Bundle Extraordinary Public Board 23 June 2020

1 Governance / Llywodraethu

1.1 Apologies / Ymddiheuriadau

Presenter: Chair

1.2 Declaration of Interests / Datganiad o Ddiddordeb

All

1.3 Minutes of the Public Meeting held on 28 May 2020 / Cofnodion y Cyfarfod Cyhoeddus ar 28 Mai 2020

Presenter: Chair

Unapproved Board Minutes 28 May 2020

1.4 Matters Arising & Table of Actions from the Meeting held on 28 May 2020 / Materion sy'n Codi a Thabl o Gamau Gweithredu o'r cyfarfod ar 26 Mawrth a 28 Mai 2020

Presenter: Chair

Table of Actions from Health Board Meeting in Public held on 28 May 2020

Appendix 1 - eConsult 7 Minute Briefing

2 Assurance / Sicrwydd

2.1 Committee Annual Reports / Adroddiadau Blynyddol Pwyllgorau

2.1.1 Audit & Risk Assurance Committee / Pwyllgor Archwilio a Sicrwydd Risg

Presenter: Paul Newman

SBAR ARAC Annual Report 2019/2020

ARAC Annual Report 2019/20

2.1.2 Business Planning & Performance Assurance Committee / Pwyllgor Cynllunio Busnes a Sicrwydd Perfformiad

Presenter: Judith Hardisty

BPPAC Annual Report 2019/20

2.1.3 Quality, Safety & Experience Assurance Committee / Pwyllgor Sicrwydd Ansawdd, Diogelwch a Phrofiad

Presenter: Professor John Gammon

QSEAC Annual Report 2019/20

Appendix 1 - OQSESC Annual Report 2019/20

Appendix 2 - MMSC Annual Report 2019/20

Appendix 3 - IESC Annual Report 2019/20

Appendix 4 - MHLD QSESC Annual Report 2019/20

Appendix 5 - W&ODSC Annual Report 2019/20

Appendix 6 - IPSC Annual Report 2019/20

Appendix 7 - ECPSC Annual Report 2019/20

Appendix 8 - SSSC Annual Report 2019/20

2.1.4 Charitable Funds Committee / Pwyllgor Elusennau Iechyd

Presenter: Simon Hancock

CFC Annual Report 2019/20

2.1.5 Finance Committee / Pwyllgor Cyllid

Presenter: Michael Hearty

Finance Committee Annual Report 2019/20

2.1.6 Mental Health Legislation Assurance Committee / Pwyllgor Deddfwriaeth Iechyd Meddwl

Presenter: Judith Hardisty

MHLAC Annual Report 2019/20

2.1.7 Primary Care Applications Committee / Pwyllgor Ceisiadau Gofal Sylfaenol

Presenter: Judith Hardisty

PCAC Annual Report 2019/20

2.1.8 University Partnership Board / Bwrdd Partneriaeth Prifysgol

Presenter: Professor John Gammon

UPB Annual Report 2019/20

2.2 Advisory Group Annual Reports / Adroddiad Blynyddol y Grp Cynghori

2.2.1 Health Care Professionals Forum / Fforwm Gweithwyr Gofal Iechyd Proffesiynol

Presenter: Dr Philip Kloer

HPF Annual Report 2019/20

2.2.2 Staff Partnership Forum / Fforwm Partneriaeth Staff

Presenter: Lisa Gostling

SPF Annual Report 2019/20

2.2.3 Stakeholder Reference Group / Grp Cyfeirio Rhanddeiliaid

Presenter: Sarah Jennings

SRG Annual Report 2019/20

2.3 Annual Assessment of Board Effectiveness 2019/20 / Asesiad Blynyddol o Effeithiolrwydd y Bwrdd 2019/20

Presenter: Steve Moore

Annual Assessment of Board Effectiveness 2019/20

Appendix 1 - All Wales Self-Assessment of Current Quality Governance Arrangements

Appendix 2 - Self-Assessment against the Corporate Governance in Central Governance Departments: Code of Good Practice 2017

Appendix 3 - Annual Assessment against Health and Care Standard 1 – Governance, Leadership and Accountability

Appendix 4 - Wales Audit Office Structured Assessment 2019 Report

Appendix 5 - Internal Audit Health and Care Standards Report

2.4 HDdUHB Annual Report 2019/20 / Adroddiad Blynyddol BIPHDd 2019/20

Presenter: Steve Moore

SBAR HDdUHB Annual Report 2019/20

Hywel Dda UHB Annual Report and Accounts 2019/20 revised

2.5 Audit Wales ISA 260 and Letter of Representation / Swyddfa Archwilio Cymru SRA 260/Llythyr o Gynrychiolaeth

Presenter: Audit Wales

Audit Wales ISA 260 incl Letter of Representation

2.6 Final Accounts for 2019/20 / Cyfrifon Terfynol ar gyfer 2019/20

Presenter: Huw Thomas

HDHB LHB ACCS 2019-20 Audited

3 For Information / Er gwybodaeth

3.1 Head of Internal Audit Annual Report and Opinion / Adroddiad Blynyddol a Barn y Pennaeth Archwilio Mewnoll

Head of Internal Audit Annual Report and Opinion 2019/20

4 Corporate Trustee Session / Sesiwn Ymddiriedolwr Corfforaethol

Hywel Dda University Local Health Board was appointed as corporate trustee of the charitable funds by virtue of Statutory Instrument 2009 No. 778 (W.66) and that its Board serves as its agent in the administration of the charitable funds held by the UHB.

4.1 Hywel Dda Health Charities: Support Received March to May 2020/ Elusennau Iechyd Hywel Dda: Cefnogaeth a Dderbyniwyd rhwng Mawrth a Mai 2020

Presenter: Sarah Jennings

Hywel Dda Health Charities: Support Received March to May 2020

Hywel Dda Health Charities March - May 220

5 Date and Time of Next Meeting / Dyddiad ac amser y cyfarfod nesaf

9.30 am 30th July 2020 / Dydd Iau 30 Gorffennaf 2020

COFNODION Y CYFARFOD BWRDD IECHYD PRIFYSGOL HEB EU CYMERADWYO DDRAFT/DRAFT UNAPPROVED MINUTES OF THE UNIVERSITY HEALTH BOARD MEETING

Date of Meeting:	**9.30AM, THURSDAY 28TH MAY 2020**
Venue:	**BOARDROOM, YSTWYTH BUILDING, ST DAVID'S PARK, CARMARTHEN SA31 3BB**

Present:	Miss Maria Battle, Chair, Hywel Dda University Health Board Mrs Judith Hardisty, Vice-Chair, Hywel Dda University Health Board (VC) Mr Owen Burt, Independent Member (VC) Mr Maynard Davies, Independent Member (VC) Professor John Gammon, Independent Member (VC) Cllr. Simon Hancock, Independent Member (VC) Ms Anna Lewis, Independent Member (VC) Mr Mike Lewis, Independent Member (VC) Ms Ann Murphy, Independent Member (VC) Mr Paul Newman, Independent Member (VC) Ms Delyth Raynsford, Independent Member (VC) Mr Steve Moore, Chief Executive Mr Andrew Carruthers, Director of Operations Mrs Lisa Gostling, Director of Workforce & Organisational Development Mrs Ros Jervis, Director of Public Health Dr Philip Kloer, Medical Director and Deputy Chief Executive Mrs Mandy Rayani, Director of Nursing, Quality & Patient Experience Ms Alison Shakeshaft, Director of Therapies & Health Science (VC) Mr Huw Thomas, Director of Finance
In Attendance:	Ms Jill Paterson, Director of Primary Care, Community & Long Term Care Mrs Joanne Wilson, Board Secretary Ms Sarah Jennings, Director of Partnerships and Corporate Services Mr Michael Hearty, Associate Member (VC) Mr Mansell Bennett, Chair, Hywel Dda Community Health Council (VC) Mr Sam Dentten, Deputy Chief Officer, Hywel Dda Community Health Council (VC) Mr Jonathan Griffiths, Pembrokeshire County Council Director of Social Services (VC) Ms Anne Beegan, Audit Wales (Observing) (VC) Ms Clare Moorcroft, Committee Services Officer (Minutes)

PM(20)68	**INTRODUCTIONS & APOLOGIES FOR ABSENCE**	
	The Chair, Miss Maria Battle, welcomed everyone to the meeting, explaining that this was the first trial of a new virtual meeting format, a recording of which would be made available following the meeting. Apologies for absence were received from: • Mrs Karen Miles, Director of Planning, Performance & Commissioning	

PM(20)69	**DECLARATION OF INTERESTS**	
	No declarations of interest were made.	

PM(20)70	**MINUTES OF THE PUBLIC MEETING HELD ON 16TH APRIL 2020**	
	RESOLVED – that the minutes of the meeting held on 16th April 2020 be approved as a correct record.	

PM(20)71	**MATTERS ARISING & TABLE OF ACTIONS FROM THE MEETING HELD ON 26TH MARCH AND 16TH APRIL 2020**	
	An update was provided on the table of actions from the Public Board meeting held on 26th March 2020 and confirmation received that all outstanding actions had been progressed. In terms of matters arising: **PM(20)35** – Dr Philip Kloer wished to raise a point of accuracy regarding the patient numbers, advising that 17 of the 32 TAVI patients are from HDdUHB, rather than 14 of 32 as stated. An update was provided on the table of actions from the Public Board meeting held on 16th April 2020 and confirmation received that all outstanding actions had been progressed. There were no matters arising.	

PM(20)72	**REPORT OF THE CHAIR**	
	Miss Battle introduced her report on relevant matters undertaken as Chair since the previous Board meeting, recognising that it had been a challenging two and a half months. UHB staff have made significant personal sacrifices; their collective efforts are phenomenal and their commitment has undoubtedly saved lives. Miss Battle thanked all staff, including the Chief Executive and his Executive Team. The long-term nature of this situation was emphasised, with a commitment made to continue to protect the public and staff. Miss Battle also wished to thank the UHB's partners for working together and their support during this challenging time. Members heard that the organisation has taken steps to establish a mechanism to support staff well-being, and is committed to continuing this post-pandemic. Miss Battle wished to highlight in particular the incredible generosity exhibited by members of the public, and recent fundraising efforts, including that of Mr Rhythwyn Evans, who had walked round his home 91 times to mark his 91st birthday. The UHB will ensure this funding will be utilised to benefit and support staff. Attention was drawn to the recent Carer Confident level 1 accreditation award, which acknowledges the UHB's support to staff who are unpaid carers. Members were reminded of the Staff/Patient Story delivered to the September 2019 Public Board by Annmarie Thomas, with it emphasised how we have made a great deal of progress in this area. Miss Battle also thanked all the generous fundraisers which enabled Ward 10 at Withybush General Hospital (WGH) to be re-opened on 6th April 2020, following extensive refurbishment and improvement work. Finally, Miss Battle was pleased to report the re-appointment of Mrs Judith Hardisty as Vice-Chair and the extension to the tenure as Independent Member of Mrs Delyth Raynsford. Continuity of service of experienced Board Members was particularly important at this time. During subsequent discussion of the report, the following comments were made: • Noting that the Chair had continued to meet with staff, it was queried whether they had expressed any particular messages regarding their experiences; • Views varied, with some frontline staff on COVID-19 wards stating that the pressure feels relentless and that they are too tired to apply for well-being funds;	

	• Reports suggest that the support within Care Homes has been very good; • Unanimously, everyone has been overwhelmed by the kindness shown by the general public, and there is a sense of pride within the organisation; • The Chair has been impressed and humbled by what has been achieved in both acute and community settings; • The need for staff to take adequate leave and rest, for the sake of their own health and well-being, was emphasised; • Thanks was also expressed to those who had donated gifts to Mental Health services. Whilst staff in these areas are not treating COVID-19 patients, they face other challenges; • Comments regarding the contribution of volunteers and community groups were endorsed, with it suggested that the response to COVID-19 has been a 'whole society' effort; • It was hoped that community groups established during this time will continue post-pandemic.	
	The Board: • **SUPPORTED** the work engaged in by the Chair since the previous meeting and **NOTED** the topical areas of interest; • **RATIFIED** the action undertaken by the Chair on behalf of the Board, which relates to an item for the Board's ratification - the 'Care Home Preparedness – COVID-19' report and appendices. This report and appendices were approved at Gold Strategic Group on 22nd April 2020 and shared with all Independent Members.	

