures to reduce agency spend.</p> <p><u>Actions agreed:</u></p> <ul style="list-style-type: none"> • Each Division to provide a report on deliverables in NSP 2014 on Quality & Patient Safety and cost containment at the next Leadership Team meeting on the 8th April 2014. • T. Byrne to provide a hospital by hospital report on cost drivers and the impact of changes in income charges regulations. • Following consideration, the Performance Assurance Report was approved for submission to the Department of Health and publication. 	<p>Each National Director</p> <p>T. Byrne</p> <p>L. McGuinness/ P. Connors</p>
4	Transition Plan	
	<p>L. McGuinness presented the Transition Plan highlighting the changes in roles and responsibilities for RPIs, ISA Managers and Hospital Group CEOs and the key actions and responsibilities set out in the document. She confirmed that a Transition Oversight Group had been established to ensure effective monitoring of implementation and to recommend any corrective action required as implementation progresses and that formal communication of the changes to relevant internal and external stakeholders will take place.</p> <p>She also mentioned that a meeting had been held on 25th March 2014 with ISA Managers and RDPIs.</p> <p>Following consideration, the Transition arrangements were noted.</p>	
5	Items for Approval/Decision – in accordance with the reserved functions of the Directorate	
	<p>L. Woods joined the meeting by video conference for consideration of this item and spoke to the briefing papers circulated prior to the meeting.</p> <p>Property Transactions Approval for a 4 year 9 month lease of the HSE CNU facility at Inchicore to St. James's Hospital was proposed by L. McGuinness, seconded by S. O'Keeffe and agreed. <i>Directorate Decision No.31.03(11)2014</i></p>	

	<p>Approval to grant a 20 year lease to Delta Centre Ltd. at nominal rent to formalise their occupation at St. Dymphna's Hospital, Carlow was proposed by J. Hennessy, seconded by T. Byrne and agreed. Directorate Decision No.31.03(12)2014</p> <p>Approval to execute a Deed of Surrender to return the surplus to requirements accommodation at St Mary's, Phoenix Park, to the OPW was proposed by S. O'Keeffe, seconded by J. Hennessy and approved. Directorate Decision No.31.03(13)2014</p>	
6	Update on Standing Items	
	<p>6.1 System Reform Programme Item not taken in the absence of L. Kearns.</p> <p>6.2 Finance Reform Programme T. Byrne reported that the programme was progressing satisfactorily and no issues required to be escalated and that there had been good attendance and feedback from the recent workshops.</p>	
7	Any Other Business	
	The Director General reported on the ongoing engagement with senior officials in DoH and DPER on the implementation of the Haddington Road Agreement.	

The meeting concluded at 1.00pm

Signed:

Date:

Tony O'Brien
Chairman
