

WELSH AMBULANCE SERVICES NHS TRUST

MINUTES OF THE OPEN MEETING OF THE AUDIT COMMITTEE OF THE WELSH AMBULANCE SERVICES NHS TRUST HELD ON THURSDAY 10 SEPTEMBER 2015 AT TRUST HEADQUARTERS, ST ASAPH WITH A VIDEO CONFERENCING LINK TO VANTAGE POINT HOUSE, CWMBRAN

PRESENT :

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

IN ATTENDANCE :

Trish Gaskell	Trust Solicitor (Minute 24/15 only)	TG
Jillian Gill	Financial Accountant	JG
Dave Harries	Head of Internal Audit	DH
Karen Pitt	Clinical Audit Manager	KP
Patsy Roseblade	Director of Finance and ICT (Via VC VPH)	PR
Paul Seppman	Staff Side Representative (Via VC, VPH)	PS
Dawn Sharp	Corporate Secretary	DSH
Steve Wood	Internal Audit	SW

APOLOGIES:

Lynne Haddow	Counter Fraud Specialist
Judith Hardisty	Director of Workforce and OD
Brendan Lloyd	Medical Director
Ossama Lotfy	Principal Auditor
Damon Turner	Staff Side Representative

21/15 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 16 July 2015 were confirmed as a correct record.

The Chairman advised the Committee as there had been no new appointment to replace Non Executive Director, John Morgan, the training event scheduled for Committee Members be deferred initially, until such time the vacant appointment was filled.

The comments made by Members of the Committee on the Trust Annual Report had been incorporated within it and therefore this action detailed in the action log could now be shown as completed.

Expenses for Non Executive and Executive Directors were tabled following further scrutiny and discussed in detail. It was agreed that the Director of Finance and ICT review the expenses prior to formal publication onto the Trust's website.

In terms of the issue involving the sale of uniforms on e bay and the robustness of the leavers policy the Corporate Secretary read out to the Committee a statement provided from the Director of Workforce and OD: 'There was currently a process and flowchart for managers to follow when staff leave the Trust. Following the concerns raised at Audit Committee this process has been reviewed and the procedure will be redrafted by the HR business partner in collaboration with Trade Unions to ensure that the process clearly identifies the responsibilities for action, timescales for doing so and the consequences for staff if they fail to return Trust property. Managers will be reminded of the need to ensure that the process and the actions are followed and staff will be informed of the consequences of not returning Trust property when they leave the organisation.

The Committee were provided with an update by **DSH** in terms of the Board Assurance Framework and the risk management strategy.

In terms of Gifts and Hospitality, the Director of Finance and ICT sought the Committee's view with regard to accepting or declining the offer of 200 £10 rugby tickets. **DH** advised that dependent upon the supplier and there was no conflict of interest the offer should be accepted. The Committee were of the opinion that in cases where there is no conflict of interest offers of this nature should be accepted and would be appropriate. **DH** added that should be there be any ambiguity in accepting gifts of this type, the Corporate Secretary's opinion should be sought. Furthermore, he agreed to provide the Committee with further clarity in terms of declarations for any gifts and hospitality.

RESOLVED: That

- (1) the declaration of interest of Mr Emrys Davies being a retired member of UNITE be noted made under the Code of Conduct;**
- (2) the Minutes of the meeting of the open and closed sessions of the Committee held on 16 July 2015 be confirmed as a correct record;**
- (3) the training event be deferred to the November meeting of the Committee and the private meeting of Committee Members with Internal Audit take place at the conclusion of the Closed session;**
- (4) the revised Committee Annual Report be endorsed;**
- (5) the schedule of Board Member expenses be received and be reviewed by the Director of Finance and ICT prior to publication on the Trust's website;**
- (6) the process in terms of leavers was to be redrafted by the Workforce and OD department and an update be provided at the next Audit Committee meeting;**
- (7) the revised Infection, Prevention and Control Annual Report be received and recommended to the Board for formal adoption;**

- (8) the update in respect of the Board Assurance Framework and Risk Management Strategy be noted;
- (9) the update in respect of the review of the core governance documentation be noted;
- (10) the update in respect of the annual plan of business regarding the final accounts timetable for next year be noted; and
- (11) the revised Annual Report, incorporating the AGS, AQS and sustainability report be endorsed.

22/15 INTERNAL AUDIT PROGRESS REPORT – SEPTEMBER 2015

DH, Head of Internal Audit advised the Committee of progress and was pleased to announce the high levels of assurance on the reviews up to and including September 2015. He provided a brief overview on the audits undertaken for this period and advised that there were still some minor housekeeping issues that required addressing.

The Chairman welcomed comments from Members:

- What were the Trust's arrangements in ensuring that policies were concluded and reviewed at the required time. **DSH** informed the Committee that a draft policy on policies was being worked on which would contain a directory of policies and identify each policy that was due for renewal.
- Contract Management PCS services, did the Trust know what the delay was in Aneurin Bevan and Powys. Also, in terms of the nature of the contract, and the process of dealing with activity variances, was there a cost and volume contract, and was there a method in which variances could be reflected. **PR** confirmed that the Trust was not aware of the cause of the delay. **PR** provided details in terms of how the variances were reflected and explained that within each health board the level of activity was recorded.