PM(20)73	**MAINTAINING GOOD GOVERNANCE COVID-19**	
	Mrs Joanne Wilson presented the Maintaining Good Governance COVID-19 report, advising that this is an update on the arrangements outlined at the previous Board meeting. As agreed previously, draft minutes from the Public Board will be published on the UHB's website within 7 days of the meeting, with a recording of the proceedings also made available. The organisation is working towards a return to livestreaming meetings as soon as possible. Members were reminded that the UHB's Information Technology team had been prioritising providing support to clinical staff and facilitating working from home.	
	The Board: • **NOTED** the update report together with the revised Command and Control structure and the revised schedule of Board, Committees, Sub-Committees and Advisory Group meetings up until the end of August 2020; • **NOTED** that principles and content of the 16th April 2020 Board paper, including the variation to standing orders, remains extant; • **APPROVED** the establishment of the Transformation Steering Group, reporting directly to Board.	

PM(20)74	**REPORT OF THE CHIEF EXECUTIVE**	
	Mr Steve Moore introduced his report on relevant matters undertaken as Chief Executive of HDdUHB since the previous meeting, advising that this is more concise than normal, with the majority of information contained in the Responding to COVID-19 report later on the agenda.	
	The Board:	

	• **ENDORSED** the Register of Sealings since the previous report on 26th March 2020; • **NOTED** the status report for Consultation Documents received/ responded to; • **NOTED** and **APPROVED** the Major Trauma Network Memorandum of Understanding, for execution by the Chief Executive.	

PM(20)75	**REPORT OF THE AUDIT & RISK ASSURANCE COMMITTEE**	
	Mr Paul Newman, Audit & Risk Assurance Committee (ARAC) Chair, outlined the ARAC update report, highlighting that there had been a further meeting on 27th May 2020, at which the Committee had been able to consider a number of Internal Audit reports. Mr Newman thanked Executive Directors and their teams for their cooperation in finalising these reports in time for the meeting.	
	The Board **NOTED** the ARAC update report and **ACKNOWLEDGED** the key risks, issues and matters of concern together with actions being taken to address these.	

PM(20)76	**IMPROVING PATIENT EXPERIENCE REPORT**	
	Mrs Mandy Rayani presented the Improving Patient Experience Report, thanking Mrs Louise O'Connor and her team for preparing such a detailed report. Attention was drawn to the patient story included in the report, and Members were assured that learning had already been demonstrated as a consequence of this story. Mrs Rayani wished to highlight that the team has worked tirelessly to support patients and their families at this time, with examples including the Thinking of You service and the patient property delivery and collection service. Whilst it is pleasing to note that satisfaction levels in patient and service user feedback have increased to 92%, Members were assured that the organisation will continue to focus on the remaining 8%. During discussion, the following points were raised: • Referencing Item 15 (Learning from Events), and the recurring theme of communication, Members were advised that this matter had been discussed at the most recent Quality, Safety & Experience Assurance Committee (QSEAC), where it had been agreed to conduct a 'deep dive' into this issue; • Whilst the patient story was welcomed, together with the evidence of action being taken, it was noted that not all the concerns raised had been addressed. It was suggested that future reports include a summary of concerns/comments and actions taken; • Noting the reference to one recommendation having exceeded the timescales set by the Public Services Ombudsman for Wales (PSOW), assurance was requested that this had been resolved. The Director of Nursing, Quality & Patient Experience was not able to provide such assurance, as this relates to a specific issue regarding establishment of a service user group, which is not currently feasible due to COVID-19. The Concerns team is, however, committed to taking this matter forward and is fully engaged with the PSOW office; • The team was thanked for establishing the patient property delivery and collection service; • With regards to Children and Young People, the Paediatric Questionnaires Pilot Scheme was welcomed. It was queried whether	**MR**

	any feedback had been collated to date. In response, Members heard that the team will be undertaking a piece of work to capture feedback from patients, regardless of age, around their experience of HDdUHB services during COVID-19. This will form part of the wider work on transforming services; • There was a query regarding whether the UHB had fed into the Police and Crime Commissioner's Survey issued last week. Whilst it was confirmed that this had been the case, Members were reminded that the UHB is a partner in the questionnaire. There are also a number of wider workstreams contributing in this area; • Representatives of the Community Health Council (CHC) suggested that the patient voice has been overwhelmingly positive and supportive of the NHS; • CHCs have been running patient surveys during the pandemic, and UHB colleagues were thanked for their help in responding to the issues raised in feedback; • It is important to ensure that up to date information is available regarding UHB services and how/when they are operating. The CHC would be happy to assist with this; • It was suggested that the number of compliments recorded in the report falls significantly short of those actually received. There was a query regarding how an accurate figure might be obtained, as this would contribute positively to the recognition of staff contributions; • In response, it was reiterated that the figure does not include those compliments provided directly to service areas. The number of thank you cards and gifts are clear to see during Board Walkabouts, although these have been postponed temporarily during the COVID-19 pandemic; • Members heard that the challenge in obtaining details of compliments would be to ensure that no additional work was created for frontline staff in recording such information. The team will, however, continue to consider how this might be achieved. Miss Battle welcomed the report and looked forward to receiving further detail regarding various elements. Mrs Rayani was asked to pass on the Board's thanks to the team for their continuing efforts.	**MR**
	The Board **RECEIVED** and **NOTED** the report, which highlights to patients and the public the main themes arising from patient feedback, together with examples of action being taken in response to findings from investigations.	

PM(20)77	**HEALTH & CARE STANDARDS FUNDAMENTALS OF CARE AUDIT 2019**	
	Mrs Rayani outlined the Health & Care Standards Fundamentals of Care Audit 2019 report; thanking Ms Helen Humphreys for collating an extremely detailed report whilst also undertaking work in a number of other areas. Members were informed that due to timing issues, it had not been possible to submit the report to QSEAC in advance of Board; however this would be rectified. Mrs Rayani acknowledged that there has not been the desired level of improvement in a number of areas, including pressure damage, scrutiny meetings and rest and sleep. Whilst work has been undertaken in these areas, more is clearly required. Members were requested to note that on page 6, the figure of 1548 for	

	the number of patients/carers who completed the patient survey should read 1508. Referencing the statement that 'Where there is comparable data, four questions have seen an increase in percentage compliance compared to last year, twelve have seen a decrease in percentage compliance…', it was queried whether this reflects an overall downwards trend or only marginal changes. In response, Members were assured that the UHB has still met the standards in those areas where a decrease has been seen. The decreases represent very small percentage drops; for example, a 1.38% drop in one standard equates to two patients. However, the significance of these issues for the patient/patients in question was acknowledged. The increase in the number of patients who felt that they were able to speak Welsh to staff if they needed to was welcomed. It was agreed that the report would be examined and discussed in more detail at QSEAC.	**MR**
	The Board: • **NOTED** the findings of the Health & Care Standards Fundamentals of Care Audit 2019 activity which have been presented in the annual report and remitted this to QSEAC to review the report and findings in detail • **NOTED** the proposal for the 2020 annual audit.	

PM(20)78	**RESPONDING TO THE COVID-19 PANDEMIC: UPDATE, REVIEW AND RATIFICATION OF DECISIONS MADE SINCE 16TH APRIL 2020**	
	Mr Moore introduced the Responding to the COVID-19 Pandemic report, stating that he hoped this was a helpful update, whilst emphasising that the pace of change may mean that situations have altered since the report was prepared. The UHB's response to COVID-19 continues to evolve, and staff across the organisation are under considerable pressure. Mr Moore highlighted in particular the efforts of testing teams and the team supporting Care Homes within the region, who are working 7 days a week. The number of COVID-19 positive/suspected patients in the UHB's hospitals has dropped from 90, to 70, to 40 this week. Mr Moore wished to pay testament to the public for showing solidarity with the NHS, and thanked them for their commitment in adhering to COVID-19 restrictions. The UHB has seen an increase in Scheduled Care Services for non COVID-19 patients, which should be viewed as a positive sign, with patients feeling able to access NHS services. Members heard that there has been a significant change to planning, with a wider, longer-term response to the COVID-19 pandemic required. A local Public Health Cell has been established, to support the forthcoming 'Test, Trace and Protect' service. Mr Moore encouraged everyone to read the Quarter 1 response, attached to the report as Annex 1, as this contains details of the UHB's plans to re-establish services going forward. Whilst plans are cautious, it is necessary to make changes in a methodical and safe way. Mr Moore thanked Mr Andrew Carruthers and Ms Jill Paterson for their significant efforts in preparing the Quarter 1 response, which has been held up as an exemplar by Welsh Government (WG) in terms of detail. Other Executive Directors were leading in specific areas, as detailed within the report. Mr Moore apologised for the under-reporting in COVID-19 deaths, emphasising that this had now been corrected and a stronger process put in place. The importance of accurate data and reporting was	

	recognised. The report also sets out the proposal to replace the Recovery, Learning and Innovation Group with a Transformation Steering Group. This will facilitate consideration of the wider issues around transformation which will be required in the post COVID-19 era. The Group would hold an initial meeting on 8th June 2020, to consider the role, membership and operation of the Group, together with any emerging early themes. A report, with terms of reference, from this meeting will be presented to the next Public Board. Mr Andrew Carruthers added his thanks to frontline staff and operational teams for their care and commitment during these challenging times. Also, to the public and the UHB's partners, and to his colleagues in the Executive Team and their teams.	**SM**
	Members heard that many frontline staff have expressed that they do not wish to return to 'the old ways of working'. In particular, they have welcomed the opportunity to rapidly determine and implement improvements to patient services. In response to a query regarding the frequency at which the Transformation Steering Group will meet, it was envisaged that the Group itself will be fairly 'light touch', with the expectation that a number of sub-groups will be established to address specific issues. The intention is to bring to Board any issues which need to be considered in terms of the Annual or 3 Year Plan or the Health & Care Strategy. The Group will meet perhaps on a monthly basis, although the importance of maintaining momentum was emphasised. The Chair reminded Members that the Board's remit is to set the strategy and ensure its delivery which should be managed within the organisation.	
	The report and its annex were commended, with those involved in its preparation congratulated. It was, however, felt that there could be additional detail around children's services, particularly community paediatrics and neurodevelopmental assessments/services. Members were reminded that, prior to the COVID-19 outbreak, there had been plans for a report to Board on Paediatric services. In response, Members heard that the Director of Operations had not yet been able to discuss the scope of this report with the Director of Public Health and Ms Delyth Raynsford. Consideration would be given to an appropriate timeline to prepare a report which covers the requisite information to the standard required. In children's services, as in all services, changes have had to be made to separate COVID-19 (Red) and non COVID-19 (Green) areas. It has been necessary to suspend some services, for example routine Outpatient services. There are, however, elements of neurological assessments which can continue to be progressed, and urgent services have continued. The screening of referrals is continuing, under the restrictions necessary for COVID-19. Shielding and risk assessments are being undertaken wherever necessary. It had been agreed at Gold Command that the situation regarding the Paediatric Ambulatory Care Unit at WGH would be reviewed by March 2021 at the latest, noting that due to the separation of the hospital into Red and Green areas it was not possible to review this any earlier.	**AC**
	It was noted that one GP practice had declined to use the 'Attend Anywhere' system, and there was a request for more detail with regards to the reasons for this, outside the meeting if necessary. Members heard	**JP**

	that the UHB had not mandated that GP practices use any one particular e-Consultation system. A number of practices had already purchased systems other than 'Attend Anywhere' and were utilising these alternatives. This was the case in regards to the aforementioned practice. In accessing and providing services, both Primary Care and the public have changed the way in which they operate. Changes which have been planned for years and would probably have taken years to put in place have been implemented in weeks and months. The CHC Chair reported two conversations with patients regarding the increase in Scheduled Care services; both patients had been extremely positive regarding the arrangements put in place to split Red and Green areas. Noting the various service changes which have taken place in response to COVID-19 and accepting the reasons for these; the CHC emphasised that if service changes persist, public engagement and possibly consultation will be required. In response, the Chief Executive advised that he had requested that the Director of Operations, Director of Primary Care, Community & Long Term Care and Director of Planning, Performance & Commissioning liaise with the CHC, to alert them to service changes in a timely fashion. It was agreed that the helpline number for concerned cancer patients should be shared with the CHC. Members felt that it would be helpful if the CHC could work with the UHB to encourage patients to engage with services if they require them. Whilst urgent services have been in place throughout the pandemic, the public has been reticent to access these services. The UHB would welcome the CHC's support with positive messaging around resuming access to health services when they require these. Also, with regard to managing the public's expectations around the steps which will be necessary to ensure the safety of patients. The CHC requested an up to date list/database of UHB services and how to access them in order to assist. An unfortunate consequence of COVID-19 has been a detrimental impact on provision of cancer services. These are already vulnerable patients, and it is unfortunate to read of issues with access to services and diagnostic delays. Whilst it is accepted that the UHB is looking to address various aspects at pace, there was a query regarding what is being done to evaluate the impact of COVID-19 on cancer patients. Members heard that the number of cancer patients being treated is 60-70% of the number which would normally be expected. In certain areas, for example Dermatology, there have been fewer referrals, presumably because patients are not accessing Primary Care services to generate a referral. The UHB is taking steps to reinstate urgent cancer services as soon as possible; however, these must be safe. It is vital to reinforce to the public that urgent services are available and can be accessed safely; and that they must seek medical help if they need it, as soon as they need it. HDdUHB has been working with Swansea Bay UHB with regards to tertiary pathways. Whilst Swansea Bay UHB has been impacted to a greater extent in terms of Critical Care, their surgeons have been providing services to HDdUHB, for example in Gynaecology. It is important to emphasise the complexity of the pathways which need to be in place in order to maintain safety going forward. Capacity is likely to be at approximately 50% of previous levels, due to the additional protocols around PPE, cleaning and disinfection.	**AC** **AC/JP**

