

WELSH AMBULANCE SERVICES NHS TRUST

CONFIRMED MINUTES OF THE OPEN MEETING OF THE AUDIT COMMITTEE OF THE WELSH AMBULANCE SERVICES NHS TRUST HELD ON THURSDAY 8 SEPTEMBER 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
Paul Hollard	Non Executive Director (Via VC VPH)	PHo

IN ATTENDANCE :

Mike Armstrong	Assistant Corporate Secretary	MA
David Butler	Internal Capital Audit (Via VC VPH)	DB
Simon Cookson	Director of Audit and Assurance NWSSP (Via VC VPH)	SC
Keith Cox	Board Secretary (Via VC VPH)	KC
Jillian Gill	Financial Accountant	JG
Helen Higgs	Head of Internal Audit NWSSP (Via VC VPH)	HH
Sharon Jeffreys	Wales Audit Office (Via VC VPH)	SJ
Steven Jennings	Internal Audit Manager (Via VC VPH)	SJe
Richard Lee	Director of Operations (Via VC VPH)	RL
Dr Brendan Lloyd	Medical Director (Via VC VPH) (Part)	BL
Fiona Mcilwraith	NHS Protect	FM
Carol Mosely	Wales Audit Office (Via VC VPH)	CM
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
Kevin Webb	Clinical Effectiveness Manager (Part) (Via VC Swansea)	KW
Julie Winspear	Head of Business Management (Part)	JW

APOLOGIES:

Steve Owen	Corporate Governance Officer
Michelle Phoenix	Wales Audit Office
Anthony Veale	Wales Audit Office

27/16 PROCEDURAL MATTERS

The Chairman welcomed Paul Hollard to his first meeting and advised those

attending of the change in the order of the Agenda which had been to move the item regarding NHS protect to the closed session.

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 26 May 2016 were confirmed as a correct record. Furthermore **JG** provided the Committee with an update on the query which had arisen in terms of losses and special payments.

Action Log

The items within the log were considered and actioned accordingly. It was noted the action relating to the Fire Safety compliance update would be considered under the Audit Tracker item within the closed session.

Committee Annual Report

A very minor typographical error within the table on page 4 of the report was brought to the Committee's attention which was corrected contemporaneously. The Committee noted the contents of the report.

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 26 May 2016 were confirmed as a correct record;**
- (3) the items contained within the Action Log were considered and actioned accordingly; and**
- (4) the contents of the Committee Annual Report was noted and amended as described.**

28/16 CLINICAL AUDIT AND EFFECTIVENESS PROGRESS REPORT

In presenting the Clinical Audit Effectiveness Programme update, **BL** informed the Committee that the report being brought to the Committee's attention contained the latest information available. He added that the main focus of the Clinical Audit Team, during the last year, had been to facilitate the progression of the clinical model.

An action plan was being monitored and developed by the Senior Management Team to ensure the capturing of clinical information was being conducted.

In terms of providing Welsh Government (WG) with the necessary clinical audit information as promised it would deliver, **BL** was pleased to report that the Trust had been very successful in this regard.

The next stage going forward was not to develop new clinical indicators but to have a more detailed review in terms of how the indicators translated into a change in practice and how that was being monitored.

BL assured the Committee that any alerts from WG with regard to clinical effectiveness and medicines management was routinely monitored and addressed by the Trust.

The Committee's attention was drawn to the London Ambulance Service's annual audit report in which the reporting processes were very similar to the Trust's.

KW responded to the comment made by **PH** who sought clarification with the ongoing issues referred to in paragraph 12 of the report. He explained in detail the issues had arisen from a programme of work designed to create a new 'platform' to speed up the process of viewing Patient Clinical Records and this had now been addressed. **PR** provided the Committee with a brief background in terms of how the capturing of information from PCR's had progressed in the last year which had not been without inherent problems.

ED commented that it would be useful to be provided with information which showed progress with lessons learned; further detail should be referred to the Quality, Patient Experience and Safety Committee for discussion.

In terms of the Digital Pen and any learning from it, **DS** questioned whether information was being relayed to Clinical Team Leaders (CTL). **BL** advised that information was being fed back and **KW** added a CTL management system was available to be viewed on the Intranet.

