



PWYLLGOR ARCHWILIO A SICRWYDD RISG AUDIT AND RISK ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	11 May 2023
TEITL YR ADRODDIAD: TITLE OF REPORT:	Draft Accountability Report 2022/23
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Steve Moore, 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 2022/23. 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 (FReM).

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 2022/23 reporting period the deadlines for submission are:

Submit Draft Financial Statements	Friday 5 May 2023
Audit and Risk Assurance Committee (to review DRAFT financial statements and Draft Accountability Report)	9.30am, Thursday 11 May 2023
Submit draft Performance Report Overview, Accountability Report (including the Annual Governance Statement), and Draft Remuneration Report	Friday 12 May 2023
Audit and Risk Assurance Committee (to approve above FINAL Financial Statements, Accountability Report and Performance Report)	9.30am, Wednesday 26 July 2023
Board Meeting in Public (to approve FINAL Annual Report, Annual Accounts, Accountability Report and Performance Report)	9.30am, Thursday 27 July 2023
Submit final Annual Report and Accounts as a single unified PDF document	Monday 31 July 2023
Annual General Meeting	Thursday, 28 September 2023

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/CEO.

As a minimum, the Corporate Governance Report must include:

- 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.

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 **25 May 2023**, 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
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Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	NHS Wales 2022/23 Manual for Accounts
Rhestr Termiau: Glossary of Terms:	Within Report
Partïon / 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 Deputy Director of Workforce and OD Deputy Director of HR 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

Chapter 2

Accountability Report



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NHS
WALES

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

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Introduction to the Accountability Report

The Accountability Report is one of the three reports which form Hywel Dda University Health Board's (the health board) Annual Report and Accounts. The accountability section of the Annual Report is to meet key accountability requirements to the Welsh Government (WG). 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 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.

As not all requirements of the Companies Act apply to NHS bodies, the structure adopted is as described in the HM Treasury's Government Financial Reporting Manual (FReM) and set out in the 2022/23 Manual for Accounts for NHS Wales, issued by the WG.

The Accountability Report consists of three main parts. These are:

- **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.

Part 1 - Corporate Governance Report

Introduction

The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across the health board during 2022/23. 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, Chairman 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.

Directors' Report

The composition of the Board and membership

The health board is made up of 11 Independent Members (including Chair and Vice-Chair) who are appointed by the Minister for Health and Social Services, and nine Executive Directors. All Independent Members and Executive Director Members have full voting rights. There are also three Directors one being the Director of Corporate Governance/Board Secretary on the Executive Team who have no voting rights and who are invited to attend the Board as in attendance members. In addition, there are three Associate Members who have been appointed by the Minister for Health and Social Services following a recommendation from the health board in accordance with Standing Orders. Associate Members have no voting rights.

Before an individual may be appointed as a Member or Associate Member they must meet the relevant eligibility requirements, set out in Schedule 2 of The Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulation 2009, and continue to fulfil the relevant requirements throughout the time that they hold office. The Regulations can be accessed via the following link: <https://law.gov.wales/public-services/health-and-health-services/local-health-boards>.

Further details in relation to the composition of the Board can be found at pages 16 to 20 of the Governance Statement. This will include Board and Committee membership, including the Audit and Risk Assurance Committee, for 2022/23, 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/>.

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: [Register of interests, gifts, sponsorship and hospitality - Hywel Dda University Health Board \(nhs.wales\)](#), or a hard copy can be obtained from the Director of corporate Governance/Board Secretary on request.

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 on page 50 of the Governance Statement.

Environmental, social and community issues

These are outlined in pages 46 of the Governance Statement.

Statement for Public Sector Information Holders

This is contained in the [Senedd Cymru/Welsh Parliament Accountability and Audit Report](#) on page 98.

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.

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:**

Date: 27 July 2023

**Steve Moore,
Chief Executive Officer**

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:

On behalf of Chair: Date: 27 July 2023
Maria Battle

Chief Executive: Date: 27 July 2023
Steve Moore

Executive Director of Finance: Date: 27 July 2023
Huw Thomas

Governance Statement

Scope of responsibility

The Board is accountable for Governance, Risk Management and Internal Control. As 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 has had to work 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.

Hywel Dda University Health Board has experienced another challenging year as it emerges from the pandemic. We are contending with a number of external pressures which include workforce availability (including social care); affordability and cost of living; and population health and need for health care (including the continued requirement to respond to COVID and the latent health consequences as a result of the pandemic). These issues manifest as increased waiting lists and delays to care for patients, excessive strain on staff, reduced system efficiency and unprecedented financial pressures. Furthermore, in Hywel Dda, it is well recognised that we have an ageing estate and an unsustainable clinical model. It is therefore clear that the scale of these challenges will require concerted and long-term action to address. 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 2022/23 are provided within this Governance Statement.

Escalation and intervention arrangements

The health board is held to account for its performance by the WG, which has established arrangements for escalation and intervention to support NHS bodies to address issues effectively and deliver the required improvement.

As we have been unable to produce an approvable three-year IMTP, or a finalised annual plan and in recognition of the growing financial deficit, in September 2022, the WG raised the

escalation status of the Health Board from 'enhanced monitoring' to targeted intervention' for finance and planning. The Health Board remained in 'enhanced monitoring' for some quality issues related to performance resulting in long waiting times and poor patient experience.

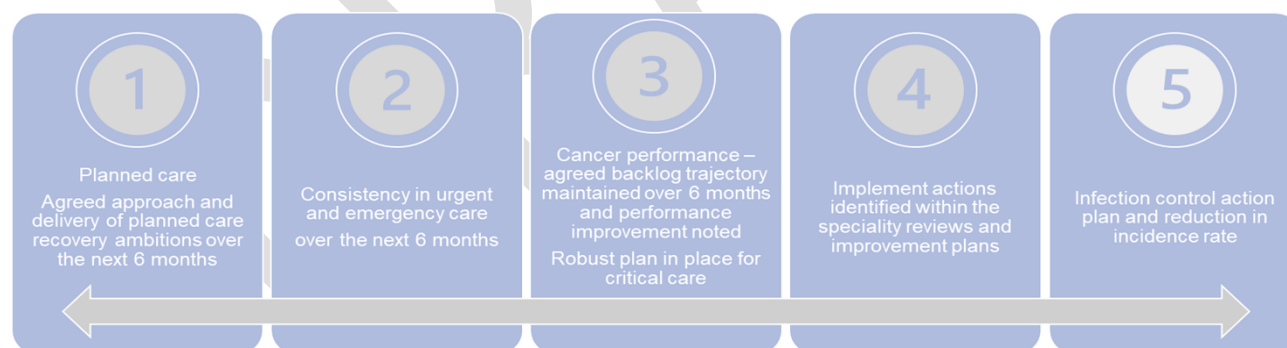
While we can to a large degree demonstrate Board oversight of key concerns, we recognise that there is currently a 'gap' in the organisation's medium-term planning and that while there is a focus upon both its Annual Plan and its Ten-Year plan, further detail is required in terms of the steps to be taken to enable the Health Board to achieve the goals of its long-term plan, and to be de-escalated to routine monitoring status.

We recognise that we must address and remedy the key issues highlighted including the conditions set out by WG at the inception meeting on the 27 October 2022 for de-escalation. These were:

Targeted Intervention



Enhanced Monitoring



We have responded diligently and positively to both targeted intervention and enhanced monitoring. For example, since the inception meeting, we have:

- Established a governance framework to monitor progress.
- Engaged, consulted, and drafted a maturity matrix to set out the requisite and measurable steps to achieving assessment level 3 of the maturity matrix.
- Cooperated and fully engaged with the WG peer review around the capability and capacity.

- Demonstrated a robust understanding of all cost drivers which moved the underlying deficit forecast outturn from (£25m) to (£62m).
- Received Board approval in March 2023 to establish a programme of work to develop and deliver a Clinical Services Plan. The Clinical Services Plan set out which service areas proposed for inclusion; aligned to sustainability and fragility concerns.
- Reduced the number of patients waiting over one year for a new outpatient appointment from a peak of over 14,000 patients at the end of July 2022 to just over 3,500 patients at the end of March 2023.
- Reduced the number of patients waiting over two years from referral to treatment from a peak of over 8,700 patients at the end of March 2022 to just over 3,700 patients at the end of March 2023.
- Demonstrated a stepped improvement in the number of ambulances waiting over four hours outside our emergency departments from 518 breaches in December 2022 to 347 in March 2023.
- Increased the percentage of children (0-17 years) having a mental health assessment within 28 days of the referral from below 5% in April 2022 to 70% in February 2023.

We have also secured external/WG support on the following two areas:

- A review by the Finance Delivery Unit; and
- A peer review of our integrated planning mechanisms.

To conclude, whilst we recognise the significant progress, we have made in a number of areas which are an important illustration of both the fortitude and hard work of staff, within the current climate, we do not underestimate the challenges we face.

Our governance framework

Model Standing Orders, Reservation and Delegation of Powers are issued by Welsh Ministers for the regulation of the health board's proceedings and business. These translate the statutory requirements set out in the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 (S.I. 2009/779 (W.67)) into day to day operating practice, and, together with the adoption of a Scheme of decisions reserved to the board; a Scheme of Delegations to officers and others; and Standing Financial Instructions (SFIs), they provide the regulatory framework for the business conduct of the health board and define its 'ways of working'.

The all Wales Model Standing Orders, Reservation and Delegation of Power for Standing Orders and the Standing Financial Instructions are reviewed annually, and were approved by the Board on 28 July 2022. These documents form the basis upon which our governance and 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.

Variations to Standing Orders

Conducting board meetings – Standing Orders states that “The board and its committees shall conduct as much of its formal business in public”. During the pandemic, we were unable to meet in public due to limitations on public gatherings, however to ensure business was conducted in as open and transparent manner as possible during this time, we continued to:

- Live broadcast all board meetings;
- Publish agendas and papers in advance of the meeting – ideally 7 days (the board acknowledge that this is a breach of Model Standing Orders which stipulates agendas should be published 10 days prior to meetings, however a local variation has been made);
- Provide a clear link to the health board’s website pages and social media accounts signposting to further information and publication dates; and
- Make amendments to the website (which constitutes the official notice of board meetings) and explain why the board is not meeting in public.

This variation to our Standing Orders continued until July 2023, when the board returned to meeting in person. Live streaming of board meetings has continued to maintain transparency and accessibility by the public and staff to board business and decision-making.

The public are also unable to physically or virtually attend its committee meetings, which is a breach of its Standing Orders. This has been risk assessed, taking into account that all decisions are made by the board, and committee papers and minutes are made available on the health board website under the Statutory Committee section -

<https://hduhb.nhs.wales/about-us/governance-arrangements/statutory-committees/>.

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, the health board is now unable to hold its AGM in July 2023 as planned. Our Audit and Risk Assurance Committee 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”.

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.

All Board Members share corporate responsibility for formulating strategy, ensuring accountability, monitoring performance, and shaping culture, together with ensuring that the board operates as effectively as possible. The board is comprised of individuals from a range of backgrounds, discipline, and areas of expertise, and provides leadership and direction ensuring that sound governance arrangements are in place.

During 2022/23, all board meetings in public were broadcast live, with a recording of the meeting uploaded to our website after each meeting.

During 2022/23, the board held:

- Nine meetings in public (all were quorate)
- One Annual General Meeting
- Nine seminar sessions (an additional Seminar was held in March 2022)

Attendance is formally recorded within the minutes, detailing where apologies have been received and where deputies have been nominated. 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 2022/23 included:

- Mental Health and Learning Disabilities Update
- Improving Care, Improving Lives
- Autism Spectrum Disorder Plan
- Learning Disabilities Charter
- Update on the Review of Paediatric Services/Consultation Project Plan for Urgent and Emergency Paediatric Services
- Community Paediatrics Waiting List
- Clinical Services Plan
- Critical Care Staffing Position
- Primary Care Contractual Applications
- Managed Practice Strategy
- Provision of Dental Services, Ammanford
- Care Home Capacity and Fragility
- Funded Nursing Care
- National Continuing Health Care (CHC) Framework
- Hywel Dda University Health Board Long COVID-19 Service
- COVID-19 Autumn Booster Campaign
- External Review of the Llwynhendy Tuberculosis Outbreak
- Hywel Dda University Health Board Winter Plan 2022/23
- Winter Respiratory Vaccination Programme 2022/23 (including Influenza Plan)
- Nurse Staffing Levels (Wales) Act:
 - Annual Assurance Report 2021/22
 - Annual Presentation of Nurse Staffing Levels

- Long Term Agreements – Values and Processes for 2022/23
- Risk Management Strategy
- Risk Management Framework
- Improving Together Framework
- Continuous Engagement Plan/Future Engagement Plan
- Major Incident Plan
- Decarbonisation Plan
- Financial Wellbeing/Cost of Living
- Listening & Learning
- Quality Improvement and Quality Management System
- Making Malnutrition Matter Business Case Update
- TriTech Business Plan
- Cross Hands Outline Business Case
- Aseptic Project Business Justification Case
- SWW Cancer Centre Strategic Programme Case
- BGH Fire Precaution Works Programme Business Case
- Electronic Patient Flow and Electronic Observations Outline Business Case
- New Velindre Cancer Centre Full Business Case
- NHS Blood and Transplant (NHSBT) Organ Donation: Review of Actual and Potential Deceased Organ Donation
- Hywel Dda University Health Board Well-being Objectives Annual Report 2021/22
- West Wales Carers Development Group Annual Report 2021/22
- HDdUHB Director of Public Health Annual Report
- Strategic Equality Reports
 - Strategic Equality Plan Annual Report 2021/22
 - Annual Workforce Equality Report 2021/22
 - Disability, Ethnicity and Gender Pay Gap Report 2022
- Public Services Boards (PSB) Wellbeing Plans

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 2022/23 and development of the Annual Plan 2023/24
- 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
- Board Assurance Framework 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

Board committees

The board is supported by several 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, and these are set out in the diagram at [Appendix 1](#).

- Audit and Risk Assurance Committee (ARAC)
- Health and Safety Committee (HSC)
- Charitable Funds Committee (CFC)
- Mental Health Legislation Committee (MHLC)
- Quality, Safety and Experience Committee (QSEC)
- People, Organisational Development and Culture Committee (PODCC)
- Strategic Development and Operational Delivery Committee (SDODC)
- Sustainable Resources Committee (SRC)
- Remuneration and Terms of Service Committee (RTSC)

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.

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. 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. As well as producing formal minutes, each committee maintains a table of actions that is monitored at meetings.

A further enhancement to the governance framework has been the introduction of a bi-monthly meeting of the committee chairs which supports the triangulation of information across the committee structure and the wider health board.

Throughout the year, each committee has undertaken a self-assessment and produced a meaningful development plan to ensure there is continual learning and improvement. 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.

Each committee has an Executive Director lead who works closely with the chair of each committee in agenda setting, business cycle planning and to support good quality, timely information being relayed to the Committee. A summary of key items considered by Committees can be found in [Appendix 2](#).

The following table outlines dates of board and committee meetings held during 2022/23, with all meetings being quorate:

Month	Committee	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	Quality, Safety and Experience Committee	Remuneration and Terms of Service Committee
Apr 2022			19.04.22				04.04.22	28.04.22	25.04.22	12.04.22	26.04.22
May 2022		26.05.22	05.05.22 (e)		09.05.22						13.05.22
Jun 2022		09.06.22 (e)	09.06.22 (e) 21.06.22	06.06.22		13.06.22	20.06.22	27.06.22	28.06.22	22.06.22	
Jul 2022		28.07.22			11.07.22						
Aug 2022		04.08.22 (e)	16.08.22				18.08.22	25.08.22	22.08.22	09.08.22	10.08.22
Sep 2022		29.09.22		26.09.22	12.09.22	03.10.22					
Oct 2022			18.10.22				20.10.22	10.11.22	10.11.22	11.10.22	
Nov 2022		24.11.22		28.11.22	14.11.22						
Dec 2022			13.12.22			12.12.22	15.12.22	16.12.22	20.12.22	14.12.22	
Jan 2023		26.01.23		26.01.23 (e)	09.01.23						12.01.23
Feb 2023		23.02.23 (e)	21.02.23				15.02.23	23.02.23	28.02.23	14.02.23	
Mar 2023		30.03.23		20.03.23	06.03.23	13.03.23					

(e) – Extraordinary meetings

Board and Committee membership and attendance during 2022/23

The board has been constituted to comply with the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009. The board consists of 20 voting members (11 Independent Members and nine Executive Directors). There are also three Associate Members that take part in board meetings in public, though they do not hold any voting rights. The board is supported by the Director of Corporate Governance, the Communications Director and the Director of Primary Care, Community and Long Term Care, who attend its meetings but do not have voting rights.