	There has been a significant amount of activity during the pandemic, which has included various specialties. Achievements should be attributed to how teams have operated and organised themselves to meet needs. The reduction in cancer cases has been in part due to the public not accessing services at previous levels. There is also an impact associated with screening processes at Public Health Wales, if these are not operating. There has been a request at Gold Command for an assessment of how many cancer cases the UHB is seeing, diagnosing and treating. As it has only been a relatively short time since the beginning of the pandemic, relevant data will be limited; however this will increase over time and could be considered by QSEAC. It was noted that a detailed report on Cancer Services had been prepared for Gold Command, which could also be considered by QSEAC. It was emphasised that all of those cancer patients who have had their surgery delayed have been assessed by a clinician, although it was accepted that this assessment may change as a result of delays to treatment. The process has been considered, and clinically-led. In response to a further query regarding where actions will be monitored and the timeline for implementation; Members heard that with regard to the former, Acute Bronze Group, which meets twice a week, is responsible for monitoring. In terms of anticipated timeline for implementation, this would be Quarter 1 (end of June 2020). It was agreed that the Escalation Plan would be shared with Professor John Gammon and that the Chair would discuss how this topic should be considered and monitored with the Chair of QSEAC. Concerned that some patients in Ceredigion and Pembrokeshire will need to travel to Glangwili General Hospital (GGH) for treatment, there was a query regarding plans to reinstate local services. Whilst the overwhelming desire would be to reinstate services as they were previously, a number of significant and complex challenges exist. Plans to re-introduce services are clinically-led, and involve considered and multi-faceted judgements. The risks of delaying cancer surgery need to be balanced against the higher mortality rates associated with surgical procedures in the event of contracting COVID-19. In addition, it is not feasible to introduce Red and Green areas in all the UHB's clinical environments. There was an enquiry regarding uptake of the helpline for concerned cancer patients, with usage figures to be provided. It was queried whether there has been a decrease in childhood immunisations, in view of the fact that in certain areas, these are provided by GPs. It was suggested that detailed discussion of services should be at Committee, rather than Board level, with queries regarding both Cancer services and Childhood Immunisations to be managed by this means. Members heard that there is multiple and, in some cases, conflicting guidance around PPE in relation to aerosol-generating procedures and resuscitation. The UHB had made a decision to mandate higher levels of PPE, in excess of national guidance, and has issued clear guidance to staff, including those in the community. This decision will be referred to QSEAC for assurance/ratification. Concerns regarding the quality of certain PPE equipment has been communicated to WG.	**AC** **MB/AL** **AC** **MR**

	Miss Battle concluded by thanking Members for their comments and queries, and thanking those who had contributed to the report.	
	The Board: • **RATIFIED** the Revised Planning Assumptions agreed by the Gold Command Group; • **NOTED** the update on the Health Board's current position in relation to the local response to COVID-19; • **SUPPORTED** the development of a Transformation Steering Group; • **NOTED** the update on the risks relating to the Health Board's response to COVID-19; • **APPROVED** the Operating Framework for Quarter 1.	

PM(20)79	**CARE HOME PREPAREDNESS – COVID-19**	
	Ms Jill Paterson presented the Care Home Preparedness – COVID-19 report, emphasising that HDdUHB had, prior to COVID-19, a strong foundation of working with partners in Local Authorities and the Care Home sector. Although HDdUHB had also been ahead of other Health Boards in terms of opening up the testing system to Care Homes, the first major outbreak in a Care Home had happened extremely quickly, and had demonstrated the challenges of managing patients in a non-ward environment. There are various issues, including sustainability of care, unique to this environment. The UHB has been supporting Care Homes in a number of ways, for example provision of PPE and advice regarding Red and Green areas. The UHB has also worked with Primary Care Clusters and colleagues in secondary care, in an integrated approach. Whilst there are 122 adult facilities providing nursing and residential care, this increases to 185 when facilities providing Mental Health & Learning Disabilities care are included. In terms of outbreaks, there have been 4 in Pembrokeshire, 7 in Carmarthenshire and 0 in Ceredigion. Ms Paterson emphasised that access to care and support needs to be appropriate, and concerns have been raised around the rights of individuals in Care Homes to access primary and secondary care services. There also needs to be consideration of the psychological impact on staff of caring for Care Home residents during the COVID-19 pandemic, and particularly the higher than normal death rates in a short period. The UHB had (again, in advance of WG guidance) stepped up its testing programme in Care Homes. The impact of this on the testing teams is significant, and the UHB is grateful for the assistance provided locally by the Army. Despite HDdUHB having started early, it is unlikely that the WG target of all Care Homes being tested by 1 June 2020 will be achieved, although this should be achieved within the next three weeks. Even before COVID-19, the UHB had been considering a new model and the role that the Care Home sector plays in the health and care system. This will need further consideration going forward. Members were assured that all of those involved are working closely with partners and operational teams, and are aware that the response and actions taken in this particular area will be scrutinised in detail at a future date. The report, and detail therein, was commended. Members were reminded that the UHB commissions more beds in this sector than in hospitals. The Escalation Policy is another HDdUHB document identified as an exemplar by WG and shared with other Health Boards. In response to a query regarding the timescale for discussions with	

	partners for a new model going forward and use of Transformation Funds to achieve this, Members heard that such discussions had already been underway prior to the pandemic. There is a need, however, to examine and evaluate models elsewhere. WG are providing funding to support Care Homes through the immediate crisis. The COVID-19 pandemic has allowed the UHB and Care Home sector to think differently about what type of care they may provide in the future. For example, the Llanelli Wellness Village model. The UHB is meeting with Care Home providers and there is a commitment to continue to do so. The report was applauded as exceptional, particularly in terms of its depth, richness and comprehensive nature. There have been anecdotal reports of an increased cooperation between the acute and care sector. Also, with carers having been recognised as key workers, an increased interest in this sector as a career. There was an enquiry regarding whether there is any evidence of these locally. In response, Members heard that there is certainly a sense of pride among those working in the Care Home sector. Whilst there may be an increased interest in terms of careers, there must also be adequate support for these individuals, particularly younger people. It may be appropriate to consider whether Care Homes could be offered the opportunity to group together, in a similar fashion to GP practices, to share specific administrative functions, for example. The UHB has organised virtual meetings between Care Homes during the pandemic, and these have provided opportunities for support and interaction. Noting the challenges which have previously existed regarding community acquired infections, and their impact on the UHB's services, the 'Integrated Preventative Guidance for Infection Prevention and Control in Care Homes' was commended. This demonstrates an integrated approach to address a major issue, which was welcomed. Referencing the statement that 'the Risk Management and Escalation Policy and Processes could also be utilised for other social care service areas such as domiciliary care', it was queried whether this would include personal assistants and unpaid carers. In response, it was confirmed that this refers to any care provided in people's homes and in the community. Members were advised that the UHB had made a decision early on to extend the offer of testing to all unpaid carers, who can contact the Command Centre and enter the testing process. HDdUHB had been the first Health Board to make this offer. Miss Battle concluded discussions by thanking Ms Paterson, Mrs Rayani and their teams for their efforts, and stating that the new models for Care Home provision are eagerly anticipated.	
	The Board **RECEIVED** and **NOTED** the Care Home Preparedness – COVID-19 report.	

PM(20)80	**CALCULATING AND MAINTAINING THE NURSE STAFFING LEVELS DURING THE COVID-19 PANDEMIC**	
	Mrs Rayani outlined the Calculating and Maintaining the Nurse Staffing Levels during the COVID-19 Pandemic report, advising that she had felt it important to provide an additional explanation of the work undertaken in this area. As there is currently no guidance around the staffing of repurposed COVID-19 wards, the UHB has utilised the standard Nurse Staffing Levels (Wales) Act guidance as a basis. Consideration has also been given to the staffing of Critical Care Units and Field Hospitals. Mrs	

	Rayani emphasised that assessments have always been based on the needs of the individual patient cohorts, and where a specific need has been identified, the UHB has responded to this. Members were assured that the UHB has considered the contents of the Chief Nursing Officer's letter, and has also considered various mitigations, including the use of new roles, etc. On this theme, Mrs Rayani thanked Mrs Lisa Gostling and her team for their support, emphasising that the contribution of Health Care Support Workers and apprentices has been critical in expanding the workforce and providing patient liaison. Miss Battle welcomed the report, and was particularly pleased that the organisation had been able to recruit so many local people.	
	The Board was **ASSURED** that the requirements of the Nurse Staffing Levels (Wales) Act – together with the further advice contained in the CNO letter issued on March 24th 2020 – are being reflected in the approach being taken by the Health Board in planning the nurse staffing levels for all key nursing services during the COVID-19 pandemic.	

PM(20)81	**FINANCIAL GOVERNANCE AND VALUE FOR MONEY CONSIDERATIONS – COVID-19**	
	Mr Huw Thomas introduced the Financial Governance and Value for Money Considerations – COVID-19 report, echoing other Board Members' expressions of gratitude for the efforts of all staff in dealing with COVID-19. It was noted, however, that the response to the pandemic comes at some considerable financial cost to the organisation. A number of resources and facilities had been put in place at pace, for example Field Hospitals and additional workforce, the latter at a cost of £10.8m. Whilst these decisions had not been subject to the usual governance processes, they had all been scrutinised by Gold Command, Finance Committee and ARAC. Mr Thomas was now seeking retrospective Board approval. Members were assured that staff have been reminded that the UHB's Scheme of Delegation remains extant and will be followed going forward. During discussion, there was only one query – whether the £10.8m is net, after off-setting any funding from unfilled vacancies and reduced agency use. Mr Thomas advised that the figure is gross and does not include any off-setting of savings or WG funding, if received.	
	The Board: • **NOTED** the work undertaken to ensure expenditure incurred has been regularised within the organisation's scheme of delegation; • **NOTED** the expenditure based on the scrutiny provided by the Finance Committee on the approval made by Gold Command Group; • **APPROVED** the expenditure based on the scrutiny provided by the Finance Committee on the approval made by Gold Command Group.	

PM(20)82	**REPORT OF THE QUALITY, SAFETY & EXPERIENCE ASSURANCE COMMITTEE**	
	Ms Anna Lewis, QSEAC Chair, outlined the update reports from meetings in April and May 2020, reminding Members that the first of these was a full QSEAC meeting and the second a COVID-19 focused meeting. Ms Lewis and Mrs Rayani were also meeting on a fortnightly basis to discuss quality and safety issues.	

