

WELSH AMBULANCE SERVICES NHS TRUST**MINUTES OF THE OPEN MEETING OF THE AUDIT COMMITTEE OF THE
WELSH AMBULANCE SERVICES NHS TRUST HELD ON TUESDAY 6
DECEMBER 2011 AT VANTAGE POINT HOUSE AND VIA VIDEO CONFERENCE
FROM HQ, ST ASAPH.****PRESENT :**

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

IN ATTENDANCE :

Mr S Fletcher	Non Executive Director and Chairman of the Board
Mr M Cassidy	Deputy Chief Executive and Director of Patient Care Services
Mr M Coe	Wales Audit Office
Mrs J Gill	Financial Accountant
Mrs L Haddow	Local Counter Fraud Specialist
Mr D Harries	Internal Audit, Shared Services
Mr J Huxley	Assistant Corporate Secretary
Mr J Jones	Corporate Accountant
Mr O Lofty	Principal Auditor
Mrs S Owens	Relationship Manager, Shared Services Partnership
Mr E Price-Morris	Chief Executive
Mrs D Sharp	Corporate Secretary
Ms V Stevens	KPMG
Ms S Taylor	KPMG
Mr S Whitehead	Shared Services Partnership
Mr T Woodhead	Director of Finance

APOLOGIES:

Mr D Evans	Non Executive Director
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27/11 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 of the Committee held on 7 September 2011 be confirmed as a correct record;

(3) the Director of Finance be asked to liaise with the regional Director, South East with regard to the Standing Operating Procedure for the provision medical gases and a report be submitted to the next meeting of the Committee;

(4) it be noted that amended Standing Orders, Standing Financial Instructions and the Scheme of Delegation would be submitted to the next meeting of this Committee, following further consideration by the Welsh Ambulance Service Partnership Forum, for recommendation for approval by the Trust Board on 15 March 2012;

(5) the proposal to enable Non Executive Directors to nominate a substitute member for meetings of Committees be recommended for approval by the Trust Board at its meeting on 8 December 2011;

(6) the position regarding the Committee advice on referring business for scrutiny/review be noted; and

(7) the WAO Report on NHS Wales 2010/11 Accounts be noted and the Director of Finance, in consultation with colleagues at the Wales Audit Office, be asked to ensure that the Trust has written confirmation from the Welsh Government, to confirm that the Trust had met its break-even duty in full and was not required to have in place an agreed Financial Recovery Plan.

28/11 EXTERNAL AUDIT – PROGRESS REPORT

RESOLVED: That the progress report be received.

29/11 FINANCE REPORT – MONTH SEVEN 2011/12

The Director of Finance presented the finance report for month seven showing an adverse variance against the financial plan for the period of £ 0.631m; the adverse variance had reduced by £0.086m at Month 6.

Month seven saw an encouraging improvement as all Operational Directorates and EMS and PCS services overall reported an improvement in their cumulative financial positions, whilst the under spend in Corporate Departments was maintained. The reported Trust-wide total pay variance against the plan for the period was an over spend of £1.4m. Within total pay expenditure, under spends, as a result of vacancies in managerial and administrative posts, were offsetting an over spend of £2.15m on

frontline Ambulance Staff.

The main risk to the Trust's financial position remained the unresolved issues surrounding income abatement and the Committee was informed that discussions continued with Welsh Health Specialised Services Committee in this regard. The Committee noted that it was hoped that concluding discussions were to be held shortly. Also, failure of the wider health economy to achieve reduced hospital waits had imposed an additional unfunded full year cost pressure in excess of £3m on the Trust in 2010/11, which had been offset non-recurrently by Welsh Government (WG) funding of £1.995m. No additional funding had as yet been received for this purpose in this new financial year.

The report also set out additional risks facing the Trust such as lack of agreed funding for the 2012 Olympic Games, EMT banding appeals together with the matter concerning the non payment of increments emanating from the ESR System.

RESOLVED: That

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

(2) the Director of Workforce and OD prepare a further report be presented to the next meeting of the Committee providing detailed advice to explain why the ESR System had failed to automatically calculate and pay service increments to some staff; and

(3) the Director of Finance be asked to notify members of the Committee of the extent of the risk in relation to Emergency Medical Technician appeals regarding their banding under Agenda for Change.

At this point in the meeting, the Chairman advised the Committee that he intended to move into the closed session of the meeting to discuss the KPMG Review into procurement tender T0212. (Minute 36/11 of the closed session refers)

30/11 RISK AND ASSURANCE FRAMEWORK – CORPORATE RISK REGISTER (AS AT NOVEMBER 2011)

RESOLVED: That

(1) the latest version of the Corporate Risk Register, as at November 2011, be noted;

(2) the further steps being taken to improve the risk and assurance framework be noted and the closer integration of the risk profiling and business planning processes be supported; and

(3) the Corporate Risk Register be submitted to the Board in January 2012 and the Board be asked to note progress to date.

31/11 PROCUREMENT – SURPLUS EQUIPMENT REPORT

The Procurement Operations Manager from NHS Wales Shared Services Partnership presented a report updating the Committee on the amount of income that the Trust had received during 2010/11 following the sale of surplus vehicles and equipment. The report also clarified the current routes used by the organisation for the disposal of such equipment.

The Committee welcomed the report and the information to explain the process to dispose of vehicles and equipment, but also wanted to know how other Trust assets eg ICT equipment and its disposal were managed.

RESOLVED: That

(1) the review of current arrangements to dispose of vehicles and equipment be noted;

(2) it be noted that procurement services will work with the Trust to ensure that the ongoing arrangements in place are appropriate; and

(3) a supplementary paper be submitted to the next meeting of the Committee providing information as to how other assets within the Trust eg ICT equipment are managed and disposed of.

32/11 MOBILE TELEPHONY – PERSONAL USE

The Committee was presented with a report which confirmed the current position in relation to the management of mobile phones and the recovery of any costs incurred due to private usage. Members noted that the audit had been undertaken on the basis of the billing information and not from the asset register which was in the process of being prepared. Also the paper needed to explain the role of the NHS Wales Shared Services Partnership and whether they had assisted the Trust in negotiating any economies of scale in terms of contracts.

RESOLVED: That the report be received and the National ICT Operations Manager be asked to attend the next meeting of the Committee to provide detailed advice on the management of mobile phones and also to update members on progress with the ICT Asset Register.

NOTE: Reports supporting the information contained in these minutes can be found on the Trust's website: www.ambulance.wales.nhs.uk