

HSC BUSINESS SERVICES ORGANISATION

Minutes of Proceedings

The twenty sixth meeting of the Regional Business Services Organisation (BSO) was held on Tuesday 21 June 2011 at 2.00 pm in the Boardroom, BSO HQ, 2 Franklin Street, Belfast.

Present

Mr Alexander Coleman (Chairman)

Mr Alan Hanna
Mr Greg Irwin

Mr David Bingham (Chief Executive)
Mr Paddy Anderson (Director of Finance)

Mrs Hilary McCartan

Mr Hugh McPoland (Director of HR & Corporate Services)

Mr Robin McClelland

Mrs Teresa Molloy (Director of Operations)

Mr Brian McMurray
Mr Gerry Strong

In Attendance

Mr Shane Devlin – BSTP Programme Director
Mrs Karen O’Loan – Director of Customer Care and Performance)
Miss Amanda Mills (Secretary to the Board)

1. **Apologies**

Apologies for absence were received from Geraldine Fahy, Sean Mahon and Alphy Maginness.

2. **Chairman’s Business**

The Chairman welcomed members to this special meeting of the Board to consider in the main the BSO Annual Accounts for 2010/11 and associated papers. Following receipt at the start of the meeting of the Report to those charged with Governance for the year ended 31 March 2011, the Chairman decided to allow members 15 minutes to read the documentation in advance of consideration of this matter.

3. **Revision of Statement of Internal Control (SIC)**

The Director of Finance presented a final version of the Statement of Internal Control (SIC) for information. Amendments have been incorporated into the document following recommendations made by DHSSPS and the NI Audit Office (NIAO). It was noted that the revised SIC had been considered at the GAC meeting earlier in the day and GAC members were content with this version. The Chairman invited members to comment on the revisions and it was agreed that the document was very

comprehensive, open and transparent and welcomed the action points highlighted in the paper.

Members noted the revised Statement of Internal Control.

4. **BSO Annual Accounts for 2010/2011**

(i) **Report to those Charged with Governance**

The Director of Finance summarised the main points contained within the NIAO's Report to those Charged with Governance in respect of BSO for the year ended 31 March 2011. This document was considered and discussed at length at the GAC meeting held earlier in the day. Mr Anderson highlighted that the NIAO had completed their audit work which will result in the C&AG providing an unqualified audit opinion on the BSO's Financial Statements. He continued that this will permit the BSO to lay its Accounts in line with the DHSSPS timetable.

It was recognised by the NIAO that the bringing forward the timetable for the production of the Annual Accounts and Annual Report for 2010/11 was unrealistic and "should not have been attempted in one year". Preliminary discussions between BSO and NIAO have already taken place to arrive at a more suitable timetable in respect of 2011/12 Annual Accounts, which will meet the likely DHSSPS reporting requirements and ensure that ultimately Accounts are laid by the appropriate deadline.

Members noted the recommendations contained in the full body of the NIAO's Report to those Charged with Governance for 2010/11.

(ii) **Annual Accounts for 2010/11**

The Director of Finance presented the Annual Accounts for the BSO for the year ended 2010/11. He advised that the Governance and Audit Committee (GAC) had considered the Accounts at its meeting held earlier in the day and had recommended that they be submitted for approval by the Board of the Business Services Organisation. Mr Anderson highlighted that the BSO reported a surplus of £30k for the 2010/11 year, well within its Financial Performance (break even) Target.

Mr McMurray, Chair of the GAC reaffirmed that the NIAO have confirmed that the BSO will receive an unqualified audit opinion for the 2010/11 Accounts And, once approved by the Board of the BSO, the Audit Certificate will be incorporated into the Accounts. Mr McMurray commended the Director of Finance and his team on achieving an unqualified audit opinion given the shorter timeline to finalise the Accounts.

Ms McCartan suggested that it would prove useful to produce an Executive Summary for the 2011/2012 Accounts in order to give members a flavour of the key issues contained therein. Mr Anderson agreed to provide this.

The Board endorsed the GAC's recommendation and agreed that the Annual Accounts of the BSO for 2010/2011 should be signed by the Chairman, Chief Executive and Director of Finance.

(iii) **Annual Report for 2010/11**

The Director of Finance presented the Annual Report for 2010/11 and advised that the remuneration report for the year ended 31 March 2011 was now contained in the report. He advised that the GAC had considered the Annual Report at its meeting earlier in the day and had recommended that it be submitted for approval by the Board of the Business Services Organisation.

The Board endorsed the GAC's recommendation and agreed that the Annual Report of the BSO for 2010/11 be approved for publication on the BSO website and sent to the appropriate organisations.

It was suggested that BSO should give consideration to the production of an information leaflet on the remit of the BSO. The Director of Customer Care and Performance agreed to discuss this matter with SMT.

(iv) **GAC Annual Report to BSO for 2010/11**

Mr McMurray presented the GAC Annual Report to BSO which set out the work of the Governance and Audit Committee (GAC) for 2010/11. This document was considered at a meeting of the GAC earlier in the day and recommended that it be submitted to the Board for information.

Members noted the Report with interest.

5. **Any Other Business**

(i) **Judicial Review**

The Director of Operations advised members that both the DHSSPS the HSCB have received a letter from solicitors acting on behalf of the Pharmaceutical Contractors Committee (PCC) which is a pre-action protocol for an application for Judicial Review of the NI Drug Tariff. It is understood that there will be an application for injunctive relief which, if upheld, would have significant impact on BSO's newly implemented payment processes. These were put in place after the Minister's decision to implement the new NI Drug Tarriff.

Members noted the position.

6. **Date of Next Meeting**

The next meeting of the BSO Board will take place at 2.00 pm on Thursday 30 June 2011 in the Boardroom, BSO HQ, 2 Franklin Street, Belfast.

The Chairman thanked everyone for attending and closed the meeting.

Chair

Chief Executive

Date _____