	The Board **NOTED** the QSEAC update report, **ACKNOWLEDGED** the key risks, issues and matters of concern together with actions being taken to address these and **APPROVED** the revised QSEAC Terms of Reference.	

PM(20)83	**ANNUAL QUALITY STATEMENT**	
	Mrs Rayani presented the Annual Quality Statement (AQS) 2019-20, thanking Ms Cathie Steele and the team for their work preparing the AQS. The COVID-19 pandemic had presented challenges in terms of the routine engagement which would normally have been undertaken in regards to the AQS. Mrs Rayani hoped that changes made to the format have improved the document's accessibility, and was anticipating further improvements next year. Mr Newman advised that the AQS has been evaluated by Internal Audit, and had received a Substantial Assurance rating, which should be recognised as a considerable achievement. There had been only one recommendation from the Internal Audit; that the document be translated into Welsh, and a Welsh version has been provided as part of today's Board papers. Miss Battle thanked Mrs Rayani and her team for their efforts in producing this excellent document.	
	The Board **ENDORSED** the University Health Board's Annual Quality Statement for 2019/20 for publication; noting the process for development and approval of the report, including consideration of the draft report by QSEAC, on behalf of the Board.	

PM(20)84	**NURSE STAFFING LEVELS (WALES) ACT ANNUAL REPORT 2019-20**	
	Mrs Rayani introduced the Nurse Staffing Levels (Wales) Act Annual Report 2019-20, advising that the format in which this is presented is prescribed. The report contains a narrative providing further detail on the shift-by-shift basis of decision-making. There had been an assumption that the COVID-19 pandemic would impact negatively on implementation of the new system used to capture Nurse Staffing Levels data. However, the UHB has been informed that the original timescale of July 2020 is likely. Considerable thought had been given to the inclusion of figures less than 5 in tables forming part of the report, as such information would usually be redacted. However, it is not possible to identify patients from this data. The data had, though, identified a specific issue requiring discussions with one ward, which will be conducted next week. Members were assured that the nursing team does take action on such issues when required.	
	The Board: • **NOTED** the content of the Nurse Staffing levels (Wales) Annual Assurance Report for 2019/20; • **NOTED** the plan that QSEAC receives regular updates/assurance reports during 2020/21 which will contain more detailed data analysis, which aims to understand the impact on care quality as a result of changes made to/maintaining (or otherwise) the planned nurse staffing levels.	

PM(20)85	**REPORT OF THE PEOPLE, PLANNING & PERFORMANCE ASSURANCE COMMITTEE**	

	Professor Gammon, People, Planning & Performance Assurance Committee (PPPAC) Chair, outlined the PPPAC update report, highlighting that this was from an extraordinary meeting. Members were reminded that PPPAC had previously been stood down in governance arrangements approved by Board in April 2020. It has, however, been recommended that meetings be re-established from June 2020 onwards. Professor Gammon drew Members' attention to Appendix 1, which details the questions raised at the extraordinary meeting on 7th May 2020, together with responses. This report is intended to offer Board assurance that these questions, along with any outstanding issues from the fora which PPPAC replaced, will be addressed. Miss Battle welcomed this assurance, and was content that PPPAC be re-established on the proposed basis.	
	The Board **NOTED** the PPPAC update report, **ACKNOWLEDGED** the key risks, issues and matters of concern together with actions being taken to address these and **AGREED** to re-establish PPPAC meetings from June 2020 onwards, with limited Executive Membership.	

PM(20)86	**PERFORMANCE UPDATE – MONTH 1 2020/21**	
	Mr Moore presented the Performance Update for Month 1 of 2020/21, noting that performance reviews by WG have been significantly curtailed due to the impact of COVID-19. During discussion of the report, the following points were raised: Whilst national reporting has been limited to 5 priority areas, there are a number of concerns relating to these areas. For example, in Stroke care, the impact/consequence of non-urgent Outpatients and surgical procedures being postponed. Also, Referral to Treatment (RTT) and diagnostic waits. A report to PPPAC was requested, around how the UHB is managing COVID-19's impact on performance, in order to provide assurance to the Board. Members were assured that the UHB's Executive Team share these concerns. In the plans for Quarters 2 and 3 it is intended to consider how the organisation can begin to expand its services. It should be recognised, however, that capacity will be affected by the requirements for increased PPE, etc, together with the public's willingness to comply with new protocols such as self-isolating in preparation for surgical procedures. Weekly Watchtower meetings have continued and the UHB is expediting patients and clinical work as quickly as it can, whilst ensuring that the necessary safety measures are met. One positive consequence of COVID-19 is that the UHB is now within the WG target for C.difficile, E.coli and S.aureus. Meetings of the Infection Control Steering Group recommenced in April; it is hoped that this improvement in performance will be maintained. Members heard that the organisation has seen a consistent increase in non COVID-19 activity across Unscheduled Care. Health Boards have been recommended to maintain bed occupancy levels of 80% for acute beds and 70% for Critical Care beds, in order to cope with further peaks/ outbreaks of COVID-19. HDdUHB may look to utilise beds in the Field Hospital at Carmarthenshire Leisure Centre to maintain patient flow and the required bed occupancy levels. In response to a query regarding local interaction with the military, Members heard that the Army has been involved in a great deal of work with HDdUHB, mainly in relation to	**KM/AC**

	the Field Hospitals and mobile testing. There is one military mobile testing unit locally, which is currently supporting Care Home testing alongside UHB staff. The Army can also provide testing capacity at the Carmarthen Showground, or on an ad hoc basis. The contribution of the Army to date has been extremely helpful, and is likely to increase as testing rates increase. Their input in terms of planning and logistics for the Field Hospitals has been an invaluable resource. Consideration will also be needed in terms of planning how these facilities are handed back once they are no longer needed. The Army's involvement had started in the Command Centre, where they had proved extremely helpful, flexible and willing. Their expertise in issues such as Post Traumatic Stress Disorder (PTSD) may also be required, in time. Referencing the non COVID-19 section of the report, and uptake of the MMR vaccine specifically, an update was requested, if available. In response, Members noted that a report had been issued on 27th May, and figures for January to March 2020 would be provided. Noting the statement around exceptional demand for substance abuse services, it was queried whether this demand was pre-existing or as a result of restrictions applied due to COVID-19. Further, whether there has been an increase in attendance at A&E or ambulance call-outs as a result of substance abuse. Finally, what the UHB's response is to this issue. In reply, Members heard that there is a mixed picture across the three counties, although there is quite significant media coverage and anecdotal evidence around this issue. A Substance Misuse COVID-19 Contingency Planning Group has been established, which meets on a fortnightly basis to provide the flexibility required. A media campaign has been implemented, with a single source of support/contact. There has been a rise in referrals to Tier 2 services. Reports thus far suggest that they are managing demand. All services are participating/engaging in a multi-agency response, including Local Authorities and police. Currently, demand is being supported/managed by existing services. The situation is and will continue to be monitored, to assess whether demand increases and more resources are required going forward. There are processes in place to support those with substance abuse issues developed either prior to or since COVID-19. Referrals have remained fairly consistent. The service is available, the only issue is whether people access it. The UHB is publishing regular communications regarding this and other matters. In response to a query regarding the current number of patients medically fit for discharge, Members heard that the figure had been 231 at the beginning of March 2020, and 90 on 27th May 2020. There had been a significant effort by the UHB and its partners to discharge patients from hospitals, and a number of changes to discharge pathways had been made as a result. Whilst a slight increase was being seen, this is not a cause for concern as yet. Patient numbers in Community Hospitals are, however, almost at capacity and the UHB will need to monitor this situation closely. In addition, the Care Home sector is not at the place it was pre COVID-19. The learning that hospital is not necessarily the best place to be for certain patients needs to be emphasised and taken forward.	**RJ**

	The Board **DISCUSSED** the revised report format in light of the current COVID-19 pandemic requirements and **CONSIDERED** issues arising from its content, or format changes required going forward.	

PM(20)87	**REPORT OF THE FINANCE COMMITTEE**	
	Mr Michael Hearty, Finance Committee Chair, outlined the update reports from meetings in March and April 2020, adding that the Committee had also met on 26th May 2020. Members heard that the Finance Committee is beginning to look ahead to 2021, and Mr Hearty counselled that achieving financial targets will be extremely challenging.	
	The Board **NOTED** the Finance Committee update report and **ACKNOWLEDGED** the key risks, issues and matters of concern together with actions being taken to address these.	

PM(20)88	**FINANCIAL REPORT – MONTH 1 2020/21**	
	Mr Thomas introduced the Financial Report for Month 1 of 2020/21, reminding Members that the UHB's agreed Financial Plan is to deliver a deficit of £25m, after savings of £34.2m. However, as a result of the COVID-19 pandemic and resultant expenditure, the Month 1 variance to breakeven is £6.3m. The additionality of costs incurred in Month 1 due to COVID-19 is £6.7m, off-set by underspends of £2.5m. COVID-19 will clearly have a significant impact on the organisation's finances. The UHB does not yet have confirmation of the resource envelope allocated by WG this year. Mr Thomas' concerns regarding the UHB's underlying financial deficit remain, and are further exacerbated by the impact of COVID-19 on the organisation's ability to address this issue.	
	The Board **DISCUSSED** and **NOTED** the financial position for Month 1.	

PM(20)89	**REPORT OF THE HEALTH & SAFETY ASSURANCE COMMITTEE**	
	Mrs Judith Hardisty, Health & Safety Assurance Committee (H&SAC) Chair, outlined the H&SAC update report, explaining that this was from the Committee's inaugural meeting. The main purpose of the meeting had been to address the July 2020 deadline for compliance with the notices served against the UHB by the Health & Safety Executive (HSE). Highlighting the key risks and issues/matters of concern, Mrs Hardisty indicated that the Committee had not received sufficient information to provide assurance to Board in this regard. An extraordinary meeting to receive a further update has been scheduled for June 2020. An update around Fire Safety Management had been provided; however, this also had not included sufficient detail to provide assurance to Board and a further update would be presented to the June meeting. It is hoped that it will be possible to provide assurance to Board following this meeting. Mrs Hardisty emphasised that there have been clear statements around the requirements for and workings of this Committee going forward.	
	The Board **NOTED** the Health & Safety Assurance Committee update report and **ACKNOWLEDGED** the key risks, issues and matters of concern together with actions being taken to address these.	

PM(20)90	**COMMITTEE UPDATE REPORTS: BOARD LEVEL COMMITTEES**	
	Mrs Wilson presented the Board Level Committees update report, drawing Members' attention to those matters requiring consideration or	

approval by the Board and the areas of concern and risk which had been raised by the Committees.

Cllr. Simon Hancock drew Members' attention to the Charitable Funds Committee (CFC) meeting held on 17th March 2020, at which a number of issues had been discussed, including approval of the Hywel Dda Health Charities 3 Year Plan. Several significant decisions had been made in respect of investing in staff health and wellbeing. There had also been discussion around increased investment in the fundraising function of the charity. Cllr. Hancock advised that decisions on expenditure of some funding allocated from NHS Charities has been made via Chair's Action. Ms Sarah Jennings explained that the NHS Charities Together funding has, to date, been allocated in two batches. The first of these (£35k) is intended to benefit the well-being of staff and patients impacted by COVID-19. These monies have been spent predominantly on care kits/welfare kits, as members of the general public have already kindly provided many of the other items which might have been purchased. The second batch of funding (£70k) will be offered via a small grants scheme, with 220 staff areas having already requested financial support of up to £500. Examples include supplies for staff restrooms/rest areas, providing staff changing facilities and improvements to patient hydration. In addition, the Hywel Dda COVID-19 Fundraising Appeal currently sits at in excess of £88k. This will be used to support existing staff funding requests, with additional bids to be sought if necessary. Staff needs will also be supported by Charitable Funds going forward. Ms Jennings advised that two more tranches of funding are due from NHS Charities. Utilisation of these funds will be discussed at meetings of the CFC and/or Corporate Trustee. Mrs Lisa Gostling advised that the UHB are committed to engaging with its workforce to establish what changes/purchases would make a difference to them in their working lives. The Organisation Development team will be undertaking an engagement process across the entire workforce and are keen to hear every voice; recognising that priorities will be different for different groups. It is also recognised that there is a significant non-hospital based workforce. As part of this exercise, there will need to be clarity around those items the UHB can utilise charity funding for, those items it cannot utilise charity funding for (and would therefore require funding from existing budgets) and those items which would require external funding. During discussion, the following comments were made:

- The CFC report and addendum was welcomed, with the importance of transparency in regards to the spending of charitable donations emphasised;
- The acknowledgement of the non-hospital based workforce and commitment to consult these staff was also welcomed;
- In response to a query regarding where enquiries from specific businesses/industries wishing to offer goods and/or services should be directed, it was suggested that they be requested to contact the COVID-19 enquiries helpdesk via telephone 0300 303 8322 or email COVIDenquiries.hdd@wales.nhs.uk in the first instance;
- Such offers of help have not generally been received prior to COVID-19, and the organisation needs to consider how it manages these, perhaps via the Transformation Steering Group. Forbearance is requested whilst this takes place;

	• The report's reflection of how local people wish to help and contribute was welcomed, although it was noted that there was no mention of the practical gifts made, for example via the Amazon Wish List. Members were advised that this facility and its contribution had been acknowledged within the Improving Patient Experience report; • The report presented in this section of the agenda was specifically in relation to grant money; it has been suggested, however, that more extensive reports be provided on an ongoing basis; Miss Battle concluded discussions by thanking everyone who has contributed donations for their incredible generosity. The Board is committed to involving staff in deciding how the funds will be spent and in keeping the public informed. The governance in relation to the expenditure of COVID-19 charitable donations will be considered.	**SJ** **JW/SJ**
	The Board **ENDORSED** the updates and **RECOGNISED** matters requiring Board level consideration or approval and the key risks and issues/matters of concern identified, in respect of work undertaken on behalf of the Board at recent Committee meetings.	

