



Audit Committee

Venue: Roche, YAS, Wakefield, WF2 0XQ
Date: Friday, 30 November 2018
Time: 1300 hours

Chairman:

Richard Keighley Non-Executive Director & Audit Chairman

Membership

Richard Keighley	(RK)	Non-Executive Director & Audit Chairman
Tim Gilpin	(TG)	Non-Executive Director (via Telephone)
John Nutton	(JN)	Non-Executive Director & Chairman of Finance & Investment Committee

Apologies:

John Nutton	(JN)	Non-Executive Director & Chairman of Finance & Investment Committee
Phil Storr	(PS)	Associate Non-Executive Director
Anne Allen	(AA)	Trust Secretary
Hassan Rohimun	(HRo)	Executive Director, Ernst & Young (External Audit)

In Attendance:

Mark Bradley	(MB)	Executive Director of Finance
Perry Duke	(PD)	Head of Financial Services
Sue Kendall	(SK)	Interim Head of Audit, Audit One
Claire Mellons	(CM)	Senior Manager, Ernst & Young (External Audit) (via Telephone)
Steve Page	(SP)	Executive Director of Quality, Governance and Performance
Wayne Brown	(WB)	Head of Audit, Audit One
Ian Wallace	(IW)	Managing Director, Audit One
Nikki Cooper	(NC)	Local Counter Fraud Specialist, Audit One

Minutes produced by:

Joanne Lancaster (JL) Committee Services Manager

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	The meeting commenced at 0900 hours.	
1.0	<p>Introduction and Apologies RK welcomed everyone to the meeting and apologies were noted as above.</p> <p>RK advised that the Audit Committee (AC) was not quorate and it was agreed that the AC should proceed in order to expedite its business</p>	

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	and Board assurance role; should a formal decision be required then this would be dealt with outside of the AC and later formalised as appropriate.	
2.0	Declaration of Interests for any item on the agenda No declarations of interest were made relating to agenda items.	
3.0	Minutes of the Audit Committee meeting on 10 July 2018, including Matters Arising The minutes of the Audit Committee meeting held on 10 July 2018 were reviewed and agreed as a true record of the meeting. There were no matters arising that were not already included on the day's agenda.	
3.1	Action Log and Matters Arising The action log was reviewed and updated. Action 2018/016 – Timeframe for Employee Leaver process – an update had been provided by the Director of Workforce and Organisational Development. A new process had been agreed and a communications plan was being prepared to ensure the processes were fully implemented across the organisation. It was agreed that a further update be brought to the next meeting of the Audit Committee to be presented by the Director of Workforce and Organisational Development. Action remains open. All other actions had been appropriately closed. TG and CM joined the meeting via telephone at 1305 hours.	
3.2	Business Conducted Outside of Committee It was noted there had been a Board Meeting in Public and a Board Meeting in Private the previous day.	
4.0	For Assurance: Risk Management Reporting including Board Assurance Framework (BAF) & Corporate Risk Register (CRR) (including Datix Progress Update) The paper presented the principal risks on the BAF 2018/19 and details of changes to the Corporate Risk Register. It was noted the paper had been to the Board Meeting the previous day. Of particular note on the paper were the following: <ul style="list-style-type: none"> • Risk 1084 National Emergency Services Mobile Communications Programme (ESMCP) delays – the Trust was monitoring the national airwave implementation timescales and procurement. The Trust had approved a capital bid to approve the purchase of further MDT devices; • Risk 1119 Financial Viability of IUC Bid Submission – The Trust had costed a range of model options and these had been considered by the Board; 	

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<ul style="list-style-type: none"> • Risk 1128 Avaya Telephony Platform – A procurement process was currently on-going a short term solution put in place until the procurement process was completed; • Risk 1163 – EOC Festive Rota Cover – A significant amount of work had been undertaken to mitigate against this and the Trust was now in a more confident position for cover over this period. <p>It was noted that Risk 945 – ‘Implement Commander Framework’ had been amended and this had been covered during the previous day’s Board Meeting in Private.</p> <p>SP assured the AC that there had been a thorough review of winter risks for the Trust.</p> <p>Approval: Audit Committee noted the key risks and developments as outlined in the report and continued to be assured with regard to the effective management of risks and noted the continued improvement of risk management within the Trust.</p>	
<p>5.0 For Assurance: Quality Committee Risk Assurance Report The paper provided assurance on the management of risks within the remit of the Quality Committee (QC).</p> <p>SP provided an update which had added to the information given at the Board Meeting in Public the day before.</p> <p>The QC had received service line assurance from Patient Transport Services (PTS) where the new contracts in the South and North of the region had been extensively discussed. There had been a focus on the eligibility criteria, which was being more robustly applied, and the variation between CCGs and how they were applying the criteria particularly with reference to renal patients.</p> <p>The QC had received assurance in relation to the Ambulance Response Programme (ARP). There had been some slippage in recruitment and training on the frontline and mitigations were in place to resolve this.</p> <p>A presentation had been received relating to fleet and the significant work being undertaken both on compliance and leadership/management.</p> <p>The Trust had not received an indication from the Care Quality Commission (CQC) of when the next inspection of YAS would take place.</p> <p>The QC had received details as part of the Significant Events report of the case of Thomas a young man with learning disabilities. An independent review had taken place which had considered a number of different organisations involved in Thomas’ life. The Trust had</p>	

