



Extraordinary Trust Board Meeting held in Public

Venue: Kirkstall and Fountains, Springhill 1, Wakefield, WF2 0XQ

Date: Tuesday 3 June 2014

Time: 1100 hours

Chairman: Della Cannings

Present:

Board Members:

Della Cannings	(DC)	Chairman
David Whiting	(DW)	Chief Executive
Patricia Drake	(PD)	Deputy Chairman and Non-Executive Director
Dr Elaine Bond	(EB)	Non-Executive Director
Erfana Mahmood	(EM)	Non-Executive Director
Barrie Senior	(BS)	Non-Executive Director
Mary Wareing	(MW)	Non-Executive Director
Rod Barnes	(RB)	Deputy Chief Executive and Executive Director of Finance and Performance
Ian Brandwood	(IB)	Executive Director of People and Engagement
Russell Hobbs	(RH)	Executive Director of Operations
Dr Julian Mark	(JM)	Executive Medical Director
Steve Page	(SP)	Executive Director of Standards and Compliance

Apologies:

None

In Attendance:

John Nutton	(JN)	Non-Executive Director (Designate)
Anne Allen	(AA)	Trust Secretary

Minutes produced by: (MG) Mel Gatecliff, Committee Services Manager

		Action
	The meeting commenced at 1100 hours.	
1	<p>Apologies / Declaration of Interests The Chairman welcomed everyone to the meeting.</p> <p>There were no apologies to note and declarations of interest would be considered during the course of the meeting.</p> <p>No members of the public were present.</p>	

		Action
	<p>The Chairman stated that she had circulated an electronic link to the Association of Ambulance Chief Executives' (AACE) Annual Report to the Non-Executive Directors (NEDs) as it would be useful for them to see national work that had taken place during the past 12 months.</p> <p>DW confirmed that he had shared hard copies of the document with the Executive Directors.</p> <p>The Chairman stated that, at the conclusion of the Extraordinary Trust Board Meeting in Public, there would be an opportunity for Board colleagues to go to Gold Cell for a ResWeb presentation, followed by a presentation about YAS' preparations for its support of the forthcoming Tour de France.</p>	
2	<p>Minutes of the Meeting held on 4 June 2013</p> <p>The Minutes of the Meeting held on 4 June 2013, which had been circulated for information, were noted with no further amendments.</p>	
3	<p>QUALITY, SAFETY AND PATIENT EXPERIENCE</p>	
3.1	<p>Annual Report – 2013/14</p> <p>DW presented for approval the final draft of the 2013/14 Annual Report and Financial Summary, which had been prepared in accordance with the requirements of the Department of Health's NHS Manual for Accounts 2013/14, published in May 2014.</p> <p>DW apologised for the typographical errors and inaccuracies in the document, acknowledging that it was not the role of the Board to proof read it, adding that the NEDs had already provided feedback during the earlier Audit Committee meeting.</p> <p>Throughout 2013/14 the Audit Committee had approved the process for producing the Annual Report and Accounts and received assurance reports on progress. The timetables were in accordance with best practice and in addition, Directors and senior managers had input to the narrative relating to their own departments.</p> <p>DW confirmed that the annual summarised financial statements were in line with the financial accounts which had been prepared for the Trust's auditors. The Annual Report and Financial Summary would be published alongside the Trust's Quality Account at the Trust's Annual General Meeting (AGM) in September 2014.</p> <p>DW stated that page 48 of the Annual Report outlined the information that was required in the Annual Report, Quality Account and Financial Summary.</p> <p>The Chairman stated that, apart from the proof reading issues and inaccuracies which needed to be addressed, the Annual Report was a good report albeit in a standard format rather than the more innovative or less traditional format as discussed the previous year.</p>	