There have been a number of changes to the Board over the past 12 months. The Health Board said farewell to:

- Professor John Gammon, Independent Member (University) on 31 July 2022.
- Cllr Gareth John, Independent Member (Local Authority) on 14 June 2022.
- Paul Newman, Independent Member (Community) on 31 March 2023.

We also warmly welcomed two new Independent Members to the Board in 2022/23:

- Chantal Patel, Independent Member (University) on 1 August 2022.
- Cllr Rhodri Evans, Independent Member (Local Authority) on 15 November 2022.

Where there were changes in Independent Board Member appointments during the year, every effort was made to ensure that the interval until a new appointee was confirmed was as short as possible. Such action helped to bolster Board Member arrangements and therefore avoid any adverse impact on decision-making. Unfortunately, there was a gap in appointment of an Independent Member (Local Authority) due to the Member standing down with immediate effect due to being appointed to a Local Authority cabinet position. We have also been unable to appoint a Director of Public Health during 2023/24, however in the interim, the portfolio has been reviewed and divided between the Director of Therapies and Health Sciences, the Director of Workforce and OD and the Director of Operations whilst we continue to appoint a new Director of Public Health. The Deputy Director of Public Health continues to be the professional public health voice within the health board. An appointment has now been made to this role.

The following Independent Member was also reappointed during 2022/23:

- Anna Lewis, Independent Member (Community).

Biographies, providing further information on Board Members, are published on the health board's website at <https://hduhb.nhs.wales/about-us/your-health-board/board-members/>.

In addition to responsibilities and accountabilities set out in terms and conditions of appointment, board members also fulfil a number of Champion roles where they act as ambassadors for these matters. The table below sets out the composition of the board in 2022/23 outlining the positions held, the area or expertise/ representation role, the board and committee membership and attendance, and the Champion roles.

Board and Committee Membership and the record of attendance for the period April 2022-March 2023

Name	Position & Area of Representation	Board Committee Membership & Record of Attendance	Champion Role
Maria Battle	Chair	Board (Chair) 9/9 RTSC (Chair) 3/4 CFC 1/5	Raising Concerns (Staff)
Judith Hardisty	Vice Chair (Mental Health, Learning Disabilities, Primary Care and Community Services)	Board (Vice Chair) 9/9 ARAC 8/8 HSC (Chair) 6/6 MHLC (Chair) 4/4 PODCC (Vice-Chair) 6/6 QSEC 6/6	Mental Health
Anna Lewis	Independent Member (Community)	Board 7/9 CFC 4/5 QSEC (Chair) 6/6 RTSC 3/4 SDODC 5/6	Duty of Quality and Duty of Candour
Professor John Gammon until 31 July 2022	Independent Member (University)	Board 3/3 ARAC 3/4 PODCC (Chair) 3/3 QSEC 2/2 RTSC 2/2 SDODC 2/2	Infection prevention and control
Chantal Patel from 01 August 2022	Independent Member (University)	Board 6/6 PODCC (Chair) 4/4 SDODC 3/4	Infection prevention and control Putting Things Right (w.e.f 01 April 2023)
Winston Weir	Independent Member (Finance)	Board 7/9 ARAC (Vice-Chair) 8/8 MHLC 3/4 PODCC 1/2 QSEC 2/2 SDODC 3/4	

		SRC (Chair) 6/6	
Iwan Thomas	Independent Member (Third Sector)	Board 8/9 CFC (Vice-Chair) 2/5 HSC 2/2 MHLC (Vice-Chair) 3/4 SDODC 3/5	Equality (until 15.11.2022)
Maynard Davies	Independent Member (Information Technology)	Board 8/9 ARAC 8/8 MHLC 1/1 SDODC (Chair) 6/6 SRC (Vice-Chair) 6/6	Older persons
Cllr Gareth John until 14 June 2022	Independent Member (Local Authority)	Board 1/2 SDODC (Vice-Chair) 0/1	
Cllr Rhodri Evans from 15 November 2022	Independent Member (Local Authority)	Board 4/4 ARAC 2/2 SDODC 2/2 SRC 2/2	Equality
Ann Murphy	Independent Member (Trade Union)	Board 7/9 CFC 4/5 HSC (Vice-Chair) 6/6 MHLC 3/4 PODCC 5/6 QSEC 6/6	
Delyth Raynsford	Independent Member (Community)	Board 9/9 CFC (Chair) 4/5 HSC 6/6 PODCC 5/6 QSEC (Vice-Chair) 6/6 SRC 6/6	Welsh Language Armed Forces and Veterans Children and Young People
Paul Newman	Independent Member (Community)	Board 9/9 ARAC (Chair) 8/8 HSC 6/6 QSEC 6/6 RTSC (Vice-Chair) 3/4 SRC 6/6	Putting Things Right
Jonathan Griffiths	Associate Member	Board 0/2	
Hazel Lloyd- Lubran	Associate Member	Board 1/8 SRG (Chair) 4/4	
Mo Nazemi	Associate Member	Board 0/8	

		HPF (Chair) 3/3	
Steve Moore	Chief Executive Officer	Board 9/9 RTSC 4/4	Welsh Language
Professor Philip Kloer	Executive Medical Director/Deputy Chief Executive	Board 9/9 QSEC 6/6 HPF 3/3 PODCC 6/6	Caldicott Guardian
Huw Thomas	Executive Director of Finance	Board 9/9 ARAC 8/8 CFC 5/5 FC 3/3 SDODC 6/6 SRC 6/6	
Mandy Rayani	Executive Director of Nursing, Quality and Patient Experience	Board 9/9 CFC 5/5 HSC 6/6 QSEC 6/6 PODCC 6/6	Violence & Aggression Children & Young People
Alison Shakeshaft	Executive Director of Therapies and Health Science	Board 7/9 QSEC 6/6	Emergency Planning
Lisa Gostling	Executive Director of Workforce and Organisational Development	Board 9/9 PODCC 6/6 RTSC 4/4	Raising Concerns (Staff)
Andrew Carruthers	Executive Director of Operations	Board 9/9 HSC 6/6 MHLC 4/4 PPPAC 2/2 QSEC 6/6 SDODC 6/6 SRC 5/6	Fire Safety
Lee Davies	Executive Director of Strategy and Planning	Board 9/9 SDODC 6/6	
Joanne Wilson	Director of Corporate Governance/Board Secretary	Board 9/9 ARAC 8/8 HSC 6/6 PODCC 6/6 SDODC 4/6 QSEC 5/6	Counter Fraud

		RTSC 3/3 SRC 4/6	
Jill Paterson	Director of Primary Care, Community and Long Term Care	Board 9/9 QSEC 6/6 SDODC 5/6 SRC 5/6	
Dr Jo McCarthy	Deputy Director of Public Health	Board 7/9 SDODC 6/6 QSEC 5/6	

Deputy representation for Executive Directors is included in figures above

Escalation Status Control Structure

Following the Health Board's increased escalation status in the Autumn, governance and scrutiny arrangements were established within the health board and approved by the Board. The purpose of these arrangements was to ensure we were able to address and remedy wherever possible the key issues highlighted, including the conditions set out by WG at the inception meeting on the 27 October 2022 for de-escalation. WG have confirmed these arrangements represented a thorough and comprehensive approach, ensuring that effective oversight and accountability were balanced with a recognition of the demands currently faced by the organisation.

Command and Control

In March 2020, a Command and Control structure was established, i.e. Gold, Silver and Bronze Groups, to facilitate our planning and preparations for the emerging global COVID-19 pandemic. Whilst this structure was formally stood down in May 2021 due to reduced COVID-19 transmissions, it was kept under review and was reinstated in response to surges in community transmissions and hospital admissions, with Gold convening to make key decisions. All strategic actions are documented on a decision log to provide a clear audit trail, and these are ratified by the board.

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.

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 2022/23.

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 2022/23.

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 2022/23.

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 five times during 2022/23.

Joint committees

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.

Partnership and collective working

Hywel Dda Public Service Board

The health board is a statutory member of 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 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.

Throughout 2022, the three Hywel Dda area PSBs worked in partnership to establish a joint methodology framework and joint engagement plan to support the county-based work to refresh Well-being Assessments. Producing a robust and accurate assessment of well-being, which placed the views and needs of the residents of Hywel Dda at the forefront, was critical. The assessments also provided us with valuable insights to support our strategic planning, operational delivery and transformation agenda. The assessments sought to capture a broad spectrum of economic, social, environmental and cultural factors that impact on people's daily lives. This included identifying the strengths, assets, challenges and opportunities that citizens in each local authority area face. These well-being plans were approved by the board in March 2023, following robust consultation, led by the PSBs.

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.

During the year, the RPB has considered the following reports:

- The West Wales 'NEST' Action Plan 2022/23
- West Wales Carer's Annual Report for 2021/22
- Social Value Forum Progress Report
- Further, Faster' – Our mission to build an Integrated Community Care Service for Wales
- West Wales Advocacy Strategy
- RPB Annual Report 2021/22

Strategic Capital workshops were held to develop a 10 year Integrated Capital Strategy which will set out the RPB will address the priorities identified following the Market Stability Report and Population Assessment. This will not replace existing organisational strategies but will

aim to maximise collaboration and integration and utilise funding allocated via the RPB. The strategy will be ready for consultation and agreement in early 2023/24.

The RPB held a workshop in September 2022 to consider its priorities for the year and for the development of the area plan for 2023-28. This will act as a statement of the RPBs shared strategic priorities, which will not replace existing organisational plans and will be supplemented by an annual delivery plan. The RPB's draft strategic priorities are:

1. Support People to Manage their own Wellbeing
2. Support People to stay closer to home
3. Have the right services available to meet demand
4. Have a Stable and Resilient Workforce
5. Plan and deliver our services with people who use them

The plan will reflect the existing objectives which are being delivered through integrated planning structures at a county and regional level. The final plan will be agreed by the RPB in April 2023.

A statutory partnership update report is received by the board at every meeting.

Update reports from the Advisory Groups, Joint Committees and Statutory Partnerships can be found on our website within the board papers section via the following link <https://hduhb.nhs.wales/about-us/your-health-board/>.

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.

Board development

A new phase of the Board Development Programme was launched in Autumn 2021, designed to run over an 18-month period, which has been an operation for the majority of the 2022 calendar year. It comprised of keynote learning events by subject matter leaders including:

- Compassionate Leadership by Professor Michael West
- Behaviours; Systems and Governance by Baroness Rennie Fritchie
- Importance of Civility in Health by Dr Chris Turner

In addition, Board members have completed a Reverse Mentoring Programme with both Independent Members and Executive Directors mentored by staff members. These mentors were drawn straight from BAME backgrounds; from Generation Z (under 25) and front line staff members.. The board also has professional subject matter updates on key issues as

part of its bi-monthly Seminar Series, with space and time during these seminars to debate matters of strategic importance.

As part of the overall Board programme, and our broader approach to performance development, talent management and succession planning, the Executive Directors participate in executive coaching, programmes such as Aspiring CEO's where appropriate, and also other relevant leadership and professional development activities. The Executive team as a whole has also participated in an In-House Team Development programme, centred around the Patrick Lencione model of team effectiveness.

During 2023/24 the Board will enter a period of transition in its membership with a number of personnel changes amongst both Independent and Executive members. Consequently, a new phase of Board Development has been designed to ensure smooth transitions; to minimise turbulence and the impact of the loss of experience, knowledge and skill. Creating the space to build new relationships and learn together is an important element as well as way of overcoming the loss of corporate memory; political awareness and access to key networks.

The early months of 2023 has seen the focus concentrating on Executive talent management and succession planning as well as an exploration of the impact of changes in Board composition in terms of team dynamics, performance expectations and corporate leadership demands. The Board Programme will continue to be delivered throughout the 2023/24 financial year in order to support Board performance and effectiveness.

Board effectiveness

The board is required to undertake an annual self-assessment of its effectiveness. Our approach to board effectiveness has been commended by AW in their Structured Assessment process for 2022, where they reported that our Board continues to be stable and has a robust approach to learning, development, and continuous improvement, through effective use of the results arising from annual Board and committee self-assessments.

AW also commended the effectiveness of the working relationship of the Board, stating that 'the Board is cohesive and there are good working relationships between Independent Members and the Executive Team'. As a Board, we remain vigilant of concerns that are identified by WG, auditors and regulators across NHS Wales. When these concerns come to light, we review our own processes and systems to provide the Board with assurance of the effectiveness of our own system of internal control. We recognise that this is an area that we must constantly remain vigilant and learn lessons.

In April 2023, the board was presented with the following sources of internal and external assurance and assessments 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 from 'enhanced monitoring' to targeted intervention' for finance and planning (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 the report);
- Self-assessment against the Corporate Governance Code (see [Corporate Governance Code](#) of the report);
- Feedback from the Board Committee self-assessment programme;
- IA Reports received throughout 2022/23, including reviews of risk management, performance management and monitoring, quality and safety governance, Glangwili and Withybush Unscheduled Care Directorates, fire governance, financial management, strategic transformation programme governance and the Regional Integrated Governance; and
- Current progress on work to address the Fire Enforcement Notices.

Following due consideration of the sources of assurances and supporting documentation, the Board were asked to consider an overall level of maturity in respect of governance and board effectiveness, based on the following criteria:

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.

The board concluded its maturity rating for board effectiveness and governance was 'Level 4' at its board seminar in April 2023 (no change from 2021/22). Despite our escalation status being raised in September 2022 to 'targeted intervention' for finance and planning, there is good practice and innovation being shared with other NHS organisations across the UK, and the health board continues to improve and demonstrate sustainable improvement throughout the organisation, whilst recognising that there is further work required to maintain this level and to progress towards a level 5. In addition, despite having appropriate financial controls and robust reporting, monitoring and scrutiny mechanisms in place, we recognise that our ability to stay within budget remains challenging. The Board, through its governance structure, is fully congruent and acquainted with the fundamental challenges we need to address in the short, medium and long term. To ensure the board remain cohesive and effective, they supported the proposed board development programme presented at the board seminar (see [board development](#) section for further information).

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 2023 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 [Appendix 1](#) of this statement.

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) and 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 stakeholders. It is important that it adds value to ensure the health board reduces uncertainty, informs decision-making and priorities, 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.

There are procedures, guidance, systems, and tools 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 through a business partnering arrangement.

The health board is working with colleagues across NHS Wales to develop a new Once for Wales system for risk management, which is likely to be implemented within the health board by March 2024, if the pilot is successful.

During 2022/23, our Risk Management Framework and Strategy were reviewed and approved by board, ensuring they support the achievement of our strategic objectives and align with our committee structures and the Board Assurance Framework and Corporate Risk Register. A review of the health board’s risk maturity and risk appetite will be undertaken during 2023/24 in order to further strengthen its risk management arrangements, culture and attitude.

In response to the AW follow up review of quality governance arrangements (issued in October 2021), executive led reviews, supported by the Assurance and Risk team, have continued in 2022/23 for all operational areas and corporate functions in order to strengthen operational risk management. In January 2023, these risk review sessions were superseded by Directorate Improving Together sessions (further information on these can be found in the [Performance Management Arrangements](#) section) which retain a continued focus on risk.

AW reported in their Structured Assessment 2022 that the health board continues to have an effective Board Assurance Framework, and robust arrangements for managing risk.

Risk appetite

The health board’s Risk Appetite Statement 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.

The board agreed its current Risk Appetite Statement through detailed board seminar discussions and considered it in line with its capability to manage risk, and formally agreed the following at a board meeting in public:

“Hywel Dda’s approach is to minimise its exposure to safety, quality, compliance and financial risk, whilst being open and willing to consider taking on risk in the pursuit of delivery of its objective to become a population health-based organisation which focuses on keeping people well, developing services in local communities and ensuring hospital services are safe, sustainable, accessible and kind, as well as efficient in their running.”

The health board recognises that its appetite for risk will differ depending on the activity undertaken, and that its acceptance of risk will be based on ensuring that potential benefits and risks are fully understood before decisions on funding are made, and that appropriate actions are taken.

The health board’s risk appetite takes into account its capacity for risk, which is the amount of risk it is able to bear (or loss we can endure) having regard to its financial and other resources, before a breach in statutory obligations and duties occurs.”

In addition, the board also agreed levels of tolerance for risk across its activities, aligned to its risk scoring matrix, to provide management with clear lines of the level to risk it will accept. These can be accessed via the following link:

<https://www.webarchive.org.uk/wayback/en/archive/20200916074555/http://www.wales.nhs.uk/sitesplus/862/page/97217>.

