

**Minutes of the HSE Directorate Meeting
held on
Tuesday 9th and Tuesday 16th May, 2017**

Directorate Members Present:	T. O'Brien (Chair), S. Mulvany, A. O'Connor*, J. Hennessy, L. Woods, S. O'Keeffe and P. Crowley
Members of Leadership Team present:	J. Carolan, P. Connors**, R. Mannion**, P. Lynch**, R. Corbridge*, J. Coffey*, M. Flynn, Á. Carroll*, D. McCallion and J. Ryan**
Apologies:	*9 th May 2017: P. Healy, A. O'Connor, Á. Carroll, J. Coffey and R. Corbridge **16 th May 2017: P. Connors, R. Mannion, P. Lynch, P. Healy and J. Ryan
In attendance	J. O'Sullivan and D. Purcell (Secretary)
Joined the Meeting:	9 th May 2017: None 16 th May 2017: M. Dolan, U. Hynes and B. Purcell
Time & Location:	9 th May 2017: Indigo Meeting Room, Dr. Steevens' Hospital, Dublin 8 at 10am 16 th May 2017: Room G01, HSE Offices, Swords Business Campus, Balheary Road Swords at 10am

Items are presented here in the order in which they were discussed and are numbered according to the order they appeared on the agenda.

Item	Discussion / Comments	Action
1	Directorate Members' Discussion	
	<p>A number of topical issues within Divisions were discussed including the appointments of Mr. John Connaghan as Chief Operations Officer and Mr. Dean Sullivan as Chief Strategy & Planning Officer.</p> <p>The Director General also reported that the Future of Healthcare Committee is expected to publish its report by the end of the month. An analysis of the report will be conducted and presented to the Directorate once completed.</p> <p><u>Action agreed:</u></p> <ul style="list-style-type: none"> • P. Lynch to facilitate a workshop with the Leadership Team in relation to the National Service Plan 2018 • Facilitated workshop to take place within two weeks in relation to the transition to the new structures. 	<p>P. Lynch</p> <p>R. Mannion/ J. O'Sullivan</p>
2	Reports from Directorate Committee	
	<p>Audit Committee</p> <p>2.1 Report from Meeting on 20th April 2017 The paper circulated prior to the meeting detailing the matters discussed at the Audit Committee meeting on the 20th April 2017 was reviewed and noted. S. Mulvany updated the meeting on the progress of the C&AG's audit of the 2016 Annual Financial Statements.</p> <p>2.2 Minutes of Meeting on 27th March 2017 The approved minutes of the Audit Committee meeting on the 27th March 2017 were noted.</p>	
3	Approvals in accordance with the reserved functions of the Directorate	
	<p>Committee Membership</p> <p>3.1 Audit Committee</p> <p>External Member – A. Markey The nomination of A. Markey as an external member of the Audit Committee was proposed by T. O'Brien, seconded by L. Woods and agreed. <i>Directorate</i></p>	