	Action
<p>DW replied that, although it would not be possible to fundamentally address the format of the Annual Report, there would be an opportunity to amend its design and layout during the summer months prior to it going for approval at the September AGM.</p> <p>He suggested that the YAS Forum could have an input to the design and format of future reports.</p> <p>The Chairman invited BS to present a short summary of the feedback received from the Audit Committee and requested further comments from anyone who had not been present at that meeting.</p> <p>BS stated that the Audit Committee believed that the Trust had under-sold itself in a number of sections, including its introduction and development of values-based recruitment and the on-going development of urgent care initiatives. More detail was also needed about staff engagement developments such as Team Brief and the Bright Ideas Scheme.</p> <p>BS further stated that the Audit Committee believed that the Trust should have placed more emphasis on its success around the Cost Improvement Programme as, given the constraints within which the Trust had to work during 2013/14, this was a major success.</p> <p>Finally, it had been agreed that there needed to be more synergy around the sections of the report to make it flow more smoothly.</p> <p>BS stated that as the Audit Committee felt it was unable to approve the final report it had recommended that, in view of the tight timescales around its finalisation and submission, a discussion should take place during the Board meeting to agree the best way forward to reach an approved final version of the report prior to Monday 9 June.</p> <p>The Chairman stated that the auditors had seen the Annual Report prior to the Board seeing it, which she found unacceptable. It was her belief that Board members should have been in receipt of a draft copy before this stage, as it would now be more difficult to alter. In addition, substantial information changes were needed, as there was a lot of data missing in the draft with which she had been provided.</p> <p>The Chairman invited suggestions from Board members as to how best to progress things, bearing in mind the Audit Committee's comments.</p> <p>DW stated that the allocation of extra resources meant that the general updates to data and proof reading could be done quickly.</p> <p>BS reminded the Board that, although the content of the document had to be submitted by External Audit (EA) by noon on Monday 9 June, the artwork, etc could be worked on over the summer.</p>	

	Action
<p>He further stated that as EA would have to carry out a further review of any final changes they would need time to do that.</p> <p>EB asked what the implications were of missing the deadline date.</p> <p>RB replied that this was not an option.</p> <p>The Chairman stated her belief that, in the future, the Trust needed a more patient-centred Annual Report, as there was too much jargon in the current format.</p> <p>BS stated that, although the Trust clearly needed to produce a document which was compliant with statutory requirements, he agreed that the document could still be much more patient-focussed.</p> <p>Following further discussion, it was agreed that the timescale to be followed would be as follows:</p> <ul style="list-style-type: none"> • general amendments to be made over the following 24 hours; • revised draft to be shared with Board by close-of-play on Wednesday 4 June; • feedback / comments to be submitted to IB or Elaine Gibson, Head of Corporate Communications by close-of-play on Thursday 5 June; • Final amended version to be shared with Chairman and DW prior to going to EA on Friday 6 June to meet submission deadline of 12 noon on Monday 9 June. <p>DW stated that he would monitor progress closely to ensure that the deadlines were met.</p> <p>Action: Final amended version of the Annual Report to be shared with Chairman and DW prior to being sent to External Audit on Friday 6 June.</p> <p>Approval: Subject to completion of the above actions, the Trust Board reviewed the content and approved the final draft of the 2013/14 Annual Report and Financial Summary.</p>	IB/EG
<p>3.2 Annual Accounts & Disclosure Statements – 2013/14</p> <p>RB presented the Annual Accounts for 2013/14. He confirmed that, as outlined in the cover paper, the Trust had achieved each of its statutory duties, which were:</p> <ul style="list-style-type: none"> • Breakeven Duty; • External Financing Limit; • Capital Resources Limit. <p>RB stated that the Trust had not achieved the Better Payment Practice Code.</p>	

	Action
<p>However, this was not a statutory duty and the Trust continued to make positive progress.</p> <p>RB confirmed that a review of the Annual Accounts had also taken place the previous week during an informal meeting of the NEDs.</p> <p>RB invited questions from those present.</p> <p>BS stated that the NEDs' pre-meeting (not including the Chairman) mentioned by RB had enabled the Audit Committee to reach the point whereby it could recommend the approval of the Annual Accounts to the Trust Board.</p> <p>He further stated that there were no material outstanding matters to bring to the attention of the Board.</p> <p>The Chairman stated that one of the Trust's most important priorities was to ensure that its finances were being handled in a correct and appropriate manner.</p> <p>She appreciated the amount and depth of work that was carried out behind the scenes to prepare the Annual Accounts within relatively tight timescales and asked RB to pass on her congratulations and thanks to everyone involved in managing the Trust's finances.</p> <p>BS reiterated the Chairman's comments, adding that this was particularly praiseworthy considering that the Department of Health had not finalised its guidance until late in the financial year.</p> <p>EB stated that the briefing session the previous week had been especially useful for the NEDs who were not accountants and asked whether the Executive Directors received a similar session.</p> <p>PD agreed that the session had been very helpful, particularly as the Annual Accounts were so complex and she passed on her thanks to Financial Controller, Gillian Hodgson, who had provided a good clear explanation.</p> <p>PD stated that an additional session on financial terminology and its meanings would be particularly useful prior to the next Board to Board, particularly for the non-accountants on the Board.</p> <p>BS agreed this would be useful as it was his belief that the Board would need to be prepared for a high level of financial scrutiny.</p> <p>EB also agreed that this would be useful, as all Board members would need to be clear about the meaning of financial risks, etc.</p> <p>The Chairman stated that, as some trusts were currently submitting unrealistic financial programmes, it would be essential that the Board was very clear in terms of YAS' financial planning.</p>	