RESOLVED: That the assurance levels provided on the reviews finalised in the period and progress on other planned reviews be noted.

23/15 STRATEGIC CAPITAL AUDIT PLAN 2015 - 2018

In the report to the Committee the Director of Finance and ICT provided an overview of the Capital plan going forward.

Steve Wood provided further detail and advised that it was his intention to provide the plan to the Committee on an annual rolling basis.

The following comments were raised:

- Various ICT developments all seemed to have been scored the same in terms of risks, was this an appropriate way of scoring and was the Computer Aided Despatch (CAD) system included in the ICT development. **PR** referred to the approval of the discretionary capital and a discussion had been held on the scoring mechanism in that it was too wide and led to too many schemes having the same score. During that discussion it had been agreed that for next year's discretionary capital the system would change to reflect a broader spectrum of

scores. The reason CAD was not included was that it was being treated as a separate case and was not being funded through the discretionary capital.

RESOLVED: That the update be noted.

24/15 LOSSES AND SPECIAL PAYMENTS (PAYMENTS FOR THE PERIOD FROM 1 APRIL 2015 TO 31 JULY 2015)

The Director of Finance and ICT PR, introduced Trish Gaskell, the Trust's solicitor to the meeting.

Trish Gaskell provided the Committee with an overview in terms of how Losses and Special payments were managed and monitored by the Trust. Losses and Special payments emanated from a number of various areas. The three main areas the Trust dealt with were Road Traffic Accidents, personal injury and clinical negligence.

The majority of the cases managed by the Trust derived from Road Traffic Accidents, examples of which were provided for the benefit of the Committee. The costs incurred following a claim of this nature included vehicle damage, hire car costs and personal injury payments. Trish Gaskell further explained the reimbursement scheme through the Welsh Risk Pool whereby the Trust was able to be refunded on any amount spent over the value £25,000.

In terms of personal injury cases the Committee were advised of the management process and the costs involved. Trish Gaskell provided Members with an overview of cases the Trust was currently defending and how the costs were incurred, in particular the costs and the prospective benefits using expert witnesses.

Trish Gaskell provided the Committee with a synopsis in terms of how the Compensation Recovery Unit (CRU) operated – Following a claim whereby there was potential for a payment of compensation to be made it was a statutory requirement for this to be reported to the Department of Work and Pensions. Costs included a refund to the CRU which was to cover the cost of a claimant having spent a period of time in hospital and whether a claimant was in receipt of benefits such as disability benefit and social security benefit.

PH referred to the Welsh Risk Pool reclaims and queried whether any of the £207k as illustrated in the report would be refunded in due course. **TG** explained that any refunds for reclaims were considered by the Welsh Risk Pool Committee on a regular basis and therefore, potentially some of that money would be refunded.

Members discussed the amount of detailed information required at future meetings and it was agreed that in future, a pivot table be included for illustrative purposes.

Furthermore the Committee discussed in detail the process involved with regard to costs involved with the in house repair of Trust vehicles and it was agreed that this information appeared in future reports to the Committee.

RESOLVED: That

- (1) the update be noted; and**
- (2) future reports contain a pivot table and details of the cost of in house repair to Trust vehicles.**

25/15 CHARITABLE FUNDS ACCOUNTS

The Corporate Secretary advised the Committee that following a recent Board Secretary's meeting it had been advised that a separate meeting of the Trustees to approve the Charitable Accounts would be held immediately following the AGM on 29 September 2015.

RESOLVED: That the accounts be recommended for approval to the Trustees of the Board.

26/15 CORPORATE RISK REGISTER

Members discussed the risk radar at length which gave rise to a couple of anomalies that were to be rectified prior to the next meeting.

In terms of the Corporate Risk Register, the Director of Finance and ICT provided the Committee with an overall summary of how it was being administered and managed. Furthermore **PR** highlighted several areas within the report for the Committee's attention as described below:

- CR2 - Quality of Care, various detail including the severity of the risk which was inconsistent and the heading and description of the risk within the risk required amending which **PR** agreed to arrange going forward.
- CR3 - Emergency Ambulance Turnaround Time at A&E, various dates and information required updating.
- CR4 - Engagement with Key Partners, **PR** advised that as the actual risk rating was shown as 8, it was agreed by the Committee the risk should be removed from the register.
- CR5 – Financial Balance/Sustainability, this had been reviewed and the level of risk had been increased and until such time the Trust received the written support from Welsh Government it would remain as such. **PR** confirmed assurance would be given at the Trust Board on 29 September that the deficit would be covered adding that the risk register would be amended to reflect the same.
- CR6 – Sickness rates, further work was required to update this particular risk and it was agreed that it remain, at this time, on the register.
- CR7 – Reputation, further specific actions required inputting.
- CR8 – Integrated Medium Term Plan, further analysis in terms of the risk rating and severity was required.
- CR9 and 10 – these were both new risks and **PR** suggested that the likelihood score was too high and required further exploration and also additional detail should be included within the narrative.
- CR11 – Workforce and OD, consideration would be given by **PR** as to whether this risk should be removed from the register.

RESOLVED: That

- (1) the update be noted;**
- (2) CR4 be removed from the register;**
- (3) further analysis in terms of the risk rating of CR8 be undertaken; and**
- (4) the register be updated to reflect the suggested changes and be re-presented at the next meeting.**

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