	<p align="center"><i>Decision No.09.05(28)2017</i></p> <p>DoH Representative – G. Canning The nomination of G. Canning as the DoH representative on the Audit Committee to replace D. Smith was proposed by T. O'Brien, seconded by J. Hennessy and agreed. <i>Directorate Decision No.09.05(29)2017</i></p>	
Leadership Team Members Joined the Meeting		
4	<p>Minutes of Directorate Meeting on the 11th April 2017</p> <p>The minutes of the Directorate meeting on the 11th April 2017 were approved.</p> <p><u>Matters arising</u></p> <ul style="list-style-type: none"> Any matters arising were dealt with under relevant agenda items. 	
5	<p>Chairman's Remarks</p> <p>The Director General reported on the appointments of Mr. John Connaghan as Chief Operations Officer and Mr. Dean Sullivan as Chief Strategy & Planning Officer. He confirmed that they will commence on the 1st August 2017 and will be meeting with senior managers in advance of their official start date</p> <p>The Director General also reported that the Future of Healthcare Committee is expected to publish its report by the end of the month. An analysis of the report will be conducted and presented to the Directorate once completed.</p> <p><u>Action agreed:</u></p> <ul style="list-style-type: none"> Facilitated workshop to take place within two weeks in relation to the transition to the new structures. 	R. Mannion/ J. O'Sullivan
6	<p>Ministerial Correspondence – for Noting</p> <p>The following correspondence circulated prior to the meeting was noted:</p> <p>6.1 National Standards for the Prevention and Control of HCAIs – Letter dated 12th April 2017 S. O'Keeffe to prepare draft reply to the letter regarding National Standards for the Prevention and Control of HCAIs.</p> <p>6.2 National Maternity Hospital – Letter dated 20th April 2017 The Acute Hospitals Division and HBS Estates are considering the response to the letter from the Minister regarding NMH capital development.</p> <p>6.3 HSE Accounting Policy for Clinical Indemnity Scheme Expenditure – Letter dated 24th April 2017 The letter circulated prior to the meeting was noted.</p> <p>6.4 Delivery of 2017 Nursing and Midwifery Funded Workforce Plan – Direction under S. 10 Health Act 2004 dated 27th April 2017 R. Mannion spoke to the Ministerial Direction regarding the 2017 Funded Nursing and Midwifery Workforce Plan. It was noted that a relevant HR circular had been issued. Some concerns were expressed in relation to Pay and Numbers Strategy Control, funded workforce plans, delegations. It was also noted that the direction must be operated within the funded workforce plans.</p> <p><u>Action agreed:</u></p> <ul style="list-style-type: none"> R. Mannion to prepare draft response to the Minister's letter. 	S. O'Keeffe L. Woods/ J. Carolan R. Mannion
7	<p>Performance Reporting</p> <p>7.1 Performance and Escalation Report March 2017 P. Lynch presented the March 2017 Performance Profile. He outlined the key performance issues in month and the service issues that have been or remain in black or red escalation following the National Performance Oversight group (NPOG) meetings with National Directors. The actions taken and the progress made to improve performance in the areas in escalation were reviewed in detail.</p> <p>He mentioned in particular the initial discussions by NPOG on applying improvement projects to areas of persistent under-performance.</p>	

	<p><u>Action agreed:</u></p> <ul style="list-style-type: none"> Following consideration, the March 2017 Performance Profile was approved for submission to the DoH and publication. <p>7.2 Finance</p> <p>S. Mulvany reported on the financial performance as set out in the Performance Report and in the Finance summary report tabled at the meeting. He mentioned in particular the need to improve assurance in relation to financial plans. Assurance in relation to financial plans, particularly for Acute Hospitals, needs to be improved to ensure that preventing unfunded cost growth is a key priority for all teams. Where Hospital Groups/CHOs anticipate potential unfunded cost growth this should be explicitly approved in advance by the relevant National Director. L. Woods referenced the funding implications arising from the Scoliosis Waiting List Action Plan currently being finalised.</p> <p><u>Action agreed:</u></p> <ul style="list-style-type: none"> The report was approved for submission to the DoH for the DoH MB/HSE Leadership Team Performance Review meeting on the 11th May 2017. <p>7.3 Human Resources</p> <p>R. Mannion provided an update on a number of areas including; Report of the Public Service Pay Commission; agency conversion; engagement with DoH on Workforce Planning; Health and Safety Function; internal and external engagement on the Pay and Numbers Strategy; EWTD compliance meeting in Brussels.</p> <p><u>Actions agreed:</u></p> <ul style="list-style-type: none"> L. Woods and R. Mannion to consider oversight arrangements for agency conversion initiative. R. Mannion to provide a report on the HR Health and Safety function at the June Directorate meeting. R. Mannion and M. Flynn to consider the findings of the Internal Audit reports on the validity of EWTD compliance figures. <p>7.4 DoH Management Board/HSE Leadership Team Performance Review Meeting 11th May 2017</p> <p>The actions arising from the DoH MB/HSE Leadership Team Performance Review meeting on the 13th April 2017 and draft agenda for the meeting on the 11th May 2017, circulated prior to the meeting were reviewed in detail.</p> <p><u>Actions agreed:</u></p> <ul style="list-style-type: none"> Deferral of the consideration of the item on congregated settings to the next meeting in the absence of P. Healy to be agreed with DoH Deferral of consideration of the item on Mental Health to be agreed with DoH <p>7.5 Budgeting and Service Planning 2018</p> <p>P. Lynch spoke to the briefing document circulated prior to the meeting setting out the process for developing the Estimates 2018 and the National Service Plan 2018. It was noted that a meeting to consider communications and engagement had been arranged for the 11th May 2017 and a suite of Guidance Material, currently in development, will issue the week beginning 22nd May 2017.</p> <p><u>Action agreed:</u></p> <p>P. Lynch to lead the engagement with National Directors to progress overall process for budgeting and service planning 2018.</p>	<p>L. Woods/ R. Mannion R. Mannion Agenda Item June 2017</p> <p>R. Mannion/ M. Flynn</p> <p>Secretary</p> <p>Secretary</p> <p>P. Lynch</p>
	<p>Any Other Business</p>	
	<ul style="list-style-type: none"> Letter of Representation <p>National Directors were reminded to ensure that they review the letter of</p>	

