



**PWYLLGOR ARCHWILIO A SICRWYDD RISG
AUDIT AND RISK ASSURANCE COMMITTEE**

DYDDIAD Y CYFARFOD: DATE OF MEETING:	09 May 2024
TEITL YR ADRODDIAD: TITLE OF REPORT:	Draft Accountability Report 2023/24
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Prof Phil Kloer, Interim Chief Executive Officer
SWYDDOG ADRODD: REPORTING OFFICER:	Joanne Wilson, Director of Corporate Governance/Board Secretary

Pwrpas yr Adroddiad (dewiswch fel yn addas)

Purpose of the Report (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA

SBAR REPORT

Sefyllfa / Situation

Hywel Dda University Health Board is required to provide an Accountability Report as part of its Annual Report and Accounts for 2023/24. Guidance on how to complete and display these reports has been issued by Welsh Government in Chapter 3 of the Manual for Accounts, in accordance with HM Treasury reporting requirements as stipulated in the HM Treasury Financial Reporting Manual (FRoM).

Cefndir / Background

NHS bodies are required to publish, as a single document, a three-part Annual Report and Accounts which includes:

- a. The Performance Report, which must include:
 - An overview
 - A Performance analysis.
- b. The **Accountability Report**, which must include:
 - A Corporate Governance Report
 - A Remuneration and Staff Report
 - A Parliamentary Accountability and Audit Report.
- c. The Financial Statements

The Accountability Report demonstrates how the UHB meets key accountability requirements to the Welsh Government and is required to have three parts:

Part A: The Corporate Governance Report

This explains the composition and organisation of the UHB's governance structures and how they support the achievement of the entity's objectives.

Part B: Remuneration and Staff Report

This contains information about the remuneration of senior management, fair pay ratios, sickness absence rates etc.

Part C: Parliamentary Accountability and Audit Report

This contains a range of disclosures on the regularity of expenditure, fees and charges, compliance with the cost allocation and charging requirements set out in HM Treasury guidance, material remote contingent liabilities, long-term expenditure trends, and the audit certificate and report.

For the 2023/24 reporting period the deadlines for submission are:

Submit Draft Financial Statements	Friday 3 May 2024
Audit and Risk Assurance Committee (to review DRAFT financial statements and Draft Accountability Report)	9.30am, Thursday 09 May 2024
Submit draft Performance Report Overview, Accountability Report (including the Annual Governance Statement), and Draft Remuneration Report	Friday 10 May 2024
Audit and Risk Assurance Committee (to approve above FINAL Financial Statements, Accountability Report and Performance Report)	1.30pm, Tuesday 09 July 2024
Board Meeting in Public (to approve FINAL Annual Report, Annual Accounts, Accountability Report and Performance Report)	10.30am, Thursday 11 July 2024
Submit final Annual Report and Accounts as a single unified PDF document	Monday 31 July 2023
Annual General Meeting	Thursday, 26 September 2024

Asesiad / Assessment

The purpose of the accountability section of the annual report is to meet key accountability requirements to Parliament. The requirements of the accountability report are based on the matters required to be dealt with in a Directors' Report, as set out in Chapter 5 of Part 15 of the Companies Act 2006 and Schedule 7 of the SI 2008 No 410, and in a Remuneration Report, as set out in Chapter 6 of the Companies Act 2006 and Schedule 8 of SI 2008 No 410.

The requirements of the Companies Act 2006 have been adapted for the public sector context.

Auditors will review the accountability report for consistency with other information in the financial statements and will provide an opinion on the following disclosures which should be identified as audited within the accountability report:

- Single total figure of remuneration for each director
- CETV (cash equivalent transfer value) disclosures for each director
- Payments to past directors, if relevant
- Payments for loss of office, if relevant
- Fair pay disclosures
- Exit packages, if relevant, and
- Analysis of staff numbers

The Accountability Report is required to be signed off by the Accountable Officer/Interim CEO.

As a minimum, the Accountability Report will include:

- The **Corporate Governance Report** explains the composition and organisation of the health board and governance structures and how they support the achievement of the health board’s objectives. The Corporate Governance Report itself is in three main parts;
 - i. The Directors’ Report – the guidance stipulates what information must be included, unless disclosed elsewhere in the annual report and accounts in which case a cross reference may be provided;
 - ii. The Statement of Accountable Officer’s responsibilities – the Accountable Officer is required to confirm and take personal responsibility and the judgements required for determining that the annual report and accounts as a whole is fair, balanced and understandable;
 - iii. The Governance Statement – the Governance Statement is a key feature of the organisation’s annual report and accounts and is intended to bring together in one place all disclosures relating to governance, risk and control. The UHB’s Governance Statement has been compiled in accordance with the relevant guidance and includes mandated wording.

- The **Remuneration and Staff Report** contains information about senior managers’ remuneration. It will detail salaries and other payments, the health board’s policy on senior managers’ remuneration, and whether there were any exit payments or other significant awards to current or former senior managers. In addition, the Remuneration and Staff Report sets out the membership of the health board’s Remuneration Committee, and staff information with regards to numbers, composition, and sickness absence, together with expenditure on consultancy and off payroll expenditure. ***Please note that there are still some matters outstanding relating to Board Member’s McCloud pension disclosures which will be finalised prior to submission to AW/WG.***

- **Senedd Cymru/Welsh Parliament Accountability and Audit Report:** The Senedd Cymru/Welsh Parliament Accountability and Audit Report provides information on such matters as regularity of expenditure, fees and charges, and the audit certificate and report.

Argymhelliad / Recommendation

The Audit and Risk Assurance Committee is requested to discuss and support the content of the Draft Accountability Report, providing any feedback that is relevant to its objective to the Director of Corporate Governance/Board Secretary by **24 May 2024**, in order to provide assurance to the Board that a robust governance process was enacted during the year.

Amcanion: (rhaid cwblhau)

Objectives: (must be completed)

Committee ToR Reference:
Cyfeirnod Cylch Gorchwyl y Pwyllgor:

3.2 In particular, the Committee will review the adequacy of:
3.2.1 all risk and control related disclosure statements (in particular the Accountability Report and the Performance Report), together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board;

Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Parthau Ansawdd: Domains of Quality Quality and Engagement Act (sharepoint.com)	7. All apply
Galluogwyr Ansawdd: Enablers of Quality: Quality and Engagement Act (sharepoint.com)	6. All Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:

Ar sail tystiolaeth: Evidence Base:	NHS Wales 2023/24 Manual for Accounts
Rhestr Termiau: Glossary of Terms:	Within Report
Partion / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Archwilio a Sicrwydd Risg Parties / Committees consulted prior to Audit and Risk Assurance Committee:	Chair Chief Executive Officer Assistant Head of Financial Accounting

Effaith: (rhaid cwblhau) Impact: (must be completed)

Ariannol / Gwerth am Arian: Financial / Service:	Not applicable.
Ansawdd / Gofal Claf: Quality / Patient Care:	There are no direct quality/patient care implications within this report.
Gweithlu: Workforce:	Not applicable.
Risg: Risk:	This report enables the UHB to meet its key accountability requirements to Parliament.

Cyfreithiol: Legal:	Not applicable.
Enw Da: Reputational:	Not applicable.
Gyfrinachedd: Privacy:	Not applicable.
Cydraddoldeb: Equality:	<ul style="list-style-type: none"> Has EqIA screening been undertaken? No (if yes, please supply copy, if no please state reason) Has a full EqIA been undertaken? No



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Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

Part Two:

Accountability Report

2023-2024

11. Accountability report

The purpose of the accountability section of the Annual Report is to meet key accountability requirements to the Welsh Government, and to provide an overview of the governance, accountability arrangements and structures that were in place across the health board during 2023/24. It includes:

- **The Corporate Governance Report:** This report explains the composition and organisation of the health board and governance structures and how they support the achievement of the health board's objectives. The Corporate Governance Report itself is in three main parts; the Directors' Report, the Statement of Accounting Officer's Responsibilities, and the Governance Statement.
- **The Remuneration and Staff Report:** The Remuneration and Staff Report contains information about senior managers' remuneration. It will detail salaries and other payments, the health board's policy on senior managers' remuneration, and whether there were any exit payments or other significant awards to current or former senior managers. In addition, the Remuneration and Staff Report sets out the membership of the health board's Remuneration Committee, and staff information with regards to numbers, composition, and sickness absence, together with expenditure on consultancy and off payroll expenditure.
- **Senedd Cymru/Welsh Parliament Accountability and Audit Report:** The Senedd Cymru/Welsh Parliament Accountability and Audit Report provides information on such matters as regularity of expenditure, fees and charges, and the audit certificate and report.

11.1 Corporate Governance Report

11.1.1 Introduction

The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across the health board during 2023/24. It includes:

- **The Directors' Report:** This provides details of the board who have authority or responsibility for directing and controlling the major activities of the health board during the year. Some of the information which would normally be shown here is provided in other parts of the Annual Report and Accounts and this is highlighted where applicable.
- **The Statement of Accounting Officer's Responsibilities and Statement of Directors' Responsibilities:** This requires the Accountable Officer, Chair and Executive Director of Finance to confirm their responsibilities in preparing the financial statements and that the Annual Report and Accounts is fair, balanced, and understandable.
- **The Governance Statement:** This is the main document in the Corporate Governance Report. It explains the governance arrangements and structures within the health board and brings together how the organisation manages governance, risk, and control.

11.2 Directors' Report

11.2.1 The composition of the Board and membership

The Directors' Report provides details about the health board's including the Independent Members and Executive Directors, the structure of the Board and components of its governance and risk management structure.

The Board is made up of 11 Independent Members (who are appointed by the Cabinet Secretary for Health and Social Services through the public appointments process) and 9 Executive Directors who are employees of the health board. All Independent Members and Executive Director Members have full voting rights.

In addition, there are 2 Associate Members who have been appointed by the Cabinet Secretary for Health and Social Services following a recommendation from the health board in accordance with Standing Orders. Associate Members have no voting rights. There are also 3 Directors, who form part of the Executive Team and the Board but who have no voting rights.

Our Board Members as at 31 March 2024



Judith Hardisty,
Interim Chair
(voting)



Eleanor Marks,
Vice-Chair
(voting)



Maynard Davies,
Independent Member
(Information
Technology) (voting)



Rhodri Evans,
Independent Member
(Local Authority)
(voting)



Micheal Imperato,
Independent Member
(Legal) (voting)



Anna Lewis,
Independent Member
(Community) (voting)



Ann Murphy,
Independent Member
(Trade Union) (voting)



Chantal Patel,
Independent Member
(University) (voting)



Delyth Raynsford,
Independent Member
(Community) (voting)



Iwan Thomas,
Independent Member
(Third Sector) (voting)



Winston Weir,
Independent Member
(Finance Specialist)
(voting)



Michael Gray,
Associate Member
Director of Social Services,
Pembrokeshire County
Council (non-voting)



Jeremy Hockridge,
Associate Member,
Chair of Stakeholder
Reference Panel (non-voting)

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Prof Phil Kloer,
Interim Chief Executive
(voting)



Lisa Gostling,
Executive Director of Workforce
and Organisational Development /
Interim Deputy Chief Executive
(voting)



Andrew Carruthers,
Executive Director of
Operations (voting)



Sharon Daniel,
Interim Executive Director of Nursing,
Quality and Patient Experience
(voting)



Lee Davies,
Executive Director of
Strategy and Planning
(voting)



Dr Ardiana Gjini,
Executive Director of
Public Health (voting)



Mark Henwood,
Interim Executive Medical
Director (voting)



Alwena Hughes-Moakes,
Communications and
Engagement Director
(non-voting)



Jill Paterson,
Director of Primary Care,
Community and Long
Term Care (non-voting)



Huw Thomas,
Executive Director of Finance
(voting)



James Severs,
Executive Director of
Therapies and Health
Science (voting)



Joanne Wilson,
Director of Corporate Governance
(Board Secretary)
(non-voting)

Further details of Board Members for 2023/24 are detailed in [Appendix 1](#) of our Governance Statement. This will include Board and Committee membership for 2023/24, the meetings attended during the year and the champion roles fulfilled by Board Members. In addition, short biographies of all Board Members can be found on the health board's website at: <https://hduhb.nhs.wales/about-us/your-health-board/board-members/>

Changes to the composition of the Board throughout 2023/24 are outlined below:

- Dr Ardiana Gjini, started as the new Director of Public Health on 01 July 2023.
- Alison Shakeshaft, Director of Therapies and Health Sciences left the health board on 31 July 2023.
- Michael Imperato started on 01 September 2023 as Independent Member (legal).
- Maria Battle, Chair, retired on 31 October 2023.
- Judith Hardisty, Vice-Chair, agreed to take up the position of Interim Chair from 01 November 2023 until 31 May 2024 (at which point her tenure will end).
- Cllr Rhodri Evans, agreed to take on the role as Interim Vice-Chair on temporary basis, from 27 November 2023 to 31 January 2024.

- James Severs started in his role as Director of Therapies and Health Sciences on 06 November 2023.
- Mandy Rayani, Director of Nursing, Quality and Patient Experience, retired on 31 December 2023.
- Sharon Daniel started as Interim Director of Nursing, Quality and Patient Experience on 01 January 2024 for up to 9 months.
- Steve Moore, Chief Executive Officer, officially left the health board on 11 February 2024 (however stepped down as Accountable Officer on 31 January 2024).
- Prof Philip Kloer, who was previously our Medical Director/Deputy Chief Executive, was appointed as Interim Chief Executive Officer for a period up to 12 months from 01 February 2024.
- Lisa Gostling, Director of Workforce and OD, took on the additional responsibility of Interim Deputy Chief Executive for a period of up to 12 months from 01 February 2024
- Mr Mark Henwood, commenced as Interim Medical Director on 05 February 2024 for a period of up to 12 months.
- Eleanor Marks took up the position of Vice-Chair, on 02 February 2024.
- Mo Nazemi stood down as Associate Member and Chair of the Healthcare Professionals Forum on 31 August 2023.
- Hazel Lloyd-Lubran stood down as Associate Member and Chair of the Stakeholder Reference Group on 09 December 2023.
- Jeremy Hockridge, as the newly nominated Chair of the Stakeholder Reference Group, was confirmed as Associate member on 31 January 2024.
- Michael Gray, Director of Social Services, was confirmed as Associate Director on 31 January 2024.

Where roles were vacant, interim arrangements were in place to ensure to ensure business continuity and effective governance arrangements. Deputising arrangements were in place to cover priority

areas. Such arrangements supported the health board in maintaining stability and ensured the Board's duties could be discharged during the periods of absence of a substantive post holder. In the reporting period these were:

- Executive Director of Public Health
- Executive Director of Therapies and Health Sciences

11.2.2 Register of Interests

Details of company directorships and other significant interests held by members of the Board, which may conflict with their responsibilities, are maintained, and updated on a regular basis. A Register of Interests is available on the health board's website at: <https://hduhb.nhs.wales/about-us/governance-arrangements/register-of-interests-gifts-sponsorship-and-hospitality/>, or a hard copy can be obtained from the Director of corporate Governance/Board Secretary on request.

11.2.3 Personal data related incidents

Information on personal data related incidents formally reported to the Information Commissioner's office and 'serious untoward incidents' involving data loss or confidentiality breaches are detailed in the [Data Security section](#) of the Governance Statement.

11.2.4 Environmental, social and community issues

These are outlined in pages ** of the Performance Report.

11.2.5 Statement for Public Sector Information Holders

This is contained in the [Senedd Cymru/Welsh Parliament Accountability and Audit Report](#) of the Accountability Report.

11.3 Statement of the Chief Executive's responsibilities as Accountable Officer of Hywel Dda University Health Board

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer of Hywel Dda University Health Board.

The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officer's Memorandum issued by the Welsh Government.

I can confirm that:

- To the best of my knowledge and belief, there is no relevant audit information of which Hywel Dda University Health Board's auditors are unaware and I have taken all steps that ought to have been taken to make myself aware of any relevant audit information and established that the auditors are aware of that information.
- Hywel Dda University Health Board's annual report and accounts as a whole is fair, balanced, and understandable and I take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced, and understandable.

The Accountable Officer is responsible for authorising the issue of the financial statements on the date they are certified by the Auditor General for Wales.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.

Signed by:

Professor Philip Kloer,

Chief Executive Officer (Interim)

Date: 11 July 2024

11.4 Statement of Directors’ responsibilities in respect of the accounts

The Directors are required under the National Health Service Act (Wales) 2006 to prepare accounts for each financial year.

The Welsh Ministers, with the approval of HM Treasury, direct that these accounts give a true and fair view of the state of affairs of Hywel Dda University Health Board and of the income and expenditure of the Hywel Dda University Health Board for that period.

In preparing those accounts, the Directors are required to:

- Apply on a consistent basis accounting principles laid down by the Welsh Ministers with the approval of HM Treasury;

- Make judgements and estimates which are responsible and prudent; and
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The Directors confirm that they have complied with the above requirements in preparing the accounts.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the authority and to enable them to ensure that the accounts comply with requirements outlined in the above-mentioned direction by the Welsh Ministers.

BY ORDER OF THE BOARD

Signed by:

Chair:	Date:	11 July 2024
	Dr Neil Wooding		
Chief Executive (Interim):	Date:	11 July 2024
	Professor Philip Kloer		
Executive Director of Finance:	Date:	11 July 2024
	Huw Thomas		

11.5 Governance statement

11.5.1 Scope of responsibility

The Board is accountable for Governance, Risk Management, and Internal Control. As Interim Chief Executive of the Board, I have responsibility for maintaining appropriate governance structures and procedures as well as a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which I am personally responsible. These are carried out in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales.

The Annual Report outlines the different ways the organisation works with both internally and with partners in response to the significant challenges of planning and providing services. It explains arrangements for ensuring standards of governance are maintained, risks are identified and mitigated, and assurance has been sought and provided. Where necessary additional information is provided in the Governance Statement, however the intention has been to reduce duplication where possible. It is therefore necessary to review other sections in the Annual Report alongside this Governance Statement.

Our governance framework has continued to mature to enable us to operate in an open and transparent way and support the delivery of our strategic and planning objectives as we chart our course to a more sustainable position including an ambition to

return to financial balance, aligned to our strategy 'A Healthier Mid and West Wales'. Further detail on how we maintained good governance arrangements during 2023/24 are provided within this Governance Statement.

During 2023/24, the health board has seen significant challenges as it has responded to continued service pressures in the wake of the pandemic and the wider impact on our population. We continue to manage an aging estate and an unsustainable clinical model. We continue to contend with a number of external pressures which include workforce availability (including social care); affordability and cost of living. These issues manifest as increased waiting lists and delays to care for patients, excessive strain on staff, reduced system efficiency and unprecedented financial pressures.

11.5.2 Escalation and intervention arrangements

The health board has been in 'targeted intervention' for finance and planning, and 'enhanced monitoring' for quality issues related to performance resulting in long waiting times and poor patient experience since September 2022. However, due to Welsh Government (WG) concerns on our lack of sustained progress over a period of time on integrated planning, finance and delivery, in January 2024, WG increased the escalation status to 'targeted intervention' for the entire organisation. The escalation of the whole organisation into 'targeted intervention' reflects escalating concerns in all of the 6 domains of the new oversight and escalation framework outlined below.

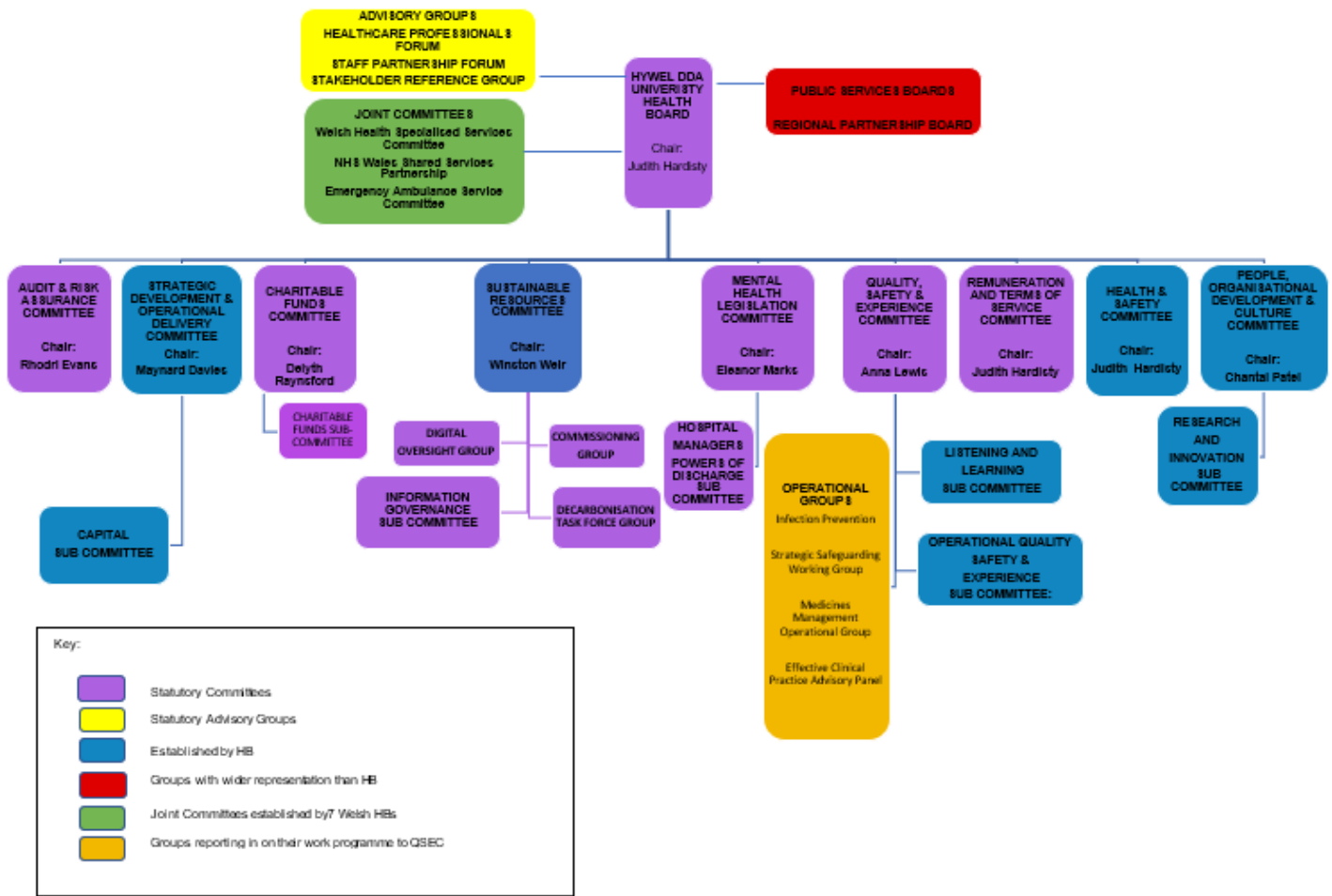


accountability framework is developed and, together with the adoption of our Standards of Behaviour framework, is designed to ensure the achievement of the standards of good governance set for the NHS in Wales.

Over the coming months, WG have set out the key areas to be addressed by the health board as part of the escalation framework and the expectations for improvement. In addition to the routine performance management arrangements with WG which include regular Joint Executive Team (JET) and Integrated Quality and Planning and Delivery Group (IQPD) meetings, there will be quarterly escalation meetings. WG will also agree with the health board the ongoing frequency of interventions, support and monitoring.

11.5.3 Our governance framework

The health board has agreed Standing Orders for the regulation of proceedings and business of the organisation. These are designed to translate the statutory requirements set out in the LHB (Constitution, Membership and Procedures) (Wales) Regulations 2009 into day-to-day operating practice, and together with the adoption of a scheme of matters reserved to the Board, a scheme of delegation to officers and others and Standing Financial Instructions, they provide the regulatory framework for the business conduct of the Health Board and define its 'ways of working'. These documents form the basis upon which our governance and



11.5.4 Standing Orders

The health board approved the revised model Standing Orders and Standing Financial Instructions, issued by Welsh Government, at its Board in November 2023.

All variations to our Standing Orders are reported to the Audit and Risk Assurance Committee (ARAC). During 2023/24, there were two variations to Standing Orders:

Annual General Meeting (AGM) - Standing Orders states that the health board 'must hold an AGM in public no later than the 31 July each year.' In light of the revised timetable for Audit Wales (AW) to submit final Annual Reports and Accounts to HSSG Finance for the reporting period 2022/23, WG confirmed that AGMs will take place no later than 28 September 2023. ARAC was advised of this

variation on 18 April 2023 directing that the health board: 'must hold its 2023 AGM in public no later than the 28 September. This variation from the date of July will be reviewed on the 31 March 2024.' This was reported to the Board in May 2023.

