

**WELSH AMBULANCE SERVICES NHS TRUST****MINUTES OF THE OPEN MEETING OF THE AUDIT COMMITTEE OF THE  
WELSH AMBULANCE SERVICES NHS TRUST HELD ON WEDNESDAY 3  
OCTOBER 2012 AT TRUST HEADQUARTERS, ST ASAPH AND VIDEO  
CONFERENCING LINK FROM VANTAGE POINT HOUSE AND SWANSEA****PRESENT :**

Mr S Castledine	Non Executive Director and Chair
Mr D Evans	Non Executive Director
Mr P James	Non Executive Director (substitute member for Dr K Fitzpatrick)

**IN ATTENDANCE :**

Mr S Fletcher	Non Executive Director and Chairman of the Board
Mrs J Gill	Financial Accountant
Mr D Harries	Internal Audit
Mr J Huxley	Assistant Corporate Secretary
Mr J Jones	Corporate Accountant
Mr O Lotfy	Principal Auditor
Mrs P Roseblade	Director of Finance and ICT
Mrs D Sharp	Corporate Secretary
Ms V Stevens	KPMG
Mr D Turner	Staffside Representative (UNISON)

**APOLOGIES:**

Mrs V De Zouche	KPMG
Dr K Fitzpatrick	Non Executive Director
Mrs L Haddow	Local Counter Fraud Specialist
Mr M Jose	Staffside Representative (UNISON)
Mr J Morgan	Non Executive Director

## **23/12 PROCEDURAL MATTERS**

**RESOLVED: That**

**(1) it be noted that there were no declarations made under the Code of Conduct ;**

**(2) the minutes of the meeting (open and closed) of the Committee held on 11 July 2012 be confirmed as a correct record, subject to the following:-**

**(a) Minute 17/12 (closed) – Asset Disposal**

**A full explanation was given at the meeting with regard to ICT disposals. The Committee agreed that further consideration was necessary to understand the position with regard to the disposal of medical equipment. Report to be presented to a future meeting of the Committee.**

**(b) Minute 18/12 (3) (Open) Medical Director – Conflict of Interest**

**The explanation by the Corporate Secretary with regard to the role of the Medical Director with the Air Ambulance Charity was noted but further clarification was sought as to whether the Medical Director's involvement was on a paid basis or a non paid advisory role.**

**(3) (a) progress on the implementation of the 2011 Structured Assessment recommendations and the scope and focus of the 2012 assessment be received; and**

**(b) it be noted that a final report by KPMG will be brought to the next meeting of the Committee on 28 November 2012.**

**(4) (a) the requirements of the new Audit Handbook be included in revised terms of reference of the Committee and the Corporate Secretary be asked to submit them for consideration at the next meeting of the Committee;**

**(b) the Corporate Secretary be asked to submit to the next meeting of the Committee a revised annual plan of business for at least the next 12 months;**

**(c) further consideration be given with regard to the options to secure suitable training programmes for Audit Committee members, and to include member input to**

**completing the new self assessment checklist and the identification of areas for further consideration and action; and**

**(d) following the discussion about the appropriateness of the attendance of the Chairman of the Board at meetings of the Audit Committee, the Non Executive Directors on the Committee agreed to undertake further discussions to decide the way forward;**

**(5) (a) following a recommendation by the Charitable Funds Committee for the Board to approve the Charitable Funds accounts for 2011/12, it was agreed to circulate the accounts electronically to all members of the Committee for comment prior to their presentation to the Board on 18 October 2012; and**

**(b) it be noted that on an interim basis (until further notice) all future charitable fund expenditure will be authorised by the Director of Finance and ICT, in consultation with the Director of Service Delivery;**

**(6) the recommendation of the Quality, Safety and Governance Committee for the Board to appoint the Director of Strategy, Planning and Performance as the Trust's Senior Information Risk Owner (SIRO) be supported;**

**(7) the recommendation to the Board to amend paragraph 6.6 of the Gifts and Hospitality Policy, as amended by the Charitable Funds Committee, be supported; and**

**(8) it be noted that no business was referred to the Committee for consideration from other bodies within the Committee structure.**

## **24/12 EXTERNAL AUDIT PROGRESS REPORT**

**RESOLVED:**

**That the External Auditor's report be received.**

## **25/12 FINANCE REPORT – MONTH FIVE 2012/13**

In addition to the Committee reviewing financial performance to date, the Chief Executive briefed members on the current position following recent discussions on the overall financial position. It was confirmed that deadlines had been set to finalise the position and the Chief Executive outlined the action to be taken if a

settlement was not achieved.

The report submitted by the Director of Finance and ICT confirmed that, in addition to the shortfall in income, as outlined, there were other significant cost pressures which placed the Trust at considerable risk of not being able to achieve financial balance at the end of the current financial year.

The Committee discussed whether it was appropriate for the Audit Committee to receive a finance report on its agenda. It was suggested that it was more appropriate for such a report to be the responsibility of the Strategic Planning Committee, with the role of the Audit Committee being to ensure that the processes in place were relevant and effective.

**RESOLVED: That**

- (1) the financial position, as reported for Month five, and the associated key risks and issues be noted; and**
- (2) the report by the Chief Executive on the current position with regard to income be noted.**

**26/12 CORPORATE RISK REGISTER/DRAFT ASSURANCE FRAMEWORK AND DRAFT RISK MANAGEMENT POLICY**

The Chief Executive confirmed the latest thinking and action to align the risk management process with the Trust's strategic objectives, as set out in the Annual Delivery Plans (ADP).

The first element related to the framework and methodology to be used on the Trust's approach to risk, which linked risks to the ADP and team based working concepts. This was to be supported by the introduction of a computerised system of tracking risks, monitoring them as part of the overall performance management process within the Trust and supporting and prompting managers to take the appropriate mitigating action; in turn this would result in better quality management information.

The final area related to the full implementation of the new management structure which would ensure that the risk management function was placed in the directorate whose work would enhance the development of risk and its processes within the Trust. It was reported that the management structure arrangements would be completed shortly and that a Task and Finish Group was being established to take forward the implementation and roll out of the electronic system.

**RESOLVED: That**

- (1) the report from the Chief Executive on the proposals to improve the risk management arrangements be noted; and**
- (2) a short presentation be given at the next meeting of the Committee on the Assurance Framework procedure.**

**27/12 CAPITAL ASSURANCE REVIEW**

The Internal Audit representative referred to a recent meeting which discussed undertaking a review of processes and systems when developing capital projects within the Trust, this review was planned for 2013/14. The discussion included confirmation that the Wrexham Ambulance Resource Centre (ARC) project would be used as a test case, from which the process would be analysed and lessons learned identified to benefit future projects. The current position in relation to the Wrexham ARC project was confirmed.

The Committee welcomed the proposal to review the capital processes but expressed the view that this should happen sooner than 2013/14. It was confirmed that the Strategic Planning Committee would be considering the developments with the Wrexham ARC project at its next meeting.

**RESOLVED:**

**That the proposal to undertake a review of the processes and system in relation to capital projects developed by the Trust be 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.*

**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)**