	<p>representation template circulated by M. Dolan on the 12th April 2017; respond to the questions appropriate to their area of responsibility; and once satisfied that this is in order, sign their letter of representation. National Directors' signed Letters of Representation to be submitted to M. Dolan by close of business on Wednesday 10th May 2017.</p> <ul style="list-style-type: none"> • Comprehensive Report to the Minister to Accompany Annual Report 2016 Relevant National Directors to revert to Secretary in relation to their areas of responsibility as set out in the draft report to the Minister. • Internal Audit M. Flynn reported that the report of the Internal Audit in relation to Console would be published in July. 	<p>National Directors</p> <p>Relevant National Directors</p>
--	--	--

The meeting was adjourned at 12.00pm on the 9th May 2017 and resumed at 10am on the 16th May 2017

8	Annual Financial Statements 2016	
	<p>M. Dolan joined the meeting for consideration of this item. S. Mulvany and M. Dolan spoke to the report circulated prior to the meeting highlighting the changes to the AFS 2016 (including the Accounts, Statement on Internal Financial Control (SIFC) and Operating and Financial Review (OFR)) following the conclusion of the C&AG's audit. They mentioned in particular the matters of emphasis to be included in the C&AG's Audit Cert; non-competitive procurement and inadequate monitoring of grants to outside agencies.</p> <p>It was noted that the C&AG has indicated that the HSE has received an unqualified audit opinion in respect of the financial statements of 2016 and that the accounts give a true and fair view and are prepared in accordance with the accounting standards as prescribed by the Minister for Health.</p> <p>The Audit Committee had reviewed the AFS 2016 at its meeting on the 15th May 2017 and supported the recommendation of the CFO that the AFS be adopted for submission to the Minister with the Annual Report 2016.</p> <p>The SIFC and OFR were reviewed. The significant breaches addressed in the SIFC were considered. The OFR Outlook 2017 to include reference to addressing the challenges posed by the investment backlog in essential medical equipment and estates infrastructure.</p> <p>Adoption of the revised audited Annual Financial Statements 2016 (including the SIFC and OFR) in accordance with section 36(4) of the Health Act, 2004 for submission to the Minister with the Annual Report 2016 was proposed by A. O'Connor, seconded by L. Woods and agreed. Directorate Decision No.16.05(30)2017</p> <p><u>Actions agreed:</u></p> <ul style="list-style-type: none"> • Director General authorised to sign the Letter of Representation and AFS for submission to the C&AG. • AFS to be submitted with the Annual Report to the Minister to be laid before the Houses of the Oireachtas in line with statutory provisions. • A special Leadership Team meeting in relation to internal controls to be arranged. 	
9	Quality, Safety and Risk Matters	
	<p>Divisional Risk Registers</p> <p>9.1 Mental Health Division</p> <p>A. O'Connor presented the Mental Health Divisional Risk Register circulated prior to the meeting which was reviewed and noted. She mentioned in particular, capacity issues for CHOs in relation to the discharge of their Health and Safety role.</p> <p><u>Action agreed:</u> R. Mannion, S. O'Keefe, J. Carolan, A. O'Connor, L. Woods and D. McCallion to develop proposal for consideration by the Leadership Team to address</p>	<p>R. Mannion/ S. O'Keefe/ J. Carolan/ A. O'Connor/ L. Woods/ D. McCallion</p>

