

**WELSH AMBULANCE SERVICES NHS TRUST****MINUTES OF THE OPEN MEETING OF THE AUDIT COMMITTEE OF THE  
WELSH AMBULANCE SERVICES NHS TRUST HELD ON WEDNESDAY 7  
SEPTEMBER 2011 AT NEWTOWN AMBULANCE STATION AND VIA VIDEO  
CONFERENCE FROM HQ, ST ASAPH.****PRESENT :**

Mr P James	Non Executive Director and Chair
Mr S Castledine	Non Executive Director
Mr D Evans	Non Executive Director
Mr J Morgan	Non Executive Director

**IN ATTENDANCE :**

Mr S Fletcher	Non Executive Director and Chairman of the Board
Mrs J Hardisty	Director of Workforce and Organisational Development
Mr D Harries	Internal Audit, Shared Services
Mrs J Gill	Financial Accountant
Mr J Jones	Corporate Accountant
Mr R Lee	Regional Director, Central and West
Mr E Price-Morris	Chief Executive
Mrs D Sharp	Corporate Secretary
Ms V Stevens	KPMG
Ms S Taylor	KPMG
Mr T Woodhead	Director of Finance

**APOLOGIES:**

Mr M Cassidy	Deputy Chief Executive and Director of Patient Care Services
Mr J Huxley	Assistant Corporate Secretary
Mrs S Owens	Relationship Manager, Shared Services Partnership
Mr D Turner	Staff side representative

**21/11 PROCEDURAL MATTERS****RESOLVED: That**

**(1) the minutes of the meeting of the Committee held on 24  
May 2011 be confirmed as a correct record;**

**(2) the approval of amended Standing Orders and Standing Financial Instructions by the Trust Board, in addition to further amendments being required to the documents in relation to the operation of the Local Partnership Forum, be noted;**

**(3) the declaration of interests and payments received by members of the Trust Board during 2010/11 be noted (subject to minor amendments) and approval be given for this information to be published on the Trust's website;**

**(4) the further guidance circulated by the Corporate Secretary to assist Committees of the Board in referring matters to the Audit Committee for review and/or analysis be endorsed;**

**(5) the training workshop for members of the Committee (with an open invitation to other Non Executive Directors to attend) be arranged for later in the Autumn;**

**(6) a report on the provision of the air ambulance service be provided to the next meeting of the Audit Committee to set out the contractual relationships between the Charity; Bond Helicopters; and the Trust specifically dealing with the liabilities and indemnities and also setting out the current position with regard to the Welsh Government funding for paramedics and negotiations for this to be on a recurrent basis;**

**(7) the Committee's best wishes be conveyed to Jackie Palmer in her new career with Jaguar Landrover;**

**(8) the importance of the Trust's relationship with the Shared Service Partnership be noted and accordingly the Shared Service Partnership be requested to ensure that the Trust is involved in the interview and selection process for the new category manager; and**

**(9) the newly appointed Director of the Shared Service Partnership be invited to attend the next meeting of the Committee following his appointment (January 2012).**

## **22/11 EXTERNAL AUDIT – PROGRESS REPORT**

The Trust's External Auditors (KPMG) provided an update to the Committee on the Financial Statements Audit which had been completed in June. The whole of Government Accounts and structured assessment work for which field work was to commence during the end of September/beginning of October.

The Committee noted the review to cover both the Structured Assessment performance work and the All Wales review into Unscheduled Care.

Reference was also made to the ongoing procurement review regarding Tender 0212. Interviews had been completed and the document was currently in draft form for review by Management.

The Committee stressed the importance of being provided with assurance against all the actions identified as part of the latest external audit review in relation to the fleet procurement together with the actions arising out of the Price Waterhouse Coopers review undertaken in 2006, to ensure that the current years fleet procurement was being undertaken in line with all recommendations made as a result of both audits. The Chief Executive agreed to provide a briefing note addressing these matters to members of the Committee.

Furthermore, it was agreed that KPMG would receive a response to the draft report by the Management Team within a week. It was noted that the intention was to finalise the external audit report by the end of September and once finalised the report would be sent to all members of the Audit Committee and subsequently be presented to the November meeting of the Audit Committee.