Risk tolerance levels have been added to the health board’s risk management system and risks above tolerance are reported and challenged through the board’s committees. A concerted effort has commenced during 2022/23 to review the health board’s risks and subsequent risk treatment decision are correct given the current operational challenges and financial climate. Revised definitions of the four risk treatment options commonly referred to as the 4Ts (treat, tolerate, transfer, terminate) were approved to facilitate these discussions.

The health board’s risk appetite will be reviewed in 2023/24, to ensure it remains aligned to the health board’s new strategic objectives and its capacity to manage risk. This is particularly important as we move further to develop our roadmap to financial balance, whilst at the same time, managing increasing demands on our services and some significant external challenges, such as increasing energy and inflation costs. To help inform our risk appetite discussions, further work is being taken forward to define what it is we mean by ‘fragile’ services and how we can better identify services that are at risk and the wider impacts of the fragility of an individual service on the wider health system.

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.

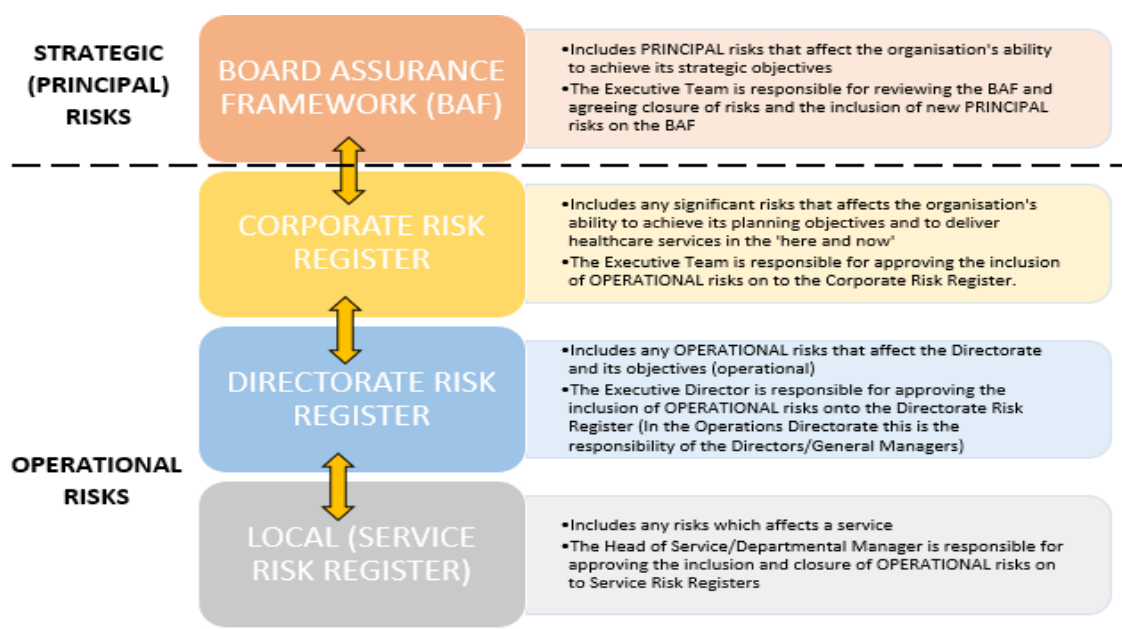
Communicating and consulting with internal and external stakeholders and partners is an important part of the risk management process. The frequency of the communication will vary depending upon the severity of the risk and is discussed and agreed with the stakeholders and partners. For example, our 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 this 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.

This is how the CRR interacts with the principal risks on the BAF and the operational risks that are on Directorate and Service risk registers.



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

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; and population health and need for health care (including the continued requirement to respond to COVID and the latent health consequences as a result of the pandemic). These issues manifest as backlogs and delays to care for patients, 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.

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](#) 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 2022	17
New risks added during 2022/23	0
De-escalated/Closed during 2022/23	1
Total number of risks on BAF of 31 March 2022	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 the board and WG. Our financial deficit has continued to deteriorate with significant workforce constraints remaining, and the planning function remains small with significant opportunities to develop. These issues are exacerbated given our financial deficit, with the need to not only shift resources to more appropriate settings but to provide care at considerably lower cost. With the health board reporting a significant in-year and recurrent underlying deficit, WG escalated the health board into targeted intervention during October 2022.

Actions that have been undertaken include the development and roll-out of a suite of financial sustainability plans for the whole of the organisation based on the target operation models that we are seeking to implement through our planning objectives for next 3 years. We established an interim budget for 2022/23 to support the delivery of the planning objectives set out in our Interim Annual Plan 2022/23.

We are also coordinating an ongoing balanced approach to how resources are used and invested and dis-invested in, to achieve workforce, clinical service and financial sustainability.

- **Principal risk 1186 - attract, retain and develop staff with the right skills (risk score 20)**

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. COVID-19 increased pressures on existing staff, not only during the response phase but also now as we try to deal with the resulting backlog, which has also led to an increasing number of retirements and reduction in hours within the older workforce. Becoming an employer of choice and attracting people to work for Hywel Dda is therefore fundamental to the achievement of our strategy.

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 programme to encourage our local population into 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 Committee has been established for introduction 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.

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

This risk reflects the risk 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.

Whilst we do 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 plans and actions are currently in place to support mitigation of this risk, although not at population scale.

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

Whilst there is the ambition to strive for excellence, there are significant challenges to our ability to maintain safe, sustainable care across some of our services. We need to strengthen clinical engagement in embedding and maximising clinical effectiveness systems and processes, particularly at a time when the organisation is increasing its non-COVID-19 activity against the backdrop of increased staffing and operational pressures. There is also an over-reliance on external funding for research, development and innovation (RDI) activities and stretching cost recovery targets for developmental work.

Actions to address this risk includes implementing the multi-disciplinary clinical and non-clinical education plan, an implementation group to respond to the emerging requirements of the Quality and Engagement Act, continuing to implement the Research and Innovation Strategic Plan, and produce and agree final business cases in line with our vision and design assumptions set out in our 'A Healthier Mid and West Wales' strategy.

- **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 provide safe, sustainable, accessible services. We have 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. This requires significant investment to ensure we have appropriate facilities, medical equipment and digital infrastructure of an appropriate standard and compliance. Until our Healthier Mid & West Wales Strategy PBC is endorsed by WG, we cannot assume investment is likely to be forthcoming at the scale or in the timelines required.

- **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 arrangements and systems. These will need 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 historically accessed services.

Actions to address this risk is to develop a set of integrated locality plans with our local authority and third sector partners, develop and implement a comprehensive and sustainable 24/7 community and primary care unscheduled care service model, produce a

final business case for the implementation of a new hospital in the south of the Hywel Dda area for the provision of urgent and planned care, and implement the remaining elements of the Transforming Mental Health Programme, the health board has also undertaken an assessment of all its Children and Young People Services and will implement a plan to address the findings.

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 2023:

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 1195 1187 1197	1196 1191 1192 1198	1186
MODERATE 3		1200	1188 1189 1194 1193		
MINOR 2					
NEGLECTIBLE 1					

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 2022/23, the CRR has been dynamic and responsive to new and emerging risks:

Total number of risks on CRR on 1 April 2022	18
New risks added during 2022/23	7
De-escalated/Closed during 2022/23	8
Total number of risks on CRR of 31 March 2023	17

The most significant risks during the year have included:

- **Corporate risk 1027 - delivery of integrated community and acute unscheduled care services (risk score 20)**

Our ability to deliver our integrated community and acute unscheduled care services fluctuated in-year, with levels of urgent and emergency pathway capacity pressures continuing at significantly escalated levels. This has been driven by post-pandemic demand, and the indirect legacy of Covid-19 resulting in increased levels of frailty in people in the community, and consequently increased activity across the acute sites. Winter pressures placed further additional pressure on available capacity. 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.

Positive progress has been made since January 2023 in terms of reducing peak levels of pressure, with improvements achieved relating to ambulance handovers, emergency department waiting times and discharges, however progress remains variable.

For addressing our urgent and emergency care, our plan sets out a number of priorities to mitigate the level of pressures anticipated. These centred on an integrated 24/7 single point of contact model for urgent clinical assessment and streaming, so that patients access the right service at the right time in the right place. These included a 'Contact First'/Urgent Primary Care model in order to co-ordinate our urgent care response to the exacerbating health and care needs of our population and maintain people in their own homes and communities, a clinical streaming hub, Same Day Emergency Care (SDEC) models in acute and community settings, including comprehensive frailty assessment, and management of the frail elderly, including comprehensive geriatric assessment.

In addition, our Winter Preparedness model tried to prevent the pressures crossing the threshold into our emergency departments, using the Enhanced Bridging Service (which we set up to provide social care), and the Delta Service, the conveyance avoidance and front door turnaround to minimise this occurrence.

- **Corporate risk 1432 - risk to the delivery of the health board's draft interim Financial Plan for 2022/23 (risk score 25)**

This risk replaced, two previous corporate risks: 1296 (risk that the Health Board will not deliver a financial out-turn position in line with our original plan of £25m deficit) and 1297 (risk that the Health Board's underlying deficit will increase to a level not addressed by additional medium-term funding). Issues have previously been raised over our ability to plan at a strategic and operational level. The risk remains to the sustainability of our financial position, driven primarily by savings which cannot be delivered due to continued operational and clinical challenges in particular within urgent and emergency care, and further in-year cost deterioration.

The health board entered targeted intervention status in September 2022 for finance and planning. The forecast deficit remains unacceptable to WG as at March 2023, leading to an unsupportable underlying deficit position which will impact future years.

Financial planning assumptions utilise the premise of 12 months of “low” COVID-19 prevalence, however this may not be the case throughout the year and could therefore have resource implications. A strategic transformation of our operating model is required to make the shift in services that are required to deliver workforce and finance sustainability over the medium term.

- **Corporate risk 1349 – ability to deliver ultrasound services at Withybush (WGH) (risk score 20)**

The ability to deliver an ultrasound service at WGH has been impacted by reduced workforce capacity due to national shortages of sonographers, retirements and part-time working arrangements. This has been exacerbated by an increased demand specifically for third trimester scans in line with WG targets in terms of reducing still birth rates, and the loss of a general ultrasound scan room.

Positive progress has been made in terms of appointing locum sonographers, which will support attempts to reduce waiting lists. Waiting lists are also triaged to ensure that urgent cases are prioritised. However, it is noted that approaching the end of financial year 2022/23, pressures on the sonography service are being experienced across our four acute sites as a result of workforce pressures.

- **Corporate risk 1032 – risk of not meeting WG targets for Mental Health and Learning Disabilities (MHL) clients (risk score 20)**

This risk reflects the increasing length of time mental health and learning disabilities clients (specifically Autism Spectrum Disorder and psychology services for intervention) are waiting for assessment and diagnosis, and its impact on the health board’s ability to meet ministerial targets. This is caused by increasing referral rates, along with recruitment challenges for psychologists. Management of the risk is dependent on successful recruitment to key posts and developing a “Grow Your Own” scheme for the academic year 2023/24, in terms of a clinical psychologist programme, as well as having access to appropriate clinical venues and other agencies being able to undertake their associated assessments. Trajectories have been developed and agreed in March 2023 for ASD, along with commissioned services, and psychological services also has a trajectory in place for 1% per month. The implementation of the Welsh Patient Administration System in key areas will also improve reporting and waiting list management and enable forward trajectories to be determined.

- **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. Cyber-attacks are becoming more prevalent, demonstrated by the attack on the national infrastructure for out of hours with the ADAstra system in August 2022. Contingency plans mitigated the impacts on the health board, however work to restore the databases supporting the system took a significant period of time to restore.

Controls to manage the risk include the Cyber Security Assurance Group, who's remit is to provide 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.

- **Corporate risk 1340 - risk of avoidable harm for HDUHB patients requiring NSTEMI (non-ST segment elevation myocardial infarction) pathway care (risk score 16)**

The risk focusses on the NSTEMI pathway as NICE guidelines for Acute Coronary Syndromes (NG185) recommend 'coronary angiography (with follow-on PCI if indicated) within 72 hours of first admission (presentation) for people with unstable angina or NSTEMI who have an intermediate or higher risk of adverse cardiovascular events' (recommendation 1.1.6). In support of this target, we aim to identify and refer patients to Morriston Cardiac Centre for angiography within 24 hours of admission/presentation.

Actions to address this risk include introducing a number of system and process solutions to reduce presentation to referral to a median time of 24 hours, which is overseen by the NSTEMI Project Group, and to re-instate the NSTEMI Treat and Repatriation service, which is scheduled to recommence in Spring 2023.

- **Corporate risk 129 – ability to deliver an urgent primary care out of hours (OOH) service for Hywel Dda patients (risk score 16)**

The OOH service continues to be fragile, particularly at weekends and holiday periods. This is primarily driven by the inability to recruit GPs as a result of an aging workforce, combined with increased demand for face-to-face consultations, exacerbated by increased pressures in primary care which is impacting the ability of GPs to be available for OOH shifts.

Recruitment is ongoing, and work is being undertaken by the service to develop a streamlined process to onboard GPs from the all Wales GP hub in order to further alleviate workforce pressures on the service. Work is also continuing in terms of developing a sustainable OOH service aligned to Transforming Clinical Services (TCS) and the Transforming Urgent Emergency Care (TUEC) programme.

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

There are a number of issues that we are working to address following a number of enforcement notices from the Mid and West Wales Fire and Rescue Service (MWWFRS). Phased fire safety improvement works continue across the health board, with significant investments being made to address the recommendations as raised by MWWFRS Letters of Fire Safety Matters (LOFSM) and Enforcement Notices (ENs) previously issued.

We continue 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.

Actions to manage this risk further include the introduction of alternative ways to improve attendance of fire training of staff across the health board. Fire training information packs have also been developed for agency staff across all four acute sites. In addition, a new fire safety system has been introduced during 2022/23, which allows the monitoring of actions raised from fire risk assessments.

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 2023:

HYWEL DDA RISK HEAT MAP					
	LIKELIHOOD →				
IMPACT ↓	RARE 1	UNLIKELY 2	POSSIBLE 3	LIKELY 4	ALMOST CERTAIN 5
CATASTROPHIC 5			813		1432 1027
MAJOR 4			1433 1559 1548 1350 684	1340 129 1406 1352	1032 1349
MODERATE 3			1335	1328 1407	
MINOR 2					
NEGLIGIBLE 1					

Further information on corporate risks in 2022/23 can be found in our board papers:

[Corporate Risk Register Report at September 2022 Board Meeting in Public](#)

[Corporate Risk Register Report at January 2023 Board Meeting in Public](#)

Emergency preparedness/civil contingencies

Hywel Dda UHB has emergency plans and business continuity arrangements in place that take account of 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 ratified by the Board in July 2022.

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, and as such aims to provide a way for teams to come together to undertake the following:

- Set Team Vision: Identify their team's vision and goals and consider how they align to the Health Boards Strategic Objectives.
- Set Improvement Measures: Set key improvement measures aligned to their vision and utilise data and information to identify opportunities for improvement.
- Improvement meeting or huddle: Provide an opportunity for teams to come together and have regular improvement and problem-solving discussions, utilising a coaching style approach to probe the data, develop solutions and embed continuous improvement.
- Problem solving: Teams are empowered and have the autonomy to test new improvement ideas and monitor the impact.
- Adopt and share: Learn and share ideas and initiatives.

At the most strategic level, the 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 priorities. 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 recently established Directorate Improving Together Sessions. These have been set up to provide dedicated time for teams to meet with their Executive Director and Corporate Executive Directors to:

- Outline the priorities / goals for the year
- Outline current challenges and support required
- Flag highlights or lowlights from the “Our Performance”, “Our Safety” dashboards and audit and inspection summary reports. These dashboards provide quality, workforce, performance, finance, risk data all in one place. We are working on incorporating and signposting to activity data to help support operational planning.

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

The Improving Together approach was agreed with the Executive Team in December 2022. It has recently been approved by SDODC in February 2023 and was progressed to Board for final ratification in March 2023.

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 is to monitor and where necessary improve standards of care.

Quality governance is led by the Executive Director of Nursing, Quality and Patient Experience. Our Quality, Safety and Experience Committee (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 2022/23 are listed in [Appendix 2](#) with papers available on our website [Quality, Safety and Experience Committee Meetings](#).

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. Our Operational Quality, Safety and Experience Sub-Committee, 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.