	<p>Health and Safety issues.</p> <p>9.2 Health Business Services Division J. Carolan presented the HBS Divisional Risk Register circulated prior to the meeting which was reviewed and noted, particularly those. She mentioned in particular risk 22 relating to recruitment taking place outside NRS.</p> <p><u>Action agreed:</u> The issue of the provision of the HSE Corporate Risk Register to the DoH is to be considered further at the June Directorate meeting.</p> <p>Regulators 9.3 HIQA Exploring the regulation of health and social care services; Disability and older people's services – Letter dated 2nd March 2017 The correspondence and reports from HIQA in relation to disability and older people's services were noted.</p>	<p>Future Agenda Item</p> <p>P. Lynch Agenda Item June 2017</p>
10	<p>Key Strategic Priorities</p>	
	<p>Human Resources This Item was deferred due to the unavoidable absence of R. Mannion.</p> <p>10.1 Consolidated Salary Scales wef 1/4/2017 and Circular 6/2017 Pay adjustments and related measures from FEMPI 2015</p> <p>10.2 Nursing Recruitment</p> <p>10.3 Contract for the Provision of Short-term Temporary and Locum Health Services Agency Placements 10.3.1 Report on the Implementation/Operation of the Contract 10.3.2 Data Reporting under the Contract</p> <p>Primary Care 10.4 Recommendations from the Drugs Committee J. Hennessy presented the recommendations of the Drugs Committee in relation to four drugs. The Leadership Team considered the recommendations of the Drugs Committee and decided as follows:</p> <ol style="list-style-type: none"> 1. Isavuconazole (Cresemba) (an anti-fungal agent) – Drugs Committee recommendation to be resubmitted for Leadership Team consideration following development of new procedures for the reimbursement of hospital based drugs. 2. Obinutuzumab (Gazyvaro ®) (for the treatment of Rituximab refractory follicular lymphoma) – reimbursement approved subject to conditions as set out in the recommendation from the Drugs Committee and submission to the DoH for consideration of funding and reimbursement under the High Tech Drug Scheme. 3. Olaparib (Lynparza) (for the maintenance treatment of adults with Ovarian cancer) – reimbursement approved subject to submission to the DoH for consideration of funding and reimbursement under the High Tech Drug Scheme. 4. Vedolizumab (Entyvio) (for the maintenance treatment of active ulcerative colitis) – Drugs Committee recommendation to be resubmitted for Leadership Team consideration following development of new procedures for the reimbursement of hospital based drugs. <p><u>Actions agreed:</u></p> <ul style="list-style-type: none"> • S. Mulvany, L. Woods, Á. Carroll, J. Coffey to engage and develop a proposal on how non-High Tech Drugs Scheme hospital drugs are approved for reimbursement. • J. Hennessy to write to DoH in relation to the reimbursement of Obinutuzumab and Olaparib under the High Tech Drugs Scheme and consideration of funding for same. • J. Hennessy to provide report to the July Directorate meeting on the referrals to the DoH which have not been approved. 	<p>Agenda Items June 2017</p> <p>S. Mulvany/ L. Woods/ Á. Carroll/ J. Coffey</p> <p>J. Hennessy</p> <p>J. Hennessy Agenda Item July 2017</p>

	<ul style="list-style-type: none"> L. Woods to write to Hospital Groups to emphasise that drugs are not to be used until approved. <p>10.5 National Primary Care Island Services Review Report Consideration of this item was deferred to the June Directorate meeting.</p> <p>Centre Transformation Programme</p> <p>10.6 Specialised Commissioning J. O'Sullivan presented the briefing note circulated prior to the meeting providing an update on the potential areas suitable to test the commissioning approach for the NSP 2018.</p> <p><u>Action agreed:</u> J. O'Sullivan to circulate the list of candidate projects to the Leadership Team.</p>	<p>L. Woods</p> <p>Agenda Item June 2017</p> <p>J. O'Sullivan</p>
11	Executive Accountability - Significant Operational Issues by Division	
	<p>Finance</p> <p>11.1 Review of the Effectiveness of Internal Financial Controls including Output Report on Annual Review of the Effectiveness of the System of Internal Financial Control 2016 U. Hynes joined the meeting for consideration of this item and presented the report circulated prior to the meeting highlighting the key findings of the review of the effectiveness of internal financial controls.</p> <p>It was noted that:</p> <ul style="list-style-type: none"> the main financial control issues relate to non-competitive procurement and grants to outside agencies. a summary document is being prepared to provide high level guidance to managers on the key financial control areas on which they need to particularly focus their attention. updates on internal financial controls are to be considered at NPOG meetings on a monthly basis. <p><u>Actions agreed:</u></p> <ul style="list-style-type: none"> National Directors to monitor procurement compliance through monthly performance issues An analysis of C&AG audit findings is to be undertaken as part of audit of Procurement. CHOs to ensure that the top 20 funded agencies are compliant with issues raised by the C&AG report by November 2017. Following consideration the report and next steps were approved for implementation. <p>Data Protection</p> <p>11.2 General Data Protection Regulation (GDPR) R. Corbridge presented the paper circulated prior to the meeting in relation to moving towards GDPR compliance which was reviewed and noted.</p> <p><u>Actions agreed:</u></p> <ul style="list-style-type: none"> M. Flynn, R. Corbridge, P. Lynch and P. Connors to develop a proposal in relation to who and how the immediate actions required in order to prepare for GDPR compliance will be managed, for consideration at the June Directorate meeting. National Directors to ensure senior staff undertake the training course on Data Protection on HSELand within eight weeks. <p>Cyber Security Alert R. Corbridge briefed the meeting on the actions taken to mitigate the risks posed by the recent cyber attack. He reported that a reboot of the system was scheduled for 1pm and that internal emails would be available by late afternoon.</p> <p><u>Actions agreed:</u></p> <ul style="list-style-type: none"> R. Corbridge and the Director General to make a decision on Wednesday 17th 	<p>National Directors</p> <p>M. Flynn</p> <p>A. O'Connor</p> <p>S. Mulvany</p> <p>M. Flynn/ R. Corbridge/ P. Lynch/ P. Connors</p> <p>National Directors</p>