RESOLVED: That

- (1) a report be provided to Audit Committee (01.12.16) detailing progress, specifically around the impact of the roll out of the CTL Team Management System informing clinical practice was noted;**
- (2) reports would contain information around mortality reviews to provide assurance in relation to clinical practice, quality and patient safety was noted;**
- (3) a revised Clinical Audit and Effectiveness Programme would be produced taking in to account the developing clinical indicators was noted;**
- (4) a detailed report would be provided for the next meeting (01.12.16) to demonstrate how each of the existing audits would be managed going forward was noted; and**
- (5) the update was acknowledged and the ongoing actions proposed to improve the output from the Clinical Audit & Effectiveness Department were supported.**

29/16 INTERNAL AUDIT PROGRESS REPORT

HH presented the progress report as read and drew the Committee's attention to the proposed audit plan going forward.

The Committee considered the report in detail. The following observations were made:

1. In terms of the Audit Plan 2016/17 **PH** referred to Appendix A and queried why some of the audits had no dates earmarked against them. **HH** advised that by the next Committee meeting this information would be included within the report.
2. **DS** sought and was provided with clarification with regard to the percentage targets in terms of report turnaround as detailed on page nine.

INTERNAL AUDIT REPORTS

The Committee considered each of the following reports in further detail:

1. **Internal Audit Plan 2016/17 and Strategy 2016 to 2019**
HH advised the Committee of any concerns and areas of note within the plan.
2. **Internal Audit Charter**
HH advised the Committee of any highlights within the charter.
3. **Capital and Estates Updated Audit Plan 2016-2019**
DB addressed the Committee and provided information on the two audits due to take place; the vehicle replacement programme and the Computer Aided Despatch (CAD) system. **PHo** queried whether 30 days was necessary when conducting the vehicle replacement programme audit. **DB** advised that 20 – 30 days was considered to be the standard duration allocated to such work and agreed to reconsider the time allocated and advise the Committee going forward. Furthermore, **PR** agreed to provide further clarity on the financial costs involved and would inform the Committee in due course.
4. **Disposal of Obsolete Surplus Vehicles and Equipment**
HH informed the Committee that there had been moderate assurance in terms of vehicles and limited assurance with regards to the equipment element. In terms of the limited assurance, the Committee were advised that a follow up review would take place in quarter four. **PR** assured the Committee that the equipment disposal issues had been addressed and the vehicle disposal policy was being updated.
5. **Duplicate Payments – Auditor General for Wales report**
The report was presented as read. **PR** added it would be of use to have ratings incorporated within the report and also in terms of the Fleet department, an additional process was being implemented whereby invoices were presented through the Oracle system.
6. **Composite Follow up Report**
DS indicated that there may be a conflict with this report and the Audit

Tracker in that issues removed from the Tracker, following management assurance of completion, may still be evident within the follow up report. **PR** explained that due to timing and handover issues, the Tracker contained the latest information.

The Committee considered the report in greater detail and agreed that better alignment with the report and the Audit Tracker was required in order for the Committee to be presented with the latest assurance. **PR** commented that further work was required in order to provide the Committee with complete assurance going forward. **DS** referred to the process and procedure with the Audit Tracker and reminded the Committee it was a management tool essentially for monitoring purposes.

7. Annual Quality Statement Final Internal Audit Report

SJe informed the Committee this audit had received substantial assurance.

8. Community First Responders (CFR) Follow Up

The Committee were advised by **SJe** that this audit had resulted in a grading of reasonable assurance confirming that sufficient progress had been made to substantiate the findings. There were however, some outstanding issues with regard to driver checks which were currently being addressed.

The Committee recorded a congratulatory note for Jonathan Sweet in recognition for his outstanding contribution towards improving the management of CFR's.

9. Wrexham Ambulance and Fire Service Resource Centre (ASFRC)

DB drew the Committee's attention to the report and highlighted several issues which were addressed during the process. He added that overall, a positive opinion was given. **PH** stated that a complex project of this kind being delivered on time and within the financial estimate had been a significant achievement.

In terms of project management, **ED** queried whether there was a consistent process going forward. **PR** gave a detailed explanation in terms of the external project management process highlighting the challenges and difficulties involved. **PR** added that internal project management had been of a high standard throughout the whole process. Furthermore, **PR** referred to the lessons learned report which was being presented to the Trust Board on 23 September 2016 and, once shared with Internal Audit, would facilitate closure of some of the issues raised.