Sealing and signing documents - Whilst the health board has a robust process in place for signing and sealing of documentation, it was not followed on one occasion. ARAC was advised of this breach on 20 June 2023, and was reported to the Board on 27 July 2023. Procedures for sealing have been reinforced, with a reminder that governance advice must be sought, and processes followed in relation to awarding of contracts that require the application of the seal. An Internal Audit review was also undertaken on the sealings systems and

processes which provided substantial assurance.

11.5.5 The Board

The board provides leadership and direction to the organisation and is responsible for governance, scrutiny, and public accountability, ensuring that its work is open and transparent. The Board functions as a corporate decision-making body.

As outlined in our [Directors' Report](#), the board is made up of individuals from a range of backgrounds, disciplines, areas of expertise.

The board ensures that its work is open and transparent by holding its meetings in public. Meetings are also live-streamed, with recordings available on our website. Whilst private meetings are kept to a minimum, where these are appropriate, meeting agendas are also published.

During 2023/24, the board held:

- Nine meetings in public (all were quorate)
- One Annual General Meeting
- Seven seminar sessions

Attendance, detailing apologies received and nominated deputies, is formally recorded within the minutes. The dates, agendas and minutes of all public meetings can be found on the health board's website:

<https://hduhb.nhs.wales/about-us/your-health-board/>.

The board has a programme of work, which was adapted during the year to respond to emerging events and circumstances. There is also a clear patient and staff centred focus by the board at the meetings, demonstrated by the presentation of patient and staff stories at each meeting through the Patient Experience Report.

Items considered by the board during 2023/24 included:

- Year-end documentation, including Board Effectiveness Report, Head of Internal Audit Annual Report and Opinion HDdUHB Annual Report and Accounts

for 2022/23 and Audit Wales ISA 260 and Letter of Representation

- Standing Orders and Standing Financial Instructions
- Scheme of Delegation
- Annual Review of Committee Terms of Reference
- Nurse Staffing Levels (Wales) Act:
 - Annual Assurance Report 2022/23
 - Annual Presentation of Nurse Staffing Levels
- Paediatric Services Consultation for Urgent and Emergency Paediatric Services
- Clinical Services Plan
- Major Incident Plan
- Digital Transformation Plan
- Accommodation – Estate Development and Rationalisation Plans
- Winter Planning
- Further, Faster, Together
- Public Services Boards (PSB) Wellbeing Plans
- Reinforced Autoclaved Aerated Concrete (RAAC)
- Primary Care Contractual Applications
- Provision of NHS Primary Care Personal Dental Services, Tywi/ Taf, North Pembroke and Ceredigion
- Immunisation Report
- All Wales Control Framework for Flexible Workforce Capacity
- Risk Management Strategy
- Risk Appetite Statement
- Long Term Agreements – Values and Processes for 2023/24
- Business Cases:
 - Radiology Informatics System Programme FBC
 - Sexual Assault Referral Centre (SARC) BJC
 - Digitally Enabled Transformation PBC
 - Electronic Prescribing Medicines Administration (EPMA) System OBC
 - Digital Cellular Pathology Programme BJC

- Laboratory Information Network Cymru (LINC) Update
- Radiology Informatics System Replacement Programme (RISP) Update
- Arts and Health Charter
- Patient Experience Charter
- Learning Disabilities Engagement
- Annual Reports:
 - NHS Blood and Transplant (NHSBT) Organ Donation: Review of Actual and Potential Deceased Organ Donation
 - HDdUHB Well-being Objectives Annual Report 2022/23
 - West Wales Carers Development Group Annual Report 2022/23
 - HDdUHB Director of Public Health Annual Report 2022/23
- Strategic Equality Reports
 - Strategic Equality Plan Annual Report 2022/23
 - Annual Workforce Equality Report 2022/23
 - Disability, Ethnicity and Gender Pay Gap Report 2022/23
- Audit Wales Annual Audit Report and Structured Assessment 2023
- Healthcare Inspectorate Wales (HIW) Annual Report
- Llais Annual Report
- Board Assurance Framework (BAF) Dashboard providing a visual representation of the health board's progress against each strategic objective for assurance
- Corporate risk reports providing assurance on the management of risks, and any variances to agreed tolerance levels
- Reports from the Chair and Chief Executive (including the Register of Sealings for endorsement and status reports on consultations) for discussion, and
- Assurance reports and endorsement of any matters arising from the In-Committee Board, Board Committees, Joint Committees, Advisory Groups and Statutory Partnerships of the Board.

11.5.6 Board Committees

The Board is supported by a number of Committees, each chaired by an Independent Member. These committees have an important role in providing scrutiny and seeking assurance in relation to the achievement of our strategic and planning objectives, provision of safe and effective services, compliance with legislation and standards, learning from lessons, and oversight of performance and risk. The health board has the following committees in place:

Regular items throughout the year to the board included those listed above, as well as the following:

- Updates on Implementing the 'A Healthier Mid & West Wales Strategy, including Programme Business Case and Land Identification Plan/Consultation
- Operational Update reports
- Reports on the Annual Plan 2023/24 and development of the Annual Plan 2024/25
- Reports on the financial performance and the related risks for discussion
- Reports on improving patient experience, providing feedback and activity, for assurance
- Integrated Performance Assurance Reports identifying areas of concern for discussion
- Audit and Risk Assurance Committee (ARAC)
- Charitable Funds Committee (CFC)
- Health and Safety Committee (HSC)
- Mental Health Legislation Committee (MHLC)
- People, Organisational Development and Culture Committee (PODCC)
- Quality, Safety and Experience Committee (QSEC)
- Remuneration and Terms of Service Committee (RTSC)
- Strategic Development and Operational Delivery Committee (SDODC)

- Sustainable Resources Committee (SRC)

The Terms of Reference for all Board Committees are reviewed on at least an annual basis and can be found in the Governance Arrangements section on our website. (Link here: <https://hduhb.nhs.wales/about-us/governance-arrangements/>) Details of membership and the record of attendance at both Board and these committees is set out in [Appendix 1](#), with a table of quoracy at [Appendix 2](#).

Each committee has an Executive Director lead who works closely with the chair of the committee to set agendas, plan the business cycle and support good quality, timely information being relayed to the Committee. As well as producing formal minutes, decision log, each committee maintains a table of actions that is monitored at meetings.

The chair of each committee provides a written report to the board following each meeting outlining key risks and highlighting areas, which need to be brought to the board's attention to contribute to its assessment of assurance and provide scrutiny against the delivery of objectives or other matters. Each committee chair is also responsible for providing the board with an annual report, setting out a helpful summary of its work throughout the year.

The committees, as well as reporting to the board, also work together on behalf of the board to ensure, where required, that cross reporting and consideration takes place, and assurance and advice, is provided to the board and the wider organisation. Committee chairs also meet regularly to support the connection and triangulation of information between committees, and to continually assess the effectiveness of the Board Committees.

Throughout the year, each committee has undertaken a self-assessment and produced a meaningful development plan to ensure

there is continual learning and improvement. A new approach to Committee self-assessment and annual reporting was introduced during 2023/24 which is intended to add value to the organisation's governance capability. It provides an opportunity for Committees to reflect on the previous 12 months and to consider areas that the Committee has helped to influence and drive improvements and learn from where the Committee could have placed more focus. Outcomes from the process will be taken forward by Committees to improve its effectiveness and governance arrangements, with themes from the Committees self-assessment process informing the Board Development Programme going forward.

A summary of key items considered by Committees can be found in [Appendix 3](#).

11.5.7 Escalation Status Control Structure

The Board established governance and scrutiny arrangements to ensure we were able to address and remedy, wherever possible, the key issues highlighted by WG when the health board was escalated, in September 2022, to 'targeted intervention' for finance and planning, and 'enhanced monitoring' for some quality issues. These arrangements remained in place throughout 2023/24 to ensure there was effective oversight and accountability.

As part of the health board's response to WG increasing the escalation status to 'targeted intervention' for the entire organisation in January 2024, these arrangements are under review.

11.5.8 Reinforced Autoclaved Aerated Concrete (RAAC) Control Structure

On 15 August 2023, the health board declared an internal major incident at Withybush Hospital (WGH) to enable it to identify the scale and impact of the RAAC (faulty concrete planks) found in the hospital

building. This enabled the establishment of internal command and control structures (Gold, Silver and Bronze groups) to enable us to react quickly to survey work when substandard RAAC planks were discovered. It also made it possible to more effectively prioritise the work of operational teams to deal with the emerging issue and draw upon support from partner agencies that are members of the Dyfed Powys Local Resilience Forum.

The RAAC command and control structure was stood down on 19 January 2024 when the health board closed the internal major incident. A RAAC Control Group is in place to oversee the management and remediation of RAAC at Wthybush Hospital (WGH) and the anticipated critical decisions and associated business continuity challenges.

11.5.9 Advisory Groups

The health board has a statutory duty to 'take account of representations made by persons and organisations who represent the interests of the communities it serves, its officers and healthcare professionals'. This is achieved in part by three Advisory Groups to the Board.

Healthcare Professionals' Forum (HPF)

The HPF comprises of representatives from a range of clinical and healthcare professions within the health board and across primary care practitioners with the remit to provide advice to the board on all professional and clinical issues it considers appropriate. It is one of the key forums used to share early service change plans, providing an opportunity to shape the way the health board delivers its services. HPF met three times during 2023/24. The role of the HPF has been reinvigorated with Executive Leadership transferring to the Executive Director of Therapies and Health Science.

Staff Partnership Forum (SPF)

The SPF engages with staff organisations on key issues facing the health board. It

provides the formal mechanism through which the health board works together with Trade Unions and professional bodies to improve health services for the population it serves. It is the forum where key stakeholders engage with each other to inform debate and seek to agree local priorities on workforce and health service issues. SPF met six times during 2023/24.

Stakeholder Reference Group (SRG)

The SRG is formed from a range of partner organisations from across the health board's area and engages with and has involvement in the strategic direction, advises on service improvement proposals and provides feedback to the board on the impact of its operations on the communities it serves. The SRG met four times during 2023/24. The Group also held a workshop to review how effective it was and will introduce a new way of working in 2024/05 which will help it focus on its key role to the Board.

11.5.10 Other Advisory Groups

Black, Asian, and Minority Ethnic (BAME) Advisory Group

The BAME Advisory Group was established in July 2020 to advise the health board on mainstreaming equality, diversity and inclusion and provide a forum to empower and enable BAME staff to achieve their potential through creating positive change. The BAME Advisory Group now reports directly to PODCC, with the vice-chairs being invited to participate in board meetings as in-attendance members. BAME met four times during 2023/24.

11.5.11 Joint committees

We are a member of the following joint committees established by NHS Wales.

Emergency Ambulance Services Committee (EASC)

EASC was established in 2014 to be a Joint Committee of the seven health boards, with the three NHS trusts as associate members. It has responsibility for the planning and

commissioning of emergency ambulance services on an all-Wales basis. Hosted by Cwm Taf Morgannwg University Health Board, we are represented on the Joint Committee by the Chief Executive and regular reports are received by the board supported by a more in-depth discussion, on an annual basis, at the board seminar meeting.

Welsh Health Specialised Services Committee (WHSSC)

WHSSC was established in 2010 by the seven health boards to ensure the population has fair and equal access to the full range of specialised services. Hosted by Cwm Taf Morgannwg University Health Board, Hywel Dda is represented on the Joint Committee by the Chief Executive and regular reports are received by the board supported by a more in-depth discussion, on an annual basis, at the board seminar meeting and a joint executive-to-executive team meeting.

EASC and WHSSC have been replaced by a Joint Commissioning Committee from 01 April 2024 who will be responsible for commissioning of specialised services, services where there is agreement between the Local Health Boards that they should be arranged on a regional and national basis, emergency medical services, non-emergency patient transport services, emergency medical retrieval and transfer services, NHS 111 services, sexual assault referral centres, and other services as directed by the Welsh Ministers.

area by strengthening joint working across all public services in Wales. The effective working of PSBs is subject to overview and scrutiny by the Well-being of Future Generations Commissioner, AW, as well as designated local authority overview and scrutiny committees.

Well-being Assessments formed the basis on which to build the 2023-2028 Well-being Plans. These have been scrutinised and approved by all statutory member Boards. During 2023/24, each Local Authority area has progressed with work around agreed priorities. Each PSB has set up a number of workstreams and subgroups, with various members of the health board being part of these groups as appropriate.

The Board have received updates from all PSBs on the work they are undertaking to progress their well-being objectives, outlined below:

11.5.12 Partnership and collective working

Hywel Dda Public Service Boards

We are a statutory member of the Public Services Boards (PSBs) in Carmarthenshire, Ceredigion, and Pembrokeshire. PSBs were established under the Well-being of Future Generations (Wales) Act 2015, and their purpose is to improve the economic, social, environmental, and cultural well-being in its

Carmarthenshire PSB Well-Being Objectives	Ceredigion PSB Well-Being Objectives	Pembrokeshire PSB Well-Being Objectives
<ul style="list-style-type: none"> • Ensuring a sustainable economy and fair employment • Improving well-being and reducing health inequalities • Responding to the climate and nature emergencies • Tackling poverty and its impacts • Helping to create safe and diverse communities and places 	<ul style="list-style-type: none"> • Working together to achieve a sustainable economy that benefits local people and builds on the strengths of Ceredigion • Work together to reduce inequalities in our communities and use social and green solutions to improve physical and mental health • Work together to deliver decarbonisation initiatives within Ceredigion to protect and enhance our natural resources • Work together to enable communities to feel safe and connected and will promote cultural diversity and increase opportunities to use the Welsh language 	<ul style="list-style-type: none"> • Support growth, jobs and prosperity and enable the transition to a more sustainable and greener economy • Work with our communities to reduce inequalities and improve well-being • Promote and support initiatives to deliver decarbonisation, manage climate adaptation and tackle the nature emergency • Enable safe, connected, resourceful and diverse communities

West Wales Regional Partnership Board

Regional Partnership Boards (RPB), based on Local Health Board footprints, became a legislative requirement under Part 9 of the Social Services and Well-being (Wales) Act 2014 (SSWBWA). Their core remit is to promote and drive the transformation and integration of health and social care within their areas. We are fully committed to integrating health and social care planning through a co-ordinated approach, and across West Wales we have a strong track record of joint planning between agencies, and the approach set out by WG this year builds upon the foundations already in place.

RPBs have an important role in coordinating integrated capital planning activity for their region. This includes the utilisation of dedicated funds for RPBs in addition to the existing capital portfolios of local authorities and Health Boards. In West Wales, there is an RPB Capital Strategic Board and

Operational Group for this purpose, jointly chaired by Director of Communities for Carmarthenshire County Council and the Executive Director of Strategy and Planning for Hywel Dda University Health Board.

For 2023/24, £8,002,700 of Housing with Care Fund (HCF) was available to the West Wales Region. In addition, RPBs could also bid for funding from the Integration and Rebalancing Capital Fund (ICRF) capital programme which supports the development of community hubs, establishment of integrated health and care centres and rebalancing of the residential care sector. Both capital funding streams are expected to complement the Regional Integration Fund (RIF). Total funding ICRF request from the RPB is £8,345,000.

The RPB is required to develop a 10-year Strategic Capital Plan (SCP) that brings together health, social care, housing, third sector, education and regeneration partners

to develop integrated service delivery facilities and integrated accommodation-based solutions, first drafts of which are submitted to Welsh Government by 30 April 2023 alongside their 5-year strategic Area Plan. The RPB endorsed the 10 Year Capital Strategy at its meeting on 17 July 2023.

The Regional Integration Fund (RIF) allocation for 2023/24 has increased by £163,084 to incorporate an additional allocation towards carers short breaks. The financial and delivery performance will be monitored closely by the performance and finance group who will report monthly to the Integrated Executive Group (IEG).

RPB	WG Investment	RINGFENCED PROGRAMMES AND INFRASTRUCTURE							RIF core funding (accelerate, embed, mainstream)
		IAS	Dementia	Memory Assessment Services	Unpaid Carers Hospital Discharge Engagement	Short breaks for carers	Ringfenced total	Regional Infrastructure Fund (75% up to £750,000)	
West Wales	£18,838,124	£398,000	£1,249,000	£384,000	£121,000	£163,084	£2,315,084	£750,000	£15,773,040

Initial feedback from WG on the 6-month evaluation of the RIF from the RPB was positive, identifying significant improvement from the initial submissions. A follow-up workshop which focused on learning from the submission has taken place. A RIF Memorandum of Understanding (MOU) has been drafted and is awaiting sign off.

The RPB also coordinated bids for Further/Faster Funding. These have now been signed off for 2023/24 and the RPB is awaiting confirmation of 2024/25 allocation.

A detailed report was provided detailing the work that has been undertaken to implement NEST in West Wales. The NEST Framework is a planning tool for Regional Partnership Boards co-produced by the Together for Children and Young People & NHS Wales Collaborative. The NEST report and action plan has been submitted to WG for feedback.

WG commissioned Oxford Brookes to carry out self-assessments on all RPBs. This was conducted via an online survey, aimed at individuals/organisations who have ‘a seat around the RPB table’, and is designed to gather feedback on partners views of the work of the RPB, areas of strength, and areas requiring development. The findings, which are due in Spring 2024, will be fundamental

to the future work and direction of the RPB in supporting partners.

NHS Wales Shared Services Partnership Committee

NWSSPC was established in 2012 and is hosted by Velindre NHS Trust. It is responsible for the shared services functions for the NHS, such as procurement, recruitment, and legal services. Hywel Dda is represented by the Executive Director of Finance at this committee with regular reports received by the board following each meeting.

11.5.13 Board Development

During 2023/24, there have been a number of changes at Board level with a number of personnel changes including the retirements of the Chair, Maria Battle and that of two Executive Directors namely, Alison Shakeshaft, Executive Director of Therapies and Healthcare Sciences and Mandy Rayani, Executive Director of Nursing, Quality and Patient Experience. In addition, the Chief Executive of 9 years, Steve Moore has moved on to a new CEO role in Devon.

The need to maintain organisational leadership and stability and preserve corporate memory and experience has

needed to be balanced in attracting new talent and skill, motivation and commitment. Ensuring that the Board has been able to work together as new members have joined over time, has been a key feature of the Board Development work over the past 12 months.

A number of interim and substantive roles have been filled during this time. These are set out in the [Directors Report](#).

One further substantive appointment has been made, that of a new Chair of the Health Board, Dr Neil Wooding, who will start on 1 June 2024. At that time, our Interim Chair and previous Vice-Chair Judith Hardisty, will have completed her full independent membership term with the Health Board.

In order to manage these transitions in year, a number of personal development interventions have been put in place, such as a robust induction and on boarding process for new members and coaching and mentoring support where appropriate. Organisational and Board level interventions have also been in place throughout the turbulent 18-month period including:

- Board seminars to drill down into specific topics and deepen knowledge and skills relating to subject areas.
- Board Development days focussing on strategy development and team dynamics and relationships.
- A regular series of Executive Time Outs to work on strategy, organisational challenges and opportunities and team effectiveness.

Talent management and succession planning has been at the forefront of the Board Development work with two Executive Directors participating in the HEIW Aspiring CEO programme; the organisation supporting the Aspiring Director offer led by HEIW and also Hywel Dda establishing its own internal talent pool for Aspiring Assistant Directors. These are all important building blocks in relation to the success of the Board and its effective functioning in future years.

The appointment of the interim CEO has seen a review undertaken of the organisational landscape through a series of discussions with key stakeholders such as WG, Audit Wales, HIW, Local Authorities, Llais etc and this review has shaped part of the Board's development pathway for 2024/25.

In addition, given the 'targeted intervention' status placed on the organisation in year, the Board Development work is now very much focussed on an assessment of the six domains within the escalation framework so that early opportunities for improvement can be taken and a clear way forward agreed with partners in WG.

Audit Wales in their Structured Assessment 2023 Report commended our robust approach to Board development and improvement, stating it provided good foundations to manage the significant changes of the board, and that the health board is doing all it can to ensure a smooth transition.

11.5.15 Effectiveness of Board and Committees

The board has strong arrangements for reviewing its effectiveness which demonstrate its commitment to learning and improvement. This was recognised by Audit Wales in their Structured Assessment 2023.

Throughout 2023/24, a new approach to reviewing committee effectiveness was introduced, with a refreshed committee self-assessment survey, which was analysed alongside other sources of information including any audit/regulator feedback, and IM post committee reflections. This analysis was followed up by committee workshop for the Board's main committees (PODCC, QSEC, SDODC and SRC only) and an outcome report produced for each committee setting out actions to be taken forward. The themes from the committee effectiveness work will be fed into the Board Development Programme in 2024/25.

When assessing its own effectiveness, the board draws on internal and external sources of assurance, to help it to evaluate its annual effectiveness:

- Joint Escalation and Intervention Arrangements Status as the WG raised the escalation status of the health board to ‘targeted intervention’ for the whole organisation (see [Escalation and intervention arrangements section](#) of the report);
- AW Structured Assessment (more information on this can be found in the [AW Structured Assessment section](#) of this report);
- Self-assessment against the Code of Corporate Governance (see [Code of Corporate Governance section](#) of the report);
- Feedback from the Board Committee self-assessment programme;
- IA Reports received throughout 2023/24, including reviews of Escalation Status

Actions, Board Oversight, Quality Governance Arrangements at BGH, NICE Guidelines, Strategic Programme Governance, and Estates Assurance (Estate Condition); and

- Current progress on work to address the Fire Enforcement Notices.

Following due consideration of the sources of assurances and supporting documentation, the Board acknowledged that while it has effective corporate arrangements in place, it considered the overall level of maturity in respect of governance and board effectiveness for 2023/24 has reduced to level 2, based on the criteria in the table below. This is in recognition of our increased escalation status and the work that needs to be taken forward to strengthen WG's confidence in our ability to deliver the improvements to our integrated planning, finance and performance delivery.

Level 1	Level 2	Level 3	Level 4	Level 5
We do not yet have a clear, agreed understanding of where we are (or how we are doing) and what / where we need to improve.	We are aware of the improvements that need to be made and have prioritised them but are not yet able to demonstrate meaningful action.	We are developing plans and processes and can demonstrate progress with some of our key areas for improvement.	We have well developed plans and processes and can demonstrate sustainable improvement throughout the service.	We can demonstrate sustained good practice and innovation that is shared throughout the organisation and which others can learn from

11.5.16 The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks; it can therefore only provide reasonable and not absolute assurances of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the

policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place for the year ended 31 March 2024 and up to the date of approval of the annual report and accounts.

The Board is accountable for maintaining a sound system of internal control which supports the achievement of the

organisation's objectives. The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties and a system of delegation and accountability. It has been supported in this role by the work of the main committees, each of which provides regular reports to the board, underpinned by a sub-committee structure, as shown in Our Governance Framework section of this statement.

11.5.17 Capacity to handle risk

The board is responsible for the effective management of the organisation's risks in pursuance of its aims and objectives. The board collectively has responsibility and accountability for setting the organisation's objectives, defining strategies to achieve those objectives, and establishing governance structures and processes to best manage the risks in accomplishing those objectives.

The Chief Executive, as Accountable Officer, has overall responsibility for ensuring that the health board has an effective risk management framework and system of internal control, however Executive Directors have responsibility for the ownership and management of principal, corporate and operational risks within their portfolios.

The health board's lead for risk is the Director of Corporate Governance/Board Secretary, who has responsibility for leading on the design, development, and implementation of the Board Assurance Framework (BAF) (view here: <https://hduhb.nhs.wales/about-us/your-health-board/board-meetings-2024/board-agenda-and-papers-28-march-2024/board-agenda-and-papers-28-march-2024/item-4-4-board-assurance-framework-pdf/>) and Risk Management Framework (view here: <https://hduhb.nhs.wales/about-us/governance-arrangements/policies-and-written-control-documents/policies/risk-management-framework/>).

Risk management framework

The health board's risk management framework aims to help the health board understand, evaluate and take action on its risks in order to increase the probability of success and reduce the likelihood of failure, and forms a part of the overall governance framework of the organisation. It aims to facilitate better decision making and improved efficiency. Risk management can also provide greater assurance to our stakeholders. It is important that it adds value to ensure the health board reduces uncertainty, informs decision-making and prioritisation, and achieves the best possible outcomes.

Our risk management framework clearly sets out the components that provide the foundation and organisational arrangements for supporting risk management processes in the organisation. It clarifies roles and responsibilities, communication, escalation of risks and reporting lines whilst also outlining the other components, such as the risk strategy and the risk protocols.