	<p>May 2017 in relation to whether to re-open the network to external email.</p> <ul style="list-style-type: none"> • R. Corbridge and J. Carolan to consider the updating of computers running Windows XP. • D. McCallion to provide a report on Business Continuity Planning at the June Directorate meeting <p>QAV – Compliance Unit 11.3 Report on Governance and Accountability in Section 38 and 39 Agencies B. Purcell joined the meeting for consideration of this item and presented the summary report on a number of issues relating to the HSE’s governance framework with section 38 and 39 agencies. He mentioned in particular; the proposal to establish Contract Management Support Units in each CHO; development of an inspectorate function within the Compliance Unit; external reviews of governance in section 38 agencies; and compliance with issues raised by C&AG audit. The use of the dispute resolution process by some agencies in relation to pay restoration issues was also considered.</p> <p><u>Actions agreed:</u></p> <ul style="list-style-type: none"> • A. O’Connor to arrange for consideration of the C&AG audit findings by the EMC to ensure that CHOs verify that the top 20 funded agencies are compliant with issues raised by the C&AG report by November 2017. S. Mulvany and B. Purcell to be in attendance at this EMC meeting. • P. Healy and B. Purcell to review the use of dispute resolution process by some agencies in relation to pay restoration issues. • B. Purcell to liaise with P. Lynch to develop a proposal for consideration by the Leadership Team in relation to external reviews of governance in section 38 agencies. • Consideration of the sustainability of the current funding model while ensuring appropriate oversight to be considered at the Centre Programme workshop on the 20th June 2017 	<p>Director General/ R. Corbridge</p> <p>R. Corbridge/ J. Carolan</p> <p>D. McCallion/ Agenda Item June 2017</p> <p>A. O’Connor</p> <p>P. Healy/ B. Purcell</p> <p>B. Purcell/ P. Lynch Future Agenda Item</p> <p>J. O’Sullivan</p>
12	Items Previously Circulated for Noting	
	<p>The following correspondence previously circulated was noted:</p> <p>12.1 Memo from the Director General in relation to Values in Action</p> <p>12.2 Letter from Mr. John Hennessy, National Director Primary Care to DoH re Drug Reimbursement Application – Orkambi</p> <p>12.3 Report Submitted to Future of Healthcare Committee - Shifting the balance to high value care</p> <p>12.4 Memo from Mr. Patrick Lynch, National Director QAV re Revised Incident Management Framework</p> <p>12.5 Second Interim Report Future of Healthcare Committee - Correspondence from Dr. Gerardine Doyle UCD to the Committee</p> <p>12.6 Memo from the Director General re HSE Escalation and Management Plan for CPE in Hospitals and Community Services</p> <p><u>Action agreed:</u> Letter from Secretary General dated the 8th May 2017 regarding the CPE Management Plan to be circulated.</p>	Secretary
13	Any Other Business	
	The memo from the Director General, tabled at the meeting, in relation to the delegation of duties which may be required from the 16 th to 21 st May 2017 was noted.	

The meeting concluded at 1.00pm

Signed:

Date:

Tony O’Brien
Chairman