	Action
<p>JN stated that he found it comforting to know that the accounts were not being skewed in any particular direction.</p> <p>BS stated that the Trust's successful Cost Improvement Programme performance had been applauded by EA during the previous week's meeting. The current average achievement level for a Foundation Trust was 80% whilst YAS had achieved 97%.</p> <p>The Chairman stated that she had listened to RB's presentation to the new YAS Forum Members at their training day the previous week during which RB had provided a lot of facts to back up the presentation. It was her belief that this type of information would be very useful for the NEDs to receive in the form of bullet point crib sheets as soon as possible ahead of any Board to Board meetings.</p> <p>It was agreed that Trust Executive Group (TEG) should consider this suggestion and other methods of information sharing and report their recommendations back to the Board.</p> <p>Action: TEG to discuss the most appropriate means by which to provide the NEDs with concise, key information about each area of the Trust's business. To be updated prior to any Board to Board meetings.</p> <p>Approval: The Trust Board signed off and approved the 2013/14 Annual Accounts having gained sufficient assurance of their accuracy and completeness.</p>	<p>DW</p>
<p>3.3 Quality Account – 2013/14 SP presented the 2013/14 Quality Account for approval.</p> <p>He stated that detailed guidance had been followed to ensure that the Quality Account was as close to the Monitor format as possible. This meant, therefore that some features of the formatting were different to the 2012/13 Quality Account.</p> <p>SP further stated that a workshop, facilitated by Deloitte, the Trust's external auditors, had taken place in November 2013 to identify examples of best practice from existing Foundation Trusts.</p> <p>Following this, there had been two rounds of consultation both externally with the Trust's commissioners, Health Overview and Scrutiny Committees and Healthwatch and internally. He confirmed that the year-end data had been added when available.</p> <p>SP stated that the penultimate draft of the Quality Account had been shared with the Quality Committee at its last meeting. In addition, an audit had been carried out by Deloitte and helpful feedback provided.</p>	

	Action
<p>SP confirmed that the main difference between versions of the report was around the priorities for the coming year which had been expanded to give more information about the rationale, etc.</p> <p>SP stated that, during the earlier Audit Committee meeting, EA had given a positive opinion of the document with mention of some areas which would be built on for the following year.</p> <p>BS stated that following consideration and discussion during the earlier Audit Committee meeting it had been resolved to recommend that the Trust Board approve the 2013/14 Quality Account for publication.</p> <p>PD confirmed that, although it had not proof read the document, the Quality Committee had gone through the Quality Account in detail at its last meeting. She stated that it had also been beneficial to work with EA and to receive Deloitte's review of the document.</p> <p>EB stated that the Quality Account was a good report, which was easy to read and asked whether it would be possible to build into the current document Deloitte's recommendation around SMART recommendations for measuring priorities, etc.</p> <p>SP replied that this would not be feasible for the 2013/14 Quality Account as it would be a time-consuming task that would need to be built up during the course of the year. As it was not a mandatory requirement for the current year, it had been noted as a learning point for the next iteration of the Quality Account.</p> <p>A discussion took place about the level of external consultation that had been undertaken and the number of responses received.</p> <p>SP confirmed that there had been two rounds of consultation, formal and informal, but not all bodies had chosen to respond.</p> <p>The Chairman suggested that subtle reference could be made in the document to the bodies which had been approached for feedback; those who had responded and those who had not.</p> <p>It was agreed that SP would consider an appropriate form of wording for inclusion in the Quality Account.</p> <p>Action: SP to consider an appropriate form of wording re who had been approached for feedback during the consultation period and who had provided feedback for inclusion in the Quality Account.</p> <p>The Chairman stated that the Quality Account was a well laid out, readable document which contained some useful information. She asked SP to pass on her thanks and congratulations to everyone who had been involved in its production.</p>	<p style="text-align: right;">SP</p>