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 (Hot and Happening) 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 2022/23, the following Quality Panels have been held:

- Mortality Reviews
- Unscheduled Care (Bronglais General Hospital)
- Women and Children
- Nosocomial COVID-19 – update on the progress of the health board reviews
- Primary Care and Estates
- Patient Safety Solutions (open)
- Emergency Admissions
- Sepsis
- Hospital acquired thrombosis

During 2022/23, NWSSP Internal Audit reviewed our Quality and Safety Governance arrangements, and found that sufficient arrangements were in place which allow for effective assurance reporting of quality and safety issues to the health board, ensuring issues identified at directorate level are escalated where necessary. Whilst NWSSP did not identify any significant issues that had not been escalated, the level of detail contained in QSEC minutes at directorate level varied and they therefore recommended that there was an opportunity to improve the quality of meeting minutes to better evidence discussion of key quality and safety areas. NWSSP Internal Audit concluded 'reasonable' assurance for this objective. We are committed to addressing these findings. An executive-led review of operational risk registers has been undertaken, and further reviews have been scheduled in 2022. A review of operational capacity has also commenced.

Safety Dashboard

Our safety dashboard has been developed over 2022/23 to help identify potential patient safety issues. Operational leaders and managers will 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 Improving Together sessions.

Quality Management System (QMS) Strategic Framework

We have developed a QMS Strategic Framework - the overarching formalised system that will achieve continuous improvement across the organisation. The QMS will be delivered

through 'Improving Together'. 'Improving Together' is the 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.

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 2022/23, HIW published 10 pieces of assurance and inspection work in Hywel Dda. 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, one review in a mental health and learning disability service, five reviews in a primary care setting.

Clinical audit

The Clinical Audit Programme in 2022/23 was a smaller programme than usual reflecting the impact of the pandemic, staff shortages and ongoing clinical concerns on clinical audit activity. The completion and progress rates for projects on the programme is very good however a smaller, higher quality programme is ultimately more desirable. There has also been an increase in audits related to other Quality Improvement work, demonstrating how the QI and Clinical Audit Teams are collaborating on more work streams. A large number of non-programme audits have also been undertaken in addition on a wide variety of topics.

The vast majority of 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 appointed in November 2022. A number of improvements into how the projects are run are underway.

The Clinical Audit Department is now using new software to manage clinical audits. It is hoped that this system will be fully live in 2023/24. The system is currently being piloted across a number of specialties and professions and a number of training sessions have been provided. The new system makes clinical audit more accessible and transparent with a clear focus on driving outputs and improvements. Initial tests have been very well received.

The Clinical Audit Department has continued with the programme for Whole Hospital Audit Meetings which includes 2 whole Health Board meetings annually. These are now chaired by

the Clinical Director for Clinical Audit and focus primarily on the mandatory national audits outlined by WG as well as appropriate local projects that have a wide-reaching impact.

Mortality reviews

Mortality Reviewing is well established across the health board, with a multidisciplinary mortality review panel meeting fortnightly, in alignment with the All Wales Learning from Mortality Review Framework, to review cases that have been referred back to the health board with issues identified following Medical Examiner Service scrutiny. Just under 30% of cases are referred back for consideration, and the panel reviews and determines when a further proportionate investigation is required, in accordance with the national framework. Learning from individual cases is also shared directly with the relevant sites. There are processes in place to capture themes emerging from the Medical Examiner Service referrals, and any thematic learning being generated from proportionate investigations requested by the Mortality Review Panel. Thematic reporting will be introduced once all deaths are being scrutinised. This will include mechanisms to ensure triangulation with other health board data pertinent to mortality. The Medical Examiner Service is operational on all acute sites across the Health Board, with 100% of deaths in Wylabush, Bronglais and Prince Philip Hospitals, and over 60% of Glangwili General Hospital deaths now being sent to the Medical Examiner Service for independent scrutiny (rising to 100% by the end of May 2023). Work is ongoing alongside the Medical Examiner Service to establish processes to include all community and primary care deaths by the end of August 2023, in line with the statutory introduction of the Medical Examiner Service from April 2023. This includes identifying the resource requirements to ensure future sustainability of mortality reviewing processes.

Information governance (IG) arrangements

Information Governance (IG) arrangements

We have well established arrangements through 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) agenda and provide the health board with the assurance that effective IG 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; and
- 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.

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 bi-monthly, 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: [Sustainable Resources Committee](#).

The 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.

We have undertaken a full review of our position against the Welsh Information Governance Toolkit and Caldicott Principles into Practice Assessment (CPIP). Both assessments demonstrate a good level of assurance of information governance risks.

Staff training numbers have steadily increased with the compliance at the end of March 2023 at 80.15%, an increase from 77.94% 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.

Code of Corporate Governance

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 2023 against the main principles as they relate to an NHS public sector organisation in Wales. This assessment was informed by the AW Structured Assessment 2022. 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 2 Enforcement Notices issued by Mid and West Wales Fire and Rescue Service (MWWFRS), and continues to address the 4 outstanding Enforcement Notices. One additional Enforcement Notice 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 from WG agreed funding, with regular progress updates reported to the HSC, which provides assurance to the board on the work undertaken towards improving compliance.

Bluestone governance review

During 2022/23, the health board at the request of ARAC commissioned an independent review into the governance and decision-making process which led to the Board being advised that Bluestone National Park was the only option in Pembrokeshire to site a COVID-19 field hospital. Whilst the review established that those involved were doing their best in very difficult and pressurised circumstances, the governance and decision-making process were not as clear or robust as it appeared to be with the other field hospitals in the health board, and a number of areas of learning and recommendations were provided to the health board, which we are currently implementing.

Planning arrangements

The health board has a clear strategic direction and work continued through the pandemic to realise these ambitions. The Programme Business Case for "*A Healthier Mid and West Wales*" submitted to WG on 1 February 2022 set 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. The pandemic has not only sharpened our focus on these but in some areas has accelerated our delivery (new outpatient models for example).

During the pandemic, the health board also agreed six strategic objectives and a wide-ranging set of planning objectives which provide the route map to reaching these goals. This was supported by our BAF (see [Board Assurance Framework \(BAF\)](#) section) and refreshed governance arrangements. On the back of responding to the pandemic, the health board has renewed confidence that it is on the path towards this strategic vision and has the key ingredients in place to deliver it. We hope this will shortly be reflected in us achieving an approved Integrated Medium-Term Plan (IMTP), which would be the first in the history of Hywel Dda University Health Board and an important step on our longer term journey.

That said, we were not in a position to submit an IMTP to WG for 2022-2025 because we believed we needed to transition from a COVID response phase and unwind many of our COVID measures before we could be certain that we could return to near-normal operations and of the implications of this. Also, we needed to develop a clear road map to demonstrate a trajectory towards financial sustainability which can be endorsed and ratified by WG.

Whilst it was disappointing that we were not able to submit an approvable IMTP for 2022/25, as we originally intended, our three-year plan reflected a growing organisational maturity where we recognised the progress we had made and at the same time had a sound understanding of the areas where our plans required strengthening.

The focus of our plan was built around our 6 key priorities for 2022/23, these priorities were reflective of the challenges facing the health board over the short, medium and long term. These included a number of priorities such as an on-going COVID response, planned care recovery, underpinned with longer-term developments, such as, a roadmap for both workforce and financial sustainability (This will be presented to Board in September 2023):



The updated plan was submitted in draft form to WG on 8 July 2022, noting that this was subject to consideration at the Public Board meeting on 28 July 2022. However, WG wrote to the health board on 12 July and 20 July advising that the financial position laid out in the plan, a deficit of £62m, was unacceptable.

Notwithstanding the above, at the Public Board meeting on 28 July 2022, a series of steps were laid out by the health board's Chief Executive, to bring back to the board meeting in September 2022, a number of actions. The agreed actions were presented at September

board meeting; however, these were in part superseded by the health board being placed into 'Targeted Intervention' (see [Escalation and intervention arrangements](#) section).

In respect of 2023/24, despite progress made ahead the 2023/26 IMTP planning process. It was with regret, that the health board was not able to submit an IMTP. There were a number of pertinent and unavoidable issues (many of which are set out above). The health board is fully congruent and acquainted with the fundamental challenges we need to address in the short, medium and long term. Consequently, this is the premise of the 2023/24 Annual Plan, namely one of stabilisation, with the foundations set out in 2022/23 providing the catalyst and anchoring point to continue to build on many of our successes. Equally, where improvements are required, understanding the baseline and platform of the previous year allows us to identify the cause and effect and take the appropriate actions to remedy the issue(s).

It is within this context that our Annual Plan for 2023/24 has been developed. Our financial challenges are such that we have again been unable to produce an IMTP which balances over a three year period, and therefore we are in breach of our statutory responsibility as an organisation. This is not a position we want to be in. Our plan therefore has two primary aims. First, it sets out what we are able to achieve in response to the above issues over the next 12 months, with a particular focus on the Ministerial Priorities. Secondly, it lays 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 has been based upon the following principles:

- The Health Board will be submitting an annual plan
- The core philosophy of the plan is one of stabilisation and laying the foundations for a medium-term recovery plan, aligned to our strategy
- The majority of plans are based upon existing resources (workforce and funding), with the nursing workforce stabilisation plan the main exception to this
- The plan and organisational priorities are focused on delivery of the Ministerial Priorities
- The plan is 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, so fewer planning objectives, and more ambitious

The basis of Year 1 Stabilisation is the Ministerial Priorities and our priority planning objectives. Examples of this approach include 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'.

Following feedback from WG that our plan was not supported or accepted, WG have requested that further work is required on setting out an improvement in the position on delivery of all Ministerial priorities, and an improvement in our financial assessment by 31 May. This will require both strengthening existing plans, and consideration of options and choices to deliver further improvement.

Disclosure statements

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:

- The board approved a revised Strategic Equality Plan and objectives for the period 2020-24. COVID-19 exacerbated inequalities for those with protected characteristics and communities that are socio economically deprived so, in response we reviewed our plans outlining how we were going to meet those objectives and one key action was the establishment of a Black, Asian and Minority Ethnic Advisory Board.
- The requirements of the Socio-economic Duty which became law in 2021 were embedded into our strategic decision-making process.
- The Equality Impact Assessment (EqIA) process was reviewed, to incorporate the Socio-economic duty, and an EqIA training programme is available for all staff.
- Equality and Human Rights training is mandatory for all staff as part of the corporate induction.
- A Strategic Equality Plan Annual Report is published annually, alongside a Workforce Equality Report and Pay Gap Reports focusing on gender, ethnicity and disability.

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/>.

Examples of key highlights for 2022/23 include:

- A well-established Menopause Café for staff which has seen additional sessions provided by specialists on Menopause Yoga, Diet and the Menopause and a Q&A session with our Specialist Menopause Consultant. The menopause team also provided an information session targeted at our male staff to educate them about the menopause and how they can offer support to those around them
- New staff network for staff with a disability recognising staff with physical and neurodiversity needs.
- Our ENFYs LGBTQ+ Staff Network has been revived following the pandemic and 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 and network members are working with the Workforce Experience and Culture team to develop an action plan as part of a Bullying and Harassment Task and Finish Group. Social events have also been arranged for the network members, aimed particularly at new overseas staff who are looking to settle into the area after joining the health board. In addition to informal events, a buddying network is also in place to support this programme and has proved invaluable to those new staff joining the Health Board. A successful Diwali event was held in October 2022 and network members took part in a multi-faith Christmas Service in December.
- Our community team originally set to work with communities who were reluctant to take up COVID vaccines have expanded into other areas of health behaviours and focussing on reducing health inequalities in a number of areas.
- 85 equality, diversity and inclusion (EDI) training sessions have been offered to staff throughout 2022/23 on a range of topics. These have taken the form of formal training delivered by external training providers, webinars and in-house training by health board staff. The Diversity and Inclusion team have been working with the Learning and Development team to develop EDI training modules for Managers which will be rolled out in 2023 as part of the new LEAP programme. 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.
- Plans are underway to review our Strategic Equality Plan and Objectives for 2024-2028. This work is being undertaken in partnership with the Local Authorities, Dyfed Powys Police, Mid and West Wales Fire and Rescue, Local Universities and National Parks, to develop a new set of objectives to promote inclusivity and eliminate discrimination in all areas of its work.

- 101 Equality Impact Assessments have been undertaken during 2022/23. We remain committed to conducting appropriate equality impact assessments, closely linked with our commitment towards continuous engagement.
- The Arts and Health team has uncovered opportunities for the arts to improve people's health and wellbeing across the health board, and is in the process of co-creating a vision and plan for arts and health for Hywel Dda and has been engaging with health professionals right across the health board, the arts sector and listening, learning and trialling activities. A public engagement campaign inviting people to help shape the vision for arts and health at Hywel Dda has also been launched.

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 access to medical records by unauthorised individuals, and records storage being compromised.

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 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 2022/23. Details of these and a record of any Ministerial Direction given is available on the following link:
<https://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 3](#)).

In accordance with a Ministerial Direction issued on 18 December 2019, the Welsh Government 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 £604k has been included in the 2022/23 Annual Accounts.

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: [Health circulars | GOV.WALES](#)

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 which can be found [here](#).

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 Minister for Health and Social Services;
- Local Counter-Fraud and Post Payment Verification Activity;
- Inspections by Healthcare Inspectorate Wales;
- Delivery of audit plans and reports by external and internal auditors;
- 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;
- AW Structured Assessment.

Internal Audit (IA)

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. 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. 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 forming the opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

Throughout 2022/23, the Head of Internal Audit has met 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.

Head of Internal Audit Opinion

Although changes have been made to the plan during the year, sufficient audit work has been undertaken during the year to be able to provide an overall opinion in line with the requirements of the Public Sector Internal Audit Standards.

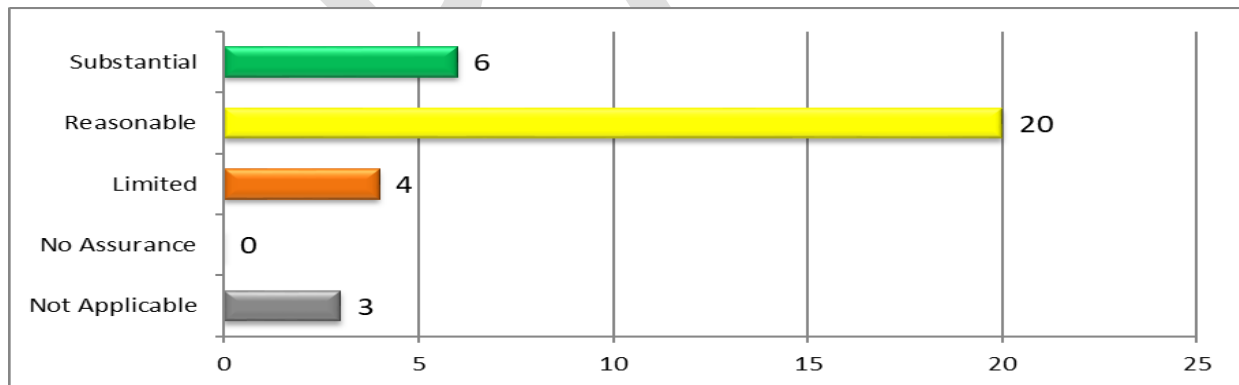
The Head of Internal Audit has concluded for 2022/23:

Reasonable assurance		The board can take Reasonable 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.
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The audit coverage in the plan agreed with management has been deliberately focused on key strategic and operational risk areas; the outcome of these audit reviews may therefore highlight control weaknesses that impact on the overall assurance opinion.

During 2022/23, the health board has received positive audit opinions in a number of governance-related audits, including reviews on its Public Inquiry Preparedness (Substantial), Quality and Safety Governance Framework (Reasonable), Financial Management (TBC), Strategic Transformation Programme Governance (TBC), Fire Governance (Substantial), Regional Integrated Fund (Reasonable), Safety Indicators (Reasonable), and Patient Experience (Reasonable). In addition to this, two Directorate Reviews were undertaken in Glangwili Hospital and Withybush Hospital which all provided Reasonable Assurance.