It is based on the "Three Lines of Defence" model which advocates that management control is the first line of defence in risk management. The various risk control and compliance oversight functions established by management are the second line of defence, and independent assurance is the third. Each of these three "lines" plays a distinct role within the health board's wider governance framework. However, all three lines need to work interdependently to be effective.

Procedures, guidance, systems, and tools are in place to assist management to identify, assess and manage risks on a day-to-day basis. This is supported with training, support and advice from the health board's Assurance and Risk Team, which has the role to embed the risk management framework and process, and to facilitate a risk aware culture across the organisation via business partnering arrangements.

A risk maturity self-assessment was undertaken during 2023/24 in accordance with the Orange Book, a recognised risk management standard for the public sector. The assessment covered 7 key areas relating to risk management (including leadership, people, risk handling and outcomes), with each assessed using the following scoring mechanism:

Level 1	Level 2	Level 3	Level 4	Level 5
Awareness and understanding	Implementation planned and in progress	Implementation in all key areas	Embedding and improving	Excellent capability established

The self-assessment demonstrated that leadership promote risk management, and that the health board has a risk management framework in place, supported by a range of strategies, policies and processes. Further collaboration with service leads across the organisation will take place when undertaking the next assessment to determine if colleagues across the wider Health Board feel they are adequately supported to manage their risks in order to achieve outcomes. Further work is also required to develop and enhance the role of risk management in its contribution to effective planning and target setting, and to better support the achievement of strategic and operational outcomes.

The outcomes of the assessment have informed the objectives included in the revised Risk Management Strategy (link here: <https://hduhb.nhs.wales/about-us/governance-arrangements/policies-and-written-control-documents/policies/risk-management-strategy/>), which was approved by board at its meeting in March 2024. The Risk Management Strategy ensures it supports the achievement of our strategic objectives, and align with our committee structures, the BAF and Corporate Risk Register. The health board will undertake this self-assessment on an annual basis, with input from colleagues across the organisation

in order to fully assess its risk maturity and risk culture.

The Assurance and Risk team continued to support Directorate Improving Together Sessions (DITS) throughout 2023/24, which retained a continued focus on risk. Despite an increase in the number of identified risks, DITS have supported in a 12.4% improvement in risks being reviewed within required timescales, enabling the health board to ensure appropriate mitigating actions are identified and acted upon.

AW reported in their Structured Assessment 2023 that the health board continues to have mature approach to overseeing its BAF, and has further strengthened oversight and assurance on its risk management arrangements by renewing the Risk Management Strategy and the introduction of the Risk Assurance Report to ARAC on a six-monthly basis.

11.5.18 Risk appetite

The health board’s Risk Appetite Statement (link here: <https://hduhb.nhs.wales/about-us/your-health-board/board-meetings-2024/board-agenda-and-papers-25-january-20241/board-agenda-and-papers-25-january-2024/item-4-7-risk-appetite-statement-pdf/>) provides staff with guidance as to the boundaries on risk that are acceptable and provides clarification on the level of risk the

health board is prepared to accept. It is integrated with the control culture of the organisation to encourage more informed risk taking at strategic level with more exercise of control at operational level, as well as recognition of the nature of the regulatory environment the organisation operates within.

During 2023/24, the Board reviewed and refreshed its Risk Appetite Statement through detailed discussions at Board Seminar and Executive Risk Group, to describe the level of risk it is willing to tolerate according to the type of risk presented, and in line with its capability to manage risk. The health board's capacity to manage risk is impacted by financial and other resources.

The aim is that this will support the further development of our roadmap to financial balance, while at the same time, managing increasing demands on our services along with external challenges. The revised risk appetite statement describes the level of risk the health board is prepared to tolerate according to the type of risk presented and was approved by board at its meeting in January 2024.

11.5.19 Risk management process

Our risk management framework supports the health board's risk management process. This is a continuous process that should methodically address all the significant risks associated with all the activities of the health board. All risks are assessed in terms of likelihood and impact using the health board's risk scoring matrix which helps to facilitate a level of consistency and understanding of the scoring and ranking of risks throughout the organisation.

Risks are identified in a bottom-up and top-down approach throughout the health board. Each corporate and operational directorate is responsible for ensuring risks to achieving their objectives, delivering a safe and effective service and compliance with legislation and standards, are identified, assessed and managed to an acceptable level, i.e. within the board's agreed risk

tolerance, and escalated or de-escalated as appropriate.

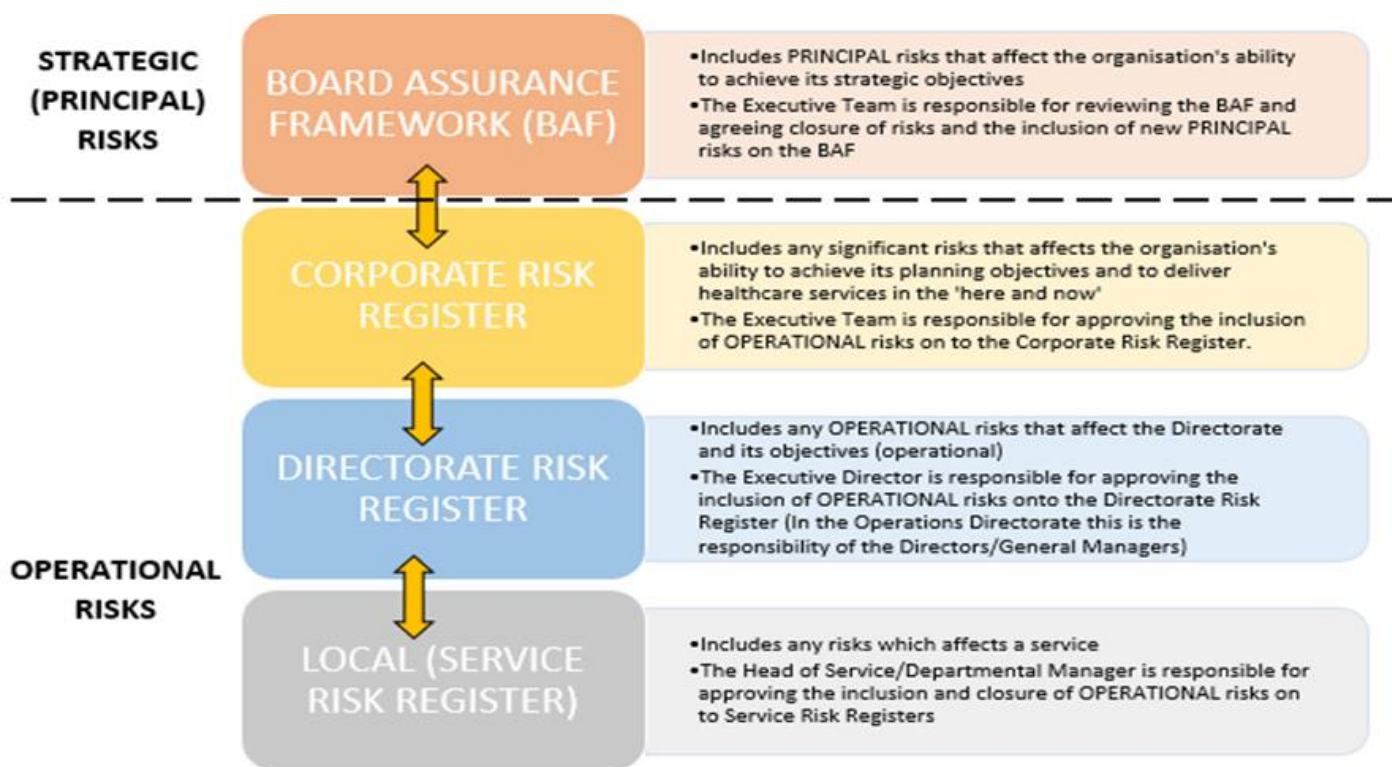
Communicating and consulting with internal and external stakeholders and partners is an important part of the risk management process, and this is one area we will be looking to strengthen over the next 12 to 18 months. The frequency of the communication will vary depending upon the severity of the risk and is discussed and agreed with the stakeholders and partners. For example, our risk related to the delivery of integrated community and acute unscheduled care services requires a whole system approach, and the health board has been working with its partners in WAST, local authorities and domiciliary providers to take forward work to try to improve flow within our hospitals. Communication with various unions has also been key in managing and mitigating the risk of industrial action during the year.

Engagement of stakeholders has also taken place through multi-agency partnership working. The Regional Partnership Board is part of the health board governance structure that helps to support the management of risk facing the organisation through collective dialogue.

The Executive team have identified several principal risks, those that may affect the achievement of our strategic objectives. These principal risks, are refreshed annually, following approval of our Annual Plan, and form part of our Board Assurance Framework (BAF) to support the implementation of the health board's strategy, through the delivery of its planning objectives, and provide the board with on-going assurance on the achievement of its objectives.

Executive Directors are also responsible for identifying significant operational risks for the Corporate Risk Register (CRR). These corporate risks can reflect new or emerging risks from discussions or risks escalated by individual Executive Directors from their directorate to be collectively agreed by the Executive Risk Group for entry onto the CRR.

The chart below details how the CRR interacts with the principal risks on the BAF, and the operational risks that are on Directorate and Service risk registers.



11.5.20 Oversight and reporting of risk

In following the three lines of defence model (above), the health board ensures that operational management are supported in their role of day-to-day risk management by specialist functions who have expertise and knowledge to help them control risk.

Corporate and operational risks that are over the health board's current agreed tolerance level, are aligned to the health board's committees, whose role it is to provide assurance to the board that risks are being managed appropriately. The application of tolerance will be reviewed during 2024/25 in light of the revised risk appetite statement as agreed by Board in January 2024 to ensure

the continued appropriate reporting to the board's committees.

The executive team review the BAF on a bi-monthly basis and hold a monthly Executive Risk Group meeting to review the CRR.

11.5.21 Risk profile

Delivering healthcare through the current clinical model through an aging estate in a large, rural geographical area presents significant quality, service, workforce, and financial challenges to the health board. The health and care system within Hywel Dda is facing intense challenges, which are being felt across Wales.

For us as a health board, the drivers of these pressures typically fall into the categories of workforce availability (including social care),

affordability and cost of living, inflationary pressures on public finances, an ageing estate, and population health and need for health care. These issues manifest as backlogs and delays to care for patients, the inability to achieve ministerial priorities, excessive strain on staff, reduced system efficiency and unprecedented financial pressures. Our most significant operational risks are outlined in the CRR section below.

The health board’s strategic and planning objectives set out how it will address some of these issues going forward whilst considering the learning, developments and changes of practice implemented during the pandemic. The BAF section below outlines the risks and controls in place for achieving its objectives.

11.5.22 Board Assurance Framework (BAF)

Our BAF reflects the revised strategic and planning objectives and is presented to the board three times a year. The most recent BAF report can be accessed here (<https://hduhb.nhs.wales/about-us/your-health-board/board-meetings-2024/board-agenda-and-papers-28-march-2024/board-agenda-and-papers-28-march-2024/item-4-4-board-assurance-framework-pdf/>) and provides a link to our BAF Dashboard. AW has identified the interactive BAF as a model of good practice. As well as identifying the principal risks to delivery of our objectives, the controls and assurances, the BAF also seeks to align outcomes against strategic objectives, and delivery against our planning objectives. An internal audit on Risk Management and BAF issued in May 2022 providing substantial assurance, noting the BAF is robust and aligned to strategic objectives.

There are 16 principal risks that have been aligned to our six strategic objectives.

Total number of risks on BAF on 1 April 2023	16
New risks added during 2023/24	0

De-escalated/Closed during 2023/24	0
Total number of risks on BAF of 31 March 2024	16

The most significant risks to achieving our strategy are listed below:

- **Principal risk 1199 - achieving financial sustainability (risk score 25)**

Achieving financial balance on a three-year rolling basis is a statutory requirement for the board, and a clear requirement from WG. Our financial deficit has continued to deteriorate. The significant underlying financial deficit in the current and future years is likely to result in our inability meet our cash obligations as they fall due, with strategic and operational changes required to improve this position, and we remain in targeted intervention status with WG.

The key drivers for our underlying deficit are well understood, with considerable business intelligence available to identify areas of concern which require action. We have a Planning Steering Group in place to co-ordinate planning activities across key corporate functions, and an Improving Together programme in place to monitor delivery. The aim is to develop an ongoing balanced approach as to how resources are used and invested and dis-invested in, to achieve workforce, clinical service and financial sustainability.

Dialogue has continued with WG during 2023/24 to monitor the agreed actions to achieve a de-escalation in our monitoring status, and planning objectives including the creation and implementation of an escalation framework to work in harmony with the Improving Together sessions to support under-performing directorates to improve financial trajectories and savings plans.

- **Principal risk 1191 – Underestimation of Excellence (risk score 16)**

Significant challenges remain in our ability to maintain safe, sustainable care across some

of our services, which undermine our ambition to strive for excellence. We need to strengthen clinical engagement in embedding and maximising clinical effectiveness systems and processes against the backdrop of increased staffing and operational pressures, delivering our recovery plan post-COVID, current clinical configuration and resource constraints. There is also an over-reliance on external funding for research, development and innovation (RDI) activities and stretching cost recovery targets for the innovation work of Tritech.

Quality assurance systems are in place across the health board to monitor compliance with NICE guidelines, and peer reviews undertaken. A Research Development and Innovation Strategy as approved by Quality and Safety Experience Committee is also in place. The Clinical Standards and Guidelines Group supports better engagement with service areas and promotes excellence through a focus on clinical effectiveness standards in order to identify gaps and improve services where required.

- **Principal risk 1192 - wrong value set for best health and well-being (risk score 16)**

This risk reflects that our overall strategy may be limited by seeing health and well-being purely through the NHS lens, using incorrect measures, not effectively engaging with individuals and communities, and under and/or over-estimating potential for best health and well-being which may result in services which do not improve outcomes for individuals and communities.

Whilst we undertake engagement with our population, we are still defining our approach to continuous engagement, our approach to tackling inequality/inequity, and our understanding of the social model of health and well-being and our arts in health and what this means to our local population and communities. Well-being assessments are being updated by the PSBs, however we do not currently have an effective method of

measuring the well-being of individuals, communities, and our population.

A number of planning objectives for 2023/24 which underpin the management and mitigation of this risk were prioritised, including the development and implementation of public health plans which empower and enable people to live healthy lives via health improvement initiatives, and the development of a Board and WG approved financial roadmap.

- **Principal risk 1196 - Insufficient investment in facilities / equipment / digital infrastructure (risk score 16)**

This risk reflects our inability to invest in appropriate facilities, medical equipment and digital infrastructure to appropriate standards in order to provide safe, sustainable, accessible services. We established a programme group to manage the production of our programme business cases (PBC) to secure long term investment in support of our health and care strategy, however until endorsed by WG, we cannot assume investment is likely to be forthcoming at the scale or in the required timelines. Significant risks exist at present across the estates infrastructure as a result of concerns around reinforced autoclave aerated concrete (RAAC), fire safety and business continuity in terms of viability.

Actions to manage and mitigate this risk include the development and progression of a suite of plans to address the significant risks associated with current buildings and infrastructure, and the development of business continuity outline business cases to address major infrastructure backlog across our acute sites. Further actions include the progression and implementation of our Clinical Services Plan (CSP), leading on the implementation of the digital agenda to support the agreed outcomes of the transformational programme, and to implement the Board-approved plan for decarbonisation, albeit the Board agreed to slow delivery of this in response to deteriorating financial conditions and mounting operational strains.

- **Principal risk 1197 – implementing models of care that do not deliver our strategy (risk score 16)**

We have completed a clinical review as requested by WG, with a strategic outline case (SOC) in progress to support the implementation of “A Healthier Mid & West Wales”. It is recognised however that our escalation to targeted intervention status by WG could detrimentally impact on our ability to achieve this strategic objective.

Actions to address this risk include the progression and implementation of our CSP, develop a set of integrated locality plans with our local authority and third sector partners, develop and deliver a regional diagnostic plan with Swansea Bay University Health Board (SBUHB), and develop and implement a comprehensive and sustainable 24/7 community and primary care unscheduled care service model.

- **Principal risk 1198 - ability to support shifting of care in the community (risk score 16)**

Achieving our strategic objectives will depend on the ability to overcome complex and historical arrangements and systems. These will need to be worked through to support a new approach to the delivery of care in line with our strategy, as well as a need to support the population in changing their behaviour and the way they have previously accessed services.

Actions to address this risk include the development of a Primary and Community Services Strategy and the implementation of the pathway interface programme that will transform and streamline clinical care pathways across the health board over the next three years, and to develop and implement Transforming Urgent and Emergency Care programme to deliver Ministerial priorities by 2026.

- **Principal risk 1186 - attract, retain and develop staff with the right skills (risk score 15)**

Our most significant challenge is to maintain the right number of people to be able to deliver safe, effective, and sustainable services. This is due to a number of factors, including geography, recognised national shortages in a number of professions, unappealing rotas and an aging workforce that mirrors our population. Becoming an employer of choice and attracting people to work for Hywel Dda is therefore fundamental to the achievement of our workforce strategy as is ensuring workforce planning and development identifies and supports the future capability we need.

Our plans to address this risk includes implementing a flexible and responsive recruitment process that encourages local employment for local people, constructing a comprehensive workforce development programme to encourage our local population into the NHS and care related careers, implementing an informative and supportive induction process, having employee policies that support work-life balance and are person centred, having equitable access and agile approaches to training regardless of personal and professional circumstances, constructing a comprehensive talent, succession planning and leadership development programme, along with a robust workforce plan that will introduce new ways of working and new roles to mitigate against national skills shortage professions. We are implementing a multi-disciplinary clinical and non-clinical education plan, which includes expansion of our apprenticeship academy in terms of its scope, scale and integration with social care. In recognition of the critical importance of our workforce, a Strategic People Planning and Education Group was established in 2023/24.

Understanding our staff experience as we implement this work is essential. Staff pulse engagement surveys to sample 1,000 employees take place each month, selecting different staff each month.

The heat map below presents our principal risks (by their internal reference number) in respect of their likelihood and impact as at the end of March 2024:

Hywel Dda Risk Heat Map					
	Likelihood →				
Impact ↓	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5
Catastrophic 5					1199
Major 4		1184	1185 1187	1191 1192 1196 1197 1198	
Moderate 3		1200	1188 1189 1193 1194 1195		1186
Minor 2					
Negligible 1					

11.5.23 Corporate Risk Register (CRR)

The health board’s CRR contains significant operational risks to the delivery of health care in the here and now and is reported to every other board meeting. Each risk has been mapped to a board level committee to provide assurance to the board, through its update report, on the management of these risks.

During 2023/24, the CRR has been dynamic and responsive to new and emerging risks:

Total number of risks on CRR on 1 April 2023	17
New risks added during 2023/24	16
De-escalated/Closed during 2022/23	10
Total number of risks on CRR of 31 March 2024	23

- **Corporate risk 1642 - risk of the health board not meeting its statutory duty to break even in 2023/24 due to its**

significant deficit position (risk score 25)

Whilst processes for financial planning are in place, supported by arrangements for the managing and monitoring our financial position, the risk remains to the sustainability of our financial position. This is driven primarily by continued operational pressures and the challenges associated with offsetting the required savings as agreed with Welsh Government (WG) against variable pay, along with costs associated with drugs and continuing healthcare.

The health board entered targeted intervention in September 2022 for finance and planning, and remains in this status at March 2024. The forecast deficit remains unacceptable to WG, leading to an unsupportable underlying deficit position that will impact future years.

Actions to mitigate this risk in-year included the creation of a control group in order to agree corrective actions, whilst balance with the risks inherent in the delivery of safe and timely care, and control targets of 10% improvement on planned deficits

communicated to services across the organisation to realise the required financial improvements as set by WG.

- **Corporate risk 1027 – risk to delivery of timely urgent and emergency care due to demand exceeding current capacity across acute, primary care (including out of hours), community and social care services (risk score 20)**

Positive progress has been achieved throughout the year in reducing peak levels of pressure, with notable improvements achieved in key pathway metrics such as ambulance handovers and emergency department waiting times. However, significant pressures and the demand on our “front door” remain high, with improvements noted earlier in the year not sustained over the winter period with notable increase in the volume of patients with lengths of stay in excess of 21 days across all hospital locations during this period.

Workforce deficits, bed occupancy rates and pressures on wider community and social care capacity continue to impact on our ability to deliver integrated community and acute unscheduled care services.

For addressing our urgent and emergency care, our plan sets out a number of priorities to mitigate the level of pressures anticipated. Work is currently underway across the three counties to develop a plan with Local Authority partners which sets out a model for integrated community health and care provision for older adults.

- **Corporate risk 1699 – risk of loss of service capacity at Withybush General Hospital due to surveys and remedial work relating to Reinforced Autoclaved Aerated Concrete (RAAC) (risk score 20)**

Surveys undertaken at WGH in 2023 identified a significant risk of harm to patients and staff, and to the physical infrastructure of the site due to the use of RAAC planks during the construction of the hospital. Immediate remedial works were required to address the risks, resulting in a major internal incident

being invoked and the closure of six wards in September 2023, with affected services relocated.

The reduction in clinical space affected our ability to deliver elective, urgent and emergency inpatient and outpatient services at WGH.

The status of major internal incident was stood down in January 2024 due to the sufficient mitigation of risks to inpatient services, and four of the six wards re-opened after completion of remedial works, with the remaining two due to re-open in March 2024. A RAAC Control Group remains in place to oversee the management and remediation of RAAC at Withybush Hospital (WGH) and the anticipated critical decisions and associated business continuity challenges.

However, pressures remain on site with ongoing remedial work in the outpatients’ department, with the completion of remedial works expected in June 2024. Regular monitoring and inspection of affected planks will be required over the coming years, noting the possibility that these may deteriorate over time and require remedial work.

- **Corporate risk 1810 – risk to delivering effective and timely cancer service due to aseptic unit facilities being non-compliant with Quality Assurance of Aseptic Preparation Services (QAAPS) (risk score 20)**

Ageing equipment and facilities at our sole aseptic unit within the health board gives rise to the risk of non-compliance with regulatory standards. Outsourcing of cancer treatments from third party suppliers at a significant cost to the health board may become our only option should the unit be closed prior to the of a regional hub for cancer treatment preparation in South West Wales, currently scheduled for 2028 NWSSP’s Transforming Access to Medicines (TrAMS) project.

Current controls in place to mitigate this risk include the procurement of new pharmaceutical isolators, the transferring of the radio pharmacy service to Singleton Hospital, and stringent standard operating

procedures (SOPs) in place to minimise the risk of contamination and errors.

Further actions to manage and mitigate the risk include the commencement of a tender process to build a demountable aseptic unit at WGH, and the preparation and submission of a business justification case to WG.

- **Corporate risk 1657 – risk to delivery of Ministerial Priorities relating to planned care recovery ambitions 23/24 due to demand exceeding capacity (risk score 20)**

Challenges relating to recruitment, retention and workforce sustainability, financial resources and pressures on our urgent and emergency care pathways pose a risk to our ability to achieve Ministerial priorities relating to planned care. This is reflected in our escalation to targeted intervention status by WG for performance and quality.

Whilst positive progress has been achieved in increasing outpatient activity and capacity to levels comparable with pre-pandemic volumes, significant staffing deficits continue to limit the volume of elective operating sessions undertaken and therefore continue to limit progress in expanding overall activity levels to match or exceed pre-pandemic levels. Achievement of the WG requirement of 99% of patients with waits less than 2 years on total pathways by March 2024 is not expected, with a forecast of 98.3%.

Actions to manage and mitigate this risk include reviewing opportunities to enhance dedicated elective pathway capacity across sites and exploring opportunities to maximise capacity regionally with SBUHB.

- **Corporate risk 1664 – risk to Ophthalmology service delivery due to a national shortage of Consultant Ophthalmologists and the inability to recruit (risk score 20)**

Recruitment challenges, a lack of physical space, and the absence of effective clinical and administrative systems are impacting on our ability to deliver a sustainable Ophthalmology service. Increased demand

and reduced capacity continue to be a challenge for the service, and is included within our Clinical Services Plan, highlighting its fragility.

Actions already undertaken to manage this risk include regional collaboration with SBUHB to strengthen pathways and to implement the National Electronic Patient Record for Ophthalmology, and short-term funding obtained in order to reduce waiting lists. However there remains areas of the service which still require investment such as Age-Related Macular Degeneration.

Further actions to mitigate this risk include a review of operational, workforce and sustainability models via A Regional Collaboration for Health (ARCH), the implementation of virtual review clinical for patients undergoing specific treatments, and an active recruitment drive for nursing staff and technicians.