PM(20)91	**COMMITTEE UPDATE REPORTS: IN-COMMITTEE BOARD**	
	The Board **RECEIVED** the update report of the In-Committee Board meeting and **RATIFIED** the following decisions: • A Healthier Mid and West Wales - Capital Update – to approve the recommendations and cost assumptions within the Healthier Mid and West Wales – Capital Update report. • Hywel Dda Health Charities Three Year Plan 2020/2023 – to approve the Hywel Dda Health Charities Three Year Plan and budget 2020/2023.	

PM(20)92	**STATUTORY PARTNERSHIPS UPDATE**	
	Ms Jennings introduced the Statutory Partnerships Update report, noting that there are two elements to this: ➢ The Public Services Boards (PSBs) had each held virtual meetings, the Hywel Dda region was already in a position of strength in terms of relationships with local partners; ➢ The Regional Partnership Board Integrated Executive Group had developed a COVID-19 focus. Ground-breaking work had been undertaken around PPE, Care Homes, testing and workforce. Discussions are ongoing to ensure that this work continues following the pandemic. Members were reminded that Integrated Care Fund and Transformation Fund monies had been diverted to support COVID-19 measures. It was emphasised, however, that some of the measures implemented using this funding were planned changes, albeit introduced at pace due to COVID-19. Resources had, therefore been utilised appropriately.	

	The Board: • **NOTED** the progress updates for each PSB, and the key areas of discussion highlighted in the report; • **NOTED** the links to the PSB and RPB websites where the agenda and minutes of recent meetings can be accessed; • **NOTED** that Welsh Government have written to PSBs to inform them that there will be no future funding of PSBs going forward; • **NOTED** the significant progress update on the work of the RPB highlighted in the report in response to COVID-19; • **NOTED** the diversion of funding from ICF (Revenue and Capital) and Transformation Fund to COVID-19 specific schemes; • **AGREED** the continuation of the Health and Social Care Leadership group, in line with previously agreed governance arrangements.	

PM(20)93	**BOARD ANNUAL WORKPLAN**	
	The Board **NOTED** the Board Annual Workplan, recognising that this will change to meet the needs and impact of COVID-19.	

PM(20)94	**ETHICS – NATIONAL PRINCIPLES**	
	Dr Kloer presented two national guidance documents relating to ethical considerations during the COVID-19 pandemic. These are being used to guide discussions at the UHB's Ethics Panel. Members heard that the UHB is about to issue guidance to clinicians around Critical Care bed issues. Miss Battle stated that the Ethics Panel would welcome any questions.	
	The Board **NOTED** the national ethics guidance documents.	

PM(20)95	**ANY OTHER BUSINESS**	
	Miss Battle suggested that the scope of agenda and discussions at today's meeting demonstrate the level of work being undertaken. On behalf of the Board, the Chair thanked the Governance team and IT team for their efforts in facilitating today's virtual meeting, the Command structure and in ensuring that HDdUHB is able to provide a record of the meeting to its public.	

PM(20)96	**DATE AND TIME OF NEXT MEETING**	
	1.00pm, Tuesday 23rd June 2020, Boardroom, Ystwyth Building, St David's Park, Carmarthen SA31 3BB 10.00am, Thursday 30th July 2020, Boardroom, Ystwyth Building, St David's Park, Carmarthen SA31 3BB	

TABLE OF ACTIONS FROM
HEALTH BOARD MEETING IN PUBLIC
HELD ON 28TH MAY 2020

MINUTE REFERENCE	ACTION	LEAD	TIMESCALE	PROGRESS
PM(20)76	**IMPROVING PATIENT EXPERIENCE REPORT:** • To include in future reports a summary of concerns/comments and actions taken to address these; • To pass on the Board's thanks to the team for their continuing efforts.	MR MR	July 2020 June 2020	To be incorporated into report for 30th July 2020 Public Board. Completed.
PM(20)77	**HEALTH & CARE STANDARDS FUNDAMENTALS OF CARE AUDIT 2019:** • To examine and discuss the report at QSEAC.	MR	July 2020	Forward planned for 7th July 2020 QSEAC meeting.
PM(20)78	**RESPONDING TO THE COVID-19 PANDEMIC: UPDATE, REVIEW AND RATIFICATION OF DECISIONS MADE SINCE 16TH APRIL 2020:** • To present a report from the Transformation Steering Group to the next Public Board; • To consider an appropriate timeline to prepare a report on Paediatric services, which covers the requisite information to the standard required;	SM AC	July 2020 June 2020	Forward planned for 30th July 2020 Public Board. Meeting planned for 15th June 2020, to identify a timeframe in which a plan can be prepared. A verbal update can be provided at the Board meeting.

MINUTE REFERENCE	ACTION	LEAD	TIMESCALE	PROGRESS
	• To provide more detail on the one GP practice which had declined to use the 'Attend Anywhere' system;	JP	June 2020	Completed. Attached as Appendix 1.
	• To share with the CHC the helpline number for concerned cancer patients;	AC	June 2020	Completed.
	• To share with the CHC an up to date list/database of UHB services and how to access them;	AC/JP	June 2020	In progress.
	• To share with Professor John Gammon the Cancer Services Escalation Plan;	AC	June 2020	Completed.
	• For the Chair to discuss with the Chair of QSEAC how the topic of Cancer services should be considered and monitored;	MB/AL	June 2020	A detailed paper on cancer services will be discussed at the QSEAC meeting to be held on 16th June 2020.
	• To provide usage figures for the helpline for concerned cancer patients;	AC	June 2020	There were 881 contacts up to 28th May 2020. A more detailed response can be provided to share with IMs.
	• To refer to QSEAC for assurance/ ratification the decision to mandate higher levels of PPE.	MR	July 2020	Forward planned for 7th July 2020 QSEAC meeting.
PM(20)86	**PERFORMANCE UPDATE – MONTH 1 2020/21:**			
	• To provide a report to PPPAC around how the UHB is managing COVID-19's impact on performance;	KM/AC	June 2020	Forward planned for 30th June 2020 PPPAC meeting.
	• To provide MMR vaccine uptake figures for January to March 2020.	RJ	June 2020	Completed. The latest COVER data for childhood immunisations regarding those two measures is: Uptake of 6 in 1 by 1st birthday: ○ Hywel Dda UHB 95.5 % ○ Carmarthenshire 95.8 % ○ Ceredigion 97.2 % ○ Pembrokeshire 94.2 %

MINUTE REFERENCE	ACTION	LEAD	TIMESCALE	PROGRESS
				Uptake of 2 doses MMR by 5th birthday: ○ Hywel Dda 90.0 % ○ Carmarthenshire 92.3 % ○ Ceredigion 93.2 % ○ Pembrokeshire 85.0%
PM(20)90	**COMMITTEE UPDATE REPORTS: BOARD LEVEL COMMITTEES:** • To provide more extensive reports on an ongoing basis;	SJ	June 2020	Meeting planned between Chair, Director of Partnerships & Corporate Services and Board Secretary to discuss CFC governance. Plans to introduce more extensive reports regarding the use of donations/charitable funds, and the format of these reports, will be discussed at this time.
	• To consider the governance in relation to the expenditure of COVID-19 charitable donations.	JW/SJ	June 2020	Trustee meeting scheduled to be held on 23rd June 2020.

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

eConsult

Progress Report
April 2020

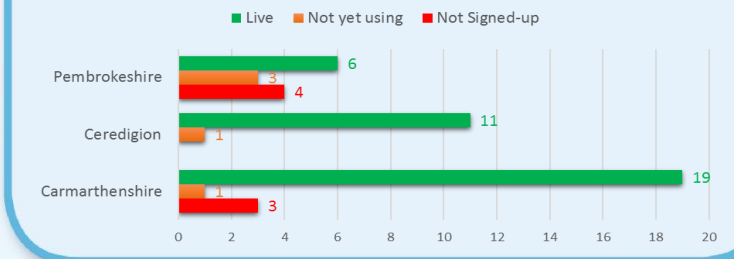
1 What is eConsult?

eConsult is an online consultation service that links patients to their own GP and allows them to submit consultation requests to their practice. It also allows patients to access self-care, pharmacy, local self-referral service and appropriate signposting, without having to switch to a digital provider or register for additional services i.e. it is embedded within the practices existing website.

The eConsult project has been financed through Pacesetter. It was first piloted by a few practices in North Ceredigion in late 2019, and was subsequently offered to all practices in early 2020 (prior to COVID-19), fully funded by Hywel Dda for the first year.

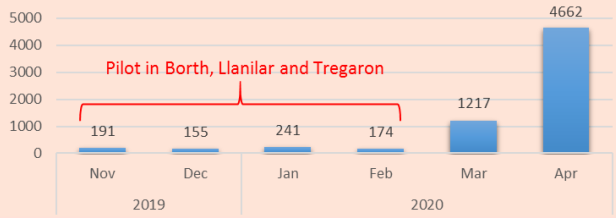
2 How many practices use eConsult?

36 (75% of) practices are using eConsult across Hywel Dda. A further 5 (10%) intend to use eConsult in the near future. 7 practices (4 in Pembrokeshire and 3 in Carmarthenshire) did not wish to participate.



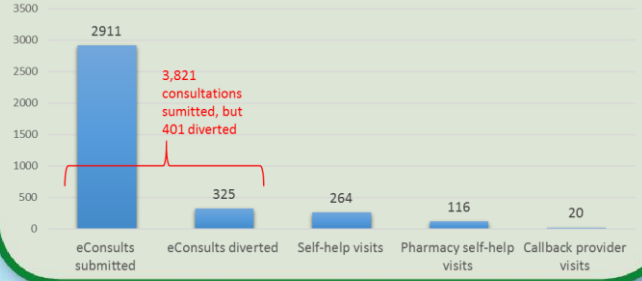
3 How many visits has there been to eConsult?

During the pilot phase (Nov 2019 – Feb 2020) 761 patients visited the eConsult platform. This increased to 1,217 patients in March and to 4,662 in April. As patient awareness of eConsult increases we expect this position to improve further.



4 What activity resulted from those visits?

As at the end of April 3,236 patients submitted an online consultation. However, 325 of these were diverted to another service. 264 patients sought online self-help and 116 sought pharmacy self-help. 20 patients requested a call back.



5 How many consultations were submitted?

Of the 2,911 online consultations that were submitted to the relevant practice (i.e. not diverted). 34% of queries were of an administrative nature, 22% were seeking general advice and the remaining 44% were related to a specific concern (e.g. Earache, back pain etc.).

82% of online consultations are submitted during core hours (8am to 6pm).

67% of online consultations are submitted for females.