This opinion is based on the following opinions issued during the year:



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 2022/23:

Substantial Assurance	Reasonable Assurance
<ul style="list-style-type: none"> Public Inquiry Preparedness 	<ul style="list-style-type: none"> Quality & Safety Governance

<ul style="list-style-type: none"> • Cyber • Fire Governance • Blackline Financial System • IT WPAS Follow up • Trittech Governance follow up 	<ul style="list-style-type: none"> • Service Reset & Recovery • Continuing Health Care • Directorate Governance Withybush • Directorate Governance Glangwili • Individual Patient Funding Requests • Safety Indicators • Patient Experience • Falls Prevention & Management • IT Infrastructure • Regional Integration Fund • Glangwili Hospital Women & Children Development • Glangwili Fire Precautions Phase 1 • Withybush General Hospital Fire Precautions: Phase 1 • Welsh Language Follow up • Non Clinical Temporary Staffing Follow up • Prevention of Self Harm Follow up • Overpayment of Salary Follow up • Withybush Fire Enforcement Works Phase 1 – • <i>Lessons Learned initial draft</i>
Limited Assurance	Advisory/Non-Opinion
<ul style="list-style-type: none"> • Overpayment of Salary (See Follow up) • Job Planning - draft • Records Digitisation - draft • Theatre Loan Trays draft 	<ul style="list-style-type: none"> • Fitness for Digital • Decarbonisation • A Healthier Mid & West Wales Programme Forward Look Governance
No Assurance	
N/A	
<p><i>3 REVIEWS TO BE AGREED & FINALISED – will be in time for Final HIA annual report.</i></p> <ul style="list-style-type: none"> • <i>Financial Management wip – likely to be Reasonable</i> • <i>Agency & Rostering likely to be Reasonable</i> • <i>Strategic Transformation Programme Governance likely to be Limited</i> 	

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

- **Overpayment of Salaries**

This review assessed the adequacy of internal controls and process to identify and ascertain the reason for overpayments and the actions taken to reduce the risk of overpayments. Key matters arising included the requirement for the revised policy on underpayment and overpayment of salaries to be formally communicated to line managers, overpayments were not being analysed to identify themes and trends not investigated to establish and address root causes, the decline in the use of ESR Manager Self Service which enables timely and efficient processing of changes to payroll data, and the lack of monitoring and reporting of overpayments at an appropriate Workforce and OD forum.

The follow up, which resulted in ‘reasonable assurance’, recognised that considerable progress has been made in addressing the four matters arising from the previous internal audit, with three confirmed as implemented.

- **Job Planning**

The review highlighted two high priority matters relating to the lack of service outcomes on job plans, and the inaccurate reconciliation of session figures between the job plans and ESR. An additional medium priority matter was also raised in relation to compliance with job plans. This review will be followed up in 2023/24 to ensure all matters have been addressed.

- **Records digitalisation** (Awaiting report to be finalised and issued)
- **Theatre Loan Trays** (Awaiting report to be finalised and issued)

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/statutory-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
Workforce Strategies	Ongoing work with the health board regarding workforce Site Stabilisation.

Review Title	Reason
Discharge Management	Work still ongoing with the health board to address this area along with work being undertaken by other review bodies.
Records Management	Some aspects covered in another audit, with a full review in a future year.
Accelerated Cluster Development	In order for arrangements to become established with the health board.
Public Health	Deferred due to operational service pressures and change in Executive Director
Healthier Mid and West Wales Programme	Programme had progressed as per original timeline. A governance forward look is being covered under the major programme review.
Transforming Urgent and Emergency Care	Some aspects covered in another audit. Need to include an additional audit at a later stage in the year.
Mental Health Commissioning	The review became a review of the governance of wider transformation programmes.

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 2022 focused on our corporate arrangements for ensuring that resources are used efficiently, effectively, and economically. The overall assessment concluded that *'the health board has good governance arrangements in place at a corporate level, with a clear strategic vision, improving systems of assurance, and a strong focus on staff and patients. But the Health Board has been unable to produce a WG approvable Integrated Medium-Term Plan and is on track to deliver a significant financial deficit at the end of 2022-23. Further work is needed to streamline the health board's operational structure and performance management arrangements to support delivery'*. The full report can be accessed on the health board website [here](#).

AW noted that *'the health board generally has good governance arrangements in place at a corporate level, supported by a robust Board Assurance Framework and improving sources of assurance. However, further opportunities exist to refine operational structures and performance management arrangements to support the health board address the significant challenges and risks it faces.'* Other key messages in the report relating to governance arrangements included:

- We have robust corporate arrangements to support good governance and enable the board and its committees to conduct business effectively and transparently;
- Our executive team works well, but further work needed and planned to revise operational structures to support the organisation address challenges and risks;
- An effective BAF continues to be in place, and sources of assurance are improving with scope to streamline performance management arrangements at an operational level.

In respect of strategic planning arrangements, AW found that *'the health board has a clear strategic intent supported by good stakeholder engagement and mechanisms for monitoring delivery, but it is not yet able to translate the longer-term vision into a WG approvable operational plan'*. Key messages in the report include:

- We continue to have a clear vision for the provision of healthcare for West Wales, supported by clear strategic objectives and plans;
- We have been unable to produce a WG approvable IMTP and Annual Plan;
- We have robust arrangements for ensuring plans are aligned, embedding value-based healthcare, and ensuring appropriate stakeholder engagement;
- We have robust processes for monitoring and scrutinising delivery of its strategic and three-year plan. Planned work to refine planning objectives will help to better articulate expected outcomes, although more work is needed to ensure strategies are underpinned by clear and robust implementation plans.

In respect of managing its financial resources, AW found that *'despite having appropriate financial controls and robust reporting, monitoring and scrutiny mechanisms in place, the health board's ability to stay within budget remains challenging'*. Key messages in the report included:

- We were unable to meet our financial duties for revenue in 2021/22, and will also fail to meet them in 2022/23, with a need to refresh our long-term financial plan, in line with our strategy;
- We have appropriate arrangements for financial management and controls, but ongoing pressures are resulting in overspends;
- We continue to have robust arrangements for monitoring and scrutinising its financial position.

AW noted in terms of managing the workforce, digital resources, the estate and other physical assets that *'the Health Board has robust arrangements to support staff well-being and manage its estate and physical assets. There are clear strategies for digital and estates, but limited capital funding is a significant challenge'*. Other key messages included:

- We have robust arrangements in place to support and oversee staff well-being;

- We have a clear vision for digital, however the limited availability of funding is significantly impairing delivery;
- We have a clear vision for our estate and have robust arrangements for maintaining oversight and scrutiny, however funding is a significant challenge.

AW reviewed our progress against recommendations made in previous reports, and issued six new recommendations in Structured Assessment 2022. These related to the public transparency of Board business, operational structures, operational performance management arrangements, expected outcomes, implementation plans to support strategies and financial sustainability plan. The management response can be accessed in the ARAC papers [here](#).

During 2022/23, AW also undertook a number of national reports on national programmes, including 'Tackling the Planned Care Backlog in Wales', which set out the findings from the Auditor General's review of how NHS Wales is tackling the backlog of patients waiting for treatment, and responding to the challenges facing planned care, with a focus on referral to treatment (RTT) targets as set by WG. A national report on the Welsh Community Care Information System (WCCIS) was also published, providing detail on the challenges being faced in the roll-out of this system.

Conclusion

At the time of preparing this Governance Statement, the challenges facing our health and care systems are at historic levels as we and society contend with multiple, simultaneous events impacting on our way of life. The last 12 months has seen significant challenges for us as a health board as we have responded to service pressures in the wake of the pandemic, continued to manage the direct risks of the changing variants and successive waves of COVID, responded to the wider impact the last three years has had on our population, and develop plans which move us towards a more sustainable health system. It has however provided an opportunity to show that we can be flexible, can move quickly to change, and can anticipate and respond to situations as they arise.

This year has seen increasing demand across our urgent care and our planned care systems, increased pressure on primary care services, high walk-in demand at our emergency departments, significant pressures in social care resulting in significant numbers of patients who are medically optimised being unable to be discharged, and higher levels of sickness than normally experienced across our workforce. Alongside these challenges, we have restarted many routine services despite continued constraints on capacity.

As Accountable Officer, based on the review process outlined above, I have reviewed the relevant evidence and assurances in respect of internal control. Notwithstanding our increased escalation status to 'targeted intervention for finance and planning, I have taken into account the evidence detailed in this Statement, from AW via their Structured Assessment and from Internal Audit's assurance assessment, and concluded that overall, the

health board's systems of internal control have not been materially affected and am assured that our internal control and governance systems have operated satisfactorily during 2022/23.

Whilst it is disappointing that we have been escalated to 'targeted intervention' for finance and planning, we remained at 'enhanced monitoring for quality issues related to performance resulting in long waiting times and poor patient experience. We continue to work at pace to address the underlying issues and have made a number of improvements in a relatively short space of time (see [Escalation and intervention arrangements](#) for further detail on these). We are committed to reducing our status to 'routine monitoring' by addressing this challenge and recognise that there is currently a 'gap' in the organisation's medium-term planning and that while there is a focus upon both its Annual Plan and its Ten-Year plan, further detail is required in terms of the steps to be taken to enable the Health Board to achieve the goals of its long-term plan, and to be de-escalated to routine monitoring status.

The premise of the 2023/24 Annual Plan, namely one of stabilisation, with the foundations set out in 2022/23 providing the catalyst and anchoring point to continue to build on many of our successes. Following WG feedback that our plan was not supported or accepted, we are undertaking further work to set out an improvement in the position on delivery of all Ministerial priorities, and an improvement in our financial assessment by 31 May 2023.

For a third consecutive year, AW have provided positive feedback on our corporate arrangements for ensuring that resources are used efficiently, effectively, and economically during 2022, notwithstanding the six new recommendations that were issued in relation to the public transparency of Board business, operational structures, operational performance management arrangements, expected outcomes, implementation plans to support strategies and financial sustainability plan. It was pleasing to note that AW concluded that we have good governance arrangements in place at a corporate level, with a clear strategic vision, improving systems of assurance, and a strong focus on staff and patients, whilst recognising that we were unable to produce a WG approvable Integrated Medium-Term Plan and were on track to deliver a significant financial deficit at the end of 2022/23. The full report can be accessed on the AW website [here](#). We are however fully cognisant of the need to build on this feedback and streamline our operational structure and strengthen our performance management arrangements through the next year.

AW also reported that the health board continues to face significant financial challenges, it has maintained appropriate financial controls and monitoring, and reporting is robust. Gaining financial sustainability is a key ambition for the health board.

During 2022/23, we have proactively identified areas requiring improvement and requested IA undertake targeted reviews to improve our internal control. As expected, these have identified areas of improvement that will be addressed by management action. IA's focus on our governance arrangements included reviews into our Public Inquiry preparedness, quality and safety governance framework, financial management, fire governance, regional integrated fund, safety indicators, patient experience. and two directorate reviews undertaken in

Glangwili hospital and Withybush hospitals, providing the board with assurance in these areas.

As a board, we have continued to deliver against our strategic objectives and have made substantial developments over the last year. These have included developing a longer-term sustainable model to support a wide range of services, revising A4C Job description and Person Specification templates, expanding staff networks (including the recently launched RespectAbility network, Enfys, BAME, Staff Carers, Armed Forces), introducing Wagestream to enable more flexible and timely access to salaries for staff, increasing research funding, introducing our Science Platform performing advanced analytics, developing local wellbeing plans with regional partners, including Arts and Health, and developing a new Continuous Engagement Plan, finalising our Market Stability Statement, establishing Integrated Locality Planning Groups in all three Counties, using a Social Value Portal to record target and actual improvements in social value in respect of new contract activity and developing a decarbonisation delivery plan.

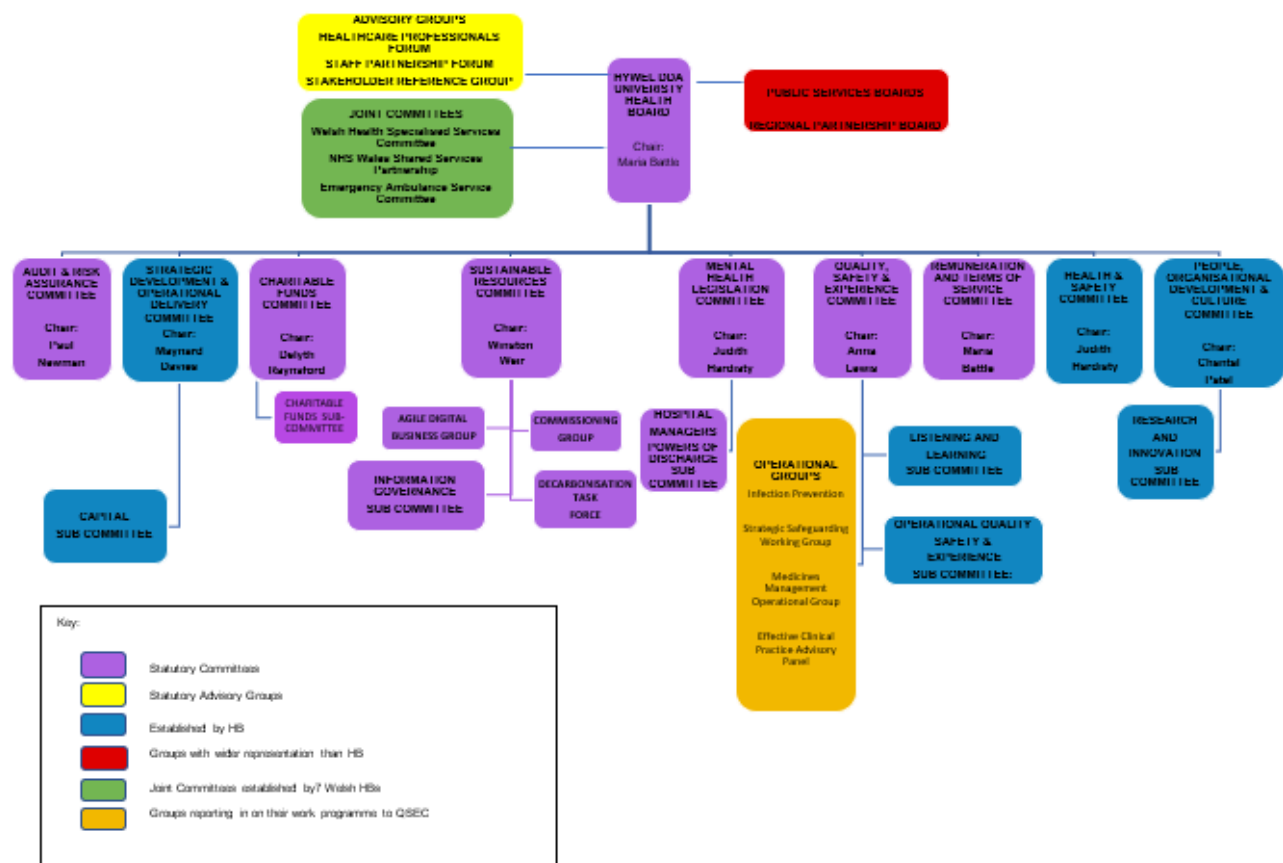
As indicated throughout this statement and the Annual Report, the response to the COVID-19 pandemic has had a significant impact on the organisation, wider NHS and society as a whole. We will continue to respond to the varied challenges we face in the wake of the pandemic and the task of recovering and improving the health and health care for our communities across Mid and West Wales, whilst still being flexible enough to deal with the spikes in COVID we will undoubtedly continue to face. I will ensure our Governance Framework continues to consider and respond to this need.