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<p>implemented the recommendations specifically relating to YAS around the safety netting and advice provided to patients/carers when they had not been conveyed to an Acute setting. An audit had subsequently been undertaken by the Trust to provide assurance that it was being consistently applied.</p> <p>Information and assurance relating to workforce and organisational development had been provided with particular reference to the update of staff having their flu vaccinations.</p> <p>Approval: The Audit Committee noted the update on Quality Committee discussions in relation to key risks and gained adequate assurance from the update report that appropriate risks were being suitably managed.</p>	
<p>6.0</p> <p>For Assurance: Finance & Investment Committee Risk Assurance Report</p> <p>The paper provided assurance on the management of risks within the remit of the Finance and Investment Committee (F&IC).</p> <p>MB provided a brief summary which had added to the information provided by JN at the Board Meeting in Public the previous day.</p> <p>The usual reports had been received in addition to a service line assurance report on Patient Transport Services. The Trust's financial accounts at Month 4 had been considered and the performance and mitigating actions relating to A&E Operations budget and PTS budget.</p> <p>Approval: The Audit Committee noted the update on Finance & Investment Committee discussions in relation to key risks and gained appropriate assurance that risks were being suitably managed.</p>	
<p>7.0</p> <p>For Assurance: External Audit Update</p> <p>The paper presented the Health Audit Committee Briefing. This was the usual quarterly update provided by Ernst Young.</p> <p>CM explained that EY was in the early stages of audit planning for the 2018/19 Accounts cycle. At the next meeting of the Audit Committee in January 2019 an audit plan and the audit strategy would be presented.</p> <p>MB asked whether the IRFS16 had been deferred in the NHS until 2020/21.</p> <p>CM responded that nothing had been raised through the National Audit Office and that she was confident that it would be an issue for 2020/21.</p> <p>Approval: The Audit Committee received and accepted the latest External Audit Progress Report.</p>	

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<p>8.0 For Assurance: YAS Internal Audit Update The paper provided an update on the management of risk associated with outstanding Internal Audit actions.</p> <p>It was noted that the Performance Management Office monitor risks through responsible managers.</p> <p>The following audits with open actions were noted:</p> <ul style="list-style-type: none"> • 161145 Partnership Governance – This was an on-going piece of work and assurance was provided that it was progressing; • 171106 Fleet Management – The timeline had been guided by the need to engage with the staff side on the Driving at Work Policy; • 181117 Resource Management – This had been a follow-up to End of Shift Overtime audit. It was noted that there had been changes to the dispatch in EOC; • 181122 Performance Management KPIs – A full suite of Standing Operating Procedures were in place; • 181133 Patient Transport System IT General Controls – This work was ongoing; • 191126 Fixed Asset Register – This was progressing and a paper would be brought back to Audit Committee to provide assurance that processes had been updated. <p>MB assured the AC that the Fixed Asset Register issues would be resolved and a number of actions had been taken to ensure this would not be an issue in the future. He confirmed the issues were historic.</p> <p>SP confirmed that the End of Shift Overtime audit was now closed and would be re-audited in due course.</p> <p>Approval: The Audit Committee received and accepted the latest Compliance with Audit Recommendations Report.</p>	
<p>9.0 For Assurance: Internal Audit Progress Report The paper provided an update on progress with the outcomes from internal audit activity.</p> <p>IW introduced WB who would be taking over from SK as AuditOne's Lead Auditor for YAS.</p> <p>SK provided a brief summary of the report and it was noted that the Internal Audit Charter had been updated to reflect the General Data Protection Regulations (GDPR).</p> <p>It was noted that the PTS System General Controls had been undertaken with a 'reasonable' assurance rating. There were a number of recommendations relating to this which would be implemented by the service.</p>	

