

WELSH AMBULANCE SERVICES NHS TRUST

MINUTES OF THE OPEN MEETING OF THE AUDIT COMMITTEE OF THE WELSH AMBULANCE SERVICES NHS TRUST HELD ON THURSDAY 28 MAY 2015 AT TRUST HEADQUARTERS, ST ASAPH WITH A VIDEO CONFERENCING LINK TO VANTAGE POINT HOUSE, CWMBRAN AND CEFN COED SWANSEA

PRESENT :

David Scott	Non Executive Director and Chair	DSc
Emrys Davies	Non Executive Director (VC, VPH)	ED
Pam Hall	Non Executive Director	PH
John Morgan	Non Executive Director (VC, VPH)	JM

IN ATTENDANCE :

Jill Gill	Financial Accountant	JG
Dave Harries	Head of Internal Audit	DH
John Jones	Corporate Accountant	JJ
Ossama Lotfy	Principal Auditor	OL
Steve Owen	Corporate Governance Officer	SO
Patsy Roseblade	Director of Finance and ICT (VC, VPH)	PR
Dawn Sharp	Corporate Secretary (Via Audio dial in)	DSH
Virginia Stevens	KPMG (VC, VPH)	VS

APOLOGIES:

Damon Turner	Staff Side Representative	DT
--------------	---------------------------	----

07/15 PROCEDURAL MATTERS

Declarations of Interest

Members noted the standing declaration of Mr Emrys Davies as a retired member of UNITE.

Minutes

The Minutes of the open and closed sessions of the Audit Committee meeting from 3 March 2015 were confirmed as a correct record subject to the deletion of the words "It was also agreed that on an interim basis another column would be added to the register which would annotate Executive Team review." (Minute 05/15 refers)

Action Log

The Committee considered the Action Log and reviewed the actions as listed.

Review of Terms of Reference (TOR)

The Committee discussed several changes to the TOR and it was agreed that the Corporate Secretary implement the changes which were to be considered at the next Audit Committee meeting.

Self Assessments

The Corporate Secretary provided the Committee with an update and a general analysis on the feedback received from the self assessment forms. These were to be further discussed at the Committee training event to be held on 15 July 2015.

End of Year Governance Reporting

Following discussion and further to comments received by the Executive Management Team and Internal and External Audit the changes as listed below were incorporated in to the AGS.

- Page 13 – The following text inserted after the Health Standard Table. Provided by **PR**:
“ As can be seen on the table above, the organisation appears to have deteriorated on nearly all health care standards. It should however be noted that the Trust has judged itself far more harshly than in previous years.”
- Page 15 – The final sentence in the first paragraph in Chapter 12, amended by **DS**:
“Because the Trust did not have a Welsh Government approved IMTP, the Trust did not meet its administrative financial duty for 2014-15 in this regard.”
- Page 16 additional wording to the Resource Utilisation Progress Table supplied by **DS** and now reads:
“The most significant element of the Resource Utilisation Workstream related to the reconfiguration of the Clinical Control Centres. Progress has been made in terms of a feasibility study culminating in an options paper which is being considered by the organisation and will be progressed in 2015-16 and is closely linked to any decision on 111.”
- Page 23 and 24 changed to “The Board has been constituted to comply with the National Health Service (Wales) Act 2006 and the National Health Service Trusts (Membership and Procedure) Regulations 1990 (SI 1990 No. 2024)”
- Page 24 reference to dates for Elwyn Price Morris changed “to 30 September 2014”
- Page 25 header for Calendar of Meetings changed to “2014-15 Calendar of Meetings”
- The “DRAFT” watermark was removed.

RESOLVED: That

- (1) the standing declaration of Mr Emrys Davies as a retired member of UNITE be noted;
- (2) the Minutes of the meeting of the open and closed sessions of the Committee held on 3 March 2015, subject to the correction as listed above be confirmed as a correct record;

- (3) the Action Log be received;
- (4) the Terms of Reference be amended to reflect the changes as described;
- (5) the update on Self Assessments be noted and discussed in further detail at the Committee training event planned for 15 July 2015;
- (6) the Annual Governance Statement be updated as outlined and be recommended for approval by the Trust Board; and
- (7) the Standards Internal Assessment report, the Governance and Accountability Module Standard 1 Governance and Accountability be received.