- **Corporate risk 1032 – risk of not providing timely diagnosis and treatment to Mental Health and Learning Disabilities (MHL) clients due to demand and capacity (risk score 20)**

This risk reflects the increasing length of time mental health and learning disabilities clients, specifically Autism Spectrum Disorder (ASD) and Psychological Therapy clients, are waiting for timely assessment and diagnosis, and its impact on the health board's ability to meet ministerial targets. This is caused by increasing referral rates, lack of appropriate estates infrastructure, and recruitment challenges for psychologists.

Mitigation of this risk is dependent on continued successful recruitment into key posts, and the development of a 3-year "Grow Your Own" programme for clinical psychologists, as well as having access to appropriate clinical venues and other agencies being able to undertake their associated assessments. Technological developments including the use of virtual appointments and text messaging functionality for Neurodevelopmental

Intensive Psychological Therapies Service clients are in place to reduce “Did Not Attend” (DNA) rates.

The trajectories agreed in 2023 for ASD, along with commissioned services and psychological services, are being monitored in key areas in order to further improve reporting and waiting list management and enable forward trajectories to be determined. The implementation of the Welsh Patient Administration System (WPAS) continues to be prioritised to further support these improvements.

- **Corporate risk 1328 – risk of harm to staff, patients and critical assets due to insufficient physical security measures (risk score 20)**

Vulnerabilities have been identified in the security management arrangements and infrastructure at the health board, driven by a lack of a dedicated security personnel.

Controls in place to manage the risk include the undertaking of security assessments across high risk areas such as our Emergency Departments, and upgrades to the CCTV systems have been implemented during the year across all our acute sites. Arrangements are also in place to secure additional security resource on a short term basis when required.

The risk is reliant on additional funding to mitigate further.

- **Corporate risk 797 to the ability to deliver ultrasound services due to workforce pressures (risk score 20)**

The ability to deliver a sustainable ultrasound service across the health board remains challenging as a result of national shortages of sonographers, recruitment challenges, and demand exceeding current capacity.

Sonography training programmes have been developed during 2023/24, with further enrolment to follow. An Ultrasound Control Group has also been established with representation from radiology and maternity services to assess current demand and capacity, and to develop plans to meet All

Screen Wales standards and delivery of the WG mandate for gap grow for foetal surveillance.

Whilst positive progress has been made throughout 2023/24, further investment is required to ensure a sustainable service model that will enable the health board to meet expected diagnostic waiting time targets.

- **Corporate risk 1352 – risk of business disruption and delays in patient care due to a cyber-attack (risk score 16)**

There are daily threats to systems which are managed by Digital Health Care Wales and the health board, with cyber-attacks becoming more prevalent.

The health board’s Cyber Security Assurance Group provides assurance around cyber security remediation and reduction of cyber security risk, while working towards compliance with the Network and Information Systems Regulation 2018 (NISR). Software is also utilised across the health board to ensure that the threat of a cyber-attack is reduced, and service business continuity plans are also in place. Regular monitoring of the cyber security position is undertaken via the Sustainable Resources Committee (SRC).

- **Corporate risk 1708 – risk of increasing fragility in primary care contractor services due to recruitment challenges (risk score 16)**

Contract reform against the background of significant pressures on the wider system and financial pressures for the independent contractor business model are having a detrimental effect on patients gaining timely access to local primary care services, exacerbated by an inability to recruit new clinicians into salaried or partnership roles and inadequate estates.

Several managed practice contracts have been returned to the health board during 2023/24. With the implementation of a new optometry contract in October 2023, and new clinical pathways due to commence in April

2024, there is an expectation of a shift from hospital care to the community. However the model is untested, and the capacity of the health board to absorb further contract reform will impact on the ability to effectively deliver services, along with the impacts on staff welfare.

The health board has established a Primary Care Contract Review Group to monitor contracts, and nationally agreed branch management processes are also in place relating to community pharmacies. In addition, a programme of practice visits are in place to review the estates provision, with remedial action undertaken if required.

- **Corporate risk 1649 – risk of an insufficiently skilled workforce to deliver services in the Annual Plan 23/24 due to limited labour market (risk score 16)**

This risk reflects the insufficient skilled workforce levels in both acute and community settings which continue to operate below established levels, impacting the health board's ability to meet Ministerial Priorities across all areas, including UEC, mental health and planned care. The scarce supply of healthcare professionals and a shrinking labour market, further exacerbated by the health board's current vacancy rates, is impacting the quality of care provided to patients as well as affecting the health and well-being of staff.

Actions undertaken throughout the year to manage this risk have included the development of Critical Issues papers for notable services impacted by workforce pressures including ophthalmology, pathology and radiology, supported by Improving Together sessions and continued guidance from the workforce planning team.

- **Corporate risk 1745 – risk of not being able to safely deliver services due to ageing estate and infrastructure across the Health Board (risk score 16)**

We are operating within an aging estates infrastructure, some of which is beyond its life expectancy, impacting on our ability to deliver

care in line with expected standards. This is exacerbated by the limited availability of capital funding to address concerns, with reliance on revenue funding to address emerging issues whilst attempts continue to address the significant backlog.

A Programme Business Case (PBC) has been developed to modernise the estate, with WG advisors working with colleagues in Estates to co-develop the next phase of identifying key priorities. Consultations have also been undertaken during 2023/24 on the proposals for the development of a new hospital in order to provide a sustainable hospital model fit for future generations. Work continues on priority areas such as ward refurbishments and fire precautions upgrades at both WGH and BGH.

- **Corporate risk 684 – risk to the timely investment and replacement of Radiology equipment and supporting infrastructure (risk score 16)**

There is a continued risk to the delivery of radiology services due to ageing equipment and its supporting infrastructure, resulting in delays in patient diagnosis and treatment, and negatively impacting on cancer pathways.

A National Imaging and Capital Priorities Group has been established to support a nationally sustainable and clinically focused capital equipment programme which will allow for timely equipment procurement and delivery to support healthcare demands. In addition, an equipment replacement programme is in place which is profiled by risk and usage, and service maintenance contracts are in place and reviewed regularly. However, confirmation of funding for the next financial year is still pending from discretionary capital.

- **Corporate risk 1812 – risk of non-compliance with Medical Examiners (Wales) regulations due to the failure to fully resource internal processes (risk score 16)**

New Medical Examiners (Wales) Regulations and Death Certification Reforms are due to

come in to force in April 2024, however the health board is at risk of non-compliance due to the inability to fully resource internal processes to support these requirements.

The health board has established a Care After Death Steering Group, and a Multidisciplinary Review Panel is also in place to manage this risk with a dedicated facilitator appointed to co-ordinate. Processes have also been developed and implemented in line with the All-Wales Learning from Mortality Review Framework covering the four acute sites, however due to current capacity these are not yet fully embedded at GGH.

Further actions to mitigate this risk include the development and delivery of training to ensure effective communication of the requirements of the regulations, and to explore the possibility of utilising the Internal Scanning Bureau once operational to achieve a long-term sustainable solution for the health board.

- **Corporate risk 813 - failure to fully comply with the requirements of the Regulatory Reform (Fire Safety) Order 2005 (RRO) (risk score 15)**

Phased fire safety improvement works continue across the health board, with significant investments being made to address the recommendations as raised in Letters of Fire Safety Matters (LOFSM) and Enforcement Notices (ENs) previously issued by the Mid and West Wales Fire and Rescue Service (MWWFRS).

The fire safety team provide support to the organisation with their expertise and technical knowledge, with training needs analysis and individual fire risk assessment in place. Work also continues to address the physical backlog, however despite significant investments already in place, additional funding is required to address fire safety defects at all sites within the health board to ensure full compliance with the Order.

Other actions taken to mitigate this risk include delivery of fire training virtually to improve attendance across the health board, and fire training information packs have been

developed for agency staff across all four acute sites to ensure appropriate standards are met.

- **Corporate risk 1548 – risk to the health board maintaining service provision due to industrial action (risk score 15)**

Whilst unions including the Royal College of Nursing (RCN) and Chartered Society of Physiotherapists (CSP) continued to favour industrial action throughout 2023/24, negotiations with WG, along with our mitigation and contingency measures and local, regional and national command and control structures have ensured a co-ordinated response to minimise the impact of strike action. However, the British Medical Association (BMA) have mandated industrial action for the period 8 January to 17 June 2024, which applies to Junior Doctors.

Work continues to develop specific response plans to future strike actions, and a range of contingency measures also to be developed in instances of last minute changes in service plans occur, including emergency derogations if necessary.

- **Corporate risk 1531 – risk of being unable to safely support Consultant on-call rotas at 2 hospital sites due to workforce pressures (risk score 15)**

Vacancies across the General Surgery Consultant rota continue, highlighting the fragility of the service, particularly at WGH. Clinical pathways are in place, and Board approval was received to commence a 1 in 4 24/7 surgical consultant on-call rota in November 2023, however there is reliance on both agency locum and current staff to provide backfill to ensure it is maintained.

Recommendations as raised in the Getting It Right First Time (GIRFT) report on General Surgery are being reviewed by the service to inform the review of longer-term sustainability of the on-call rota across the health board.

The heat map below presents the health board's corporate risks (by their internal reference number) in respect of their

likelihood and impact as at the end of March 2024:

Hywel Dda Risk Heat Map					
	LIKELIHOOD →				
Impact ↓	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5
Catastrophic 5			1531 1745	1027 1328 1664 1699	1642
Major 4			1350 1433	684 1352 1649 1708 1812	797 1032 1657 1810
Moderate 3			1335 1821	1822	813 1548
Minor 2					
Negligible 1					

Further information on corporate risks in 2023/24 can be found in our board papers:

- Corporate Risk Register Report at May 2023 Board Meeting in Public: <https://hduhb.nhs.wales/about-us/your-health-board/board-meetings-2023/board-agenda-and-papers-25-may-2023/board-agenda-and-papers-25-may-2023/item-4-3-corporate-risk-register-pdf/>
- Corporate Risk Register Report at September 2023 Board Meeting in Public: <https://hduhb.nhs.wales/about-us/your-health-board/board-meetings-2023/board-agenda-and-papers-28-september-2023/agenda-and-papers-28-september-2023/item-4-4-corporate-risk-register-pdf/>
- Corporate Risk Register Report at January 2024 Board Meeting in Public: <https://hduhb.nhs.wales/about-us/your-health-board/board-meetings-2024/board-agenda-and-papers-25-january-20241/board-agenda-and-papers-25-january-2024/item-4-6-corporate-risk-register-pdf/>

11.5.24 Emergency preparedness/ civil contingencies

Hywel Dda UHB had emergency plans and business continuity arrangements in place during the financial year 2023/24, in accordance with the statutory duties under the Civil Contingencies Act 2004 and Emergency Planning Guidance issued by WG. An annual Emergency Planning Report, signed by our Chief Executive was submitted

to WG in February 2023, detailing compliance together with the latest version of the HDUHB Major Incident Plan which was last ratified by the Board in July 2023.

11.5.25 The control framework

Performance management arrangements

Our Improving Together Framework sets out the health board’s approach to embedding performance improvement through our

governance. The framework is enabled by data at every level to support decision making and to drive service change. Its successful implementation will help us to focus on what is important to the Health Board and enable us to provide efficient and effective services.

The Improving Together Framework outlines performance improvement arrangements at each level in the organisation.

At the most strategic level, the Board Assurance Framework (BAF) and Integrated Performance Assurance Report provide board, committees and the executive team with data and evidence to help us understand whether we are achieving and working towards the ministerial and local ambitions. We have worked hard on developing a small set of outcomes aligned to our 6 strategic objectives which are reported through the BAF. They help us to understand whether we are driving towards our strategic objectives and goals as an organisation.

At the directorate level, we have established Directorate Improving Together Sessions. These sessions provide dedicated time for teams to meet with their Executive Director and Corporate Executive Directors throughout the year to:

- Outline the priorities / goals for the year
- Outline current challenges and support required
- Flag highlights or lowlights relating to quality, safety, workforce, performance, finance, procurement and risk data. The Our Performance and Our Safety dashboards provide our staff with easy access to this data.

Directorate Improving Together Sessions aim to help ensure that we are aligning support to key priorities within the health board. The ultimate aim is to improve outcomes for our patients, staff, visitors and those living within Hywel Dda.

Over the last 12 months we have seen reductions in the average times incidents and complaints are open. We will continue to focus on these areas over the next 12 months to ensure incidents and complaints are

investigated in a timely manner and corrective action is taken to reduce the chance of a recurrence. There has been an improvement in risks being reviewed in a timely manner. We have also seen improvements in staff sickness, turnover, and an improvement in the number of staff receiving an appraisal. We have also met the target for staff completing mandatory training.

Quality governance arrangements

Providing high quality care is an inherently complex and fragile process, which needs to be underpinned by robust quality governance arrangements. A key purpose of these 'quality governance' arrangements, and our mechanisms to ensure we meet our duty of quality, is to monitor and, where necessary, improve standards of care.

Our Quality Management System (QMS) Strategic Framework was approved by our Board on 30 March 2023. This is our overarching formalised system that helps us achieve continuous improvement across the organisation. The QMS is supported in its delivery through a number of different mechanisms, some of which are described below. Further detail will be provided in our annual quality report, our putting things right annual report and our duty of candour annual report.

Quality, Safety and Experience Committee (QSEC)

Quality governance is led by the Executive Director of Nursing, Quality and Patient Experience. Our QSEC provides timely evidence-based advice to the board to assist it in discharging its functions and meeting its responsibilities with regards to quality and safety as well as providing assurance in relation to improving the experience of all those that come into contact with our services. Reports presented to QSEC in 2023/24 are available on our website at: <https://hduhb.nhs.wales/about-us/governance-arrangements/board-committees/quality-safety-and-experience-committee-qsec/>.

QSEC receive a regular assurance report which provides an overview of quality and safety across the health board. The health board uses a number of assurance processes and quality improvement strategies to ensure high quality care is delivered to patients. The report provides information on improvement work linked to themes within patient safety incident reporting, externally reported patient safety incidents, mortality reviews, and external inspections, for example Healthcare Inspectorate Wales (HIW).

QSEC is supported by two sub-committees. The Operational Quality, Safety and Experience Sub-Committee (OQSESC), which is responsible for monitoring the acute, mental health and learning disabilities services, primary and community services quality and safety governance arrangements at an operational level. The Listening and Learning Sub-Committee provides clinical teams across the health board with a forum to share and scrutinise learning from concerns, and to share innovation and good practice. The learning may arise from a complaint, an incident, a claim, a patient story or experience feedback, external inspection and peer reviews.

Improving Together

'Improving Together' is a vehicle, which aligns the team vision to our strategic objectives and empowers teams to improve quality and performance across the organisation by setting key improvement measures aligned to their team vision. Visualisation of key data sets including improvement measures and regular team huddles help drive decision-making. The approach embraces coaching discussions and supports staff to develop solutions, embedding the principles of continuous improvement. The framework offers a common approach to how we can adapt, adopt and spread good practice in a systematic way.

Quality and safety intelligence meetings and quality panels

The Director of Nursing, Quality and Patient Experience, the Medical Director, and the Director of Therapies and Health Sciences hold weekly Quality and Safety Intelligence meetings which consider significant issues which have arisen or that have the potential to impact on patient safety and identify any areas where immediate attention is required to protect safety of patients and staff. The clinical executive directors also continue to hold quality panels when required. Quality panels are the opportunity for the directors, directorate triumvirate teams and service management teams to explore quality governance issues. In 2023/24, the following Quality Panels have been held:

- Theatres
- Mental Health and Learning Disabilities – learning from the HIW review of Cwm Taf Morgannwg review
- PICC and mid-line management
- Maternity theatres
- Monitoring of HIW recommendations and introduction of AMAT
- Mental Health and Learning Disabilities services
- Upper gastrointestinal surgery

Quality governance arrangements within our Directorates

During the year, our directorates have continued to strengthen the quality governance arrangements within their areas. Each directorate utilises a template terms of reference and agenda to ensure that all quality governance areas are considered. A review of quality governance arrangements has also been undertaken by Internal Audit and the findings shared with the directorate whose arrangements were reviewed. A management response and action plan has been developed and completed by the directorate. The report has been shared with our Audit and Risk Assurance Committee and all directorates to ensure there is organisation wide learning. With the introduction of a new Operations Directorate structure in 2024/25, further work will take place to review and align operational quality and governance arrangements.

Safety Dashboard

Our safety dashboard has continued to develop over 2023/24 to help identify potential patient safety issues. Operational leaders and managers continue to use it to identify safety hot spots needing further investigation/action, triangulate data at an operational level, facilitate further discussion or escalation, support deep dives, benchmark against our services to help identify outliers and inform report and papers. The dashboard has been used to inform discussions at our QSEC meetings, Executive Team meetings and Directorate Improving Together sessions.

Healthcare Inspectorate Wales (HIW)

The board is provided with independent and objective assurance on the quality, safety and effectiveness of the services it delivers through reviews undertaken by and reported on by HIW. The outcomes of any such reviews and any emanating improvement plans are discussed with any lessons learnt shared throughout the health board.

During 2023/24, HIW published 5 reports following assurance and inspection work in

our health board. The work involved a variety of off-site checks and on-site work. There was one ionising radiation inspection, three reviews in an acute hospital setting, and one review in a mental health and learning disability service.

Improvement and learning actions plans are implemented following each assurance and inspection HIW visit. Delivery of the action plans are monitored through directorate quality and governance arrangements, through OQSESC, QSEC and ARAC. The themes arising from HIW visits are also reported to the Listening and Learning Sub Committee and also QSEC. In year, a HIW SharePoint site has been developed to ensure that the themes arising are readily available across the organisation. The health board has also strengthened its relationship with HIW through regular meetings with its HIW engagement partner.

Clinical audit

The Clinical Audit Programme for 2023/24 has been the largest since the pandemic. This reflects the Health Board's desire to engage more in clinical audit activity for both assurance and quality improvement purposes. There have been a number of repeated re-audits undertaken this year, demonstrating a commitment to long-term improvements. Whilst clinical audit activity should always remain responsive to current needs, it is very encouraging to be able to show how continued commitment to key areas can drive the quality of our services even further.

Most National Clinical Audits and Outcome Reviews are in progress in the Health Board, with any areas of concern being investigated and supported by the Clinical Audit Scrutiny Panel as well as the new Clinical Director for Clinical Audit. The Clinical Audit Department is working with the Services involved to drive increased participation and improvements and examples of this have already been achieved in 2024.

The Clinical Audit Department is now implementing the Audit Management and

Tracking software (AMAT). A large number of clinicians are already signed up to the system and utilising it for clinical audit projects as well as other elements that the software covers. All projects are now captured by this system, greatly increasing transparency and accountability. Improvement activity is also monitored through this system and the full audit cycle can be captured and completed more effectively. A number of audits in 2024 are also utilising the system for data collection, making audit far more accessible within the Health Board.

The Clinical Audit Department has continued with the programme for Whole Hospital Audit Meetings which includes two whole Health Board meetings annually. These are chaired by the Clinical Director for Clinical Audit and focus primarily on the mandatory national audits outlined by Welsh Government as well as appropriate local projects that have a wide-reaching impact. Whilst these forums only capture a small number of audit projects there are many more audit forums where audit projects can be presented.

Information governance (IG) arrangements

We have well established arrangements through an information governance framework to ensure that information is managed in line with relevant information governance law, regulations, and Information Commissioner's Office (ICO) guidance. The framework includes the following:

- An Information Governance Sub Committee (IGSC), whose role it is to support and drive the information governance (IG) and cyber security agenda and provide the health board with the assurance that effective IG and cyber security best practice procedures are in place within the organisation;
- A Caldicott Guardian who is the responsible person for protecting the confidentiality of patient and service-user information and enabling appropriate information sharing;
- A Senior Information Risk Owner (SIRO) is responsible for setting up an accountability framework within the organisation to achieve a consistent and comprehensive approach to information risk assessment;
- A Data Protection Officer (DPO) whose role it is to ensure the health board is compliant with data protection legislation;
- Information Asset Owners (IAOs) are in place for all service areas and information assets held by the health board. They have been assisting IG Team in programme of compiling a full asset register for the health board, where all Information Asset Registers have been now drafted: and
- Information Asset Owners Group, Caldicott Guardian Group, and Cyber Security Assurance Group have been established and meet regularly throughout the year to support the IGSC.

We have responsibilities in relation to freedom of information, data protection, subject access requests and the appropriate processing and sharing of personal identifiable information. Assurances that the organisation has compliant IG practices are evidenced by:

- Quarterly reports to the IGSC, including key performance indicators;
- A detailed operational IG Compliance work plan, taken to IGSC quarterly, detailing progress made against actions required to ensure compliance with data protection legislation;
- A suite of IG and information security policies, procedures and guidance documents;
- IG Intranet pages for the health board's employees with guidance and awareness;
- A comprehensive bi-annual mandatory IG training programme for all staff, including proactive targeting of any staff non-compliant with their IG training;
- A robust management of all reported Personal Data breaches, including proactive reporting to the ICO;
- Regular monitoring of the health board's systems for inappropriate accesses to patients' personal data through the

National Intelligent Integrated Audit Solution (NIIAS) platform;

- An Information Asset Register (IAR) used to manage information across the health board; and
- All IG issues have been escalated through Sustainable Resources Committee. The Committee papers can be viewed here: <https://hduhb.nhs.wales/about-us/governance-arrangements/board-committees/sustainable-resources-committee-src/>.

NIIAS that audits staff access to patient records has been fully implemented within the organisation, with an associated training programme for staff, and procedures for managing any inappropriate access to records. In addition to the above training, there are regular staff communications, group training sessions, as well as IG ‘drop in’ sessions held across the health board. Posters, leaflets, staff briefings have all been used to disseminate information to staff around the importance of confidentiality, appropriate access to patient records and ensuring information is shared in an appropriate way.

During 2023/24 the IG team carried out audits across HDUHB’s sites, and the first set of Information Governance audits across Glangwili General Hospital, Wityhush General Hospital, Bronglais General Hospital and Prince Phillips Hospital have now been completed. The purpose of the audit has been to identify any information governance, information Security risks and patient confidentiality risks to seek assurance that the relevant procedures and protocols in relation to information governance have been adhered to and that actions are being taken to protect data and assets held.

As a health board we have undertaken a full review of our position against the Welsh Information Governance Toolkit and the assessment has demonstrated a good level of assurance of information governance risks. Caldicott Principles into Practice Assessment (CPIP) assessment has been retired across NHS Wales.

Staff compliance with information governance/cyber training is currently at 77.98%, over the past 12 months.

We continue to reinforce awareness of key principles of Data Protection legislation. This includes the overarching principle that users must only handle data in accordance with people’s data protection rights.

11.5.26 Planning arrangements

The health board has a clear strategic direction through a “A Healthier Mid and West Wales” which sets out the investment and infrastructure requirements to secure World class and sustainable health services for the long-term. Our strategy, built on the principles of care closer to home and a shift to primary and preventative care, includes a set of design assumptions which articulate how services will improve to realise this vision.

As a health board we have a statutory duty to develop a three-year plan (an Integrated Medium-Term Plan, IMTP) to deliver care and support the health of our population within the resource envelope provided by WG. Since its formation Hywel Dda University Health Board has regrettably never been able to submit an IMTP, primarily due to our inability to break-even. This is a breach of our statutory duty and therefore an unacceptable position for ourselves and WG.

The factors contributing to this position are long-standing and deeply embedded into the fabric of the health and care system for Mid and West Wales. Financial and workforce challenges have existed for decades, in part due to difficulties with recruitment and retention and partly due to models of care (an over-reliance on acute hospitals for example) and the duplication and inefficiencies associated with rural health care. The route out of this situation will take some time and will require us to find practical solutions to these issues.

As a result, we were not in a position to submit an IMTP for the period 2023/26, and failed to meet our statutory duty to develop an IMTP, and whilst this was disappointing, we

have continued to develop a way forward that aligns our desire to see the outcomes of our strategy become reality. Continuity in these aspects is important for our staff, patients and public and provide strong foundations for us to make the progress required. It is also clear however that the health board needs to improve.

Our plan for 2023/24 therefore had two primary aims. First, to set out what we were able to achieve in response to the above issues over the next 12 months, with a particular focus on the Ministerial Priorities. Secondly, to lay out the foundations for us to chart a course to a more sustainable position, including an ambition to return to financial balance, aligned to our strategy “A Healthier Mid and West Wales”.

As a result, the development of our Plan for 2023/24 was based upon the following principles:

- The Health Board would submit an Annual Plan.
- The core philosophy of the plan was one of stabilisation and laying the foundations for a medium-term recovery plan, aligned to our strategy.
- The majority of plans were to be based upon existing resources (workforce and funding), with the nursing workforce stabilisation plan being the main exception to this.
- The plan and organisational priorities were focused on delivery of the Ministerial Priorities.
- The plan was a continuation of the organisation’s journey to date, consistent

with the strategy and building on the methodology of strategic objectives, planning objectives and our Board Assurance Framework.