10. Sustainability Data Interrogation

SJe presented the report as read adding that it had received a grading of substantial assurance. **PR** announced that the Trust was the only ambulance service within the UK to achieve the International Organisation for Standardisation (ISO) 150001 for energy management.

11. Capital Systems

DB introduced the report and drew Member's attention that overall this audit had warranted a positive opinion and highlighted the well-structured processes undertaken when the Trust applied for capital bids. **PH** sought

assurance that project management would be considered within a broader spectrum which would encompass, for example, the Integrated Medium Term Plan (IMTP). **PR** assured the Committee that the project management in terms of the IMTP was improving having learned lessons from past procedures.

RESOLVED: That

- (1) the progress report was noted; and**
- (2) the internal audit reports as listed above were noted.**

30/16 EXTERNAL AUDIT PROGRESS REPORT

CM presented the report informing the Committee that the information within the report set out what was contained in the audit plan in terms of financial and performance aspects.

In terms of financial audit work, the accounts had now been finalised and it was anticipated that the Charitable Funds accounts would be presented to the Committee this December.

With regard to the performance audit, there were two pieces of work which were currently underway; Emergency Ambulance Service Committee (EASC), and the NHS structured assessment. It was expected that a report on the former would be available for the Committee in December.

The Committee discussed in detail the reporting processes in terms of EASC and were advised by **CM** that the Trust would be given the opportunity to comment on the draft report prior to its publication.

In terms of the structured assessment, **DS** asked whether there had been any changes to the key questions from the previous year. **CM** confirmed that although there would be focus on the 2015 recommendations rather than a complete follow up review of all previous lines of enquiry.

CM advised the Committee in terms of how Wales Audit Office intended to carry out its audit work and how it would be informing the Committee of progress going forward.

RESOLVED: That the report was noted.

31/16 LOSSES AND SPECIAL PAYMENTS UPDATE

The report was presented by **JG** who informed the Committee that it covered the period 1 April 2016 – 31 July 2016. Members' attention was drawn to the breakdown by category in which **JG** highlighted the transactional details involved with each individual case.

JG further added that as some cases took a long time to be finalised there would inevitably be fluctuations in the increase of costs throughout the year

With regard to the cost vehicle repairs, **DS** expressed concern that this appeared to be quite high and it was agreed that **JG** would investigate the matter and circulate findings prior to the next Committee meeting.

RESOLVED: That the update was noted.

32/16 REPORTED BREACH OF STANDING ORDERS

Prior to the report being discussed, Paul Hollard, who may be involved in the ongoing grievance from where the alleged breach of standing orders had arisen, left the meeting and returned following the conclusion of this item.

DS advised that as Chair he had received a letter from the member of staff concerned. However he was not at liberty to divulge any further details as the grievance was still undergoing due process.

KC added that due to his previous involvement with this particular case he was not in a position to conduct further enquiries as it may be have proven to be prejudicial to the ongoing review. He suggested that this review be undertaken by an independent third party such as Internal Audit or a Board Secretary from another Trust or Health Board. This would allow for a full and independent assessment of the concern raised in the grievance.

DS expressed concern that in his view, the involvement of Internal Audit and or another Board Secretary may not provide the degree of independence the Trust required.

PR advised that the matter would be further discussed at Executive Management Team to determine the appropriate independent organisation to conduct the review; subsequently making recommendations to the Committee and Trust Board at the earliest opportunity.

RESOLVED: That the Director of Finance and ICT arrange for the selection of an appropriate organisation to conduct the review into the breach of Standing Orders and inform the Committee of the arrangements made.

33/16 CORPORATE RISK REGISTER

JP presented the quarter 1 report and highlighted the areas with the highest risk affecting the Trust.

Going forward, the next stage involved the review of all the local risk register and to discuss with Heads of Operations their methodology used in managing and monitoring registers.

The Committee considered in detail which date should be applied for the implementation of the Computer Aided Despatch system and it was agreed that the date should be shown as 2017.

Following a detailed conversation surrounding the criteria for assessing the impact it was agreed that this should be reviewed going forward.

PR informed the Committee that each Directorate maintained its own register and explained that the high value risks (a score of 15 or more) contained within those, were transferred to the Corporate Risk Register.

The Committee acknowledged the work undertaken in producing the register and thanked **JP** noting that this was to be her last Audit Committee meeting.

RESOLVED: That the Quarterly Corporate Risk Register Report, recognising further development will be iterative as systems and processes mature was endorsed.

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