08/15 COMMITTEE APPROVAL OF THE DRAFT ANNUAL ACCOUNTS

The Committee gave detailed consideration to the Trust's accounts for the year ended 31 March 2015 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 Corporate Accountant John Jones, 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. A number of points of clarification were raised and some minor narrative adjustments proposed were responded to at the meeting and agreed.

The Director of Finance and ICT confirmed that the accounts had been prepared absolutely truly and fairly and this was confirmed by External Audit. Members were all in agreement that the accounts presented were of an extremely high standard and that a note of thanks be recorded for John Jones and his team.

RESOLVED: That

- (1) subject to the minor amendments as discussed the Annual Accounts be forwarded to the Trust Board for approval;
- (2) the contents of the Remuneration report be noted; and
- (3) a note of thanks be extended to the Corporate Accountant John Jones and his team for the production of an excellent set of accounts.

09/15 AUDIT OF FINANCIAL STATEMENT REPORT (KPMG OPINION)

On behalf of the Auditor General for Wales, **VS** presented a financial statement report providing 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 the National Assembly for Wales.

Members raised a number of issues which required clarification and these were responded to at the meeting.

RESOLVED: That the Trust Board be recommended to receive the Financial Statement Report and, as part of the approval of the Annual Accounts for

2014/15, and accordingly sign the Letters of Representation.

10/15 INTERNAL AUDIT REPORTS

In the report to the Committee, **DH** from Internal Audit provided a progress update and identified some key points for the Committee's attention. In considering the progress update the Head of Internal Audit also presented the Head of Internal Audit Opinion and Annual report from 2014/15. Members were disappointed that the Opinion of Internal Audit had dropped from last year to limited assurance but they acknowledged the reason as explained by **DH**. Risk based plan reviews had achieved limited and no/unsatisfactory assurance and as these were clinical and staff focused, carried a greater weighting which had driven the shift, only marginally, to a limited assurance opinion.

The Committee were presented with a series of Internal Audit Reports:

- Employment Services Review
- NWSSP – ESR CAATTs
- Financial Management
- Ledger Management
- Staff Personal Appraisal Development

Members were particularly concerned about the limited assurance in terms of the Staff Personal Appraisal Development review. It was agreed that this should be referred to the Finance and Resources Committee to undertake a review of the findings and discuss these in depth with the Director of Workforce and OD and the Interim Head of Operations. The Audit Committee would require a report to its next meeting with the outcome of those deliberations. The Committee would want to be assured that there were robust systems in place to address the issues highlighted in the audit and ensure there were the necessary metrics in place to effectively monitor progress going forward.

The Committee also gave consideration and agreed to the Operational Plan for 2015/16 together with the Audit Strategy for 2015/18.

RESOLVED: That

- (1) the assurance levels provided on the one review finalised in the period and progress on other planned reviews be noted;**
- (2) the staff PADR report be formally referred to the Finance and Resources Committee with a report from that Committee to be presented at the next Audit Committee meeting; and**
- (3) the Internal Audit Operational Plan for 2015/16 and the Audit Strategy for 2015/18 be agreed.**

11/15 CORPORATE RISK REGISTER

A refreshed version of the Corporate Risk Register was presented to the Committee having been reviewed by the Executive Management Team who had suggested the removal of CR 2, CR4 and CR6.

Following discussion, the Committee was not prepared to agree to the removal of those

risks until such time as there had been sufficient evidence of further progress in addressing them. With regard to CR2 the Committee also requested that the risk description be more clearly defined by the Director of Quality and Nursing.

RESOLVED: That

- (1) the update be noted; and**
- (2) the Director of Quality and Nursing revise the risk description in CR2.**

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