

"The Pre-Hospital Emergency Care Council protects the public by independently specifying, reviewing, maintaining and monitoring standards of excellence for the safe provision of quality pre-hospital emergency care"



Éilis Fallon
Committee Secretariat
Committee of Public Accounts
Leinster House
Dublin 2 D02 XR20
VIA EMAIL

REF: S0344 PAC33

28 May 2021

Re: 2019 Financial Statements – Payments for Chairing Compliance & Audit Committee

Dear Éilis,

Thank you for your request for information notes in relation to the items you raised in your letter of 14th May 2021.

The matter of the same individual being contracted to the role of Chair of the PHECC Compliance and Audit Committee and to the role of Secretary to Council was recognised by PHECC themselves as presenting an opportunity for possible conflicts of interest.

This has been the case in PHECC since 2017, when the Chair of Council asked the Chair of Compliance and Audit to also take on the separate role of Secretary to Council in order to satisfy The Companies Act 2014, which imposed new responsibilities on the boards (Councils) of bodies incorporate and imposed a further duty on Directors to appoint a Secretary to the Board with the “skills necessary” [S.226 (2)].

The possibility for potential conflicts of interest was flagged, by PHECC, to the IPA during an independent Governance review in 2019. The IPA, as part of their report recommended that, for good governance, the roles of Chair of Compliance and Audit Committee and Secretary to Council should be separated. This was agreed, as it was the optimum solution proposed by PHECC. The IPA further recommended that the current Secretary to the Council continue in that role and be formally appointed to the role of Secretary to the Council.

It is worth noting that recognising the possibility for potential conflicts of interest and being vigilant of same, does in itself mitigate the risk of such potential conflicts arising. It should also be noted that since this situation was identified there have been no actual or potential conflicts identified. It would be common practice for the Secretary to excuse himself from any Council business that concerned either the role of the Secretary or the role of the Chair of Compliance and Audit Committee.

In accordance with the recommendations of the IPA Governance Review, the PHECC Conflict of Interests Policy has been reviewed externally and updated and the new Policy was adopted by Council in March 2021.

PHECC continue to implement the recommendations of the IPA Governance Review and are currently reviewing the Terms of Reference of all Committees of Council and, following the appointment of new Council members, have appointed new Chairs and Vice Chairs of all Committees. PHECC Council Rules require

the Chair of Compliance and Audit Committee (now reconstituted as Finance, Risk, Audit and Compliance Committee) to be suitably qualified in the areas of audit and accountancy. Unfortunately, none of the current Council members can satisfy this criterion and neither can the current external members of the committee. Consequently, PHECC have begun the process of recruiting a new Chair of Finance, Risk, Audit and Compliance Committee via Expressions of Interest from interested parties. It is expected a new Chair will be appointed by the end of June 2021. In the interim the Chair of Council has requested that the existing Chair of Compliance and Audit Committee remain in post until the new Chair is able to take over.

As part of the revision of Committee Terms of Reference, the length of terms of office have been introduced for the first time for all Chairs and members of Council committees. It has been agreed to limit the terms of office to a maximum of two consecutive terms of four years in alignment with the terms of office for Council members.

A separate recruitment campaign is also underway to appoint a Secretary to Council following an open and transparent recruitment process. This is expected to be completed by the end of July 2021.

In 2019 the Chair of Compliance and Audit Committee was paid €10,818 in respect of that role. OCAG have suggested that this may not be in accordance with sanctioned DPER rates. To date PHECC have been unable to establish a circular in relation to DPER sanctioned rates or a recognised salary scale for Chairs of Compliance and Audit Committees. It would seem that individual applications are made to DPER for specific cases and approval may or may not be given. On advice from DPER, I am now in the process of seeking sanction for the new post of the Chair of Finance, Risk, Audit and Compliance Committee to be paid €7,200 per annum based on a requirement for 18 days work per year and the suggested guide of €400 per day.

In relation to travel and subsistence payments made to the Chair of Compliance and Audit Committee, PHECC can confirm that these are subject to Public Services With-Holding Tax, as per DPER guidelines. Travel and subsistence payments made to all Council and Executive members are in accordance with Public Sector Guidelines. The Chair of Compliance and Audit Committee is fully tax compliant and has submitted a certificate from the Revenue Commissioners to that effect.

PHECC remain committed to implementing all the recommendations of both the IPA Governance Review and the recommendations resulting from the OCAG 2019 audit as detailed in their management letter.

I hope I have addressed these matters adequately.

I would be happy to supply any further information as requested.

Yours sincerely,



Richard Lodge
Director