- A more focused plan, with fewer planning objectives, and more ambitious.

The basis of Year 1 Stabilisation were the Ministerial Priorities and our priority planning objectives. Examples of this approach included the work on transforming urgent and emergency care; our planned care, diagnostic and cancer recovery; ensuring appropriate primary and community care access; alongside key enablers, such as our workforce stabilisation plan, our roadmap to financial sustainability, digital transformation and our continued work towards our strategy ‘A Healthier Mid and West Wales’.

The Plan was submitted to WG in March 2023, with a supplementary document providing more clarity of the expected outcomes and trajectories associated with the Ministerial Priorities submitted to WG in May 2023.

Given our financial position and the raising of our targeted intervention status to the entire organisation in January 2024, the health board also submitted an Annual Plan for the period 2024/25.

For 2024/25, we have ten priority programmes of change, termed planning objectives (POs), aligned the WG Planning Framework and the Ministerial Priorities:

Value and sustainability		
Planning objective 1	Workforce stabilisation	Critical enabler
Planning objective 2	Financial recovery and route map	Statutory duty
Quality and performance		
Planning objective 3	Transforming urgent and emergency care	Ministerial priority
Planning objective 4	Planned care, diagnostics and cancer	Ministerial priority
Planning objective 5	Mental health and CAHMS	Ministerial priority
A Healthier Mid and West Wales		
Planning objective 6	Clinical services plan	Service fragilities
Planning objective 7	Primary and community strategic plan	Ministerial priority Service fragilities
Planning objective 8	Estates plans	Estate fragilities
Planning objective 9	Digital plan	Critical enabler
Planning objective 10	Population health	Long-term sustainability

We expect these areas of work will deliver the following:

Our aims for 2024/25:

- **Financial Stability:** This year is about strengthening our financial footing. We plan to reverse the downtrend and move closer to meeting our control total by year two, marking a significant step towards lasting financial sustainability.
- **Nursing Workforce Stabilisation:** Entering the second year of our three-year plan, we are focused on reducing nursing vacancies and reliance on agency staff. The goal is to build a robust, permanent nursing team.
- **Improved Planned Care Performance:** We're prioritising delivering the best and most efficient care standards, with an immediate focus on cancer care and reducing waiting times in key areas, including diagnostics and outpatient services. This also includes the eradication of 104-week waits in most specialties.
- **Transforming Urgent and Emergency Care:** Our Urgent and Emergency Care programme is advancing into its second year. We will expand the Worthybush Hospital frailty model throughout the Health Board and aim to improve patient flow by minimising long stays, contributing to the efficiency of our 80-bed target.
- **Clinical Services Plan - Phase 2:** By September 2024, we will complete the development of the next options phase of our Clinical Services Plan. This phase is crucial as it will inform the operational

changes that we'll initiate throughout the year.

- **Primary Care and Community Services Strategic Plan:** A new strategic plan for primary care and community services will be developed through the year. This strategic plan is key to bringing resilience to our primary and community services and our commitment to preventive care and community-based service delivery.
- **Organisational restructure:** To support the delivery of these aims, we are restructuring our internal business arrangements focusing on enhancing clinical leadership and governance. These changes are fundamental to our capacity and capability to meet our objectives and deliver the high-quality care our communities deserve. These changes include an internal performance framework and operational structure change.

Whilst the above represents significant progress we accept that it does not resolve the substantial financial, workforce and service fragilities present in Hywel Dda within the next 12 months. A critical task during the early part of next year will be to deliver on the 2024/25 plan and, in parallel, set out the key milestones for 2025/26 and beyond.

11.5.27 Disclosure statements

Code of Corporate Governance

Corporate governance is, in simple terms, the way in which organisations are directed, controlled and led. Good corporate governance is fundamental to an effective and well managed organisation. The UK Corporate Governance Code is the primary reference and overview of good practice for corporate governance in Central Government Departments.

Whilst there is no requirement to comply with all elements of the Corporate Governance Code for Central Government Departments, an assessment was undertaken in March 2024 against the main principles as they relate to an NHS public sector organisation in Wales. This assessment was informed by the

AW Structured Assessment 2023. We are satisfied that we are complying with the main principles of and are conducting our business in an open and transparent manner in line with the code. There were no reported/identified departures from the Corporate Governance Code during the year.

Fire safety

The health board closed 1 Enforcement Notice issued by Mid and West Wales Fire and Rescue Service (MWWFRS) and continues to address the 3 outstanding Enforcement Notices. Of these 3 Enforcement Notices, 2 relating to GGH have received formal extensions from MWWFRS in February 2024. One additional Enforcement Notice at Bro Cerwyn has had all works completed, with the MWWFRS invited to inspect the completed work. Extensive fire safety improvement works are being undertaken at Withybush Hospital, Glangwili Hospital and at Bronglais Hospital with WG funding, with regular progress updates reported to the HSC, which provides assurance to the board on the work undertaken towards improving compliance.

Equality, diversity, and inclusion

We are committed to putting people at the centre of everything we do. Our vision is to create an accessible and inclusive organisational culture and environment for everyone. This includes staff, those who receive care (including their families and carers), as well as partners who work with us - whether this is statutory organisations, third sector partners or communities. This means thinking about people as individuals and taking a person-centred approach, so that everyone is treated fairly, with integrity, dignity and respect, whatever their background and beliefs.

Control measures are in place to ensure that our obligations under equality and human rights legislation are complied with, and include:

- The requirements of the Armed Forces Covenant Duty which came into effect on 22 November 2022 has been embedded

into our strategic decision-making process. The Equality Impact Assessment (EqIA) process was reviewed, to incorporate the Armed Forces Covenant Duty.

- An EqIA training programme is available for all staff which supports them to enhance their knowledge and skills to support service and policy developments or changes.
- Equality and Human Rights e-learning is mandatory, and as part of the corporate induction all staff can access training delivered by the Diversity and Inclusion team to enhance the e-learning content.
- A Strategic Equality Plan Annual Report is published annually, alongside a Workforce Equality Report and Pay Gap Reports focusing on gender, ethnicity and disability.
- During the course of the year, we carried out extensive engagement with our population, staff and other stakeholders to help develop a refreshed Strategic Equality Plan and Equality objectives for 2024–2028 that continue to advance equality of opportunity and eliminate discrimination.

Equality objectives

The work to progress the equality agenda is inter-linked with our work around the Well-being of Future Generations (Wales) Act 2015 (WFGA) and the Social Services and Well-being (Wales) Act 2014. For more information on the Strategic Equality Plan and objectives and progress outlined in the annual reports, visit

<https://hduhb.nhs.wales/about-us/governance-arrangements/equality-diversity-and-inclusion/equality-diversity-and-inclusion-documents/>.

Key highlights for 2023/24 include:

- A well-established Menopause Café for staff which has provided input by specialists on nutrition, anxiety and stress and Q&A sessions with our Specialist Menopause Consultant. An information session targeted at our male staff was

also arranged to educate them about the menopause and how they can offer support to those around them.

- A 50+ café has been established to offer peer support to staff members that may be in the later stages of their careers. Information and discussions on topics such as support with increasing caring responsibilities, new digital technology and pensions have taken place over the past year.
- Our Respectability staff network (catering for staff members with a disability or long-term condition, recognising staff with both physical and neurodiversity needs) continues to go from strength to strength. Arts in Health, maternity experience, an introduction to the National Neurodivergence Team and Autism burnout are some of the topics that have been discussed in sessions over the past year.
- Our ENFYS LGBTQ+ Staff Network continues to offer peer support to our LGBTQ+ staff members and allies. Network members have represented the health board at several Pride events across South and West Wales. Network members have been joined by staff from sexual health, smoking cessation, immunisations and vaccinations and workforce and organisational development at these events to engage with the public, offer advice on our healthcare services and promote recruitment opportunities.
- The Black, Asian and Minority Ethnic Staff Network continues to grow in popularity and is meeting regularly to discuss issues in the workplace. The network reports activity to the health board's Black, Asian and Minority Ethnic Advisory Group. A subgroup within the Black, Asian and Minority Ethnic Staff network is in the process of being established, this subgroup will lead on the planning and supporting of various social events throughout the year. These social events offer an opportunity to support and integrate new overseas staff, who are

looking to settle into the area after joining the health board. A successful Diwali celebration event was held in November 2023 where both existing and new network members were in attendance. Network members also took part in a multi-faith Christmas Service in December.

- 36 equality, diversity and inclusion (EDI) training sessions have been offered to staff throughout 2023/24 on a range of topics. These have included formal training delivered by external training providers, webinars and in-house training delivered by health board staff. The Diversity and Inclusion team have also been working with the Learning and Development team to develop and deliver a training package with a focus on inclusive leadership to new and aspiring leaders. The aim of these modules will be to equip staff in leadership roles with the skills and knowledge to implement best practice and demonstrate respectful and non-discriminative values. The Diversity and Inclusion team will also be contributing to the Management Skills Programme which will be launched in spring 2024.
- 87% of our staff have completed the Paul Ridd Learning Disabilities Awareness Training which aims to improve knowledge and raise awareness of the issues that people with a learning disability face when accessing healthcare services. The training enables healthcare staff to understand the specific needs of the individual and to make reasonable adjustments that will meet those needs.
- We remain committed to conducting appropriate equality impact assessments to support good governance and decision making and this work is closely linked with our commitment towards continuous engagement. 162 Equality Impact Assessments have been undertaken during 2023/24.

NHS pension scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions, and payments into the scheme are in accordance with the scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the regulations. The health board confirms that it acts strictly in compliance with the regulations and instructions laid down by the NHS Pensions Scheme and that control measures are in place about all employer obligations. This includes the deduction from salary for employees, employer contributions and the payment of monies. Records are accurately updated both by local submission (Pensions On-Line) and from the interface with the Electronic Staff Record (ESR). Any error records reported by the NHS Pension Scheme which arise are dealt with in a timely manner in accordance with Data Cleanse requirements.

Carbon reduction delivery plans

We have undertaken risk assessments and carbon reduction delivery plans to demonstrate compliance with the requirements of the emergency preparedness and civil contingency elements of the UKCIP (UK climate Impacts Programme) 2009 weather projections to ensure that the organisation's obligation under the climate change Act and the Adaptation Reporting.

From a climate change viewpoint, we recognise the impact of climate change in the work we do around severe weather planning and highlight this within the Dyfed Powys Local Resilience Forum (LRF) Severe Weather Arrangements. These arrangements cover four elements: flooding, severe winter weather, heatwave, and drought. The arrangements cover elements such as risk, alerting mechanisms, multi-agency command and control structures, warning and informing and training/exercising.

Data security

We have adopted and implemented a robust procedure for managing personal data breaches across the organisation, that ensures incidents are reported in line with statutory requirements and lessons are learnt to improve future practice. We have had contact with the Information Commissioner's Office (ICO) in relation to five incidents during the year (self-reported by the Health Board). Incidents involved:

- Misfiling paper records,
- Access to medical records by unauthorised individuals,
- Records lost in transit,
- Information disclosed in error.

Two incidents have been closed by the ICO with no further action required and three incidents are still being investigated by the ICO.

Additionally, the Cyber Security team continues to provide security architecture advice, ensuring designs follow security best practice and follow the requirements of the Network and Information Systems Regulations (NISR). The Cyber Security team has also made progress with the tools and capabilities available to Hywel Dda. NISR is designed to protect critical national infrastructure against cyber-attacks. This regulation applies to all parts of the UK and EU and came into force in May 2018, alongside the UK GDPR/Data Protection Act. As part of NHS Wales, the health board is an Operator of Essential Services and has a legal obligation to comply with NISR.

Quality of data

We make every attempt to ensure the quality and robustness of our data and have regular checks in place to assure the accuracy of information relied upon. However, the multiplicity of systems and data inputters across the organisation means that there is always the potential for variations in quality, and therefore always scope for improvement. We have an ongoing data quality improvement plan which routinely assesses

the quality of our data across key clinical systems.

Good quality clinically coded data plays a fundamental role in the management of hospitals and services. Coded data underpins much of the day-to-day management information used within the NHS and is used to support healthcare planning, resource allocation, cost analysis, assessments of treatment effectiveness and can be an invaluable starting point for many clinical audits. The Clinical Coding Development Plan has taken root, and we are now regularly achieving 95% completion within one month of discharge.

Work continues to be undertaken to drive towards reducing the reliance on physical case notes and pushing the use of electronic documentation in line with the development of the Clinical Record Keeping Policy. This will further support the improvement of the clinical coding data and its uses.

Ministerial Directions

The WG has issued a number of Non-Statutory Instruments during 2023/24. Details of these and a record of any Ministerial Direction given is available on the following link: <https://www.gov.wales/publications>.

A schedule of the directions, outlining the actions required and our response to implementing these was presented to the ARAC as an integral element of the suite of documents evidencing governance of the organisation for the year. From this work it was evidenced that we were not impeded by any significant issues in implementing the actions required as has been the situation in previous years. All directions issued have been fully considered by the Sustainable Resources Committee, on behalf of the board, and where appropriate, implemented (See [Appendix 4](#)).

In accordance with a Ministerial Direction issued on 18 December 2019, WG has taken action to support circumstances where pensions tax rules are impacting upon clinical staff who want to work additional hours, and have determined that clinical staff who are

members of the NHS Pension Scheme and who, as a result of work undertaken in the 2019/20 tax year, face a tax charge on the growth of their NHS pension benefits, may opt to have this charge paid by the NHS Pension Scheme, with their pension reduced on retirement.

The WG, on behalf of the health board, will pay the members who opt for reimbursement of their pension, a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

A Scheme Pays provision of £633k has been included in the 2023/24 Annual Accounts (2022/23: £604k).

Welsh Health Circulars (WHCs)

Welsh Health Circulars (WHCs) are published by the WG to provide a streamlined, transparent and traceable method of communication between NHS Wales and NHS organisations. WHCs relate to different areas such as policy, performance and delivery, planning, legislation, workforce, finance, quality and safety, governance, information technology, science, research, public health and letters to health professionals. Details of WHCs is available on the following link:

<https://www.gov.wales/health-circulars>

Following receipt, these are assigned to a lead director who is responsible for the implementation of required actions. The board has designated oversight of this process to board level committees, with an end-of-year report provided to the ARAC.

11.5.28 Review of effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. The review of the system of internal control is informed by the work of the Internal Auditors, and the Executive Officers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

The board and committees rely on a number of sources of internal and external assurances which demonstrate the effectiveness of the health board's system of internal control and advise where there are areas of improvement. These include:

- Feedback from WG and the specific statements issued by the Cabinet Secretary for Health and Social Services;
- Local Counter-Fraud and Post Payment Verification Activity;
- Inspections by Healthcare Inspectorate Wales;
- Peer Reviews (including Getting it Right First Time (GIRFT));
- Accreditation, licensing and regulatory bodies;
- Royal College and Deanery visits;
- Clinical, Internal and External Audit reports;
- Feedback from statutory Commissioners;
- Feedback from staff, patients, service users and members of the public
- Patient Safety Walkabouts;
- Engagement visits by Independent Members;
- Assurance provided by ARAC and other committees of the board;
- Integrated Performance Assurance Reports
- Whistleblowing and speaking up safely;
- Incidents reports;
- Concerns and compliments.

11.5.29 Internal Audit

IA provide me as Accountable Officer and the board through the Audit Committee with a flow of assurance on the system of internal control. I have commissioned a programme of audit work which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit Committee and is focussed on significant risk areas and local improvement priorities.

The overall opinion by the Head of Internal Audit on governance, risk management and

control, is a function of this risk-based audit programme and contributes to the picture of assurance available to the board in reviewing effectiveness and supporting our drive for continuous improvement.


The internal audit plan has needed to be agile and responsive to ensure that key developing risks are covered. The Head of Internal Audit meets weekly with the Director of Corporate Governance/Board Secretary and when required, the Director of Finance to discuss and consider any changes to the Internal Audit plan, either to accommodate fluctuations in operational demand or changing priorities.

As a result of this approach and with the support of officers and Independent Members across the health board, the plan has been delivered substantially in accordance with the agreed schedule and changes required during the year.

11.5.30 Head of Internal Audit Opinion

The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period to provide the Head of Internal Audit Annual Opinion in line with the requirements of the Public Sector Internal Audit Standards. In forming the opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

The Head of Internal Audit has concluded for 2023/24:

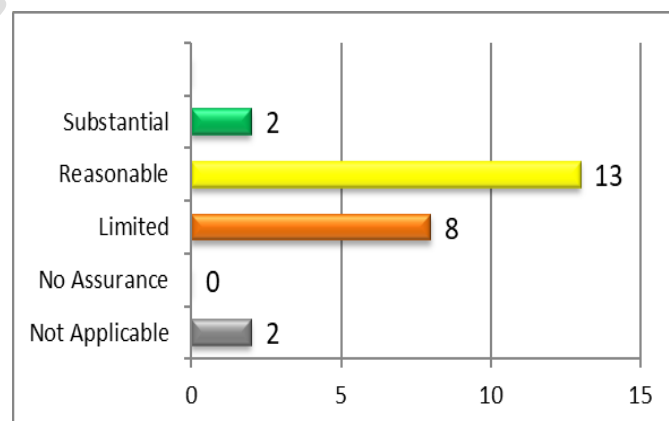
Limited Assurance	
<p>The Board can take Limited Assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.</p>	

In reaching this opinion, the Head of Internal Audit considers that the health board has adequate arrangements at a corporate level however, arrangements across areas and services within the organisation show variation, with weaknesses frequently identified from a control, risk and governance perspective.

The opinion is predominantly based on the number/percentage of limited assurance audit ratings, the significance of the areas/findings, and also the broader position regarding overall governance, risk management and control and any improvements made to address agreed management actions.

The audit plan is prepared on the basis of a risk based planning approach, including areas that the health board had specifically identified as know risks areas and areas of potential concerns. The audit plan was also reviewed and updated during the year to re-focus audit work on to areas of emerging or increasing risk and responding to the Health Board's increased escalation status. In the current year this included areas that have been allocated a limited assurance rating e.g. BGH Q&S Governance and consultant job planning.

Summary of 2023/24 Audit Assurance ratings:



Overall, IA have provided the following assurances to the Board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the areas in the table below.

Summary of Audits 2023/24:

Substantial Assurance	Reasonable Assurance
<ul style="list-style-type: none"> • Board Oversight • NICE Guidance Follow-up 	<ul style="list-style-type: none"> • Governance - Targeted Intervention Actions • Quality & Safety Governance Bronglais Hospital Follow Up • Agency & Rostering • Transforming Urgent & Emergency Care • Records digitisation Follow Up • Deprivation of Liberty Safeguards • Mental Health & LD Service - Timely Access • Elective Waiting List Management • IT Digital - Technical Resilience • Theatres Loan Trays Follow Up • Strategic Programme Governance • Withybush General Hospital RACC Internal Major Incident • Cross Hands Health & Wellbeing Centre Capital Scheme
Limited Assurance	Advisory/Non-Opinion
<ul style="list-style-type: none"> • Quality and Safety Governance – Bronglais Hospital • NICE Guidance Arrangements • Decarbonisation • Estates Assurance – Estate Condition • Consultant Job Planning Follow Up • Transforming Urgent and Emergency Care – Discharge Management • Standards of Cleanliness • GGH Fire Precautions Scheme 	<ul style="list-style-type: none"> • Quality and Safety Governance – Bronglais Hospital - Initial Follow Up • Contracts under Seal
No Assurance	
N/A	

Whilst there were no audited areas that resulted in 'no assurance' the following audit reports were issued with a conclusion of limited assurance:

- **Quality and Safety Governance - Bronglais Hospital** – This audit reviewed operational quality and safety governance arrangements to provide assurance that issues fundamental to the quality and safety of services are managed, monitored, and escalated. It raised

significant matters which required management attention including the lack of a clear governance structure and reporting arrangements from informal groups and meetings through to the Health Board, gaps in the quality and safety topics expected to be reviewed at directorate level and reports /representation at meetings, and a high open incident numbers with no clear plan or action to identify the root issue and address the backlog. Given the significant

concerns, Internal Audit were asked to undertake an initial follow up to review progress, with a full follow up also undertaken which concluded reasonable assurance in February 2024. This reported that action remained ongoing for three recommendations, which relate to ensuring key risks and issues from support groups are reported through to the Quality Forum, addressing the overdue risks highlighted to the Quality Forum, and reducing the number of open incidents assigned to the directorate.

- **NICE Guidance Arrangements** – This audit related to the operation of arrangements in place for assessing and ensuring compliance with NICE guidelines and is not a reflection of the extent to which the Health Board is compliant with these guidelines. Two high priority matters were raised in respect of leads not being assigned to complete statements of compliance and therefore compliance assessments were not completed, and no oversight of NICE guideline compliance or progress in assessing this across the Health Board. This has been followed up, and in recognition of the work progressed, provided *reasonable assurance*.
- **Decarbonisation** – This audit considered progress against the NHS Wales Decarbonisation Strategic Delivery Plan and the Health Board's Decarbonisation Action Plan, demonstrating how they will implement the Strategic Delivery Plan initiatives. Following on from the advisory review delivered in 2022/23, the scope of the audit included governance, strategy progress and implementation. The audit found that a lack of funding impact's the health board's ability to produce a fully costed plan; establish a long-term financial model for the funding required to support the decarbonisation programme; implement structural changes to address the insufficient staffing resource dedicated to decarbonisation; and complete the key actions assigned to the initiatives set out in the Strategic Delivery Plan in a timely

manner. This financial shortfall, has been highlighted by the Director of Strategy and Planning to WG, will impact on the organisation's ability to meet national decarbonisation targets in 2025 and 2030.

- **Estates Assurance - Estate Condition** – The audit sought to evaluate the arrangements to identify and manage key risks associated with the existing estate and the implementation of resulting strategies to manage/mitigate the risk. An overall limited assurance rating was determined due to the concerns that identified estate risks cannot be managed within existing funding. This assurance opinion is in line with that determined across NHS Wales, given the common challenges faced by each organisation. Seven of the eight matters arising are currently being progressed.
- **Consultant Job Planning** – This review has sought to establish progress made by management to implement agreed actions arising from the previous internal audit over the arrangements across the health board for management of the systems and controls in place for consultant job planning. Whilst there was an increasing trend in job plan compliance (up to 67% as at February 2024) following the work undertaken by the Medical Directorate Team in engaging with Service Directorate Management, a limited assurance was concluded overall. A number of matters remain, including mechanisms to ensure job plans are regularly reviewed, rollout of an audit programme to review consultant sessions and additional pay, and the prompt investigation and resolution of potential under and over payment identified in the this and the previous audit report.
- **Transforming Urgent and Emergency Care – Discharge Management** – This audit sought assurance that discharge planning and management processes in place are effective and compliant with policies and guidance. An overall limited assurance rating was concluded as whilst

progress was evident in the roll out of the Optimal Hospital Patient Flow Framework across a sample of wards to support the reduction in discharge delays, a number of high priority matters arising were identified. These included no evidence of review to align discharge processes in the three counties into a single process, an incomplete and outdated Roll Out Action Plan; and incomplete and inaccurate information retained in the Frontier system. A number of recommendations from the previous report had also not been fully implemented.

All limited assurance reports are subject to follow up reviews, and these will form part of the 2023/24 Internal Audit plan, if they have not already been followed up.

Management responses that detail the actions to address gaps in control were included in all final IA reports presented to

ARAC. The delivery of these actions is tracked via the health board’s audit tracker which is overseen by the ARAC. The minutes and all final IA reports can be found within the ARAC section of the website: <https://hduhb.nhs.wales/about-us/governance-arrangements/board-committees/audit-and-risk-assurance-committee-arac/>

Where audit assignments planned, this year did not proceed to full audits following preliminary planning work, these were either removed from the plan, removed from the plan and replaced with another audit, or deferred until a future audit year. The following audits were deferred:

Review Title	Reason
Out of Hours	Deferred as part of reprioritisation of plan. The risk was on the corporate risk register at the time of planning, with the risk being reassessed by the UHB in year in a paper to the September 2023 Board meeting, and was incorporated in the corporate risk relating to the unscheduled care system. Could have had impact as UHB has known challenges in this area.
Medical Locums	Deferred as part of reprioritisation of plan. Could have had impact on opinion as UHB has known challenges in this area regarding management of expenditure, although noting some additional control measures implemented during the year.
Financial Management.	Deferred as planned scope overlapped with Financial Efficiency work by Audit Wales. Some of the drivers of financial position e.g. Agency, rostering and Job planning covered separately. Could have had impact on opinion as UHB has significant ongoing financial challenges.
Workforce Strategies – Site Stabilisation	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated. Potential improvement with UHB in this area.
IT Digital – Cloud Migration	Discussion with management and IT Audit. Cloud migration not progressing as planned. No significant impact on opinion anticipated.
Managed Practices	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated.
New Directorate Governance Arrangements.	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated.
MH Contracting and Commissioning	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated.