**RESOLVED: That**

- (1) the briefing note as outlined above be prepared and circulated to all members of the Committee by the end of the week;**
- (2) the Management Team respond formally to KPMG regarding the draft report within a week; and**
- (3) the KPMG report be finalised by the end of September and be circulated to all members of the Audit Committee prior to formal presentation to the Committee on 9 November.**

**23/11 FINANCE REPORT FOR THE PERIOD ENDING 31 JULY 2011**

The Director of Finance presented the finance report for month four showing an adverse variance against the financial plan for the period of £0.730m or 1.97%. The adverse variance had increased by £0.074m from month three.

The report had been discussed fully by the Strategic Planning Committee on 6 September and the Committee were advised of the discussions at the Strategic Planning Committee who had expressed concern at the number of vacancies within the system and why the vacancies had been held over for so long particularly

given that overtime was being used to cover the vacancies and this was the more expensive option.

The Director of Finance had informed the Strategic Planning Committee that the Trust continued to face risks associated with the Welsh Health Specialised Services Committee abatement and that there were ongoing negotiations which he would keep the Committee and Board informed of. The Committee had requested that the Lightfoot review be updated internally to reflect the current position in relation to handover delays.

The Audit Committee noted the discussion at Strategic Planning and reiterated the need for predictive work to be undertaken to ensure that vacancies within the Operational arena were filled as soon as possible to avoid the excessive use of overtime. The Committee also acknowledged the significant risk posed by the WHSCC £1m abatement and the Chief Executive described the process to resolve the risk.

**RESOLVED: That**

**(1) the cumulative financial position as reported for month four and the associated key risks and issues, in particular the WHSCC abatement be noted; and**

**(2) the Director of Finance be asked to revisit the Lightfoot report and update it to reflect the current position regarding handover delays.**

#### **24/11 STRUCTURED ASSESSMENT – ANALYSIS OF RECOMMENDATIONS**

At previous meetings of the Committee the Structured Assessment report for 2009/10 had been discussed and in the report a number of areas had been listed where further development was needed. The Committee had agreed to revisit these areas at future meetings and to invite individual Directors to provide further detail on the proposals to respond the identified areas for development. The Committee received a written update response which had been prepared by the Directors of Finance, Service Development and Workforce and Organisational Development to each of the points raised in the Structured Assessments.

**RESOLVED: That**

**(1) the responses to each of the development issues made in the Structured Assessment report be supported; and**

**(2) the directorate portfolios as circulated, be noted.**

## **25/11 SURPLUS EQUIPMENT – STANDARD AGREEMENT**

The Committee noted that this item was to have been responded to by the Shared Service Partnership representative. The Committee requested a definitive report be prepared for the next meeting by the Shared Service Partnership setting out the total amount of income that the Trust received in any one year following the sale of surplus equipment and whether or not the Trust was obtaining maximum monies from the sale of such equipment. The Shared Service Partnership was also asked to advise within the report as to whether there was any alternative to auctioning equipment and whether that would yield a better financial return to the Trust.

The Chief Executive referred to the fact that all NHS organisations would have surplus equipment to sell and adopting a consortia approach might be helpful. The Committee also acknowledged that the Trust's financial recovery plan would also include a workstream in relation to maximising income from the sale of surplus equipment.

**RESOLVED: That**

**(1) the Shared Service Partnership be asked to prepare a report for the next meeting of the Committee as outlined above; and**

**(2) the Director of Finance ensure that there is a workstream included in the Financial recovery plan to ensure the Trust maximises its income in relation to the sale of surplus equipment.**

## **26/11 MOBILE PHONE MANAGEMENT POLICY**

The Director of Finance informed the Committee that a referral had been made from the Trust's Information Governance and ICT Panel to the Audit Committee regarding issues concerning the mobile phone management policy and the current state of affairs. It was agreed that a written report would be prepared for the next meeting of the Committee specifically outlining the concerns raised by the Information Governance and ICT Panel; the current mobile phone management policy any issues to date in terms of its operation; the proposed new policy including and procedures highlighting key changes together with detailed costs in terms of any potential losses or concerns.

**RESOLVED:**

**That the Director of Finance prepare a report, as outlined**

above, for the next meeting of this Committee.

**NOTE: Reports supporting the information contained in these minutes can be found on the Trust's website: [www.ambulance.wales.nhs.uk](http://www.ambulance.wales.nhs.uk)**