By the end of June we will be in a positon to report in more detail and to identify specific concerns and trends.

6 How have patients responded?

232 patients have completed a survey. Of these:

- 88% of patient said they were contacted in the stated time.
- 89% of patients said they were either extremely likely or likely to recommend eConsult to friends and family.
- If eConsult had not been available 80% of patients said they would have requested either an appointment or telephone conversation with either their GP or Practice Nurse.
- Many patients suggested COVID-19 as a reason for contacting their practice via eConsult.

7 What next?

We will work with the 5 practices who are not yet live and to support them to do so.

Many practices have only been operational through part of April, and we need to monitor usage over the coming months and share this with clusters.

There is useful data available relating to conditions and again, as usage increases this will be helpful for clusters to understand the changing needs of their patients and their communities.

We will also contact clinicians and practice staff for their feedback.

For further information please contact Julia Chambers

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	23 June 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Audit and Risk Assurance Committee Annual Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Paul Newman, Chair, Audit & Risk Assurance Committee
SWYDDOG ADRODD: REPORTING OFFICER:	Paul Newman, Chair, Audit & Risk Assurance Committee

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

The purpose of the paper is to present the Audit and Risk Assurance Committee (ARAC) Annual Report to the Board. The attached report provides assurances in respect of the work that has been undertaken by the ARAC in the 2019/20 financial year and provides information relating to the continued development of the role of the committee and its members.

The attached report supports the compilation of the Annual Governance Statement and sets out how the ARAC has met its Terms of Reference, and has been compiled by the Chair of the ARAC with support from the Board Secretary. The ARAC Annual Report was reviewed, discussed and agreed ARAC at its meeting on 5 May 2020.

Cefndir / Background

The ARAC has a broad role within the Health Board, encompassing a focus on the key purpose of the organisation to deliver safe and effective services and to meet the broad range of stakeholder needs, matters relating to internal financial control, maintenance of proper accounting records and the reliability of financial information. The Committee's primary role is therefore to scrutinise and comment upon the adequacy and effective operation of the organisation's overall internal control system. In addition, the Committee provides a form of independent check upon the executive arm of the Health Board.

The Committee, through its in-year reporting, has regularly kept the Board informed about the results of its reviews of assurances together with any exceptional issues that arose. In accordance with the NHS Wales Audit Committee guidance and generally accepted standards of good practice, the ARAC is required to issue an Annual Report of the Committee Chair, constituting a formal report of the matters that have been considered by the Committee.

The report provides the Board and the Accountable Officer with assurance in respect of the adequacy and effectiveness of the UHB's procedures and systems in maintaining a sound system of internal control and the conclusions drawn for the 2019/20 financial year. This is to include assurance about the rigour of the processes and the quality of the data which lie behind the statements and provide its own assurance about the reliability of the disclosures when they are submitted to the Board for approval.

Asesiad / Assessment

Please see the attached ARAC Annual Report.

Argymhelliad / Recommendation

The Board is requested to endorse the Audit & Risk Assurance Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable.
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	ARAC Agenda & Papers
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Audit & Risk Assurance Committee

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of financial control enacts robust financial control, safeguards public funds and the Health Board's assets and resources. Robust governance arrangements underpinning financial management contribute towards internal control and value for money being achieved.
Ansawdd / Gofal Claf: Quality / Patient Care:	If applicable, included within the report.

Gweithlu: **Workforce:**	If applicable, included within the report.
Risg: **Risk:**	A sound system of internal control ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed.
Cyfreithiol: **Legal:**	If applicable, included within the report.
Enw Da: **Reputational:**	If applicable, included within the report.
Gyfrinachedd: **Privacy:**	Not applicable
Cydraddoldeb: **Equality:**	Not applicable

AUDIT AND RISK ASSURANCE COMMITTEE

ANNUAL REPORT

2019-20

Table of Contents

1 Introduction

1.1 The Audit and Risk Assurance Committee (ARAC) was established under Board delegation with approved Terms of Reference and Operating Arrangements that are aligned to the NHS Wales Audit Committee Handbook, published by the Welsh Government (WG). The Committee is an Independent Committee of the Board and has no Executive powers other than those specifically delegated in the Terms of Reference.

1.2 The Committee, through its in-year reporting, has regularly kept the Board informed regarding the results of its reviews of assurances, together with any exceptional issues that arose. In accordance with the NHS Wales Audit Committee Handbook guidance and generally accepted standards of good practice, the Committee is required to issue an Annual Report, constituting a formal report of the matters that it has considered during the year. The purpose of this report therefore is to provide the Board and the Accountable Officer with assurance in respect of the adequacy and effectiveness of the University Health Board's (UHB) procedures and systems in maintaining a sound system of internal control, and the conclusions drawn for the 2019/20 financial year. This report supports the compilation of the Accountability Report and sets out how the Committee has met its Terms of Reference.

2 Role and Purpose

2.1 The Committee supports the Board by critically reviewing governance and assurance processes on which the Board places reliance. The primary role of the Committee is therefore to ensure the system of assurance is valid and suitable for the Board's requirements; as such it will review whether:

- Processes to seek and provide assurance are robust and relevant;
- The controls in place are sound and complete;
- Assurances are reliable and of good quality; and
- Assurances are based on reliable, accurate and timely information and data.

The Committee provides a key source of assurance to the Board, ensuring that the organisation has effective controls in place to manage the significant risks to achieving its objectives and that controls are operating effectively. The Committee's principal duties have consistently included *"reviewing the establishment and maintenance of an effective system of good governance, risk management and internal control across the whole of the organisation's activities, both clinical and non-clinical"*. Integral to this is the Committee's focus upon seeking assurance that the organisation has an effective framework of internal control to address principal risks and that the effectiveness of the framework is regularly reviewed.

2.2 During the year, the Committee has supported the Board by seeking and providing assurance that controls are in place and are working as designed, and by challenging poor sources of assurance. The Committee has a relatively broad role, encompassing scrutiny of, and comment upon, the adequacy and effectiveness of the UHB's overall governance, risk management and internal control, covering both clinical and non-clinical areas. This also includes reviewing the Accountability Report before it is submitted to the Board for approval.

2.3 The Committee discharges this duty by fulfilling its responsibilities as outlined in its Terms of Reference. In performing its duties, the Committee works to an approved work plan, based on scheduled agenda topics, together with a range of specific issues, which are subject to review. It is supported by the activities of Audit Wales (AW), known as the Wales Audit Office prior to 1 April 2020, as the External Auditor; NHS Wales Shared Services Partnership (NWSSP): Audit and Assurance – Internal Audit (IA) and Specialist Services Unit (SSU), and Local Counter Fraud Specialists.

2.4 In discharging these responsibilities, the Committee is required to review:

- Internal financial control matters, such as safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information;
- Adequacy of disclosure statements (Accountability Report including the Annual Governance Statement, Annual Quality Statement, Performance Report, and Annual Report), which are supported by the opinion of the Head of IA, the AW Annual Audit Report and other opinions;
- The adequacy of relevant policies, legality issues and the Codes of Conduct;
- The policies and procedures relating to fraud and corruption;
- The system for risk management, to ensure this is robust in identifying and mitigating risks, enabling the Audit and Risk Assurance Committee to provide the Board with assurance that the risks impacting on the delivery of the UHB's objectives are being appropriately managed.

2.5 As a consequence of the scrutiny described above, a number of outcomes from the work of the Committee during the year have resulted in escalation of certain matters to the Board, and in these cases, the Committee has made recommendations and undertaken further actions in order to seek and provide assurance to Board that issues of concern have been addressed where possible, thus supporting the UHB's governance and assurance systems. These have included:

2.5.1 Continuing concern regarding non-compliance with the European Working Time Directive (EWTD) among switchboard lone-workers. Committee Members registered concern regarding a lack of clarity relating to both the short-term actions being taken to address issues (originally identified within the IM&T Directorate report) and timescales for resolution. Following the installation of the new switchboard system within the UHB, the Committee Chair sought confirmation that the introduction of the system would resolve these issues, it was noted this was now resolved.

2.5.2 Concerns were raised by the Committee regarding the outcomes from the WAO Clinical Coding Review, notably unsatisfactory findings relating to staff morale, clinical engagement and a lack of clarity around ownership. The Committee requested further updates (noting that the position would also be monitored by the Business, Planning and Performance Assurance Committee (BPPAC)), and sought assurance that the issues would be highlighted to the Executive Team. In light of concerns regarding the quality of medical records, and the resulting impact upon clinical coding, the

Committee agreed that it should continue to monitor both issues, with a further update scheduled for its meeting to be held 21st April 2020.

2.5.3 In considering the updated management response to the IA National Standards for Cleaning Follow-up report, the Committee noted statements regarding lack of capital and infrastructure funding. Identifying potential implications for infection control should compliance with cleaning standards be compromised by funding restrictions, the Committee recommended that this concern be escalated to Board, and agreed that the management response would be revised and re-presented.

2.5.4 Due to the seriousness of the audit findings detailed in the IA Water Safety report, the Committee sought assurance that management actions arising from the report had been implemented in accordance with agreed timescales, and agreed the need for follow-up audits at different sites. Following receipt of a further report – 'Water Safety – Additional Sampling' (Limited Assurance) – and consideration of mitigating actions to address water safety risks, the Committee agreed that it would be helpful for the Executive Team to conduct a full review of the outstanding Estates/IT/Medical Equipment backlog across the UHB.

2.5.5 Concerns were raised by the Committee regarding progress relating to the WAO NHS Consultant Contract Follow-up Review. Projections of job-planning processes in place up to March 2020 were requested by the Committee, with a further update scheduled for its meeting to be held in April 2020, where it was recognised that progress had been made. In addition, IA also undertook a review of Consultant and Specialty and Associate Specialist (SAS) Doctors Job Planning, and noted significant weaknesses with the completion, annual review, quality and sign off of the job plans. Acknowledging that job planning represented a long-standing challenge for the UHB, and recognising time pressures linked to achievement of compliance targets (ie. ensuring all consultants and SAS doctors have a valid job plan in place by 31 March 2020), Members sought assurance that the delivery approach taken by the UHB was appropriate, and requested that the Management Action Plan for achievement of 100% compliance for each service area be circulated. Following a further update provided to the Committee at its meeting held on 25 February, Members expressed concern regarding the number of job plans yet to be completed, particularly electronically, and requested a further update be provided to the Committee in April 2020, to include data regarding variation across sites and steps being taken to introduce consistency.

2.5.6 The Committee expressed concern regarding error rates in Post Payment Verification (PPV), particularly in those GP practices, which had received additional training, revisits and support. A further update report was requested and presented to the Committee, leading to a recommendation by Members that PPV issues be highlighted to Board, given the potential increase in funding allocation within Primary Care and Community sectors with the proposed 'shift left' of services. Members also agreed the need to consider how PPV is placed within a strategic context in order to provide assurance to ARAC and to the Board and sought further information through the Table of Actions.

2.5.7 Detail relating to staff numbers was requested by the Committee as a result of Members' concerns that the assurance ratings presented in the IA

'*Preparedness and Compliance with the Nurse Staffing Act'* report did not reflect the position across the whole organisation (while noting substantial work being undertaken within the UHB to implement the requirements of the Act). Recognising potential risks in terms of the UHB's ability to recruit sufficient numbers of temporary staff to enable compliance with the Act, the Committee requested that this area be re-audited. The Committee therefore recognised that this area is more suited for consideration by Quality, Safety and Experience Assurance Committee (QSEAC), and it was agreed that the original and additional sampling reports would be resubmitted to QSEAC in order to provide supplementary information for their discussions on the Nurse Staffing Levels Act.

2.5.8 The Committee has regularly monitored progress against the WAO and IA reviews of Operating Theatres throughout the year. While noting overall progress made in the implementation of IA recommendations, the Committee expressed increasing concern regarding the length of time taken to implement two outstanding recommendations. Following a further progress update requested by the Committee, and consideration given to related issues, Members agreed that the matter had now moved beyond the Committee's remit, and, due to the length of time, this issue has been ongoing, it would be escalated to Board, with a request that resolution be expedited through Board via directed action.