MHLD DWP – patients affairs and monies	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated.
Mortuary (Joint with BSUHB)	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated.
Medicines Management	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated.
Integrated Localities	Deferred as part of reprioritisation of plan. No significant impact on opinion anticipated.

11.5.31 Audit Wales (AW) Structured Assessment

The AW Structured Assessment is a process that looks at whether we have made proper arrangements to secure economy, efficiency, and effectiveness in our use of resources.

The Structured Assessment 2023 (link here: <https://www.audit.wales/publication/hywel-dda-university-health-board-structured-assessment-2023>) focused on our corporate arrangements for ensuring that resources are used efficiently, effectively, and economically. The overall assessment concluded that ‘*the health board has generally effective corporate arrangements, however it is facing significant performance and financial challenges.*’ The full report can be accessed on the health board website here:

<https://hduhb.nhs.wales/about-us/governance-arrangements/board-committees/audit-and-risk-assurance-committee-arac/arac-meeting-12-december-2023/item-5-2-structured-assessment-2023/>.

AW noted that ‘the Board and its committees continue to operate effectively, maintaining focus on public transparency, good governance, and continuous improvement. There are opportunities to further enhance arrangements for patient safety walkabout, and whilst the board is cohesive, a period of significant change will need to be well managed to ensure this is maintained.’ Other key messages in the report relating to Board transparency, effectiveness and cohesion included:

- We continue to have a strong commitment to public transparency.

- We have robust arrangements remain to support the effective conduct of Board and committee business.
- Our Board and committee meetings are conducted appropriately and effectively and remain focused on strategic risks and objectives.
- Our Board and committees continue to receive good quality, timely papers, and interactive tools to support effective scrutiny, assurance and decision making.
- Our Board has maintained its commitment to hearing from patients and staff, but there are opportunities to enhance arrangements for patient safety walkabouts.
- We have a robust approach to Board development and improvement which provides good foundations to manage the significant changes currently being experienced.

AW found that in relation to corporate systems of assurance ‘the health board has maintained and enhanced corporate systems of assurance related to risk and recommendation tracking, and there is appropriate Board oversight. The approach to overseeing the quality and safety of services is improving. Whilst corporate oversight of organisational performance is strong, there is scope to strengthen assurance on the effectiveness of performance management systems. Key messages in the report also include:

- We continue to have a mature approach to overseeing our Board Assurance Framework and have further strengthened oversight and assurance on our risk

management arrangements by renewing its Risk Management Strategy and introducing a six-monthly risk assurance report.

- We have strong corporate level oversight and scrutiny of organisational performance, and we have approved the Improving Together performance management framework, with scope to strengthen the assurance on the effectiveness of these systems;
- We are improving our approach to overseeing the quality and safety of services, with the Quality Improvement Strategic Framework revised in the year. Appropriate steps are being taken to ensure compliance with the new duties of quality and candour, and
- We continue to have robust arrangements for tracking audit and review recommendations.

In respect of the corporate approach to planning, AW found that ‘the health board has maintained its focus on long-term vision, and development and delivery of the Annual Plan is supported by appropriate oversight. However, opportunities remain to strengthen the oversight of other corporate plans, further improve the planning objectives and review capacity to support planning activities. Key messages in the report include:

- We continue to focus on our long-term vision by the development of plans such as the Annual Plan and Clinical Services Plan, with appropriate corporate oversight, given the scale of planning activity, capacity to support these activities remain a concern.
- We have robust arrangements to oversee the delivery of our Annual Plan which is supported now by streamlined planning objectives. However, we have opportunities to articulate expected outcomes for planning objectives, and to strengthen the oversight of other corporate plans and realign planning objectives to the overarching, longer term strategic objectives.

In respect of managing its financial resources, AW found that ‘despite a clear process for financial planning, and reasonable arrangements for managing and monitoring the financial position, the health board’s financial position is extremely challenging for 2023-24’. Key messages in the report included:

- We were unable to meet our financial duties for revenue in 2022/23 and will continue not to achieve them in 2023/24.
- We have clear process for financial planning with good Board involvement, although the development and delivery of our savings plan is a challenge.

AW reviewed our progress against recommendations made in previous reports and issued five new recommendations in the Structured Assessment for 2023. These related to enhancing public transparency, Board member patient safety walkabout, performance management arrangement assurance, aligning planning and strategic objectives, and financial scrutiny. The management response can be accessed in the ARAC papers here:

<https://hduhb.nhs.wales/about-us/governance-arrangements/board-committees/audit-and-risk-assurance-committee-arac/arac-agenda-and-papers-20-february-2024/item-4-2-structured-assessment-2023-management-response/>.

During 2023/24, AW also completed the following reviews:

- Audit of the Charitable Funds Accounts 2022/23
- Audit of the Annual Report and Accounts 2022/23
- Follow-up Review of Primary Care
- Review of Workforce Planning Arrangements
- Review of Operational Governance Arrangements – Mental Health and Learning Disabilities Directorate

11.5.32 Conclusion

The Health Board was unfortunately unable to produce a financially balanced IMTP for 2023/24, which was a breach of our statutory duties. The Health Board continues to face significant challenges with longstanding workforce, estate, and financial pressures, significant service fragilities, and significant performance issues. This has led to the organisation being escalated to 'targeted intervention' by WG in January 2024 for whole organisation due to their escalating concerns in all of the 6 domains of the oversight and escalation framework. I will ensure that we rise to this challenge by responding positively, and at pace, to the escalation plan set out by WG.

The health board's Structured Assessment 2023 undertaken by AW, provided a positive view of the organisation's corporate arrangements to support good governance and the efficient, effective, and economical use of resources in most areas. It was pleasing to note the AW's recognition that despite our significant performance and financial challenges, our corporate arrangements are generally effective, notwithstanding the 5 recommendations issued this year relating to enhancing public transparency, Board member patient safety walkabout, performance management arrangement assurance, aligning planning and strategic objectives, and financial scrutiny. We are also aware that we need to streamline our operational structure and governance arrangements.

During 2023/24, we have proactively identified areas requiring improvement and requested Internal Audit to undertake detailed assessments in order to manage and mitigate associated risks. A number of reports issued by Internal Audit concur with our view and have consequently provided the Health Board with clear recommendations to ensure that focussed and urgent management actions are in place to address identified shortcomings. The health board received 8 Internal Audit reports with a limited assurance rating during 2023/24 which has resulted in

the Head of Internal Audit issuing a limited assurance rating having considered that whilst the health board has adequate arrangements at a corporate level, arrangements across areas and services within the organisation show variation, with weaknesses frequently identified from a control, risk and governance perspective. Robust action plans have been agreed to address the recommended areas of improvement, with follow-up reviews to ensure appropriate action is taken.

As a board, we have continued to make progress against our strategic objectives even though a number of our planning objectives were slowed or paused in year in response to deteriorating financial conditions and mounting operational strains. Progress has included the approval of our Digital Strategic and Management case, the launch of our Health Pathways programme with around 45 pathways currently included, the submission of the regional 10-year capital plan to WG, the development of an Interprofessional Education Plan, further work on understanding how we can retain staff, a new and refreshed Welsh language course, development of our One Health approach to sustainability including working with local Universities and partner organisations, and the continued success of our Tritech Institute and delivery of phase 1 of our Clinical Services Plan.

Whilst we have made some progress, the board's own assessment of its effectiveness recognised our increased escalation status as well as the improvements we need to make to our integrated planning, finance and performance delivery.

Our Annual Plan for 2024/25 is our initial step to reverse the deteriorating trajectory of our financial position and secondly agree a clear and deliverable route map to financial balance. Our plan describes our key objectives and deliverables for the next 12 months and lays the foundations for further progress beyond that. The scale of the financial, workforce and service challenges

mean significant and fundamental change will be required.

Based on the above, I have therefore, concluded, that Hywel Dda University Health Board has improvements to make to its system of internal control to enable it to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically.

The Health Board will therefore need to continually reflect and respond to the unprecedented demands and challenges it

faces in 2024/25 and beyond, and I will ensure our Governance Framework considers and responds to this need.

**Signed
by:**

**Date:
11 July 2024**

**Professor Philip Kloer
Chief Executive Officer (Interim)**

DRAFT

Appendix 1 - Board and Committee Membership and the record of attendance for the period 01 April 2023 – 31 March 2024

Name	Position & Area of Representation	Board Committee Membership & Record of Attendance	Champion Role
Maria Battle	Chair <i>until 31 October 2023</i>	Board (Chair) 5/5 RTSC (Chair) 3/3 CFC 0/2	Raising Concerns (Staff)
Judith Hardisty	Interim Chair <i>from 01 November 2023</i>	Board (Chair) 4/4 RTSC (Chair) 5/5 CFC 0/2	Raising Concerns (Staff)
	Vice Chair (Mental Health, Learning Disabilities, Primary Care and Community Services) <i>until 31 October 2023</i>	Board (Vice Chair) 5/5 ARAC 6/6 HSC (Chair) 3/3 MHLC (Chair) 2/2 PODCC (Vice-Chair) 2/3 QSEC 4/4	Mental Health Carers
Eleanor Marks	Vice Chair (Mental Health, Learning Disabilities, Primary Care and Community Services) <i>from 02 February 2024</i>	Board (Vice-Chair) 1/1 ARAC 1/1 HSC 1/1 MHLC (Chair) 1/1 SDODC 1/1 SRC 1/1	Mental Health Carers
Cllr Rhodri Evans	Independent Member (Local Authority) <i>Interim Vice Chair from 27 November 2023 to 31 January 2024</i>	Board 9/9 ARAC (Chair) 8/8 MHLC 1/1 SDODC 5/6 SRC 5/6 RTSC (Vice-Chair from Sep23) 7/8	Equality
Anna Lewis	Independent Member (Community)	Board 9/9 CFC 3/4 PODCC (Vice-Chair from Sep23) 5/5 QSEC (Chair) 6/6 RTSC (Vice-Chair Apr23-Aug23) 6/8 SDODC 1/1	Duty of Quality and Duty of Candour Speaking up safely
Chantal Patel	Independent Member (University)	Board 9/9 ARAC 1/1 HSC 3/3 MHLC (Vice-Chair Nov-Feb24) 1/1	Infection prevention and control Putting Things Right

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		PODCC (Chair) 5/6 QSEC 5/5 SDODC (Vice-Chair Apr to Aug23) 3/3	
Winston Weir	Independent Member (Finance)	Board 7/9 ARAC (Vice-Chair) 6/8 MHLC 0/4 SDODC 3/3 SRC (Chair) 6/6	
Maynard Davies	Independent Member (Information Technology)	Board 9/9 ARAC 6/8 MHLC 1/1 SDODC (Chair) 4/6 SRC (Vice-Chair) 4/6 RTSC 8/8	Older persons
Michael Imperato	Independent Member (Legal) <i>from 01 September 2023</i>	Board 5/5 ARAC 3/3 SDODC (Vice Chair from Sep23) 3/3 SRC 2/3	
Iwan Thomas	Independent Member (Third Sector)	Board 8/9 CFC (Vice-Chair) 3/4 HSC 2/4 MHLC (Chair Nov- Feb24 & Vice-Chair Apr-Nov23 & from Feb24) 4/4 SDODC 2/3	
Delyth Raynsford	Independent Member (Community)	Board 9/9 CFC (Chair) 4/4 HSC (Vice-Chair from Nov23) 6/6 PODCC 5/6 QSEC (Vice-Chair) 6/6 SRC 5/6	Welsh Language Armed Forces and Veterans Children and Young People
Ann Murphy	Independent Member (Trade Union)	Board 9/9 CFC 4/4 HSC (Vice-Chair until Oct 2023 & Chair from Nov 2023) 6/6 MHLC 3/4 PODCC 6/6 QSEC 6/6	
Michael Gray from 31 January 2024	Associate Member	Board 1/1	
Hazel Lloyd-Lubran	Associate Member <i>until 09 December 2023</i>	Board 1/8 SRG (Chair) 3/3	

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Jeremy Hockridge	Associate Member <i>from 31 January 2024</i>	Board 0/1 SRG 1/1	
Mo Nazemi	Associate Member <i>until 31 August 2023</i>	Board 0/3 HPF (Chair) 3/3	
Steve Moore	Chief Executive Officer <i>until 31 January 2024</i>	Board 8/8 RTSC 5/8	Welsh Language
Professor Philip Kloer	Interim Chief Executive Officer <i>from 01 February 2024</i>	Board 1/1	Welsh Language
	Executive Medical Director/Deputy Chief Executive <i>until 31 January 2024</i>	Board 7/8 QSEC 5/5 HPF 3/3 PODCC 5/6	Caldicott Guardian
Lisa Gostling	Executive Director of Workforce and Organisational Development <i>Interim Deputy Chief Executive from 01 February 2024</i>	Board 9/9 PODCC 6/6 RTSC 8/8	Raising Concerns (Staff) Speaking up safely
Mark Henwood	Interim Medical Director <i>from 05 February 2024</i>	Board 1/1 PODCC 1/1 QSEC 1/1	Caldicott Guardian
Huw Thomas	Executive Director of Finance	Board 9/9 ARAC 8/8 CFC 4/4 SDODC 6/6 SRC 6/6	
Mandy Rayani	Executive Director of Nursing, Quality and Patient Experience <i>until 31 December 2023</i>	Board 7/7 CFC 3/3 HSC 4/4 PODCC 6/6 QSEC 5/5	Violence & Aggression Children & Young People
Sharon Daniel	Interim Executive Director of Nursing, Quality and Patient Experience <i>from 01 January 2024</i>	Board 3/3 CFC 1/1 HSC 2/2 PODCC 1/1 QSEC 1/1	Violence & Aggression Children & Young People
Alison Shakeshaft	Executive Director of Therapies and Health Science <i>until 31 July 2024</i>	Board 3/3 QSEC 2/2	Emergency Planning
James Severs	Executive Director of Therapies and Health Science <i>from 06 November 2023</i>	Board 4/4 HSC 2/2 PODCC 2/2 QSEC 2/2	
Andrew Carruthers	Executive Director of Operations	Board 8/9 HSC 5/6	Fire Safety

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		MHLC 2/4 QSEC 6/6 SDODC 5/6 SRC 5/6	
Lee Davies	Executive Director of Strategy and Planning	Board 8/9 SDODC 6/6	
Dr Ardiana Gjini	Executive Director of Public Health <i>from 01 July 2023</i>	Board 6/6 PODCC 4/4 QSEC 4/4 SDODC 4/4	Emergency Planning
Joanne Wilson	Director of Corporate Governance/Board Secretary	Board 9/9 ARAC 8/8 HSC 6/6 PODCC 5/6 SDODC 6/6 QSEC 6/6 RTSC 7/8 SRC 6/6	Counter Fraud
Jill Paterson	Director of Primary Care, Community and Long-Term Care	Board 9/9 QSEC 5/6 SDODC 5/6 SRC 4/6	
Alwena Hughes-Moakes	Communications and Engagement Director	Board 9/9 SRG 4/4	

Deputy representation for Executive Directors is included in figures above.

Appendix 2 – Table of quoracy

The following table outlines dates of board and committee meetings held during 2023/24, with all meetings being quorate:

Month	Board	Audit and Risk Assurance Committee	Charitable Funds Committee	Health and Safety Committee	Mental Health Legislation Committee	People, Organisational Development and Culture Committee	Strategic Development and Operational Delivery Committee	Sustainable Resources Committee	Quality, Safety and Experience Committee	Remuneration and Terms of Service Committee
Apr23		18.04.23				03.04.23	27.04.23	25.04.23	11.04.23	
May23	25.05.23 31.05.23(e)	11.05.23(e)	23.05.23	09.05.23						18.05.23
Jun23		20.06.23			16.06.23	19.06.23	26.06.23	27.06.23	13.06.23	
Jul23	27.07.23	26.07.23		10.07.23						31.07.23
Aug23		15.08.23				17.08.23	31.08.23	29.08.23	08.08.23	
Sep23	14.09.23(e) 28.09.23		26.09.23	11.09.23	05.09.23					
Oct23		17.10.23				10.10.23	26.10.23	24.10.23	05.10.23	31.10.23
Nov23	30.11.23		28.11.23	13.11.23						09.11.23
Dec23	14.12.23(e)	12.12.23			04.12.23	11.12.23	21.12.23	19.12.23	07.12.23	05.12.23
Jan24	26.01.24			08.01.24						08.01.24 11.01.24 17.01.24
Feb24		20.02.24				15.02.24	29.02.24	27.02.24	13.02.24	
Mar24	28.03.24		12.03.24	04.03.24	26.03.24					

(e) – Extraordinary meetings

Appendix 3 - A summary of key items considered by committees in 2023/24

Audit and Risk Assurance Committee (ARAC)

The role of the Audit Committee is to advise and assure the board, and the Accountable Officer, on whether effective arrangements are in place to support them in their decision taking and in discharging their accountabilities in accordance with the standards of good governance determined for the NHS in Wales. Items considered:

- Changes to Standing Orders and Standing Financial Instructions
- Changes to Scheme of Delegation
- Escalation Status Update Reports
- IA Plans were submitted to each meeting providing details relating to outcomes, key findings and conclusions
- AW reports on current and planned audits
- Internal and External Audit Tracking Reports
- Post Payment Verification Reports
- Counter Fraud Reports (including Annual Report and Forward Workplan)
- Annual Accounts, Accountability and Remuneration Reports for 2022/23
- Financial Assurance Reports including single tender actions, special losses and payments
- Audit, Inspectorate and Regulator Tracker Reports
- Risk Assurance Reports
- Risk Management Strategy
- Clinical Audit Reports
- Declarations of Interest Report
- Capital Governance Arrangements Internal Review

Charitable Funds Committee (CFC)

The CFC is charged with providing assurance to the Board in its role as corporate trustees of the charitable funds (CF) held and administered by the health board. It makes and monitors arrangements for the control and management of the board's charitable funds within the budget, priorities and spending criteria determined by the board

and consistent with the legislative framework. Items considered:

- Charitable Funds Sub Committee Update Reports
- Charitable Funds Risk Reports
- Integrated Hywel Dda Health Charities Performance Reports
- Review of Apportionment of Governance and Support Costs and Investment Income and Gains
- Review of the Rationalising of Charitable Funds
- Update on the Hydrotherapy Pool: JC Williams (Elizabeth Williams Endowment) Trust Fund
- Presentations on the Impact of Recent Charitable Funds Expenditure
- Hywel Dda Health Charities Performance Reports
- Charitable Funds Annual Accounts Reports for 2022/23
- Investment Advisor Performance Updates [the Investment Advisor Sub-Committee was disestablished in July 2023]
- Evaluation Reports of Expenditure Approved by the Charitable Funds Committee

Health and Safety Committee (HSC)

The HSC provides assurance on the arrangements for ensuring the health, safety, welfare, and security of all employees and of those who may be affected by work-related activities, such as patients, members of the public, volunteers, contractors etc. It provides advice on compliance with all aspects of health and safety legislation, as well as advises and assures the board on whether effective arrangements are in place to ensure organisational wide compliance of the health board's health and safety policy, approves and monitors delivery against the Health and Safety Priority Improvement Plan and ensures compliance with the relevant Standards for Health Services in Wales. It also provides assurance on the health

board's Emergency Management Plan. Items considered:

- Committee Self-Assessment Outcomes Report
- Corporate and Operational Risk Reports
- Health and Safety Update Reports
- Security Management Update Reports
- Fire Safety Update Reports
- Fire Safety Audit System Report 2023/24
- Fire Safety Training Update Report
- Monitoring Staff Exposure to Environmental Hazardous Substances - requirement of the Control of Substances Hazardous to Health Regulations 2002
- Prevent and Contest Update Report
- Estates and Facilities Welsh Health Technical Memorandum (WHTM) – Governance Arrangements Report
- Reinforced Autoclaved Aerated Concrete (RAAC) Update Reports
- Major Incident Plan
- Lifting Operations and Lifting Equipment Regulations (LOLER) Update Report
- Mental Health 136 Suite Accommodation Update Report
- RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013): 6-Month Update Report
- Estates Maintenance Update: Deep Dive (Risk 1745)
- Electricity Compliance Update Report
- Health and Safety Regulations – Estates Low Voltage (LV) Electricity Compliance – Audit Tracker
- Health and Safety Regulations – Working at Height Regulations
- Health and Safety Regulations – Contractor Control Regulations
- Health and Safety Regulations – Bariatric Care Regulations
- Health and Safety Regulations – Manual Handling Regulations
- Health and Safety related policies and procedures for approval

Mental Health Legislation Committee (MHLC)

The MHLC assures the board that those functions of the Mental Health Act 1983, as

amended, which have been delegated to officers and staff are being carried out correctly; and that the wider operation of the 1983 Act in relation to the health board's area is operating properly, the provisions of the Mental Health (Wales) Measure 2010 are implemented and exercised reasonably, fairly and lawfully, the health board's responsibilities as hospital managers is being discharged effectively and lawfully, and that the health board is compliant with the Mental Health Act Code of Practice for Wales. The MHLC also advises the board of any areas of concern in relation to compliance with mental health legislation and agrees issues to be escalated to the board with recommendations for action. Items considered:

- Mental Health Act 1983 Data Quarterly Performance Report S-CAMHS Update Report for CYSUR
- Mental Health Act Measure 2010 Reports y
- Mental Health Act 1983 Quarterly Performance Reports
- Updates from Power of Discharge Sub-Committee y
- Updates from the Mental Health Legislation Scrutiny Group y
- Mental Health Legislation related policies and procedures for approval
 - Section 5 (4) Nurses Holding Power Policy
 - The Provision and Access to the Independent Mental Health Advocacy Policy
 - Section 5(2) Doctors Holding Power Policy
 - Community Treatment Order Policy
- Risk Report
- Hospital Manager Scheme of Delegation
- Mental Health Standards of Care (Wales) Bill

People, Organisational Development and Culture Committee (PODCC)

PODCC was established to receive an assurance on all relevant planning objectives falling in the main under Strategic Objective 1 (Putting people at the heart of everything we do), Objective 2 (Working together to be the

best we can be), and Objective 3 (Striving to deliver and develop excellent services). The committee has a focus on education and development of staff, recruitment, retention and talent management, becoming an employer of choice, performance and quality management systems, business intelligence capabilities and improvement training, patient experience, engagement and empowerment, workforce related policies, diversity and inclusion, carers support, regulatory and professional bodies compliance, arrangements to support ongoing transformation and board assurance framework development and research, development and innovation planning/deliver. Items considered:

- Staff Stories relating to Managing Performance, Experience and Impact of Participation in Staff Networks, Staff Retention – “Why I Stayed”, Apprenticeships within Hywel Dda University Health Board, Physicians Associates in Primary Care.
- Staff Experience: Transforming Staff Feedback into Positive Change Progress Report and Integrated Action Plan/Staff Wellbeing Plan Update
- Staff Value and Appreciation Update Report
- Performance, Appraisal & Development Review (PADR) Update Report
- Workforce Plan
- Workforce Planning – All Wales Workforce Plans and Alignment to Local Approaches
- Workforce Efficiency Report
- Research & Innovation Sub Committee Update Reports
- Research & Innovation Sub Committee Annual Report 2022/23
- Research & Innovation Sub Committee Terms of Reference
- Research & Innovation University Partnerships Update Reports
- Research and Development Framework Update
- Tritech Business Plan
- Outcome of Advisory Appointments Committee Reports
- Medical Staff Recruitment Audit Update Report
- Job Planning Update Report
- Strategic People Planning and Education Group (SPPEG) Update Report and Terms of Reference
- BAME Advisory Group Update Report (including Bullying and Harassment and Anti-Racist Wales Action Plan) and Terms of Reference
- Strategic Equality Plan Annual Report (Including Workforce Equality & Pay Gap Reports)
- Strategic Equality Plan and Objectives 2024-2028
- LGBTQ+ Action Plan and Stonewall Assessment Update
- Welsh Language and Culture Discovery Report
- Welsh Language Annual Report 2022/23
- Contractual and Legislative Changes Update Report
- Policy Approval Schedule Report
- Corporate and employment policies for approval
- Employee Relations Performance Statistics Report
- Counter Fraud Annual Report 2022/23: Compliance with Mandatory Training Report
- Performance Assurance and Workforce Metrics - Integrated Performance Assurance Report (IPAR) Reports
- Welsh Health Circulars Bi-annual Reports
- Corporate and Operational Risk Reports
- Planning Objective Update Reports
- Planning Objective Deep Dive Reports
- GP Physicians Associate Report
- GP Trainees Update Report
- Community Nursing Annual Report
- Working in Confidence Platform Report
- Evaluation of Enhanced Pay Report
- Band 4 Training for Therapies Practitioners Report
- Withybush Hospital Medical Staff Update Report
- Educational Initiatives Uptake Report