**Signed
by:**

Date: 27 July 2023

**Steve Moore,
Chief Executive Officer**

Appendix 1 – Board and Committee structure



Appendix 2 – A summary of key items considered by committees in 2022/23

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:

- IA Plans were submitted to each meeting providing details relating to outcomes, key findings and conclusions
- AW reports on current and planned audits
- Internal & External Audit Tracking Reports
- Post Payment Verification Reports
- Counter Fraud Reports
- Annual Accounts, Accountability and Remuneration Reports for 2020/21
- Financial Assurance Reports including single tender actions, special losses and payments
- Audit, Inspectorate and Regulator Tracker Reports
- Clinical Audit Reports
- Board Committee Assurance 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:

- CF Sub Committee Update Reports
- CF Risk Reports
- Presentations on the impact of recent charitable funds expenditure
- Approval of CF Expenditure and Decisions made through Chair's Action
- Charities Performance Reports
- CF Annual Accounts Reports for 2021/22
- Planning Objective Update Reports
- Investment Advisor Performance Updates (biannual)
- Evaluation Reports of expenditure approved by the CFC

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:

- Health and Safety Dashboard Performance Report
- Health and Safety Update Reports
- Health and Safety Regulations: Reporting of Injuries, Diseases and Dangerous Occurrence Regulations 2013 (RIDDOR) Reports
- Health and Safety Regulations: Estates Low Voltage & High Voltage (LV,HV) Electricity Compliance
- Health and Safety Regulations: Control of Asbestos Regulations 2012 Report
- Health and Safety Regulations: Display Screen Equipment Report
- Health and Safety Regulations: Contractor Control Regulations Reports
- Health and Safety Regulations – Control of Vibration at Work Regulations 2005 Report
- Health and Safety Regulations: Violence and Aggression Report
- Workplace Health and Safety Regulations Deep Dive
- Lifting Operations and Lifting Equipment Regulations (LOLER) - Hoist Compliance Status in Hywel Dda
- Fire Safety Update Reports
- Annual Fire Safety Audit System Report 2021/22
- Prevent and Contest Update Reports
- Bariatric Equipment Update Report
- Major Incident Plan
- Security Review Report
- Health and Safety related policies for approval
- Corporate and Operational Risk Reports
- Planning Objective Update Reports

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:

- Review of the Mental Health Act 1983 – Draft Mental Health Bill
- S-CAMHS Update Report for CYSUR
- Mental Health Act Measure 2010 Quarterly Performance Reports
- Mental Health Act 1983 Quarterly Performance Reports
- Updates from Power of Discharge Sub-Committee
- Updates from the Mental Health Legislation Scrutiny Group
- Mental Health Legislation related policies and procedures for approval
- Risk Report

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), 2 (Working together to be the best we can be), and 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 feedback following long term sickness, organisational development and life-long learning fund
- Staff Experience: Transforming Staff Feedback into Positive Change Progress Report
- Staff Wellbeing Plan
- Staff Value and Appreciation Report
- Performance, Appraisal & Development Review (PADR) and Mandatory Performance Reports
- Workforce Plan incorporating Health Education & Improvement Wales (HEIW)
- Workforce Efficiency Report
- Workforce Planning Model for Health Visitors
- Research & Innovation Sub Committee Update Reports
- Research & Innovation Sub Committee Annual Report 2021/22
- Tritex Business Plan
- Outcome of Advisory Appointments Committee Reports
- Integrated Education Plan
- Medical Staff Recruitment Final Audit Report
- Job Planning Report
- Strategic People Planning and Education Group (SPPEG)
- Anti-Racist Wales Action Plan

- BAME Advisory Group Terms of Reference
- BAME Advisory Group - Bullying and Harassment Report/Action Plan
- BAME Bullying and Harassment Task and Finish Group Update
- Strategic Equality Plan Annual Report
- Stonewall Assessment Update Report
- Cultural Progress Update Reports
- Annual Equality Report and Pay Gap Reports
- Welsh Language Strategy
- Welsh Language and Culture Discovery Report – Remit
- Welsh Language Annual Report 2021/22
- Welsh Language and Culture Discovery Report (Draft)
- Bilingual Skills Policy Compliance Report
- Primary and Community Workforce & OD Planning update
- Structured Assessment 2022: Phase 2 - Corporate Governance and Financial Management Arrangements - Engagement Plan
- Hywel Dda Health Hub - Single Point of Contact
- Carers Update Report
- Succession Planning and Development Update
- Contractual and Legislative Changes Update Report
- Policy Approval Schedule Report
- Corporate and employment policies for approval
- Integrated Performance Assurance Reports
- Welsh Health Circulars Bi-annual Reports
- Ministerial Directions Reports
- Corporate and Operational Risk Reports
- Planning Objective Update Reports
- Planning Objective Deep Dive Reports

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 Governance Arrangements Recommendations Update
- Nurse Staffing Levels (Wales) Act: Annual Report 2021/22
- Patient Stories from Paediatrics, Waiting List Support Service, Unscheduled Urgent and Emergency Care.

- Maternity Services Improvement Plan Update following the HIW maternity services inspections across Wales
- Swansea Bay University Health Board Progress Report on the Review of Cardiac Services Improvement Plan
- Welsh Health Specialised Services Committee (WHSCC) Update on the CAMHS Tier 4 Pathway
- WHSCC Chair's Report: Quality and Patient Safety
- GIRFT Outcome report for Orthopaedics Services
- De-escalation of Health Board COVID-19 IPC Measures
- Stroke Services Pathway Update
- Commissioning for Quality Outcomes Report
- Public Health Update
- Quality & Engagement (Wales) Act Update
- Nursing Assurance Annual Audit
- Clinical Audit Update
- Health Visiting Service Update on Staffing Levels
- Winter Planning Update 2022/23
- Personalised Contact for Patients Waiting for Elective Care Update
- An Update on access to General Medical Services
- Health Board Managed Practices Update
- How To Improve/ Improvement Cymru Service Visits
- Infection Prevention Control Update
- Alternative Care Unit Pilot Glangwili Hospital
- Real Time Demand and Capacity Roll Out Plan
- Implementation of the Quality Management System
- QSEC Outcome of Self-Assessment 2021/22
- Risk on Harm and Experience Due to the Operational Pressures
- Safety Dashboard Update
- Quality Improvement Framework
- Quality and Safety Assurance Reports
- Clinical Audit Reports
- Operational Quality, Safety and Experience Sub-Committee Update Report
- Listening and Learning Sub-Committee Update Reports
- Infection Prevention Strategic Steering Group Update Reports
- Strategic Safeguarding Working Group Update Reports
- Effective Clinical Practice Advisory Panel Update Reports
- Medicines Management Operational Group Update Reports
- Corporate Risk Reports assigned to QSEC Report
- Deep Dive Reports into Cancer Services, Critical Care, Therapies Waiting List, Community Paediatrics, Epilepsy and Neurology, Unscheduled and Emergency Care, School Nurse and Safeguarding Services
- Quality and Safety policies for approval

- Planning Objectives Update Reports
- Welsh Health Circulars Bi-annual Reports
- Planning Objective Update Reports
- Planning Objective Deep Dive Reports

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:

- Risk Management Strategy and Risk Management Framework
- Planned Care Recovery Reports
- Developing the IMTP 2022/23 -2024/25 Reports
- Annual Plan 2023/24
- WG Submission – Hywel Dda University Health Board Three Year Plan 2022/25
- A Healthier Mid and West Wales Programme Business Case Reports
- A Healthier Mid and West Wales Communications Plan Update
- Cross Hands Health and Wellbeing Centre Report
- Transforming Access to Medicines (TRAMS)
- Pentre Awel (Llanelli Wellness Centre) Update Reports
- Health Improvement and Wellbeing Centre Report
- Discretionary Capital Programme Update Reports
- Capital Governance Update Reports and Review
- Aseptic Business Justification Case
- Bronglais Hospital Programme Business Case – Fire Safety and Fire Precaution Works
- Continuing NHS Healthcare: The National Framework for Implementation in Wales, July 2021 (amended February 2022 for implementation in April 2022)
- Capital Sub-Committee Update Reports and Annual Report 2022/23
- Stroke Services Redesign Report and Strategy Update
- COVID-19 Mass Vaccination Programme: Delivery Plan Autumn Booster 2022/23
- ARCH Update Reports
- Influenza Season: End of Season 2021/22 and 202/23: Impact, Vaccine Uptake and Emerging Priorities for the Forthcoming Season
- Winter Respiratory Vaccination Programme Delivery Plan 2022/23
- Winter Plan: Evaluation of Winter Plan 2021/22 and 2023/23 Plan
- Pharmaceutical Needs Assessment Report

- Mental Health and Learning Disability Indicators Report
- Planned Care Waiting List Overview
- Service Changes in Swansea Bay University Health Board
- South West Cancer Centre Report
- Major Infrastructure Programme Business Case Report
- Targeted Intervention Report
- Recovery and Rehabilitation Service Report
- Palliative Care Strategy
- Dementia Strategy
- Integrated Executive Group/Advocacy Strategy
- Public Service Boards Well-Being Assessment (WBFGA)
- Regional Integration Fund Update
- Quarterly Annual Plan Monitoring Reports
- Integrated Performance Assurance Reports
- Policies for approval
- Welsh Health Circulars
- Ministerial Directions Reports
- Corporate and Operational Risk Reports
- Planning Objective Update Reports
- Planning Objective Deep Dive Reports

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:

- Financial Performance and Forecast Reports
- Capital Financial Management Reports
- Plan Development
- Long Term Agreement (LTA) Contact Process 2023/24
- Monthly Monitoring Returns and Commentary Reports
- Draft Annual Accounts 2020/21
- Year End Debrief
- Balance Sheet Analysis Reports
- Healthcare Contracting Reports
- Value Based Health Care Update Reports
- Regional Integrated Fund (RIF) Plans Report
- Primary Care Recovery Plan Update Report
- Financial Recovery Report
- Assurance over Delivery of the Strategic Programmes of Change Reports

- A Healthier Mid and West Wales – Programme Resources Report
- NWSSP Procurement Services Energy Contract Ratification Report
- Digital Inclusion Report
- Digital Health Record Programme: Scanning Update Report
- Cyber Security Reports
- Value Based Health Care Update Report
- Decarbonisation of Inhalers Report
- NHS Wales Shared Services Partnership (NWSSP) Plan Briefing and Feedback
- Use of Consultancies Report
- Award of NHS Primary Care Personal Dental Services Report
- Consultancy Tax Reclamation Contract Report
- NWSSP Performance Quarterly Reports
- Commissioning Group Update Reports
- Agile Digital Business Group Update Reports
- Information Governance Sub-Committee Update Reports
- Procurement Update Report
- 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

All Committees considered the following during 2022/23:

- Self-Assessment of Committee Effectiveness – process, outcome 6 monthly review reports
- Committee Annual Reports 2021/22
- Annual review of Terms of Reference

Appendix 3 – 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 Direction is currently being implemented. There is an Integrated Autism Service (IAS) established which is an integrated health and social care service, and a dedicated Neurodevelopmental Disorder (ASD) service for children and young people. The Health Board continues to work with the Regional Partnership Board in the development and delivery of the Code of Practice. The Health Board also collaborates with partner agencies in the delivery of the 3-year Improvement Plan. WG have commissioned an independent Evaluation of the Code of Practice for 2023 and has made funding available as part of the 3-year Improvement Plan.
2022. No.16 – The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2022	April 2022	This Ministerial Direction has been enacted.
2022. No.17 – The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2022	April 2022	This Ministerial Direction has been enacted.
2022. No.24 – The Primary Care (Contracted Services: Outpatient Waiting List Scheme) Directions 2022	August 2022	This Ministerial Direction has been enacted.
2022. No.25 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2022	June 2022	This Ministerial Direction has been enacted.
2022. No.31 – The Primary Medical Services	August 2022	This Ministerial Direction has been enacted.

(Influenza and Pneumococcal Immunisation Scheme) (Directed Enhanced Service) (Wales) (No. 2) (Amendment) Directions 2022		
2022. No.32 – The Pharmaceutical Services (Advanced Services (Appliances) (Wales) (Amendment) Directions 2022	July 2022	This Ministerial Direction has been enacted.
2022. No.37 – The Primary Care (Contracted Services: Immunisations) (Amendment) (No. 2) Directions 2022	August 2022	This Ministerial Direction has been enacted.
2022. No.44 – The Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 3) Directions 2022	November 2022	This Ministerial Direction has been enacted.
2022. No.46 – The Wales Infected Blood Support Scheme (Amendment) (No. 2) Directions 2022	December 2022	N/A – for action by Velindre University NHS Trust.
2023. No.1 – The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2023	January 2023	This Ministerial Direction has been enacted.
2023. No.2 – The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2023	January 2023	This Ministerial Direction has been enacted.
2023. No.7 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2023	February 2023	Part 1 of this Ministerial Direction has been enacted. The second part applies from October 2023 and will be processed when required.
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	The Ministerial Direction has been recently received, with the Clinical Director of Pharmacy & Medicines Management contacted for update on progress.

Part 2 - Remuneration and Staff Report

Remuneration Report

Introduction

The HM Treasury's Government Financial Reporting Manual (FReM) 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/ukSI/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."

This section of the Accountability Report meets these requirements. The following disclosures are subject to audit:

- Single total figure of remuneration for each director;
- Cash Equivalent transfer Value (CETV) disclosures for each director;
- Payments to past directors, if relevant;
- Payments for loss of office, if relevant;
- Fair pay disclosures (Included in Annual Accounts) note 9.6;
- Exit packages, (Included in Annual Accounts) if relevant note 9.5; and
- Analysis of staff numbers.

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 2022/23 was as follows:

Name	Position	Role on RTSC
Maria Battle	Chair	Chair
Paul Newman	Independent Member and Chair of Audit and Risk Assurance Committee (ARAC)	Vice Chair
Professor John Gammon to 31 July 2022	Independent Member and Chair of People, Organisational Development and Culture Committee (PODCC)	Member
Maynard Davies from 1 August 2022	Independent Member and Chair of Strategic Development and Operational Delivery Committee (SDODC)	Member
Anna Lewis	Independent Member and Chair of Quality, Safety and Experience Assurance Committee (QSEC)	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. During the 2022/23 year, no termination payments were made. During the year 2022/23, one termination payment of £27,998 was made to Ros Jervis, the 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	N/A	N/A
Lisa Gostling	Executive Director of Workforce and Organisational Development	09/01/2015	N/A	N/A
Phil Kloer	Executive Medical Director/Deputy Chief Executive	25/06/2015	N/A	N/A
Mandy Rayani	Executive Director of Nursing, Quality and Patient Experience	19/06/2017	N/A	N/A
Ros Jervis	Executive Director of Public Health	17/07/2017	01/04/2022	N/A
Alison Shakeshaft	Executive Director of Therapies and Health Science	01/01/2018	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

Changes to Board membership in 2022/23

During 2022/23, there were the following changes to Board membership:

- **Ros Jervis**, Executive Director of Public Health left on 1 April 2022. We were unable to appoint a new Director of Public Health during 2022/23, however in the interim, the portfolio has been reviewed and divided between the Director of Therapies and Health Sciences, the Director of Workforce and OD and the Director of Operations. AQn appointment has subsequently been made with the new Director of Public Health commencing in August 2023. The Deputy Director of Public Health continues to be the professional public health voice within the health board.
- **Professor John Gammon**, Independent Member (University) left the board on 31 July 2022 however is contracted as a Strategic Advisor for Workforce and OD. **Chantal Patel**, Independent Member (University) on 1 August 2022.
- **Cllr Gareth John**, Independent Member (Local Authority) left on 14 June 2022 and was replaced by **Cllr Rhodri Evans**, Independent Member (Local Authority) on 15 November 2022.
- **Paul Newman**, Independent Member (Community) left on 31 March 2023. A recruitment process is underway to appoint an Independent Member (Legal) to replace this post.

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.

Name and title	Full year equivalent salary	Salary	Bonus payments	Benefits in kind	Pension benefits	Other remuneration	Total
	(Bands of £5k)	(Bands of £5k)	(Bands of £5k)	(To the nearest £100)	(To the nearest £1k)	(£000)	(Bands of £5k)
Executive Members and Directors							
Steve Moore, Chief Executive Officer	205-210	205 - 210	0	0	0	0	205 – 210
Mandy Rayani, Executive Director of Nursing, Quality and Patient Experience	140-145	140-145	0	0	0	0	140 – 145
Lee Davies, Executive Director of Strategic Development and Operational Planning	130-135	130-135	0	0	7	0	135 – 140
Lisa Gostling, Executive Director of Workforce and Organisational Development	140-145	140-145	0	0	19	0	155 - 160
Phil Kloer, Executive Medical Director/ Deputy Chief Executive	185-190	185-190	0	0	53	0	235 - 240
Andrew Carruthers, Executive	140-145	140–145	0	0	0	0	140 - 145

Name and title	Full year equivalent salary (Bands of £5k)	Salary (Bands of £5k)	Bonus payments (Bands of £5k)	Benefits in kind (To the nearest £100)	Pension benefits (To the nearest £1k)	Other remuneration (£000)	Total (Bands of £5k)
Director of Operations							
Alison Shakeshaft, Executive Director of Therapies and Health Science	130-135	130–135	0	0	14	0	145 - 150
Ros Jervis, Executive Director of Public Health (to 01/04/2022)	120-125	25-30	0	0	0	0	25 - 30
Huw Thomas, Executive Director of Finance	155-160	155 - 160	0	0	0	0	155 - 160
Jill Paterson, Director of Primary, Community and Long Term Care	130-135	130 - 135	0	8,200	19	0	155 - 160
Joanne Wilson, Director of Corporate Governance/ Board Secretary	110-115	110 – 115	0	0	22	0	135 - 140
Independent Members							
Maria Battle, Chair	55-60	55 - 60	0	0	0	0	55 – 60
Judith Hardisty, Vice Chair	45-50	45 - 50	0	0	0	0	45 – 50

Name and title	Full year equivalent salary	Salary	Bonus payments	Benefits in kind	Pension benefits	Other remuneration	Total
	(Bands of £5k)	(Bands of £5k)	(Bands of £5k)	(To the nearest £100)	(To the nearest £1k)	(£000)	(Bands of £5k)
Professor John Gammon (to 31/07/22)	10-15	0 - 5	0	0	0	0	0 – 5
Paul Newman (to 31/03/23)	10-15	10 - 15	0	0	0	0	10 – 15
Delyth Raynsford	10-15	10 - 15	0	0	0	0	10 – 15
Anna Lewis	10-15	10 - 15	0	0	0	0	10 – 15
Maynard Davies	10-15	10 - 15	0	0	0	0	10 – 15
Ann Murphy	5-10	5 - 10	0	0	0	0	5 – 10
Cllr Gareth John (to 14/06/22)	10-15	0 - 5	0	0	0	0	0 – 5
Iwan Thomas	10-15	10 - 15	0	0	0	0	10 – 15
Winston Weir	10-15	10 - 15	0	0	0	0	10 - 15
Chantal Patel (from 01/08/22)	10-15	5 – 10	0	0	0	0	5 – 10
Cllr Rhodri Evans (from 15/11/22)	10-15	5 - 10	0	0	0	0	5 - 10

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.