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<p>There was a 'limited' assurance level reported for the Fixed Asset Register audit with 11 recommendations two of which were rated as high priority. As previously discussed the Trust was working through the mitigations for this and ensuring that a robust process was in place going forward.</p> <p>Approval: The Audit Committee received and accepted the latest Internal Audit Progress Report.</p>	
<p>9.1 For Assurance: Counter-Fraud Progress Report The paper provided an update on Counter Fraud progress in compliance with Standards for NHS Providers.</p> <p>It was noted that the Counter Fraud Inspection had been delayed at the Inspectorate's request; no new date had been scheduled to date. A lot of the information for the inspection had been produced.</p> <p>NC advised that the team had started to look at the counter fraud reviews for 2019/20.</p> <p>Approval: The Audit Committee noted and accepted the Counter Fraud Workplan 2018/19 and Annual Report 2017/18.</p>	
<p>10.0 For Assurance: Review of Schedule of Losses and Special Payments The paper advised on the incidence of Losses and Special payments during the first half of 2018/19.</p> <p>It was noted that the Trust was in a better position than the corresponding time in 2017/18. There had been a reduction in the number of negligence claims.</p> <p>PD referred to the Trust's use of a Debt Recovery company and how the debt was accounted for at the end of the debt recovery process. Debt which had been 'written-off' would be made clearer in future reports.</p> <p>Approval: The Audit Committee noted the reported incidence of Losses and Special Payments for the first six months of 2018/19.</p>	
<p>10.1 For Assurance: Update relating to late notification of employment terminations (Action 2018/014) The paper updated on issues arising from late notification of leavers.</p> <p>This had been covered earlier in the agenda under the action log.</p> <p>Approval: The Audit Committee had noted progress to date under the Action</p>	

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	<p>Log and had agreed for a further update in January 2019.</p>	
<p>11.0</p>	<p>For Assurance: SFI Waivers and Contract Award Activity over £100,000 The paper provided assurance on the approved contracts that had been awarded for goods and services above £100k and Single Tender Waivers (STW) signed since the previous Audit Committee.</p> <p>MB referred to the three OJEU contracts that had been awarded since the last Audit Committee meeting and it was noted these had been time critical.</p> <p>Of the 37 individual STW's processed during the period of this paper the total value was £1.3m which was similar to the same period last year.</p> <p>There was an on-going cost for St John Ambulance relating to the Mid-Yorkshire Trust reconfiguration which Commissioners were funding on a non-recurrent basis.</p> <p>The fit out of the Double Crewed Ambulances (DCAs) had also been a significant STW.</p> <p>SP advised that the STW for Datix was an annual renewal whilst a longer term procurement process was undertaken.</p> <p>Approval: The Audit Committee noted the update and was assured on the contracts let and purchase orders raised for goods and services above £100,000 and Single Tender Waivers (STW).</p>	
<p>11.1</p>	<p>For Assurance: Review of Suspension of Standing Orders It was confirmed that there had been no suspension of Standing Orders since the Audit Committee meeting on 10 July 2018.</p> <p>Approval: The Audit Committee noted the update.</p>	
<p>12.0</p>	<p>For Assurance: Freedom to Speak Up (FTSU) The paper provided an update on FTSU activity over the last 12 months.</p> <p>The paper had been received by the Board the previous day.</p> <p>The AC noted the benchmarking information contained within the report and the number of FTSU concerns relating to Bullying and Harassment across the ambulance sector. The Trust was undertaking some more in-depth work in this regard to understand how this related to YAS.</p> <p>The summary of concerns for YAS was noted and it was confirmed</p>	

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<p>these had all been logged by YAS' FTSU Guardian. YAS' Guardian had regular meetings to discuss concerns raised with the Chief Executive, Deputy Chief Executive/Executive Director of Quality, Governance and Performance Assurance and the Director of Workforce and Organisational Development. The meetings provided the opportunity to work through new and existing concerns and agree a strategy for follow up and resolution.</p> <p>SP advised that FTSU had representation on a number of working groups across the Trust to embed the process further.</p> <p>It was noted that current FTSU Guardian had initially been appointed for one year and this had been extended by a further year. It was expected the role would be advertised and a new appointment made in the new year. This was to ensure that the role was kept fresh and independent.</p> <p>SP advised that the Trust would need to allocate the role of Non-Executive Director lead for FTSU. This had been highlighted as part of the FTSU self-assessment which the Trust had undertaken.</p> <p>Approval: The Audit Committee noted the update and gained assurance in the Freedom to Speak Up process.</p>	
<p>13.0 For Assurance: Review of Meeting Actions and Quality Review of Papers RK thanked everyone for attending and for their contributions to the meeting. He summarised the key points of the meeting:</p> <p>The meeting finished at 1355 hours.</p>	
<p>16.0 Date and Location of Next Meeting: To be confirmed</p>	

CERTIFIED AS A TRUE RECORD OF PROCEEDINGS

_____ **CHAIRMAN**

_____ **DATE**