2.5.9 A Limited Assurance IA report '*Financial Safeguarding: Maintenance Team Led Work'* was presented to the Committee. The issues identified were considered against wider challenges in terms of the UHB's outstanding estate and maintenance work, noting the need to expedite maintenance work and revise processes. It was agreed that this matter would be escalated to Board, and that the Committee would continue to monitor progress.

2.5.10 A Radiology Update report was presented to the Committee, together with proposals to be submitted to the Executive Team and extended timescales for implementation. Members noted the ambition to establish a common system across the UHB, and requested further updates to assess progress. Developments have been monitored by the Committee via its Table of Actions, with the latest position was provided at the meeting on 25 February 2020.

2.5.11 The Committee agreed the need for increased focus by the UHB upon findings and actions identified in the WAO report: '*What's the Hold Up? Discharging Patients in Wales'*, particularly in view of the significant potential of discharge processes in improving patient experience. Members recommended that the matter be brought to the attention of the Board and referred to QSEAC, and requested that an update be brought to a future Committee meeting. Given further information, Members concluded that real change required effective interaction with other bodies to support a whole system/partnership approach, and that this should be highlighted to the Board.

2.5.12 Committee Members scrutinised reports detailing progress against outstanding improvement plans relating to the WAO Review of Estates 2016 and the IA Health and Safety 2016. In both cases, Members expressed concern that the reports failed to provide assurance that the outstanding recommendations would be implemented as planned. The Committee

requested that further updates be provided, outlining proposals relating to the Estates software system, and details of plans to address outstanding recommendations from the IA Health and Safety, these are scheduled during 2020/21.

2.5.13 In light of steps being taken by WG and NHS to strengthen Primary Care services and budget, and the expected 'shift left' in healthcare services, as described in the WAO Review of Primary Care Services in Wales and Local Update Report which was received by the Committee; Members recognised the need for increased focus upon Primary Care at both Committee and Board level, and recommended consideration of current and future reporting arrangements for this service area. Members subsequently noted the requirement for further updates to management's response to the review findings at the Committee meeting held 25th February 2020, these are scheduled during 2020/21.

2.5.14 The Committee received national and local WAO Integrated Care Fund (ICF) Reports. Members sought assurance that recommendations relating to governance would be implemented, and agreed that issues requiring consideration should be highlighted to the Board and included in the Committee work plan going forward.

2.5.15 Concern was expressed by the Committee with regard to the number of audit and regulatory reports not implemented by agreed dates, as identified in the UHB Central Audit Tracker report. It was agreed that the ARAC Chair would reiterate to the Executive Team the importance regarding late or non-delivery of recommendations from external/internal audit and regulatory reports.

2.5.16 Having received the Review of Personal Appraisal Development Review (PADR) Process (Limited Assurance) report, which identified issues of concern relating to training and compliance levels, and the quality of PADRs, the Committee suggested that this area be re-audited in 2020. This achieved a 'reasonable assurance' rating on its follow up review.

2.5.17 At its meeting held on 25 February 2020, the Committee discussed the findings from the IA Review of Research and Development (R&D) Governance, noting that a number of actions were already underway and that the department had recently been subject to an Organisational Change Process to address previous structural gaps, along with a number of identified concerns. While being assured that the R&D department is more robust in terms of structure, function and governance as a result of the change process undertaken, Members suggested that, in focusing upon the detail of the recommendations, wider consideration of how the UHB takes the R&D function forward had not been fully addressed, and it was therefore agreed that a report outlining the broader R&D position, including recent, current and planned changes was required. This report is scheduled for 2020/21.

2.5.18 A report detailing findings from an IA review of Bronglais General Hospital (BGH) Directorate Governance was considered by the Committee in its meeting held 25 February 2020. Members expressed concerns regarding the approach applied by BGH management to risk targets and tolerance, which does not conform to the Board-agreed framework, noting also that the IA report also identified issues which management should already have been aware of. Whilst acknowledging that BGH staff recognise that work is

required around risk management, in view of the concerns raised, it was agreed by the Committee that a follow-up audit will be conducted in the early part of 2020/21, and that the BGH management team will be required to attend ARAC irrespective of the rating.

2.6 Other items identified by the Committee as requiring Board attention included:

- The UHB's static performance in terms of meeting WG Response to Concerns times targets, as noted by the Committee in discussion of the Concerns Update report;

- Potential cost to the UHB associated with invocation of the share agreement applying to the Welsh Risk Pool;

- Findings from the IA Estates Directorate Governance Review, identifying a number of high priority recommendations and issues relating to sickness management, the need for meaningful PADRs and recording of risks on the risk register;

- Recognition of the progress and improvements made relating to Clinical Audit;

- Committee assurance regarding the adequacy of current arrangements and proposed steps to improve arrangements relating to declaring, registering and handling interests;

- Committee recommendation to Board of the revised version of the UHB's Standing Orders (SOs) and Standing Financial Instructions, including SOs for Welsh Health Specialised Services Committee (WHSSC) and Emergency Ambulance Services Committee (EASC);

- All documentation relating to the 2018/19 financial year end was approved by the Board at its meeting held 29th May 2019;

- Committee agreement (subject to Executive Team approval) that outstanding actions highlighted in the Scrutiny of Outstanding Improvement Plans: Royal College of Paediatrics & Child Health report should be included within the UHB's overall service development, to be monitored by ARAC, rather than being progressed as a discrete workstream.

- Implementation of all recommendations from the AW Structured Assessment 2017.

2.7 In enacting its responsibilities, the Committee is very clear on its role in seeking assurances, with the assurance function being defined as:

- Reviewing reliable sources of assurance and establishing satisfaction with courses of action;
- Forming an opinion, based upon analysis and evaluation of evidence gained from review, and supported by independent validation, both internal and external.

3 Committee Structure and Meetings

3.1 A key element of the Committee is that it comprises solely of Independent Members, providing a basis for it to operate independently of any decision-making process and to apply an objective approach in the conduct of its business.

3.2 Following a number of changes made in previous years, the membership of the Committee has remained largely unchanged, providing stability and expertise, and for 2019/20 was as follows:

NAME	ROLE	DATES
Paul Newman	Committee Chair	Full year
Mike Lewis	Committee Vice-Chair	Full year
Judith Hardisty	Committee Member	From 19 August 2019 (Resumed position as Health Board Vice-Chair)
Owen Burt	Committee Member	Full year
Simon Hancock	Committee Member	Full year
David Powell	Committee Member	To 30 November 2019
Maynard Davies	Committee Member	From 1 December 2019

3.3 During the financial year 2019/20, eight scheduled meetings of the Committee were convened, with two meetings held in May to review the draft and final Financial Statements and the Accountability Report for 2018/19. A high level of commitment from Committee Members has been demonstrated throughout the year, as recorded in the attendance of meetings held. All meetings were quorate.

3.4 Although invited to attend certain meetings to provide assurances and explanations to the Committee on specific issues, neither the Chair, Chief Executive Officer (CEO), nor any other Executive Director of the UHB, are members of the Committee. In particular, the CEO is invited annually to present the Accountability Report and, during the year, to provide reports from the UHB's bi-monthly 'Targeted Intervention' meetings with WG as part of its escalation arrangements.

3.5 Having a key role to play in establishing and maintaining a sound system of internal financial control, the Executive Director of Finance has been in attendance at all meetings. The Committee has also been supported on key matters by means of the attendance of the Board Secretary who is the Lead Officer for the Committee and who has been present at all meetings.

3.6 A review of the Committee's terms of reference and operating arrangements, approved by the Committee 25th February 2020 for onward ratification by Board on 26th March 2020 included the following amendment:

- Removal of Assistant Director of Financial Planning from the list of regular attendees.

3.7 The Committee also has regular attendance from representatives of:
- The Auditor General/Audit Wales;
- NWSSP Audit and Assurance Services (Internal Audit and Specialised Services Unit);
- NHS Counter Fraud Services.

4 Committee Work Programme 2019/20

4.1 The Committee reviewed and approved the audit strategies and plans for the auditors as listed below, and received audit reports produced in support of them during 2019/20:

- Audit Wales;
- NWSSP Audit and Assurance Services:
    - Internal Auditors;
    - Specialised Services Unit.

4.2 Acting upon the outcomes of effectiveness reviews is as important as undertaking them and it is essential that outcomes and associated actions are reported appropriately. Where reports received a less than 'Reasonable Assurance' audit rating, or where specific areas of concern were identified, the appropriate Executive Directors and Lead Officers were requested to attend Committee meetings. This process provided opportunities to discuss the reports more fully, and for the Committee to satisfy itself that the findings raised in the reports were being addressed, with recommendations implemented to address control weaknesses or compliance issues.

4.3 The Committee continues to receive progress updates directly as and when requested, as well referring reports to other Board Committees, such as QSEAC and BPPAC, to ensure the wider aspects or impacts of the report are fully understood.

4.4 Each of the Board level Committee Lead Executives are requested to attend the Committee on a cyclical basis, at least annually, to provide assurance that the Committee is fully discharging its duty and complying with the requirements of its Terms of Reference.

4.5 The Committee has continued to monitor the UHB's Audit Tracker, and scrutinising management responses to external and internal audit reports throughout 2019/20. As in previous years, following the introduction of the escalation process, Executive Directors and Lead Officers have been held to account for the pace of delivery, with detailed progress updates having been received at regular intervals.

4.6 The Committee is responsible for overseeing risk management processes across the organisation, with a particular focus on seeking assurance that effective systems are in place to manage risk, and that the UHB has an effective framework of internal controls that addresses principal risks. Effective risk management requires a reporting and review structure to ensure that risks are effectively identified and assessed and that appropriate controls are in place. The Committee is responsible for monitoring the assurance environment and challenging the build-up of assurance on the management of key risks across the year, ensuring that the Internal Audit Plan is reliable, and based on providing assurance that controls are in place, and reviewing the Internal Audit Plan in year in response to changes in risk profiles.

5 External Audit – Audit Wales

5.1 External Audit is provided by the Audit Wales (AW), formally known as the Wales Audit Office, with its work falling under the two broad headings of:

- Audit of financial statements, and providing an opinion thereon;
- Forming an assessment of the UHB's use of resources and performance.

5.2 The Committee received the AW 2020 Annual Audit Plan at its meeting held on 25 February 2020, setting out proposed WAO work to examine the UHB's financial statements, expenditure and measures to secure economy, efficiency and effectiveness in the use of resources. Areas to be tested have been selected, based upon identified financial risk specific to the UHB. Progress against the WAO Audit Plan is monitored via regular update reports presented to the Committee.

5.3 As presented in the Structured Assessment Report 2019 which was received at the meeting held on 25 February 2020, the overall conclusion from AW was that '*the UHB continues to strengthen governance and management arrangements. It has clear strategic direction and is developing the infrastructure to support delivery of strategic plans. There are improvements in performance but challenges in relation to finance and unscheduled care remain. Finally, oversight and scrutiny panels needs clarifying'*.

5.4 The Committee noted overall conclusions from AW, summarised as follows:

- The Health Board had set a clear strategic direction and was on track to develop its first three-year plan. Arrangements for monitoring delivery of the strategic plan have improved but reporting lines to the Board posed a risk of duplication.
- The Health Board had established robust arrangements to deliver its strategy, and recent changes were helping to simplify the operational structure. More needs to be done to engage staff in the change agenda and capacity in some corporate functions remains a challenge.
- The Health Board had strengthened financial management arrangements and improved performance overall, however a number of financial, service and quality challenges remained, and opportunities to extend performance management exist.
- Governance arrangements were generally sound with further improvements underway.

- The Health Board compared well against a number of workforce metrics, was putting new initiatives in place to develop the workforce and support staff well-being, and was increasing the focus at Board and Committee level.

Progress on implementation of the three recommendations issued will be monitored by the Committee throughout 2020/21, although pace of delivery may be affected by COVID-19 pandemic.

5.5 The Committee received the AW ISA 260 report and Letter of Representation at its meeting held 29 May 2019, setting out the results of the audit of UHB's financial statements. Members were informed that AW had received the required documents to the specified timescales, and had identified no uncorrected misstatements, and very few corrected misstatements, which, in the view of AW, reflected the quality of the UHB's data and processes and represented a significant achievement. The Committee was further informed that it was the Auditor General's intention to issue a qualified audit opinion on the financial statements. There were no significant issues arising from the audit and AW expressed no concerns about the qualitative aspects of the UHB's accounting practices and financial reporting. In conclusion, no significant difficulties had been encountered and there was nothing which needed to be reported or brought to the attention of the Board.