2021/22

Name and title	Full year equivalent salary (Bands of £5k)	Salary (Bands of £5k)	Bonus payments (Bands of £5k)	Benefits in kind (to the nearest £100)	Pension benefits (to the nearest £1k)	Other remuneration (£000)	Total (Bands of £5k)
Executive Members and Directors							
Steve Moore, Chief Executive Officer	200 – 205	200 - 205	0	0	81	0	280 - 285
Mandy Rayani, Executive Director of Nursing, Quality and Patient Experience	135 – 140	135 - 140	0	0	57	0	195 - 200
Lee Davies, Executive Director of Strategic Development and Operational Planning (from 26/04/21) *	125 – 130	115 - 120	0	0	101	0	215 -220
Lisa Gostling, Executive Director of Workforce and Organisational Development	135 – 140	135 - 140	0	0	56	0	190 - 195
Phil Kloer, Executive Medical Director/ Deputy Chief Executive	180 – 185	180 - 185	0	0	61	0	240 - 245
Andrew Carruthers,	145 – 150	145 - 150	0	0	48	0	195 - 200

Name and title	Full year equivalent salary (Bands of £5k)	Salary (Bands of £5k)	Bonus payments (Bands of £5k)	Benefits in kind (to the nearest £100)	Pension benefits (to the nearest £1k)	Other remuneration (£000)	Total (Bands of £5k)
Executive Director of Operations **							
Alison Shakeshaft, Executive Director of Therapies and Health Science	120 - 125	120 – 125	0	0	54	0	175 - 180
Ros Jervis, Executive Director of Public Health	120 – 125	120 - 125	0	0	40	0	160 - 165
Huw Thomas, Executive Director of Finance	145 - 150	145 - 150	0	0	85	0	230 -235
Jill Paterson, Director of Primary, Community and Long Term Care	125 – 130	125 - 130	0	8200	44	0	175 - 180
Joanne Wilson, Board Secretary	105 – 110	105 - 110	0	0	62	0	170 - 175
Independent Members							
Maria Battle, Chair	55 – 60	55 - 60	0	0	0	0	55 - 60
Judith Hardisty, Vice Chair	45 – 50	45 - 50	0	0	0	0	45 - 50
Professor John Gammon	10 – 15	10 - 15	0	0	0	0	10 - 15
Paul Newman	10 – 15	10 - 15	0	0	0	0	10 - 15

Name and title	Full year equivalent salary (Bands of £5k)	Salary (Bands of £5k)	Bonus payments (Bands of £5k)	Benefits in kind (to the nearest £100)	Pension benefits (to the nearest £1k)	Other remuneration (£000)	Total (Bands of £5k)
Delyth Raynsford	10 – 15	10 - 15	0	0	0	0	10 - 15
Anna Lewis	10 – 15	10 - 15	0	0	0	0	10 - 15
Owen Burt (to 30/04/21)	10 – 15	0 - 5	0	0	0	0	0 - 5
Maynard Davies	10 – 15	10 - 15	0	0	0	0	10 - 15
Ann Murphy	5 – 10	5 - 10	0	0	0	0	5 - 10
Cllr Gareth John (from 01/04/21)	10 – 15	10 - 15	0	0	0	0	10 - 15
Iwan Thomas (from 01/05/21)	10 – 15	10 - 15	0	0	0	0	10 - 15
Winston Weir (from 01/04/21)	10 - 15	10 - 15	0	0	0	0	10- 15

* Lee Davies full year salary £123k

** Andrew Carruthers salary includes £8k paid for relocation expenses

Associate Members are not included in the above tables as they attend Board meetings on an ex-officio basis, and do not have any voting rights.

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 2022-23 financial year is the second 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 2022/23 was £205,000 - £210,000 (2021/22, £200,000 - £205,000). This was 7 times (2021/22: 6 times) the median remuneration of the workforce, which was £29,180 (2021/22, £31,533).

In 2022/23, 41 (2021/22, 29) employees received remuneration in excess of the highest-paid director. Remuneration for staff ranged from £20,758 to £367,923 (2021/22, £18,545 to £334,158). 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.

	2022/23	2021/22
Band of Highest Paid Director's Total Remuneration £000	205 - 210	200 - 205
Median Total Remuneration £000	29	32
Median Ratio	7.17	6.34
25th percentile pay £000	23	20
25th percentile pay ratio	9.04	10.15
75th percentile pay £000	43	39
75th percentile pay ratio	4.84	5.21

* 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

	Total accrued pension at pension age at 31 March 2023	Lump sum related to accrued pension at 31 March 2023	Real increase in pension at pension age	Real increase in lump sum related to pension at pension age	Cash Equivalent Transfer Value at 31 March 2023	Cash Equivalent Transfer Value at 31 March 2022	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	(bands of £5,000)	(bands of £5,000)	(bands of £2,500)	(bands of £2,500)				
Name and title	£000	£000	£000	£000	£000	£000	£000	£000
Steve Moore, Chief Executive Officer	30-35	40-45	(32.5) – (30)	(105) – (102.5)	544	1,153	0	0
Mandy Rayani, Executive Director of Nursing, Quality and Patient Experience	70 – 75	205-210	0 – 2.5	(5) – (2.5)	1,695	1,601	25	0
Lee Davies, Executive Director of Strategic Development and Operational Planning	30-35	55-60	0 – 2.5	(5) – (2.5)	469	439	0	0
Lisa Gostling, Executive Director of Workforce and Organisational Development	55-60	110-115	0 – 2.5	(2.5) – 0	1,113	1,036	25	0
Phil Kloer, Executive Medical Director/ Deputy Chief Executive	70 – 75	125-130	2.5 - 5	0 - 2.5	1,250	1,137	52	0
Andrew Carruthers, Executive Director of Operations	40-45	65-70	0 - 2.5	(7.5) – (5)	595	570	0	0
Alison Shakeshaft, Executive Director of Therapies and Health Science	55-60	120-125	0 - 2.5	(2.5) – 0	1,215	1,135	26	0
Ros Jervis, Executive Director of Public Health (to 01/04/2022)	0	0	0	0	0	530	0	0
Huw Thomas, Executive Director of Finance	15-20	0-5	(10) – (7.5)	(5) – (2.5)	226	310	0	0

	Total accrued pension at pension age at 31 March 2023	Lump sum related to accrued pension at 31 March 2023	Real increase in pension at pension age	Real increase in lump sum related to pension at pension age	Cash Equivalent Transfer Value at 31 March 2023	Cash Equivalent Transfer Value at 31 March 2022	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	(bands of £5,000)	(bands of £5,000)	(bands of £2,500)	(bands of £2,500)				
Name and title	£000	£000	£000	£000	£000	£000	£000	£000
Jill Paterson, Director of Primary, Community and Long Term Care	50-55	150-155	0 - 2.5	(2.5) – 0	42	0	24	0
Joanne Wilson, Director of Corporate Governance/Board Secretary	35-40	55-60	0 - 2.5	(2.5) – 0	514	469	16	0

Staff Report

Staff numbers

As of 31 March 2023, the health board employed 13,143 staff including bank and locum staff; this equated to 10,111.43 Full Time Equivalent (FTE). The numbers (headcount) of female and male Board Members and employees are as follows:

	Female	Male	Total
Board Members	12	10	22
Employees	10,275	2,846	13,121
Total	10,287	2,856	13,143

*Included in the Board Members figures is one additional director and the Director of Corporate Governance/Board Secretary (both 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	5.00	5	11.00	11
Independent Members	6.00	6	5.00	5	11.00	11
Total	12.00	12	10.00	10	22.00	22

Staff composition as at 31 March 2023

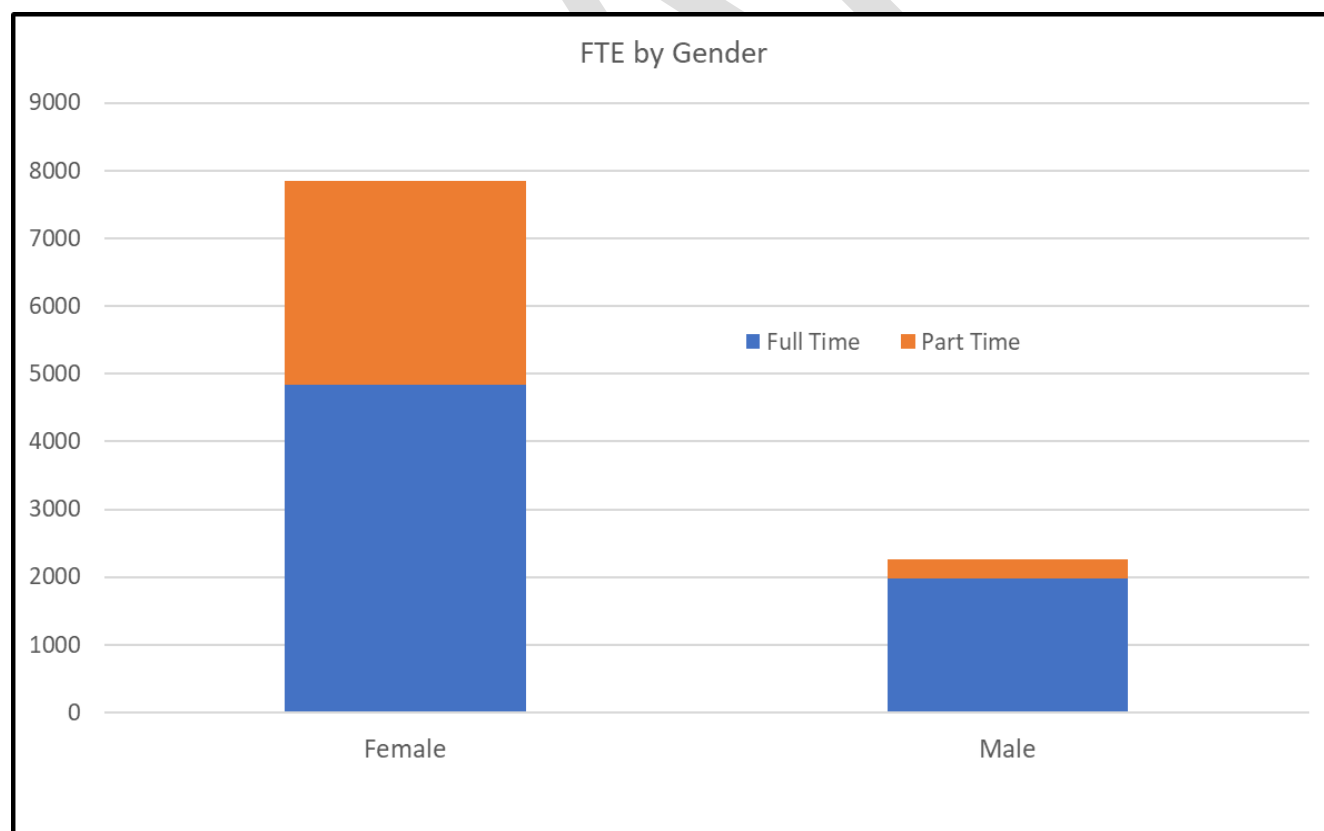
	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Add Prof Scientific and Technic	275.75	321	80.89	95	356.64	416
Additional Clinical Services	1,865.78	2,763	400.40	504	2,266.18	3,267
Administrative and Clerical	1,746.02	2,031	428.85	455	2,174.87	2,486
Allied Health Professionals	534.67	639	150.46	179	685.13	818
Estates and Ancillary	392.17	673	443.56	578	835.73	1,251
Healthcare Scientists	110.00	122	84.10	89	194.10	211
Medical and Dental	205.15	354	433.15	680	638.30	1,034
Nursing and Midwifery Registered	2,717.81	3,384	242.59	276	2,960.39	3,660
Total	7,847.35	10,287	2,263.99	2,856	10,111.34	13,143

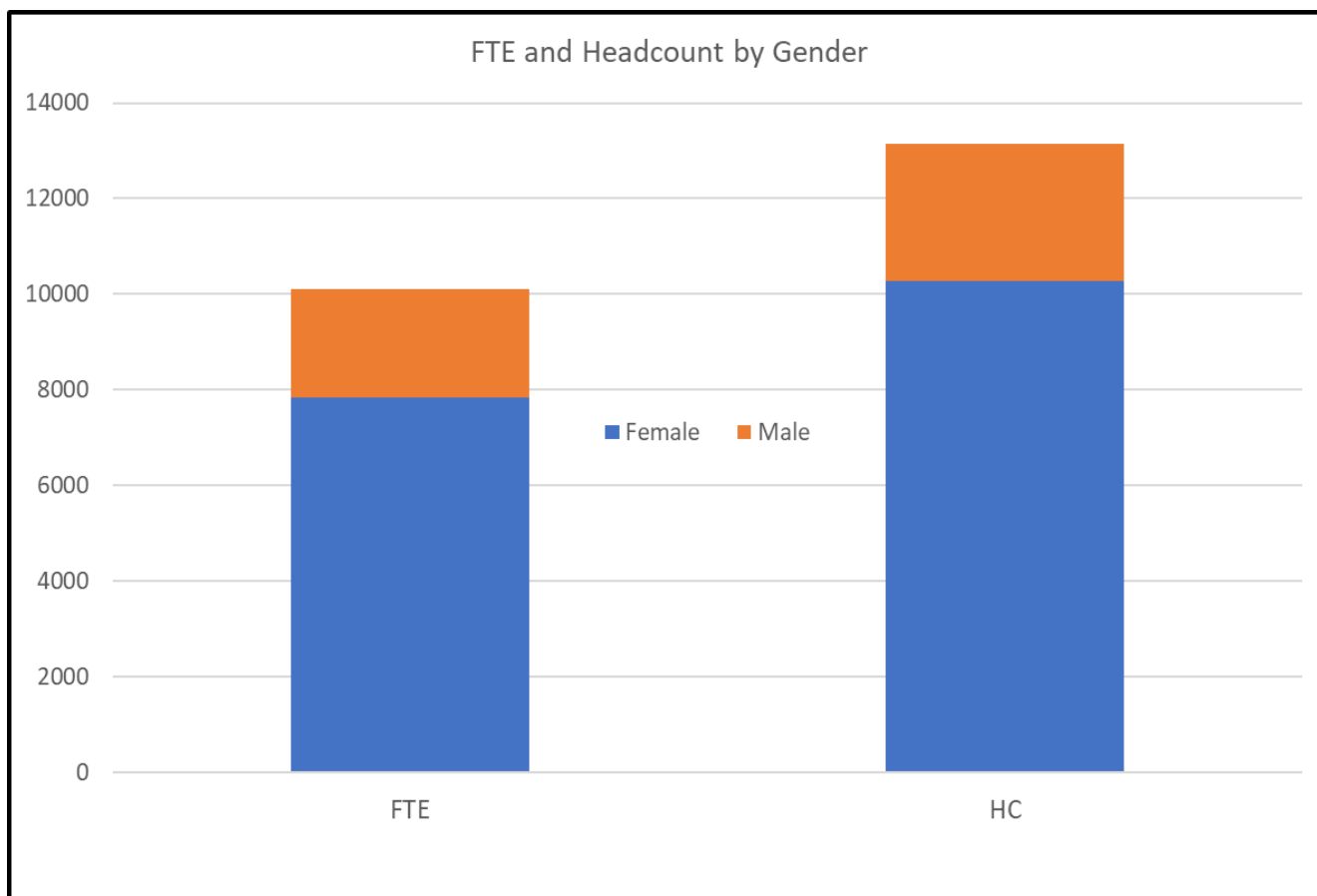
At the end of March 2023, the health board employed 13,143 staff including bank and locum staff; this equated to 10,111.34 FTE. 78% of the workforce was female by FTE and 22% male. The staff covered a wide range of professional, technical and support staff groups. Over 50% (by headcount) were within the Nursing and Midwifery and Additional Clinical Services staff groups. Senior Manager (Band 8a and above) were 1.75% of the workforce - 61% of these by FTE were female and 39% 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	59.18	62	37.45	37	96.63	99
Band 8b	47.80	49	20.00	20	67.80	69
Band 8c	16.80	17	19.00	19	35.80	36
Band 8d	7.60	8	3.61	4	11.21	12
Band 9	4.00	4	9.45	10	13.45	14
Total	135.38	140	89.52	90	224.90	230

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:

	2022/23	2021/22
Days lost (long term)	143,859	172,366
Days lost (short term)	88,982	80,935
Total days lost	232,840	253,301
Total Staff Years as of 31 March	9,812.60	9,493.62
Average Working Days Lost	14.87	13.62
Total Staff employed as of 31 March (headcount)	13,140	12,750
Total Staff employed in period with no absence (headcount)	4,005	3,353
Percentage of staff with no sick leave	32.98%	33.13%

The health board has again witnessed high sickness rates in the post pandemic period as the prevalence of COVID has remained throughout the year. All health boards in Wales have similarly reported higher levels of absence although Hywel Dda has once again returned the lowest sickness rates of all of the major health boards in Wales. The most up to date data for

2022/23 indicates that the all-Wales average was 7.1%, which includes COVID, whereas Hywel Dda rates were 6.6%. 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 have completely changed the approach to policy review and formation throughout the last twelve months. The new approach focuses on the individual at the centre of the matter, aligns with health board strategic priorities and ensures a far more widespread engagement exercise in both the review and formulation of new policies. The programme of policy review is cyclical over a three-year period. Throughout the last year, 34 local policies and one All Wales policy have been revised and or drafted as new. A further 12 local and four all Wales policies are progressing through the approvals process or are under review. The trade union representatives have indicated their support for the new process and have also been integral to it.