- Industrial Action: Feedback and Learning Report
- Health Education and Improvement Wales (HEIW): Quality Assurance Process Reports
- Health Education and Improvement Wales (HEIW) Quality Assurance Visit – Revalidation and Appraisal
- Evaluation of Making a Difference Customer Care Programme Report
- Training Accommodation Update Report
- Revised Annual Report and Self-Assessment Process for 2023/24
- Discovery Report and Action Plan
- Apprenticeships Update Report
- Health Inspectorate Wales Reports and Recommendations
- Update on the Health and Social Care Quality Engagement Act and Duty of Candour
- Corporate Risks Reports
- Patient Impact Assessments for Withybush Emergency Surgery
- Deep Dive reports into Health Visiting Staffing, MHLD Outcome of Self-Assessment for Adult Inpatient Discharge Arrangements, Commissioning CAMHS Tier 4
- Commissioning for Quality Outcomes Report

Quality and Safety Experience Committee (QSEC)

The QSEC is responsible for providing evidence based and timely advice to the Board to assist it in discharging its functions and meeting its responsibilities about the quality and safety of health care and services provided and secured by the health board. It provides assurance to the board in relation to the organisation's arrangements for safeguarding vulnerable people, children and young people and improving the quality and safety of health care to meet the requirement and standards determined for the NHS in Wales. Items considered:

- Quality and Safety Assurance Reports
- Infection Prevention and Control Enhanced Monitoring Update
- Healthy Weight, Healthy Wales Plan
- Liberty Protection Safeguards Update
- Planning Objective Update Report and Deep Dive: Healthcare Acquired Infection Delivery Plan
- Staff and patient stories
- Operational Plan and Public Health Wales plan in response to Llwynhendy Tuberculosis (TB) Findings
- Enabling Quality Improvement in Practice (EQliP) Update
- The Health Boards response to the Neonatal findings relating to the Thirwall Inquiry
- Quality and Safety Policies for Approval
- QSEC Self-Assessment Outcome Report and Action Plan 2023/24
- NHS Executive All Wales Review of Neurodevelopment Services, Psychology and psychological interventions for children and young people
- WHC/2023/036 - Speaking up Safely Framework - NHS Wales
- Digital Referral Management Update
- Nosocomial Transmission Review Closure Report
- National Collaborative Commissioning Unit Quality Improvement Service Annual Position Statement 2022/23
- Revised Operational Governance Arrangements Update
- Epilepsy in Learning Disabilities Outcome of Service Review
- Clinical Audit Reports
- Operational Quality, Safety and Experience Sub-Committee Update Reports
- Listening and Learning Sub-Committee Update Reports
- Communication Themes and Actions from the Listening and Learning Sub Committee
- Infection Prevention Strategic Steering Group Update Reports
- Strategic Safeguarding Working Group Update Reports including a specific report on the Women's Rights Network report on rapes and sexual assaults in hospital

- Effective Clinical Practice Advisory Panel Update Reports
- Medicines Management Operational Group Update Reports
- Assessing and Prioritising Fragile Services
- Enabling Quality, Improvement in Practice
- Nurse Staffing Levels (Wales) Act: Annual Report and Review of Establishment
- Decisions relating to Nurse Staffing Levels (Wales) Act
- Quality Impact Assessment- Reinforced Aerated Autoclave Concrete, Financial Savings and Nurse Staffing Establishment
- Arts in Health Charter
- WHSCC Chair's Report: Quality and Patient Safety
- A Healthier Mid and West Wales Forward Look Governance Review (Advisory Review)
- A Healthier Mid and West Wales (Land): Update
- Strategic Outline Case: A Healthier Mid and West Wales
- SDODC Terms of Reference
- SDODC Self-Assessment of Committee Effectiveness: Process
- Self-Assessment Timelines
- Integrated Performance Assurance Reports
- Evaluation of Winter Plan 2023/23 Plan
- Long Term Care Performance Report
- Capital Sub-Committee Update Reports and Annual Report 2023/24
- Discretionary Capital Programme 2023/24 Update Reports
- Sexual Assault Referral Centre (SARC) Business Justification Case
- Planning Objectives: Plans on a Page
- Quarterly Annual Plan Monitoring Reports
- Stroke: Business Case and Assessment of the Stroke Pathway
- Urgent and Emergency Care Update
- A Regional Collaboration for Health (ARCH) Update
- Discharge Update Report: Inc Governance
- Planned Care Update and Cancer Recovery
- Planned Care and Managing Outpatients
- Vaccination Programme for Prevention and Response Plan 2022/23, Update 2023/24: Progress Update, Key Priorities and Delivery Plan
- Palliative Care Strategy
- Dementia Strategy Update
- Community and Long Term Care Quarterly Service Report
- Transforming Urgent and Emergency Care Programme
- Mental Health Recovery Plan
- Wellbeing of Future Generations Act Annual Report
- Estates Property Strategy
- Review of Clinical Pharmacy Services at NHS Hospitals in Wales

Strategy Development and Organisational Delivery Committee (SDODC)

SDODC was established to receive an assurance on all relevant planning objectives falling in the main under Strategic Objective 4 (The best health and well-being for our individuals, families, and our communities) and Strategic Objective 5 (Safe, sustainable, accessible, and kind care). The Committee has a focus on NHS Delivery Framework requirements, public health, health inequalities and screening services, Transformation Fund, Delivery of the 'A Healthier Mid and West Wales' and Bronglais Hospital plan, Transforming MH and Transforming LD plan, integrated locality plans, children's and young people plan, out-of-hours care, national clinical audits compliance, fragile services plans, care home/domiciliary care market support and development. Items considered:

- Integrated Medium Term Plan (IMTP)
- Planned Care Update
- Pharmaceutical Needs Assessment Annual Review
- Public Health Update
- Continuous Engagement Implementation
- Annual Plan 2023/24
- A Healthier Mid and West Wales Programme Business Case Reports

- Social Model for Health and Wellbeing (SMfHW)
- Primary and Community Services Strategy
- Regional Integration Fund (RIF)
- Regional Diagnostics Plan
- Population Health
- Public Services Boards (PSBs) Well-being Assessments (Well-being of Future Generations (Wales) Act 2015)
- Ophthalmology Performance: Getting It Right First Time (GIRFT)
- Business Justification Case for Phase 2 of Fire Enforcement Notices and Letters of Fire
- Safety Matters at Worthybush Hospital
- Value-Based Health Care Update Reports
- Financial Recovery Report
- Cyber Security Reports
- NWSSP Performance Quarterly Reports
- Commissioning Group Update Reports
- Agile Digital Business Group Update Reports [*the Agile Digital Business Group was disestablished in October 2023*]
- Digital Oversight Group Update Reports [*the Digital Oversight Group was established in October 2023*]
- Information Governance Sub-Committee Update Reports
- Procurement Plan and Update Reports
- Decarbonisation Task & Finish Group Update Reports
- Financial Procedures for Approval
- Integrated Performance Assurance Reports
- Welsh Health Circulars
- Ministerial Directions Reports
- Corporate and Operational Risk Reports
- Planning Objective Update Reports
- Planning Objective Deep Dive Reports
- Report on the Finance Targeted Intervention Actions
- Review of the Integrated Performance Assurance Report
- Consultancy Review
- Review of Savings Productivity and Benefits Realisation
- Developing a Long-Term Financial Projection as an Enabler for a Roadmap to Financial Balance
- Review of Transforming Urgent and Emergency Care Programme
- Review of the Electronic Prescribing and Medicines Administration System
- Public Sector Carbon Emissions Reports
- Review of the Financial Implications of the Nurse Staffing Levels (Wales) Act
- Review of Business Partnering Arrangements
- Reinforced Autoclaved Aerated Concrete (RAAC) Update Report

Sustainable Resources Committee (SRC)

SRC was established to receive an assurance on all relevant planning objectives falling in the main under Strategic Objective 6 (Sustainable use of resources), with a focus on financial plans and delivery of the route map to financial recovery, improving value, PROMS/FROMS roll out and impact, carbon reduction and green health initiatives, foundational economy work, national IT programmes delivery, and budget setting. Items considered:

- Monthly Financial Performance and Forecast Reports
- Capital Financial Management Reports
- Core Delivery Group and Financial Control Group Update Reports
- Integrated Medium Term Plan Development
- Long Term Agreement (LTA) Contact Process 2023/24
- Monthly Monitoring Returns and Commentary Reports
- Review of Financial Outlook 2023/24 Report
- Balance Sheet Analysis Reports
- Healthcare Contracting and Commissioning Update Reports

Appendix 4 - Ministerial Directions

Ministerial Directions (MDs)	Date/Year of Adoption	Action to demonstrate implementation/response
2021. No.59 – The Directions to Local Health Boards and NHS Trusts in Wales on the Delivery of Autism Services 2021	July 2021	This Ministerial Direction is currently being implemented, with an implementation date of October 2025. The Health Board continues to work with the Regional Partnership Board (RPB) in the development and delivery of the Code of Practice Implementation Plan which requires a multi-agency response to address the recommendations outlined in the Code.
2023. No.8 – Local health boards and NHS Trusts reporting on the introduction of new medicines into the National Health Service in Wales Directions 2023	March 2023	This Ministerial Direction is currently being implemented, with an implementation date of April 2024, and aligned with Welsh Health Circular 032-22 relating to the extension of the use of Blueteq in secondary care. There is a delay in the implementation of this Ministerial Direction on an All-Wales basis, with discussions ongoing nationally to resolve and progress.
2023. No.27 – The Primary Care (E-Prescribing Pilot Scheme) Directions 2023	June 2023	This Ministerial Directions came into force in June 2023, with overall responsibility for implementation by Digital Health Care Wales (DHCW). The health board is represented on DHCW's advisory group overseeing this Ministerial Direction. Progress in implementing the Ministerial Direction is reliant on national roll-out.
2023. No.42 – Primary Care Contracted Services: Immunisations (PCCS:I) Amending Directions	August 2023	This Ministerial Direction has been enacted.
2023. No.14 - Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2023	August 2023	This Ministerial Direction is currently being implemented, with payments to eligible General Medical Services (GMS) practices scheduled for June 2024.
2023. No.47 - The National Health Service (Wales Eye Care Services) (Wales) Directions 2023	October 2023	To update once response received from service
2024. No.1 - Wales Eye Care Services (Administrative List) (Wales) Directions 2024	January 2024	To update once response received from service

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2024. No.2 - The National Health Service (Wales Eye Care Services) (Wales) Directions 2024	January 2024	To update once response received from service
2024. No.4 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2024	February 2024	To update once response received from service

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11.6 Remuneration and staff report

11.6.1 Remuneration Report

The HM Treasury’s Government Financial Reporting Manual (FRm) requires that a Remuneration Report shall be prepared by NHS bodies providing information under the headings in SI 2008 No 410 <https://www.legislation.gov.uk/ukxi/2008/410/contents> made to the extent that they are relevant. The Remuneration Report contains information about senior manager’s remuneration. The definition of ‘Senior Managers’ is:

“Those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments.”

The Remuneration and Terms of Service Committee (RTSC)

The RTSC will comment specifically upon the following:

- The remuneration and terms of service for the Chief Executive, Executive Directors, other Very Senior Managers (VSMs) and others not covered by Agenda for Change; ensuring that the policies on

- remuneration and terms of service as determined from time to time by WG are applied consistently;
- The objectives for Executive Directors and other VSMs and their performance assessment;
- The performance management systems in place for those in the positions mentioned above and its application;
- The proposals to make additional payments to medical Consultants outside of normal terms and conditions;
- The proposals regarding termination arrangements, ensuring the proper calculation and scrutiny of termination payments in accordance with the relevant WG guidance;
- The consideration and ratification of Voluntary Early Release (VER) scheme applications and severance payments in respect of Executive Director posts, in line with Standing Orders and extant WG guidance. The Committee will be advised also of all VER scheme applications and severance payments; and
- The approval of the health board’s honours submission recommendations.

The membership of the RTSC Committee during 2023/24 was as follows:

Name	Position	Role on RTSC
Maria Battle	Chair until 31 October 2023	Chair until 31 October 2023
Judith Hardisty	Interim Chair from 1 November 2023	Chair from 1 November 2023
Anna Lewis	Independent Member and Chair of Quality, Safety and Experience Assurance Committee QSEC	Vice-Chair
Rhodri Evans	Independent Member and Chair of ARAC	Member
Maynard Davies	Independent Member and Chair of SDODC	Member

Independent Members' remuneration

Remuneration and tenures of appointment for Independent Members is decided by the WG.

Senior Managers' remuneration

The remuneration of Senior Managers who are paid on the Very Senior Managers Pay Scale is determined by WG and the health board pays in accordance with these regulations. For the purpose of clarity, these are posts which operate at board level and hold either statutory or non-statutory positions. In accordance with the regulations, the health board can award incremental uplift within the pay scale and, should an increase be considered outside the range, a job description is submitted to WG for job evaluation. There are clear guidelines in place with regards to the awarding of additional increments and during the year there have not been any additional payments agreed. No changes to pay have been considered by the Committee outside these arrangements. The health board does not have a system for

performance related pay for its Very Senior Managers.

The health board can confirm that it has not made any payment to past Directors as detailed within the guidance.

The health board issues All Wales Executive Director contracts which determine the terms and conditions for all Very Senior Managers. The health board has not deviated from this. In rare circumstances where interim arrangements are to be put in place a decision is made by the Committee with regards to the length of the interim post, whilst substantive appointments can be made.

Any termination payments would be discussed and agreed by the Committee in advance and where appropriate WG approval would be made. No termination payments were made during 2023/24. During 2022/23, one termination payment of £27,998 was made to the former Executive Director of Public Health in respect of a payment in lieu of notice.

Service contract details for senior managers:

Name	Position	Date of Contract	Date of Expiration	Compensation for early termination
Steve Moore	Chief Executive Officer	05/01/2015	11/02/2024	N/A
Philip Kloer	Interim Chief Executive Officer	01/02/2024	No later than 31/01/2025	N/A
	Executive Medical Director/Deputy Chief Executive	25/06/2015	31/01/2024	N/A
Lisa Gostling	Executive Director of Workforce and Organisational Development and Interim Deputy Chief Executive Officer	09/01/2015	N/A	N/A
Mark Henwood	Interim Medical Director	05/02/2024	No later than 31/01/2025	
Mandy Rayani	Executive Director of Nursing, Quality and Patient Experience	19/06/2017	31/12/2023	N/A
Sharon Daniel	Interim Executive Director of Nursing, Quality and Patient Experience	01/01/2024	No later than 30/09/2024	N/A
Ardiana Gjini	Executive Director of Public Health	01/07/2023	N/A	N/A
Alison Shakeshaft	Executive Director of Therapies and Health Science	01/01/2018	31/07/2023	N/A
James Severs	Executive Director of Therapies and Health Science	06/11/2023	N/A	N/A
Huw Thomas	Executive Director of Finance	10/12/2018	N/A	N/A
Andrew Carruthers	Executive Director of Operations	01/12/2019	N/A	N/A
Lee Davies	Executive Director of Strategic Development and Operational Planning	26/04/2021	N/A	N/A
Joanne Wilson	Director of Corporate Governance/Board Secretary	01/01/2018	N/A	N/A
Jill Paterson	Director of Primary Care, Community & Long-Term Care	19/01/2018	N/A	N/A

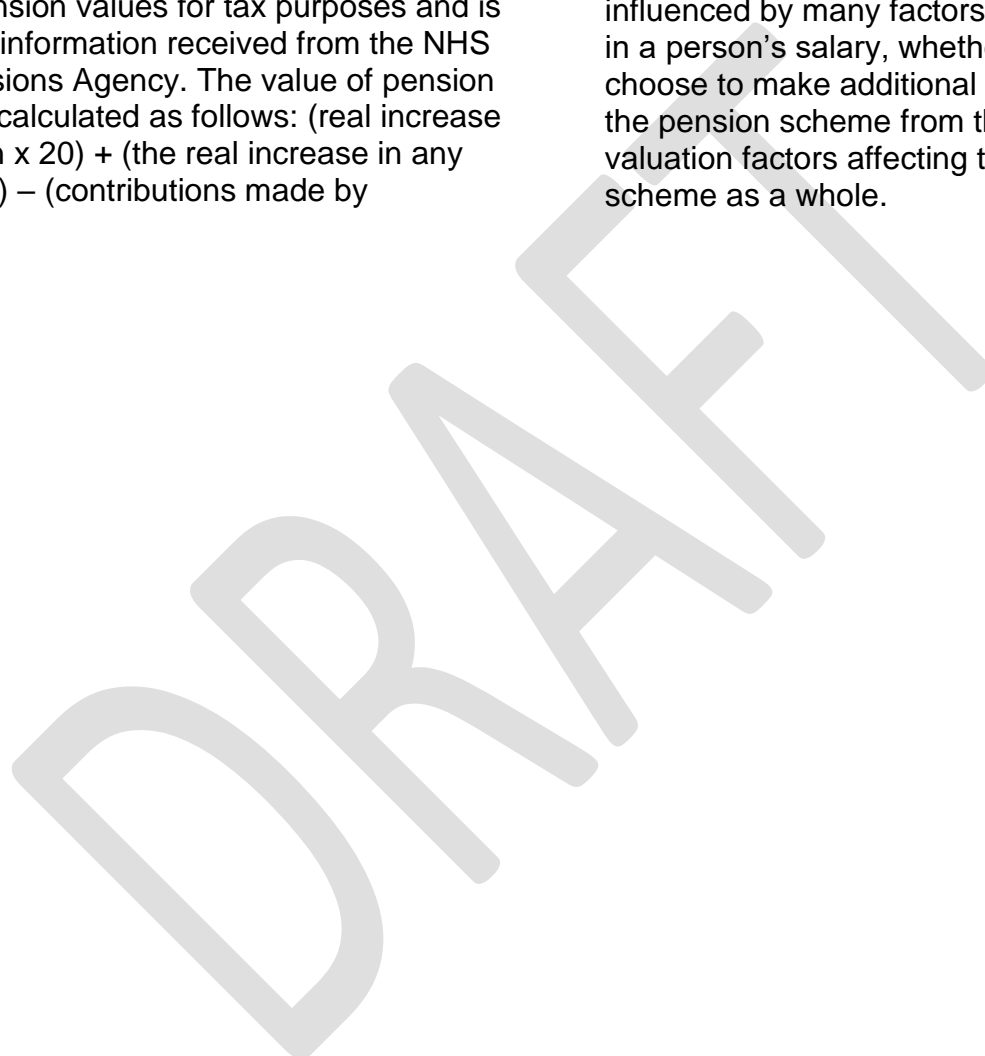
Alwena Hughes-Moakes	Communications and Engagement Director	01/03/2023	N/A	N/A
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Changes to Board membership are outlined in the [Directors Report](#).

Single total figure of remuneration

The amount of pension benefits for the year which contributes to the single total figure is calculated similar to the method used to derive pension values for tax purposes and is based on information received from the NHS BSA Pensions Agency. The value of pension benefit is calculated as follows: (real increase in pension x 20) + (the real increase in any lump sum) – (contributions made by member).

The real increase in pension is not an amount which has been paid to an individual by the health board during the year, it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors such as changes in a person’s salary, whether or not they choose to make additional contributions to the pension scheme from their pay, and other valuation factors affecting the pension scheme as a whole.



2023/24

Name	Full year equivalent salary (Bands of £5k) £000	Salary (Bands of £5k) £000	Bonus payments (Bands of £5k) £000	Benefits in kind (To nearest £100) £	Pension benefits £000	Total (Bands of £5k) £000
Executive Members and Directors						
Steve Moore (to 11/02/2024)	220-225	190-195	0	0	0	190-195
Mandy Rayani (to 31/12/2023)	150-155	110-115	0	0	0	110-115
Lee Davies	145-150	145-150	0	0	0	145-150
Lisa Gostling	150-155	150-155	0	0	0	150-155
Phil Kloer	200-205	200-205	0	0	0	200-205
Andrew Carruthers	150-155	150-155	0	0	0	150-155
Alison Shakeshaft (to 31/07/2023)	140-145	45-50	0	0	0	45-50
Huw Thomas	160-165	160-165	0	0	1	160-165
Jill Paterson	135-140	135-140	0	3.3	0	140-145
Joanne Wilson	125-130	125-130	0	0	0	125-130
Alwena Hughes-Moakes	100-105	100-105	0	0	-	100-105
Ardiana Gjini (from 01/07/2023)	130-135	95-100	0	0	12	105-110
James Severs (from 06/11/2023)	130-135	50-55	0	0	46	95-100
Mark Henwood (from 05/02/2024)	250-255*	35-40	0	0	-	35-40
Sharon Daniel (from 01/01/2024)	145-150	35-40	0	0	-	35-40

Independent Members						
Maria Battle (to 31/10/2023)	55-60	30-35	0	0.9	0	35-40
Judith Hardisty	50-55	50-55	0	3.3	0	55-60
Delyth Raynsford	10-15	10-15	0	0	0	10-15
Anna Lewis	10-15	10-15	0	0	0	10-15
Maynard Davies	10-15	10-15	0	0.9	0	10-15
Ann Murphy	15-20	15-20	0	0.5	0	15-20
Iwan Thomas	10-15	10-15	0	0	0	10-15
Winston Weir	10-15	10-15	0	0.1	0	10-15
Chantal Patel	10-15	10-15	0	0	0	10-15
Cllr Rhodri Evans	25-30	25-30	0	0	0	25-30
Michael Imperato (from 01/09/2023)	10-15	5-10	0	0.9	0	5-10
Eleanor Marks (from 01/02/2024)	45-50	5-10	0	0	0	5-10

*The Full Year Equivalent Salary for Mark Henwood consists of £190-195k in respect of duties as Interim Medical Director, £30-35k in respect of clinical duties and payments of £20-25k under the All-Wales Employer Pension Contributions – Alternative Payment Policy. This policy enables employees who have opted out of the NHS Pension scheme, on the basis that they would be impacted by the pensions tax annual allowance, to receive an alternative payment equivalent to the amount that the employer would have paid into the relevant NHS Pension Scheme had the employee remained a member.

**The Salary of Ann Murphy consists of £5-10k in respect of duties as an Independent Board Member and £10,600 in respect of duties under a separate contract of employment as a Trade Union Representative.

The benefit in kind with arose in respect of Jill Paterson related to Miss Paterson’s part-year participation in a lease car scheme available to all employees whereby an employee makes payments from net pay in exchange for the private use of a lease car.

Steve Moore, Lee Davies, Andrew Carruthers, Huw Thomas, Jill Paterson and Mark Henwood participated in a salary sacrifice scheme available to all employees whereby an element of an employee’s salary is 'swapped' for the use of a car. Resulting taxable benefits-in-kind (to the nearest £100) arising as a result of these employees’ participation in the scheme are as follows:

- Steve Moore £1,400
- Lee Davies £900
- Andrew Carruthers £1,100
- Huw Thomas £1,000

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- Jill Paterson £700 (part-year participation)
- Mark Henwood £243 (part-year participation)

These amounts are not included within the Single Total Figure of Remuneration table as Salary is stated gross, before the deduction of the related sacrificed salary.

The benefits in kind which arose to Independent Members related to the taxable reimbursement of travel expenses.

Details regarding the pension positions of Alwena Hughes-Moakes and Sharon Daniel at 31 March 2023 have not been received. As a consequence, it has not been possible to

calculate the pension benefits accrued during the year in respect of these individuals.

Mark Henwood did not participate in the NHS pension scheme during the reporting year.

