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Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

## WELSH AMBULANCE SERVICES NHS TRUST

### UNCONFIRMED MINUTES OF THE OPEN MEETING OF THE AUDIT COMMITTEE OF THE WELSH AMBULANCE SERVICES NHS TRUST HELD ON THURSDAY 26 MAY 2016 AT TRUST HEADQUARTERS, ST ASAPH WITH A VIDEO CONFERENCING LINK TO VANTAGE POINT HOUSE, CWMBRAN

#### PRESENT :

David Scott	Non Executive Director and Chair	DS
Emrys Davies	Non Executive Director (Via VC VPH)	ED
Pam Hall	Non Executive Director	PH

#### IN ATTENDANCE :

Simon Cookson	Director of Audit and Assurance NWSSP (Via VC VPH)	SC
Keith Cox	Corporate Secretary (Via VC VPH) (Part)	KC
Jillian Gill	Financial Accountant	JG
Helen Higgs	Head of Internal Audit NWSSP (Via VC VPH)	HH
Sharon Jeffreys	Wales Audit Office	SJ
Richard Lee	Director of Operations (Interim)	RL
Ossama Lotfy	Principal Auditor	OL
Caroline Miftari	Service Development Manager (Via VC VPH)	CM
Steve Owen	Corporate Governance Officer	SO
Michelle Phoenix	Wales Audit Office	MP
Patsy Roseblade	Director of Finance and ICT (Via VC VPH)	PR
Paul Seppman	Staff Side Representative (Via VC VPH)	PS
Chris Turley	Deputy Director of Finance (Via VC VPH)	CT
Damon Turner	Staff Side Representative (Via VC VPH)	DT
Anthony Veale	Wales Audit Office (Via VC VPH)	AV
Kevin Webb	Clinical Effectiveness Manager (Part) (Via VC)	KW
Martin Woodford	Non Executive Director (Via VC VPH)	MW

#### APOLOGIES:

Paul Hollard	Non Executive Director
Dave Thomas	Wales Audit Office

#### 14/16 PROCEDURAL MATTERS

##### Declarations of Interest

The Committee noted the standing declaration of interest of Mr Emrys Davies being a retired Member of UNITE.

## **Minutes**

The Minutes of the open and closed sessions of the Audit Committee meeting from 3 March 2016 were confirmed as a correct record.

### **Action Log**

The Action Log was considered with actions 2 and 5 noted as completed.

### **RESOLVED: That**

- (1) the declaration of interest of Mr Emrys Davies being a retired member of UNITE made under the Code of Conduct was noted;**
- (2) the Minutes of the meeting of the open and closed sessions of the Committee held on 3 March 2016 were confirmed as a correct record;**
- (3) the actions contained within the Action Log were considered and actioned accordingly as shown above.**

### **15/16 COMMITTEE APPROVAL OF THE ANNUAL FINANCIAL ACCOUNTS FOR 2015/16**

The Committee gave detailed consideration to the Trust's accounts for the year ended 31 March 2016 which had been prepared by the Trust to comply with International Financial Reporting Standards under Schedule 9, Section 178, Paragraph 3 (1) of the National Health Service (Wales) Act 2006.

The Deputy Director of Finance, on behalf of the Director of Finance and ICT, introduced specific areas in the Accounts and highlighted where changes had occurred to income and expenditure when compared to the previous year's accounts. The Committee commented upon an excellent set of accounts and expressed their thanks to all those involved in the preparation of them.

### **RESOLVED: That**

- (1) the Trust's Annual Accounts for 2015/16 was recommended for formal approval by the Trust Board on 2 June 2016; and**
- (2) a note of thanks was recorded to the Finance Team in preparing the accounts.**

### **16/16 INTERNATIONAL STANDARD ON AUDITING (ISA) 260 REPORT**

On behalf of the Wales Audit Office, Anthony Veale presented a financial statement report which provided an opinion on whether the Trust's financial statements were true and fair, had been properly prepared and income and expenditure had been applied for the purposes for which it was intended by Welsh Government.

The Statement confirmed that it was the Auditor General's intention to issue an unqualified certificate and to report on the financial statements once the Trust had approved the Accounts and provided Letters of Representation. There were some issues relating to the statement which **AV** highlighted assuring the Committee these would be addressed and updated in readiness for the Trust Board on 2 June 2016.

Upon considering the Statement, the Committee acknowledged that lessons had been learned and would be taken into consideration for next year's process.

**RESOLVED: That**

- (1) following the updates referred to, the statement be presented to Trust Board on 2 June 2016; and**
- (2) a note of thanks was recorded for all the Trust staff involved in the assistance provided to the Wales Audit Office Team.**

**17/16 HEAD OF INTERNAL AUDIT OPINION AND ANNUAL REPORT**

In the report to the Committee, the Head of Internal Audit was able to confirm that the Committee could take overall reasonable assurance from the report with substantial assurance in a number of areas.

The Director of Finance and ICT explained the process involved in terms of management's response to the audit.

**RESOLVED: That**

- (1) the Head of Internal Audit Opinion and annual report for 2015/16 was noted; and**
- (2) a note of gratitude was acknowledged in respect of Trust staff who provided support during the course of the audit.**

**18/16 ACCOUNTABILITY REPORT**

As part of the Trust's Annual Accounts for 2015/16, the Trust was required to prepare an Accountability Report confirming its performance during the year in relation to its risk management arrangements, the internal and external auditor's opinion with regard to control measures and assurance and the overall level of support to the Board and the decision making processes.