		Action
	<p>Approval: The Trust Board approved the 2013/14 Quality Account for publication.</p>	
<p>3.4</p>	<p>Annual Governance Statement – 2013/14 DW presented the Annual Governance Statement (AGS) for the financial year 2013/14.</p> <p>He stated that the document gave a view on how successful the organisation had been during the past twelve months and highlighted the Head of Internal Audit (IA) Opinion in Section 5 which provided Significant Assurance that there was a generally sound system of internal control designed to meet the organisation’s objectives and that controls were generally being applied consistently.</p> <p>DW thanked SP for compiling the AGS on behalf of himself and the Executive team.</p> <p>He stated that a couple of minor changes remained to be made, adding that one material issue, which had been raised by EB, was a challenge round whether or not Clinical Leadership represented a significant risk in-year.</p> <p>DW confirmed that SP and he would consider the content of the AGS in terms of EB’s challenge and the IA report giving limited assurance around Clinical Leadership, which was the main source of concern.</p> <p>Action: DW and SP to meet to agree how best to reflect the concerns expressed about the Clinical Leadership risk in the AGS.</p> <p>BS stated that, subject to the amendment to the AGS in relation to the Clinical Leadership risk, the Audit Committee accepted the document as a suitable AGS to go forward to the Trust Board for approval.</p> <p>There were no other comments.</p> <p>Approval: The Trust Board received and accepted the Annual Governance Statement 2013/14 subject to alterations already discussed and agreed at Audit Committee.</p>	<p>DW/SP</p>
<p>3.5</p>	<p>External Audit Report For Those Charged with Governance RB presented the Draft report on the financial statement audit for the year ended 31 March 2014.</p> <p>He stated that Deloitte had gone through the report with BS and himself the previous week and it had been covered again in the Audit Committee meeting that morning.</p>	

Action

Overall, feedback was positive and Deloitte anticipated issuing an unmodified opinion. It was noted that it had been a smooth audit process which was reflected in the findings of the report.

The Trust was reminded about the significant risks and other key issues identified in the Audit Plan which had been circulated to YAS in March 2014. These related to revenue recognition and management override of controls.

RB confirmed that no significant issues had been flagged in relation to revenue recognition. Although there had been an issue around the agreement of balances there were no formal areas of dispute and this issue had now been addressed.

RB stated that in the 'Management override of controls' section Deloitte had not identified any significant bias in key judgements made by management so their general view was that the Annual Accounts fairly reflected the Trust's current financial position.

He further stated that EA had considered a number of additional items including delivery of the Trust's Cost Improvement Programme, the Trust's Foundation Trust journey, NHS 111 performance during the service's first year and operational performance. Whilst EA recognised the challenges faced by the Trust their recommendation was that the organisation was still delivering Value for Money.

RB stated that in terms of contract variations, a matter which had also been picked up by IA, a significant improvement could be seen in-year relating to the sign off and agreement of contracts.

RB invited questions from those present.

BS stated that the document had been considered at the previous week's meeting. Minor amendments had been made and the Audit Committee believed that the report provided a good basis on which to approve the Annual Accounts.

EM stated her belief that looking at overall financial performance in comparison with other ambulance trusts, YAS had done well financially during 2013/14, which was a good sign for the future.

The Chairman requested information about the issue relating to the Journals analysis on page 6, which had also been raised in Audit Committee, asking whether it was usual to have a 'blank' user in the top five users.

RB stated that the 'blank' entries were the result of members of the Finance team not completing the journal fully. He confirmed that it was possible, through the ledger system, to track back to the person concerned.

		Action
	<p>The journals procedure was now being reinforced amongst the team to ensure that they logged on correctly going forward.</p> <p>Approval: The Trust Board noted and accepted the External Audit Report for the year ended 31 March 2014.</p> <p>The Chairman thanked everyone for attending. The meeting closed at 1145 hours.</p>	
4	<p>Date and Location of Next Meeting: 1100 hours, 22 July 2014 at The Mercure Hotel, Hull, HU1 3UF</p>	

CERTIFIED AS A TRUE RECORD OF PROCEEDINGS

_____ **CHAIRMAN**

_____ **DATE**

DRAFT