2022/23

Name and title	Full year equivalent salary	Salary	Bonus payments	Benefits in kind	Pension benefits	Total
	(Bands of £5k)	(Bands of £5k)	(Bands of £5k)	(To the nearest £100)	(To the nearest £1k)	(Bands of £5k)
	£000's	£000's	£000's	£'s	£000's	£000's
Executive Members and Directors						
Steve Moore	205-210	205-210	0	0	34	240-245
Mandy Rayani	140-145	140-145	0	0	0	140-145
Lee Davies	130-135	130-135	0	0	7	135-140
Lisa Gostling	140-145	140-145	0	0	19	155-160
Phil Kloer	185-190	185-190	0	0	53	235-240
Andrew Carruthers	140-145	140-145	0	0	0	140-145
Alison Shakeshaft	130-135	130-135	0	0	14	145-150
Ros Jervis (to 01/04/2022)	120-125	25-30	0	0	0	25-30
Huw Thomas	155-160	155-160	0	0	55	210-215
Jill Paterson	130-135	130-135	0	8.2	19	155-160
Joanne Wilson	110-115	110-115	0	0	22	135-140
Alwena Hughes-Moakes (from 1 March 2023)	95-100	5-10	0	0	-	5-10
Independent Members						
Maria Battle	55-60	55-60	0	0	0	55-60

Judith Hardisty	45-50	45-50	0	0	0	45-50
Prof John Gammon (to 31/07/22)	10-15	0-5	0	0	0	0-5
Paul Newman (to 31/03/23)	10-15	10-15	0	0	0	10-15
Delyth Raynsford	10-15	10-15	0	0	0	10-15
Anna Lewis	10-15	10-15	0	0	0	10-15
Maynard Davies	10-15	10-15	0	0	0	10-15
Ann Murphy	15-20	15-20	0	0	0	15-20
Cllr Gareth John (to 14/06/22)	10-15	0-5	0	0	0	0-5
Iwan Thomas	10-15	10-15	0	0	0	10-15
Winston Weir	10-15	10-15	0	0	0	10-15
Chantal Patel (from 01/08/22)	10-15	5-10	0	0	0	5-10
Cllr Rhodri Evans (from 15/11/22)	10-15	5-10	0	0	0	5-10

The Single total figure of remuneration table for 2022/23 has been restated to include the remuneration of Alwena Hughes-Moakes and to include the remuneration of Ann Murphy for duties undertaken separately to her management role.

The Salary of Ann Murphy consists of £5-10k in respect of duties as an Independent Board Member and £9,500 in respect of duties under a separate contract of employment as a Trade Union Representative.

Steve Moore, Lee Davies, Andrew Carruthers, and Huw Thomas participated in a salary sacrifice scheme available to all employees whereby an element of an employee's salary is 'swapped' for the use of a car. In the Single Total Figure of Remuneration table, salary is stated gross, before the deduction of sacrificed salary. Resulting taxable benefits-in-kind (to the nearest £100) arising as a result of these

employees' participation in the scheme are as follows:

- Steve Moore £1,700
- Lee Davies £900
- Andrew Carruthers £1,000
- Huw Thomas £1,000

Included within Salary for Ros Jervis is a payment in lieu of notice of £27,998.

Remuneration relationship

The details of the remuneration relationship are reported in the Financial Statements in Section 9.6.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The 2023/24 financial year is the third year that disclosures in respect of:

- the 25th percentile pay ratio and 75th percentile pay ratio are required including the requirements for prior year comparatives
- the percentage change in the remuneration of the highest paid director or minister and the percentage change in the remuneration of the employees of the entity taken as a whole are required.

The banded remuneration of the highest-paid director in the health board in the financial year 2023/24 was £220,000 - £225,000 (2022/23: £205,000 - £210,000). This was eight times (2022/23: seven times) the median remuneration of the workforce, which was £28,834 (2022/23: £29,180).

In 2023/24, 35 (2022/23:41) employees received remuneration in excess of the highest-paid director. Remuneration for staff ranged from £22,123 to £451,381 (2022/23: £20,758 to £367,923). The staff who received remuneration greater than the highest paid director are all medical and dental who have assumed additional responsibilities to their standard job plan commitments and in some

cases medical managerial roles, necessitating extra payment.

	2023/ 24	202 2/23
Band of Highest Paid	220 -	205
Director's Total Remuneration £000	225	- 210
Median Total Remuneration £000	29	29
Median Ratio	7.72	7.17
25th percentile pay £000	23	23
25th percentile pay ratio	9.70	9.04
75th percentile pay £000	43	43
75th percentile pay ratio	5.19	4.84

* As disclosed in the health board's Annual Accounts Note 9.6.

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Pension benefits disclosure

Name and title	Total accrued pension at pension age at 31 March 2024 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 March 2024 (bands of £5,000) £000	Real increase in pension at age (bands of £2,500) £000	Real increase in pension lump sum at pension age (bands of £2,500) £000	Cash Equivalent Transfer Value at 31 March 2024 £000	Cash Equivalent Transfer Value at 31 March 2023 £000	Real increase in Cash Equivalent Transfer Value £000
Steve Moore, Chief Executive Officer (to 11/02/2024)	70-75	185-190	0	25-27.5	1,597	1,250	166
Mandy Rayani, Executive Director of Nursing, Quality & Patient Experience (to 31/12/2023)	65-70	265-270	0	40-42.5	112	1,695	0
Lee Davies, Executive Director of Strategy and Planning	35-40	95-100	0	32.5-35	713	469	177
Lisa Gostling, Executive Director of Workforce & Organisational Development, Interim Deputy Chief Executive Officer (from 01/02/2024)	55-60	150-155	0	27.5-30	1,347	1,113	101
Phil Kloer, Executive Medical Director/Deputy Chief Executive Officer (to 31/01/2024), Interim Chief Executive Officer (from 01/02/2024)	65-70	180-185	0	40-42.5	1,549	1,250	146
Andrew Carruthers, Executive Director of Operations	35-40	100-105	0	27.5-30	772	595	98
Alison Shakeshaft, Executive Director of Therapies and Health Science (to 31/07/2023)	35-40	205-210	0	72.5-75	0	1,215	0



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Huw Thomas, Executive Director of Finance	30-35	5-10	0-2.5	2.5-5	458	317	88
Jill Paterson, Director of Primary Care, Community & Long Term Care	50-55	145-150	0	0	313	42	249
Alwena Hughes-Moakes, Director of Communications and Engagement	0-5	0	-	-	58	-	-
Joanne Wilson, Director of Corporate Governance/Board Secretary	30-35	90-95	0	27.5-30	699	514	116
Ardiana Gjini, Executive Director of Public Health (from 01/07/2023)	25-30	70-75	0-2.5	0	653	564	10
James Severs, Executive Director of Therapies & Health Science (from 06/11/2023)	20-25	0	2.5-5	0	286	175	30
Sharon Daniel, Interim Executive Director of Nursing, Quality & Patient Experience (from 01.01.2024)	45-50	135-140	-	-	1,192	-	-

Note to be added regarding McCloud impact. Wording to be provided by NHS BSA.

Mandy Rayani and Alison Shakeshaft took pension benefits upon their retirement.

Mark Henwood did not participate in the NHS pension scheme during the reporting year.

Details regarding the pension positions of Alwena Hughes-Moakes and Sharon Daniel at 31 March 2023 have not been received. As a consequence, it has not been possible to calculate the real increases in 2023/24 in respect of the pension, lump sum and CETV for these individuals.

11.6.2 Staff Report

Staff numbers

As of 31 March 2024, the health board employed 13,291 staff including bank and locum staff; this equated to 10,456.49 Full Time Equivalent (FTE). The numbers (headcount) of female and male Board Members and employees are as follows:

	Female	Male	Total
Board Members	12	11	23
Employees	10,498	2,770	13,268
Total	10,510	2,781	13,291

*Included in the Board Members figures are three additional directors (all non-voting) who are members of the Executive Team and attend Board meetings.

	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Executive Team	6.00	6	6.00	6	12.00	12
Independent Members	6.00	6	5.00	5	11.00	11
Total	12.00	12	11.00	11	22.00	23

Staff composition as at 31 March 2024

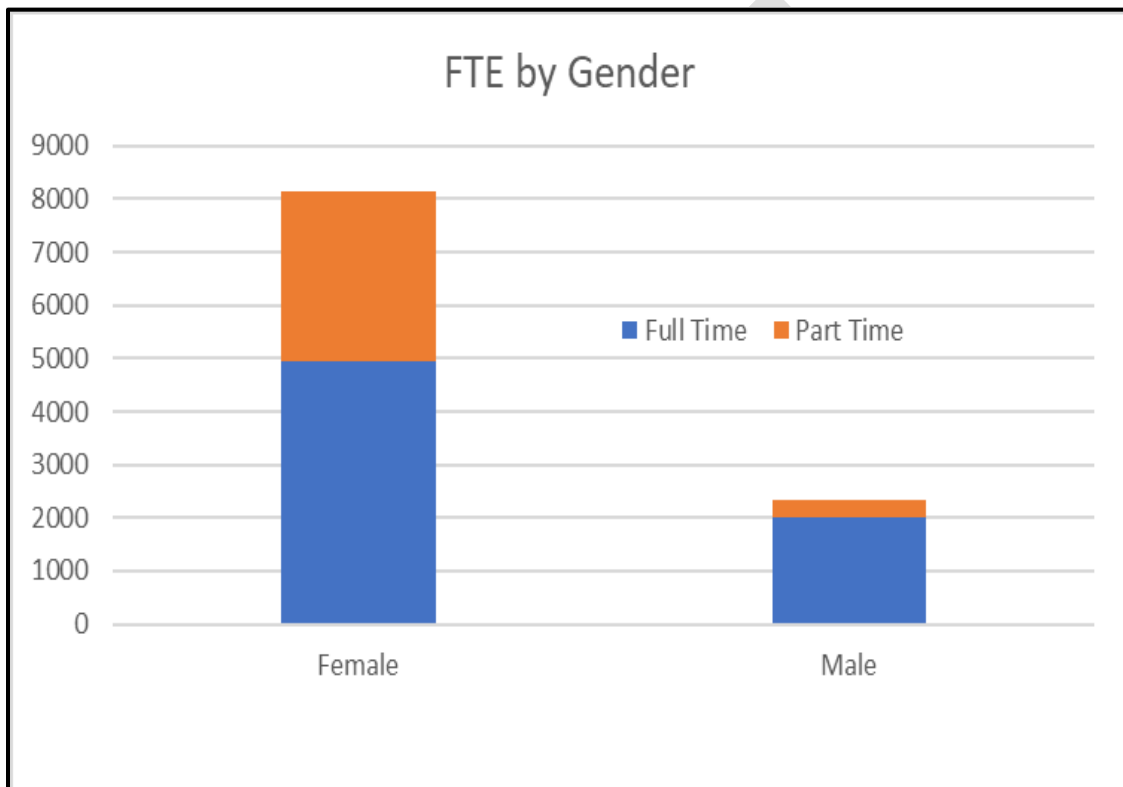
	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Add Prof Scientific and Technic	280.24	328	90.31	102	370.55	430
Additional Clinical Services	1,861.88	2,736	395.57	500	2,257.45	3,236
Administrative and Clerical	1,778.44	2,050	420.11	444	2,198.55	2,494
Allied Health Professionals	543.70	653	168.33	185	712.03	838
Estates and Ancillary	410.59	689	437.33	550	847.92	1,239
Healthcare Scientists	105.70	118	93.90	100	199.60	218
Medical and Dental	231.57	321	453.88	601	685.45	922
Nursing and Midwifery Registered	2,923.37	3,615	261.57	299	3,184.94	3,914
Total	8,135.49	10,510	2,321.00	2,781	10,456.49	13,291

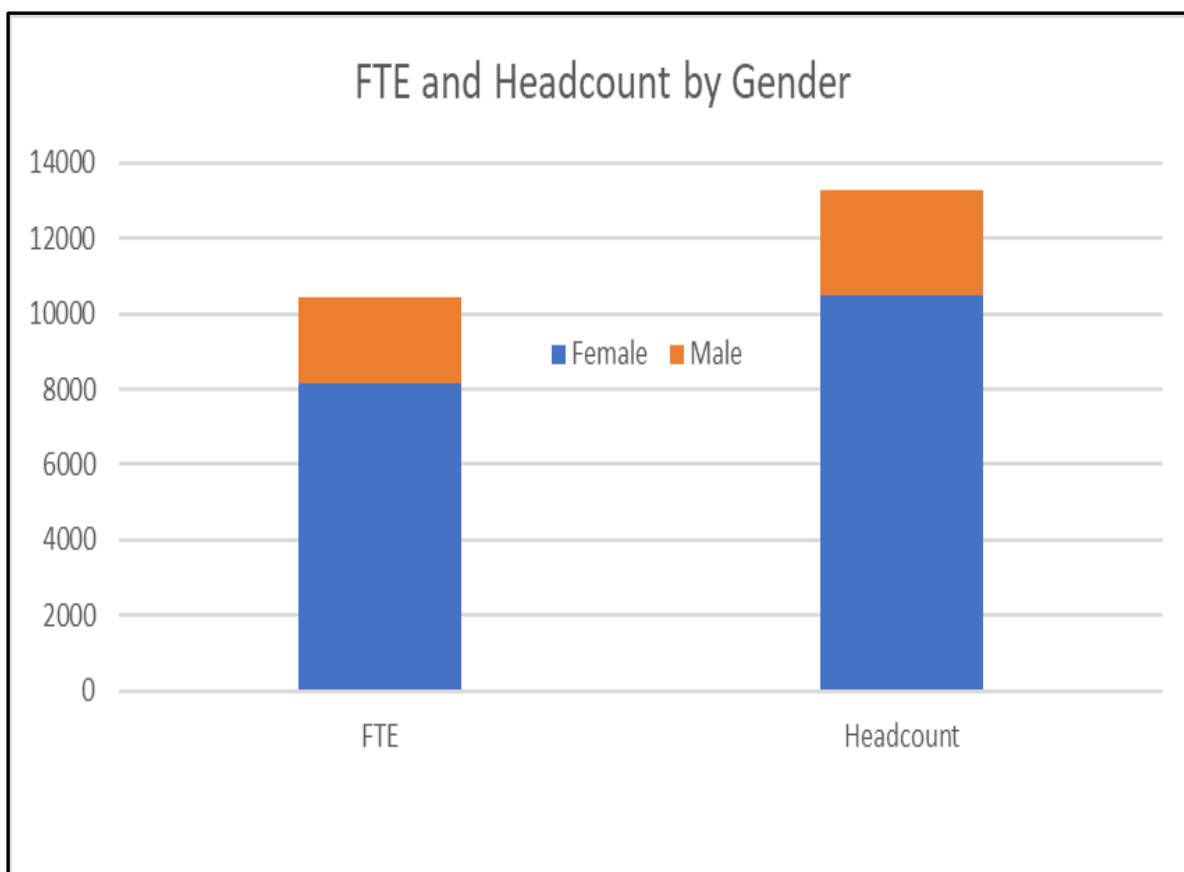
At the end of March 2024, the health board employed 13,291 staff including bank and locum staff; this equated to 10,454.49 Full Time Equivalent (FTE). 78% of the workforce was female by FTE and 22% male. The staff covered a wide range of professional, technical and support staff groups. Over 50% (by headcount and FTE) were within the Nursing and Midwifery and Additional Clinical Services staff groups. Senior Manager (Admin and Clerical Band 8a and above) were 1.84% of the workforce by headcount - 62% of these by FTE were female and 38% male.

Senior Managers are administrative and clerical staff (Bands 8a to 9)

	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Band 8a	68.85	70	37.95	38	106.81	108
Band 8b	47.60	50	22.85	23	70.45	73
Band 8c	19.00	20	17.00	17	36.00	37
Band 8d	8.60	8	3.61	4	12.21	12
Band 9	5.00	5	9.45	10	14.45	15
Total	149.05	153	90.87	92	239.93	245

The Board does not have any issue with its staff composition.





Staff sickness data

The following table provides information on the number of days lost due to sickness:

	2023/24	2022/23
Days lost (long term)	159,408.83	143,859.00
Days lost (short term)	78,522.61	88,982.00
Total days lost	237,931.44	232,840.00
Total Staff Years as of 31 March	10,319.29	9,812.60
Average Working Days Lost	14.38	14.87
Total Staff employed as of 31 March (headcount)	13,291	13,140
Total Staff employed in period with no absence (headcount)	3,944	4,005
Percentage of staff with no sick leave	33.04%	32.98%

We continue to see higher levels of absence than seen prior to the pandemic even though some services have made significant improvements in their absence rates over the past 12 months.

Industrial action has also had a slight impact on our absence rates and may increase if the action continues into the spring and summer months, albeit the action is currently paused. Anxiety/stress/depression continues to

feature strongly as one of the highest reasons for absence accounting for some 30% of all days lost over a number of the reporting periods in the past year. During 2023/24, a health and wellbeing workstream was established in partnership with our trade unions and we are currently scoping our baseline offer before developing an action plan. The sickness absence elements of this workstream will be monitored in terms of our future reporting requirements to see if they

result in a positive influence on absence rates into 2024/25.

The most up to date data for 2023/24 indicates that the all-Wales average was 6.1% whereas Hywel Dda rates were 6.31%. The Workforce team, which includes Operational Workforce, Occupational Health and the Wellbeing teams have continued to provide support for individuals and managers in managing sickness absence and helping people to remain in or return to work.

Staff policies

The Operational Workforce team continue to apply a disrupted approach to our three-year cyclical schedule of review of our local employment related policy framework. This continues to focus on the individual at the centre of the matter, aligns better with Health Board strategic priorities and ensures a far more widespread engagement exercise in both the review of existing and formulation of new policies.

During 2023/24, 22 local policy reviews were completed:

15 were reviewed and approved.

7 were removed (3 were reviewed and streamlined into guidance documents and 2 further policies were incorporated into another existing policy).

2 local reviews were not undertaken as these policies are in the process of being reviewed at an All-Wales level. Once agreed at the All-Wales Partnership Forum Business Committee they will be put forward for adoption and then replace our existing local policies.

1 All-Wales Policy was also adopted by the Health Board.

In June 2023, the Welsh Partnership Forum Business Committee adopted a new approach to the review of All Wales policies and procedures. The core element of this new approach is to move away from using a review date as a prompt for review of an existing policy. In future the work will be driven by key prompts for review and provide an option for a transactional review where

changes or updates to an existing policy are more administrative than material. Agreement was also reached that All Wales Workforce and Organisational Development policies would remain extant until replaced by an updated version approved by the Welsh Partnership Forum.

4 other local policies had minor reviews in year to take account of changes, for example to supporting documentation/hyperlinks or feedback received. Due to the minor nature of these changes, they did not require a full consultation process to be followed however they were shared for information with our County and Health Board Wide Partnership Forums and noted by our People, Organisational Development & Culture Committee as updated.

Our trade union representatives continue to support our revised approach to policy review and continue to be integral to it.

As part of the local review of policies, the Health Board agreed a 10-year pledge to reduce all our local policies to 5 pages or less (excluding the corporate governance requirements that are standard to each policy) to make them easier for staff to follow and be more principles led than prescriptive in approach. Of the 41 local policies that remain in force, 30 have thus far met the 5 page pledge. Of the remaining 11, 4 are yet to be reviewed. Work will continue to achieve this pledge in our policy review work over the coming year.

Trade union relationships

We have continued to build on the good work over the last couple of years with our trade union colleagues and have separated out strategic and operational discussions into distinct pathways which enable issues to be considered and resolved in a more streamlined manner and at the appropriate level.

The Health Board and trade unions have also started to work more closely on policy work and the structure of our agenda with our medical and dental trade union

representatives via the Local Negotiating Committee.

Trade union colleagues have been integral to the revised policy review process and their contribution continues to be of critical importance to us.

Expenditure on consultancy and temporary staff

Consultancy services are a provision for management to receive objective advice and assistance relating to strategy, structure, management or operations of an organisation in pursuant of its purposes and objectives. During the year the health board spent £410,255 (2022/23: £1,628,603) on consultancy services as follows.

Transforming clinical services	£320,133
Estates Planning Advice regarding new hospital site	£10,626
IT consultancy	£56,721
Other service reviews/advice	£22,775

Expenditure on temporary staff during 2023/24 amounted to £28,389,767 (2022/23: £34,678,791), including £26,963,051 (2022/23: £33,833,456) in respect of registered nurses.

Tax assurance for off-payroll appointees

In response to the WG’s review of the tax arrangements of public sector appointees, which highlighted the possibility for artificial arrangements to enable tax avoidance, WG has taken a zero tolerance approach and produced a policy that has been communicated and implemented. Tax assurance evidence has been sought and scrutinised to ensure it is sufficient from all off-payroll appointees. Details of these off-payroll arrangements will be published on the health board’s website following publication of the Annual Report.

Table 1: Highly paid off-payroll worker engagements as at 31 March 2024, earning £245 per day or greater.

Number (No.) of existing engagements as of 31 March 2024	2
Of which, no. that existed:	
for less than 1 year	0
for between 1 and 2 years	1
for between 2 and 3 years	1
for between 3 and 4 years	0
for 4 or more years	0

All existing off-payroll engagements, outlined above, have been subject to a risk-based assessment as to whether assurance is required that the individual is paying the right amount of tax, and where necessary, that assurance has been sought.

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2024, earning £245 per day or greater

No. of temporary off-payroll workers engaged during the year ended 31 March 2023	6
Of which...	
Not subject to off-payroll legislation	6
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
No. of engagements reassessed for compliance or assurance purposes during the year	0
Of which: No. of engagements that saw a change to IR35 status following review	0

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024

No. of off-payroll engagements of board members, and /or, senior officials with significant financial responsibility, during the financial year.	0
Total no. of individuals on payroll and off-payroll that have been deemed 'board members and/or senior officials with significant financial responsibility' during the financial year. This figure should include both on payroll and off- payroll engagements.	27

Exit packages

There have not been any costs associated with redundancy in the last year. Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). £4,000 exit costs were paid in 2023/24 in relation to settlement claims, the year of departure (2022/23: £50,634). The exit costs detailed below are accounted for in full in the year of departure on a cash basis as specified in EPN 380 Annex 13C.

Where the health board has agreed voluntary early retirement, the additional costs are met by the health board and not by the NHS pension scheme. Ill-health retirement costs are met by the NHS pension scheme and are

not included in the table below. This disclosure reports the number and value of exit packages taken by staff leaving in the year. Note: the expense associated with these departures may have been recognised in part or in full in a previous period.

The health board receives a full business case in respect of each application supported by the line manager. The Executive Director of Finance and Executive Director of Workforce and Organisational Development approve all applications prior to them being processed. Any payments over an agreed threshold are also submitted to WG for approval prior to health board approval. Details of exit packages and severance payments are as follows:

Exit packages cost band (including any special payment element)	2023/24	2023/24	2023/24	2023/24	2022/23
	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Number	Number	Number	Number	Number
less than £10,000	0	1	1	0	1
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	1
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	1	1	0	2
Exit packages cost band (including any special payment element)	2023/24	2023/24	2023/24	2023/24	2022/23
	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£'s	£'s	£'s	£'s	£'s
less than £10,000	0	4,000	4,000	0	1,295
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	49,338
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	4,000	4,000	0	50,633

11.6.3 Part 3 – Senedd Cymru/Welsh Parliament Accountability and Audit Report

Regularity of Expenditure

Common with the public sector in general the health board continued to face exceptional challenges in 2023/24. The health board has a financial duty to break even over a three-year period, but it has not been able to deliver this balanced position. The expenditure of £150m which it has incurred in excess of its resource limit over that three-year period is deemed to be irregular, as is the 2023/24 expenditure in excess of its resource limit, which amounted to £66m. The health board will continue to identify efficiency and cost reduction measures in order to mitigate against future cost and service pressures and to establish financial balance in due course.

Fees and Charges

The health board levies charges or fees on its patients in a number of areas. Where the health board makes such charges or fees, it does so in accordance with relevant Welsh Health Circulars and charging guidance.

Charges are generally made on a full cost basis. None of the items for which charges are made are by themselves material to the health board, however details of some of the larger items (Dental Fees, Private and Overseas Patient income) are disclosed within Note 4 of the Annual Accounts.

Managing Public Money

This is the required Statement for Public Sector Information Holders. In line with other Welsh NHS bodies, the health board has developed Standing Financial Instructions which enforce the principles outlined in HM Treasury on Managing Public Money. As a result, the health board confirms it has complied with cost allocation and the charging requirements set out in HM Treasury guidance during the year.

Material Remote Contingent Liabilities

Remote contingent liabilities are those liabilities which due to the unlikelihood of a resultant charge against the health board are therefore not recognised as an expense nor as a contingent liability. Detailed below are the remote contingent liabilities as of 31 March 2024:

	2023/24	2022/23
	£000's	£000's
Guarantees	0	0
Indemnities*	300	1,147
Letters of Comfort	0	0
Total	300	1,147

* *Indemnities include clinical negligence and personal injury claims against the health board. Where these claims progress, the majority of the costs incurred (in excess of the £25k per claim attributable to the Health Board) will be recovered from the Welsh Risk Pool.*