The Corporate Secretary introduced the Accountability report which was a new style of reporting from previous years. The report included the following:

- a Corporate Governance report (including the Annual Governance Statement)
- a Remuneration and Staff Report
- a Parliamentary Accountability and Audit Report

Members were advised to submit any comments or amendments urgently to allow time to prepare it to be included with the Trust's Annual Accounts which were to be considered by the Board on 2 June 2016.

Specific comments in terms of accuracy to the report were raised during the meeting which the Corporate Secretary agreed to adjust accordingly prior to its submission to the Trust Board. **KC** referred to the Self-Assessment element of the report and provided a breakdown in terms of how the scores were reached.

**RESOLVED: That the Accountability Report, subject to minor amendments was to be submitted to Trust Board on 2 June 2016 for approval.**

#### **19/16 AUDIT ENQUIRY FORM**

The Corporate Secretary in presenting the report advised the Committee of the formalities the Trust was obliged to comply with in respect of a number of governance areas which would ultimately support the audit opinion.

**RESOLVED: That the response was agreed.**

#### **20/16 INTERNAL AUDIT PROGRESS REPORT**

The Head of Internal Audit provided the Committee with an update on the reviews undertaken during the last reporting period advising that five had been finalised during this time.

The Principal Auditor referred to the Fire Safety Compliance review and provided an explanation into the limited assurance findings.

In terms of the limited assurance afforded to the audit review on the management of meal breaks, the Principal Auditor outlined the reasons in reaching that decision.

Members were given a detailed explanation of the processes involved with the various scenarios of staff taking meal breaks by the Director of Operations (Interim).

The Committee discussed the issues surrounding the scrutiny process involved for verifying payments in terms of meal breaks and were encouraged to learn that a more robust system was being developed.

Members expressed genuine anxieties with the shortfalls that had been illustrated following both reviews and were eager to see the actions completed expeditiously.

**RESOLVED: That the assurance level provided on the five reviews finalised in the period and the progress on other planned reviews was noted.**

#### **21/16 FIRE SAFETY COMPLIANCE – PROGRESS REPORT**

The Director of Finance and ICT briefed the Committee on the latest position in terms of the actions taken following the review and assured Members that significant progress had been made.

The Director of Operations (Interim) assured the Committee that systems would be put in place to address the challenging issue of conducting fire drills at ambulance stations.

It was requested that an update on progress in completing the actions be drawn up by the Trust's National Estates Manager in response to the internal audit report and be presented at the next Audit Committee meeting.

**RESOLVED: That**

**(1) the good progress being made with implementing the findings of the Fire Safety Compliance – Internal Audit Review Report 2015/16 was**

noted; and

- (2) an update on progress in completing the actions be presented at the next Audit Committee meeting was noted.

#### **22/16 NEW CORPORATE RISK REGISTER – FIRST ITERATION**

**CM** briefed the Committee on the contents of the register advising that several risk ratings had been reassessed by the Executive Management Team to ensure there was standardisation across the whole risk process.

Members discussed the register in further detail and raised several comments which were addressed and they were encouraged by the progress being made with the register.

**RESOLVED: That**

- (1) the first iteration of the new Corporate Risk Register recognising further development would be iterative was endorsed;
- (2) it was noted reports would be provided on a quarterly basis providing an overview of all risks rated 15 and above and detailed risks rated 20 and above; and
- (3) a note of thanks was recorded to the team for producing the register.

#### **23/16 LOSSES AND SPECIAL PAYMENTS – PAYMENTS FOR THE PERIOD FROM 1 APRIL 2015 – 31 MARCH 2016**

The Financial Accountant **JG**, reported the latest position in terms of losses and special payments.

A question arose from the Chairman with regard to an issue on reconciliation which **JG** agreed to respond to following the meeting.

**RESOLVED: That the Losses and Special Payments Report for 2015/16 was received.**

#### **24/16 STRUCTURED ASSESSMENT – MANAGEMENT RESPONSE**

The Corporate Secretary **KC**, provided an overview of the report and advised that going forward the items contained within would be added to the Audit Tracker.

**RESOLVED: That the response was noted.**

#### **25/16 ASSEMBLY MEMBERS CONCERNS – RESPONSE**

The Director of Finance and ICT **PR**, reminded the Committee of the background to this issue and advised that the management's response would be circulated to Members outside the meeting.

**RESOLVED: That the update was noted.**

## **26/16 CLINICAL AUDIT AND EFFECTIVENESS PROGRAMME UPDATE**

In presenting the Clinical Audit Effectiveness Programme update, **KW** informed the Committee there had been some slippage with the programme and advised that this had been addressed going forward.

Clinical audit was fundamental for the Trust in order to demonstrate that it held the evidence that it had learned the lessons flowing from the clinical audit process and that quality and performance had improved as a result. It was noted that a group was being established to learn lessons from the current data and how this would be progressed.

It was suggested that future reports contain more detail with an explanation into how the data was being analysed.

The Director of Operations (Interim) **RL**, referred to the Ambulance Quality Indicators assuring the Committee that the Trust was now better placed to understand and resolve any issues associated with them.

**RESOLVED: That the Clinical Audit and Effectiveness Programme update was noted.**

### **RESOLUTION TO MEET IN CLOSED SESSION**

*Representatives of the press and other members of the public were excluded from the remainder of the meeting having regard to the confidential nature of the business to be transacted in accordance with the requirements of Section 1(2) of the Public Bodies (Admissions to Meetings) Act 1960.*

**Reports relating to the items of business in these minutes can be found on the Trust's website, [www.ambulance.wales.nhs.uk](http://www.ambulance.wales.nhs.uk)**