Trade union relationships

We have continued to build on the good work over the last couple of years with our trade union colleagues. Senior workforce representatives meet regularly with trade union leads on a weekly basis in addition to the formal Partnership Forum meeting structure. As referenced above, our trade union colleagues have been integral to the revised policy review process and their contribution is critical.

Supporting research, innovation and improvement

Regional Innovation Coordination Hub

The Ideas Hub was launched in December 2022. This online portal is accessible for anyone working in health and social care to submit ideas for innovation. 13 new ideas have been submitted to date and project proposals are being developed to progress these further.

The West Wales region has held a successful track record in taking part in the Bevan Commission's Exemplar programme, and for this year, 10 projects have been awarded Bevan Exemplar status. We are extremely pleased that out of 49 projects that applied for Cohort 8 Exemplar Programme from across Wales, 40 applications have been accepted by the Commission onto the Exemplar Programme, with West Wales projects representing 25% of this total.

Learning and Development

Joint apprenticeship programme

The Joint Health and Social Care Apprenticeship Programme is a collaboration between Hywel Dda University Health Board and Pembrokeshire County Council. This is the first programme in Wales to give the opportunity to provide development opportunities in both

health and social care settings. The collaborative programme brings several learning programmes together into one and gives a direct pathway into employment in health and social care. The aim is for two thirds of the apprentices leave the programme to take up roles in social care and home-based care positions providing much needed support with the shortfall in recruitment in this area. The project is funded by the Regional Investment Fund and supports apprentices to have a rotational placement experience, these include adult social care, joint discharge team, residential care homes, day centres and with the care at home team. As part of this programme for the first time 9 joint apprentices attended the new Joint Community, Primary & social care skills to care induction during Nov 2022 and Jan – March 2023.

CIPD Wales award winner best apprenticeship scheme

In March 2023, the Apprenticeship Academy won the CIPD Wales award for Best Apprenticeship Scheme. CIPD recognised Hywel Dda as the first health board in Wales to allow individuals to join the organisation with no qualification with the opportunity to progress to become a nurse, increasing the number of under 25 year old employees within the health board, but also supporting men into nursing.

Stepping into employment (pathway 4)

This programme is a supported internship and collaborative project between Hywel Dda, Coleg Sir Gar and Elite. The programme was developed to support Independent Living Skills learners to achieve sustainable paid employment via work experience opportunities. The programme is situated within Prince Philip Hospital and the focus is to equip learners with the relevant skills and qualifications to support employment in their chosen area. Learners on the programme are typically between 16 and 25 and have a diagnosis of a learning disability or difficulty and/or autism. Most of the learners have progressed through Pathway 2 and 3 and this internship forms part of their final year to support them into paid employment. This programme won the HPMA Highly Commended Award for supporting those with ALN or disabilities into work (February 2023).

The new corporate induction programme

Since its launch in August 2022, the new Corporate Induction Program has been well received. New starters attend a range of face-to-face and online sessions. Feedback has been very positive, with an average of 4.78 out of 5 stars for engaging resources and activities. The Corporate Induction programme is available in English and Welsh.

Corporate Induction commences with the 'Hywel Dda Welcome' which focuses on the key principles of Hywel Dda, such as the Values and Behaviour Framework, A Healthier Mid and West Wales strategy, as well as key information all new employees need to know. Information is hosted on our intranet providing a central and consistent source for information. This provides signposting to other departments including Payroll, Pensions, Training, Chaplaincy and Spiritual Care. The Learning and Development Department regularly contacts new employees to check their onboarding progress and invite them to additional development opportunities including the person-centred care webinar and equality

diversity and inclusion training. This helps to broaden their professional development and support them in reaching their potential.

Clinical education induction

The new joint community skills to care induction programme for Acute and community/ Primary / Social care is being delivered working in partnership with Carmarthenshire, Pembrokeshire, and Ceredigion Social Services. There are plans to ensure links with the new primary care academy to cascade this opportunity for health care support workers in primary care. 55 Managers attended briefing events to raise awareness of the joint induction, the managers were from local authority and the independent provider care sector.

Clinical education- Agored qualifications

Delivering work-based clinical qualifications via Agored Cymru Centre, the Agored team continues to support delivery of Level 3 occupational therapy, physiotherapy, rehabilitation, perioperative support, ophthalmology and speech and language therapy roles. Two units of accredited learning have been delivered to 12 'Grow your Own' students with the aim of supporting students with the requirements for accreditation prior to starting their nursing degree.

New level 4 therapy assistant practitioner diploma

Delivering the first level 4 qualification for therapies staff in Wales, the Clinical Education team have led the way developing and rolling out a collaborative delivery of this course, 15 learners are progressing through this semester. The course was supported via HEIW funding in partnership with UWTSD. Other health boards are accessing this course using a partnership agreement via virtual learning.

Clinical education support for overseas nurses

The Clinical Education team has set up a whole new Objective Structured Clinical Examination (OSCE) training team and centre for overseas nurses. The new centre is equipped to support cohorts of up to 20 overseas nurses while they prepare to take their OSCE. To date, 87 Nurses have been trained in the centre. The Clinical Education team recently won the Chairs Commendation award for Compassion- going above and beyond supporting and training our new nurses.

Grow your own route into nursing

The Grow your Own programme supports health care support workers to start their career journey towards becoming a qualified nurse. The Clinical Education team have developed new intranet pages to support widening access to applications, have conducted preselection support and are part of the interview panels.

The team worked in partnership with Swansea University to support student progress and are a point of contact for placement issues across cohorts. As our nursing route apprentices reach this stage, the team will work closely to support them with their nursing qualifications.

Lifelong Learning Fund

Launched in April, the Lifelong Learning Fund enables staff to access up to a maximum of £100 per person to learn a new skill/craft/hobby. The funds can be used to access any form of learning or self-development, which will support new skills that will help them to recover from the experience of the pandemic and support the restoration of their well-being. The benefits of lifelong learning on health and well-being include boosting self-esteem and confidence and satisfaction from personal achievement, which in turn increases motivation and progression. This initiative is now live, supporting the rest and recovery of our workforce. Almost £20,000 has been accessed by staff from across the organisation. The Lifelong Learning Fund was also shortlisted as a finalist for the CIPD Wales Best Learning and Development Initiative.

Interprofessional education & simulation-based education

We are committed to developing career progression opportunities for all that want them and ensuring that people have appropriate development opportunities to be the best they can be in their role. By learning together, health professionals work more effectively together and thereby improve the quality of care for patients, and families through improved team and system performance. During 2022/23, the health board has been successful in gaining approval of our Interprofessional Education Plan which covers primary, community, and secondary care. We have also been successful in developing our approach in relation to Simulation Based Education, a learning tool that supports development through experiential learning by creating or replicating a particular set of conditions which resemble real life situations. Working in Partnership with Swansea University we aim to equip our people with the knowledge, tools, and techniques appropriate for their current and future roles to help us deliver excellence in patient care.

Mandatory training

The Learning and Development Department has put in place a range of support designed to remove barriers and improve compliance with mandatory training. This has seen a marked improvement with the health board achieving 85% of staff meeting compliance requirements of the Core Skills Training Framework. This is the benchmark set on a national level.

Management Skills Programme

A management training campaign was launched to generate interest in development opportunities amongst junior and middle management. A new management development intranet page has launched. This provides a holding area for further resources, information, and signposting.

The Learning and Development Department has provided 12 vocationally relevant qualifications accredited by the Institute of Leadership Management and Chartered Management Institute, all of which were externally fully funded. 245 managers expressed an interest in achieving these qualifications and are in the process of attending virtual open days to gather more information on the courses available.

We have also worked to improve the interest and take up of internally run training opportunities, some of which have seen a 194% increase in bookings. Additionally, a core content programme is being scoped out to improve underpinning knowledge and develop management skills. This programme will act as a natural conduit for the Senior Leadership Programme by providing complimentary content.

Leadership development

Developing leaders with the right skills and the right values is recognised as a key priority to enable the sustainable delivery of health services across Hywel Dda University Health Board. During 2022/23, the health board developed and delivered a number of leadership development programmes across all staff groups.

The Leadership Development team has continued to offer valuable opportunities for leaders across our organisation to support their leadership growth and development. In addition to our internal leadership development opportunities, we continue to work in partnership with external partners and organisations such as HEIW, Academi Wales, NHS Leadership Academy and other Health Boards such as Cardiff and Vale. This partnership approach means we are able to increase our offer to leaders ensuring the best development opportunities are available from a range of sources.

Our internal opportunities have included:

Behavioural Insights in Practice

Behavioural Insights in Practice examines human behaviour and choices and explores the hidden forces that shape how we think and decide, and the influence of context and culture, including beliefs, decision-making and preferences. Programme participants were shown how to apply the key principles of behavioural science in practice working on group projects linked to the Health Board's strategic objectives, these were both staff and patient focused and resulted in positive and improved outcomes. The learning from this programme was extensive and fed back to Board:

- *'Having time and space out of the everyday helps thoughts to be proactive rather than reactive (able to do things differently)'*
- *'Looking at things differently and using the right nudge can achieve a different reaction or outcome'*
- *'This has been an excellent way to improve areas with patient feedback. The form is very easy to fill in, in a short time and has had lots of positive feedback and small things we can change for our patients'*
- *'When opportunities arise, I will utilise the scope of the Nudge theory to promote small, but might change!'*

Leadership Engagement with Awesome People (LEAP)

Time has been spent during this year to research, create and develop this programme. LEAP was launched in January 2023 with the aim of equipping leaders to meet current and future challenges. It will:

- Challenge and create critical awareness of individual leadership approach and to encourage leaders to think and do things differently through taking practical and achievable actions
- Strengthen collaborative working, resource management and strategic decision making
- Build a shared leadership culture by establishing shared leadership behaviours, qualities and actions

Leadership talent management & succession planning

We are refreshing our approach to leadership talent management and succession planning to understand the talent pipelines more effectively, identifying where posts may be harder to fill so that appropriate action can be taken and to ensure a future pipeline of outstanding leaders across the health board.

Work continues to create and finalise the leadership framework and development centres for leadership talent management and succession planning which is due to be launched early summer 2023.

Reverse mentoring for equality, diversity and inclusion programme

The Reverse Mentoring for Equality, Diversity and Inclusion programme concluded in 2022. Reverse mentoring is where senior leaders are mentored by younger or more junior employees, exchanging knowledge skills and understanding. Evaluations and reflections indicate that the programme was incredibly valuable for mentees, mentors, and the organisation as a whole.

Flexible working case study - an opportunity to do things differently?

Our Organisational Development Relationship Managers have continued to help enable more good days at work in Hywel Dda Health Board. One of our case studies focused on supporting an experienced Midwife to work more flexibly to enable them to balance work and family commitments. This not only supported their needs but enabled the health board to retain a member of staff with valuable skills and experience.

Coaching

In organisations and leadership settings, coaching is an invaluable tool for developing people, to realise their potential, enabling them to adapt and feel supported. Coaching can help build a strong talent pipeline, foster a culture of collaboration and innovation and enhance performance in turbulent times. It reinforces the need to pause, reflect and learn before taking the next right step in a context which may be changing and uncertain.

Coaching links and underpins our leadership development portfolio and will further support our leaders as it is strongly aligned to the health boards organisational values and many aspects of the OD strategy. Coaching is fully embraced within the Health Board with the growth of our internal network currently having 22 qualified with a further 48 undertaking their coaching qualification.

The first coaching graduation will take place in April 2023 to celebrate the wonderful achievements of those who are newly qualified and also celebrate and appreciate the support our experienced coaches have offered over the last 2 years. Coaching has a positive impact of staff who have stated in their feedback:

- 'this prompted me to self-reflect and be more aware of my feelings, thoughts and behaviours and how they play out in my newly identified personal values'
- 'I knew I needed a safe space to discover more about myself and where I could grow as a person'
- 'these sessions have been instrumental in supporting me with settling down into a new job and helped me to address the confidence issues that I had been struggling with'
- 'most important here is that it has genuinely helped me to cope through a very challenging period of my career, both professionally and personally'
- 'it helped me to build my self-esteem as a person and challenged me to face difficult situations that I may have once avoided'

To further enhance our leadership offering, the leadership development team have created a 'Leadership Matters' portal which will provide support, resources, learning, engagement, networking and more to our leaders both current and aspiring.

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 £1,628,603 on consultancy services as follows:

Transforming clinical services	£412,226
Estates Planning Advice regarding new hospital site	£610,362
IT consultancy	£499,240
Other service reviews/advice	£106,775

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 across the WG. 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 2023, earning £245 per day or greater.

Number (No.) of existing engagements as of 31 March 2023	3
Of which, no. that existed:	

for less than 1 year	1
for between 1 and 2 years	2
for between 2 and 3 years	0
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 2023, earning £245 per day or greater

No. of temporary off-payroll workers engaged during the year ended 31 March 2023	14
Of which...	
Not subject to off-payroll legislation	9
Subject to off-payroll legislation and determined as in-scope of IR35	1
Subject to off-payroll legislation and determined as out-of-scope of IR35	4
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 2022 and 31 March 2023

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.	24

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). £50,634 exit costs were paid in 2022/23 in relation to settlement claims, the year of departure (2021/22 £2,500). 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)	2022/23 Number of compulsory redundancies	2022/23 Number of other departures	2022/23 Total number of exit packages	2022/23 Number of departures where special payments have been made	2021/22 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	1	1	0	0
£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	2	2	0	1
Exit packages cost band (including any special payment element)	2022/23 Cost of compulsory redundancies	2022/23 Cost of other departures	2022/23 Total cost of exit packages	2022/23 Cost of special element included in exit packages	2021/22 Total cost of exit packages
	£'s	£'s	£'s	£'s	£'s
less than £10,000	0	1,295	1,295	0	2,500
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	49,338	49,338	0	0
£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	50,633	50,633	0	2,500

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 2022/23. 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 £109m which it has incurred more than its resource limit over that period is deemed to be irregular. 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 2023:

	2022/23	2021/22
	£000's	£000's
Guarantees	0	0
Indemnities*	1,147	1,427
Letters of Comfort	0	0
Total	1,147	1,427

* Indemnities include clinical negligence and personal injury claims against the health board.