5.6 AW reported on the following performance work during 2019/20:

- Clinical Coding Follow Up Review 2019: this was a follow up to the April 2014 review, and AW concluded that coding continues to be a low priority for the Health Board and non-compliance with the completeness target is impacting on overall improvement in accuracy and staff morale. The use of coding data as business intelligence remains underdeveloped and there is still considerable room for progress against our previous recommendations. The Committee were concerned that only 4 of the original 15 recommendations had been implemented and escalated this to the Board (See 2.5.2. for further detail).
- ICF National Report – AW concluded that the fund has had a positive impact, supporting improved partnership working and better integrated health and social care services. However, aspects of the way the fund has been managed at national, regional and project levels have limited its potential to date. There is little evidence of successful projects yet being mainstreamed and funded as part of public bodies' core service delivery. Six recommendations were made to the WG and the Regional Partnership Boards.
- ICF West Wales Regional Partnership Board (RPB) – AW identified weaknesses in governance arrangements in the West Wales RPB. The Committee received an update report in February 2020. Members were informed that the need to develop ICF funding exit strategies represented a significant challenge across Wales, as a number of current services are funded through ICF monies, albeit WG is aware of the need to identify successor funding streams. Whilst acknowledging the potential issues caused by timing of WG funding allocations, details of ICF expenditure across

the year were requested by Committee Members, and it was further agreed that the ICF review should be added to the UHB Audit Tracker, together with timescales/ dates for completion of recommendations. It was also agreed that future updates should be provided in the standard format of progress against recommendations in the form of a management response. Five of the nine areas of improvement have been addressed. (See 2.5.15 above)

- Review of operational quality and safety arrangements – AW concluded that the UHB now has some good quality and safety arrangements at a directorate level, supported by developing corporate arrangements but these are not yet consistent, and the flow of assurance from directorates to the Board is not as effective as it could be. Four out of the eight recommendations were made which the UHB are currently progressing, however pace of progress has been affected by the COVID-19 pandemic.
- Implementing the Well-Being of Future Generations Act – Hywel Dda – AW found that the UHB has continued to embed the sustainable development principle and is working with partners on Education Programme for Patients, although it will need to plan more effectively to achieve the full potential benefits in the long term. There were 7 opportunities for improvement

5.7 The Orthopaedics Report was delayed prior to COVID-19 and will not be concluded until when audit activity resumes.

5.8 Whilst the AW Audit Plan 2020 was agreed in February 2020 by the Committee, delivery against the performance audit work will not progress as planned due to the cessation of on-site work during the COVID-19 pandemic restrictions.

6 NWSSP - Internal Audit

6.1 At the direction of the Minister for Health and Social Services, Internal Audit is provided by the NHS Wales Shared Services Partnership (NWSSP). The service provision is in accordance with a Service Level Agreement agreed by the Shared Services Partnership Committee, on which the UHB has permanent membership.

6.2 Internal Audit provides an independent and objective opinion to the Accountable Officer, the Board and the ARAC, on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives. At its meeting held 23 April 2019, the Committee reviewed and approved the content of the NWSSP Internal Audit Strategy, Plan and Charter, noting associated internal audit services required and key performance indicators. The IA Plan is based upon the UHB's risk profile and its detailed programme of work for 2019/20. In the meeting held 25 February 2020, Committee members expressed concern regarding the number of outstanding Internal Audit Reports requiring completion and requested that the NWSSP Internal Audit Plan commences earlier in the new financial year, with audits delivered to the agreed timescale.

6.3 During the year, this plan was flexed and adapted as necessary in order to respond to key risks. The programme has also been impacted by the need to respond to the COVID-19 pandemic. The Head of Internal Audit has considered this when arriving at their Internal Audit opinion.

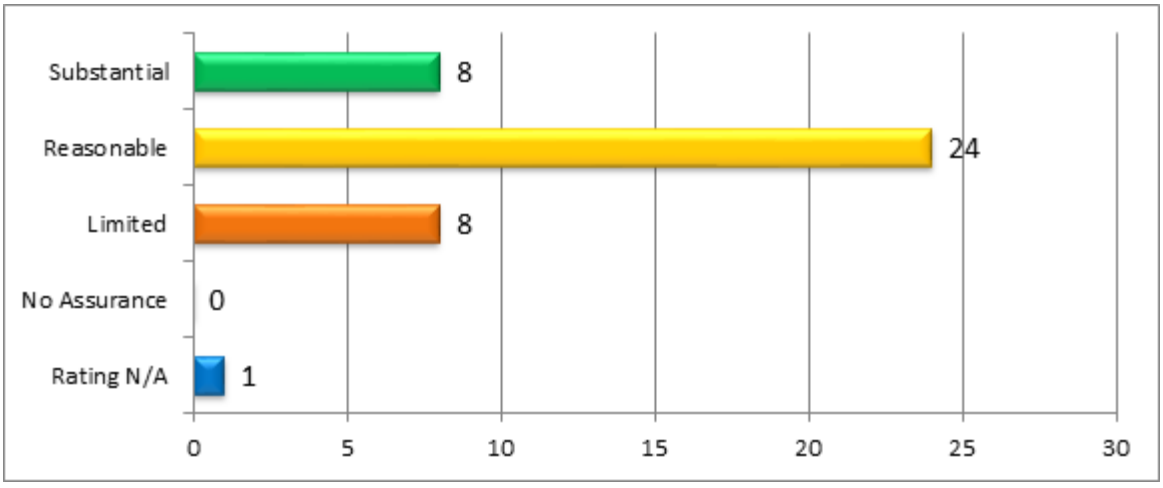
6.4 The Committee has received progress reports against delivery of the Internal Audit Plan at each meeting, with individual assignment reports also being received. The outcome of each audit, providing an overall conclusion on the adequacy and application of internal controls for each area under review, was considered by the Committee. The assessment of adequacy and application of internal control measures is graded in terms of "No Assurance" through to "Substantial Assurance".

6.5 The Capital and PFI Audit Services provides an objective assessment of whether the UHB's systems and controls for Capital and Estates projects are working effectively. During 2019/20, the Committee has continued to work effectively with the Audit Team to further strengthen the UHB's internal control processes surrounding Capital projects and Estates assurance.

6.6 IA and SSU completed 41 audits during the 2019/20 out a planned programme of 45 audits. However, due to the impact of COVID-19 the final position on work is:

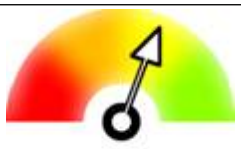
- 40 final reports;
- 1 draft report;
- 1 work in progress; and
- 3 where insufficient work was undertaken to be used to support the opinion.

6.7 The assurance ratings for these audits are outlined below. In considering the IA reports the Committee engaged in discussion with the Head of Internal Audit where it felt it appropriate to obtain further information about the assurance rating given by IA.



7 Head of Internal Audit Opinion

7.1 The Head of Internal Audit has concluded for 2019/20:

 - + 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. Several significant matters require management attention with low to moderate impact on residual risk exposure until resolved.

The revised All Wales Framework for expressing the overall audit opinion identifies that there are eight assurance domains, all of equal standing. The rating of each assurance domain is based on the audit work performed in that area and takes account of the relative significance of the issues identified.

7.2 In reaching this opinion the Head of Internal Audit has considered all the domains, with these being rated for assurance as follows:

Domain	**Assurance**
Corporate Governance, Risk and Regulatory Compliance	Reasonable
Strategic Planning, Performance Management and Reporting	Reasonable
Financial Governance and Management	Reasonable
Clinical Governance, Quality and Safety	Reasonable
Information Governance and IT Security	Reasonable
Operational Service and Functional Management	Limited
Workforce Management	Reasonable
Capital and Estates Management	Reasonable

7.3 IA is aware of the plans and actions put in place by the UHB in response to their recommendations, and will follow these up in 2020/21 to ensure they have been enacted.

7.4 The work of the IA service is informed by an analysis of the risks to which the UHB is exposed, with an Annual Plan based on this analysis. It should be recognised that many of the reviews were directed at high risk areas, and the overarching opinion therefore needs to be read within this context.

7.5 The Committee is of the opinion that selecting IA reviews based on risk as opposed to selecting areas that may consistently have had a higher internal audit rating provides a far more rigorous process of assurance. On that basis, the Committee believes that the overall Head of Internal Audit (HoIA) Opinion of 'reasonable assurance' for the year is a positive outcome and reflects the Internal Audit risk-based programme.

7.6 This Opinion contributed to the Board's assessment of the effectiveness of the organisation's system of internal control and to the completion of the Annual Governance Statement. The basis for forming the opinion can therefore be summarised as follows:

- An assessment of the range of individual opinions arising from risk-based audit assignments contained within both the IA and SSU risk-based plans that have been reported to the Committee throughout the year. This assessment has taken account of the relative materiality of these areas and management's progress in respect of addressing control weaknesses;
- The review of the process for self-assessment of Health and Care Standards for Health Services in Wales. Evidence is available in support of the Board's declaration in respect of the assessment for the Governance, Leadership and Accountability Standard;
- Other assurance reviews, including audit work performed in relation to systems operated by the NHS Wales Shared Services Partnership.

8 Counter Fraud

8.1 The UHB must effectively seek to promote the Counter Fraud agenda and ensure that appropriate action is taken when an allegation of fraud is received. The role of the Committee is to ensure the promotion and implementation of the Counter Fraud policy, with compliance monitored by the Committee through the reports of Counter Fraud activity received and the Annual Counter Fraud Work Plan. The Committee received and approved the 2019/20 Annual Work Plan of the Local Counter Fraud Officer at its meeting held 23 April 2019. In its meeting held 25 February 2020, the Committee was advised that despite the probability that the Counter Fraud Team will exceed the resource (days) allocated to Hold to Account work, it is anticipated that all the Counter Fraud standards and Work Plan contents will be delivered.

8.2 The Committee received the Counter Fraud Annual Report 2019/20, ensuring that it had an appropriate level of coverage, and received regular reports to monitor progress against the plan. These reports provided an overview of current cases, details of concluded fraud investigations, policy and procedure reviews, actions being taken to deter and prevent fraud and to raise fraud awareness throughout the UHB. The Counter Fraud Service is taking various approaches to achieve this, including the use of tools such as the new Twitter account.

8.3 The Local Counter Fraud Officer has been in regular attendance at Audit and Risk Assurance Committee meetings during 2019/20, and issues have been discussed in detail, as appropriate, with Committee members. Progress details for cases highlighted as part of the Counter Fraud Update Report have regularly been provided at ARAC In-Committee meetings. The Committee has also asked the Local Counter Fraud Officer to consider issues where it has raised concerns about issues which have been highlighted in reports.

9 Financial Reporting and Financial Position

9.1 Detailed monitoring of the UHB's financial performance falls within the remit of the Finance Committee, with ARAC being responsible for issues of financial governance. The Committee considered the Annual Accounts for 2019/20 in May 2020, including the organisation's Accountability Report, with a subsequent recommendation made to the Board for approval. In making its recommendation,

the Committee confirmed that the draft Accountability Report was consistent with the Committee's view on the UHB's system of internal control.

9.2 The Executive Director of Finance has provided regular Financial Assurance Reports to the Committee throughout 2019/20. This is consistent with the Committee's role of maintaining an appropriate financial focus by demonstrating robust financial reporting and ensuring that the maintenance of sound systems of financial control are enacted. Matters discussed by the Committee during the year and on which assurances were provided included:

- The numbers and levels of medical negligence claims
- The implications of IR35 GP Out of Hours tax issues
- Concerns around the timescale for recovery of overpayment of salaries
- The use of Single Tender Actions (STAs)
- Performance in relation to Public Sector Payment Policy compliance
- Maintenance Team Led Work (procurement processes for Capital projects)

9.3 The Committee will continue to seek assurance on the UHB's financial position, underlying deficit and savings plans, through the increased scrutiny provided by the Finance Committee.

9.4 The Committee received the Annual Statement of Financial Procedures at its meeting held 25 February 2020, detailing planned reviews of the financial systems operated by the UHB planned to be undertaken during 2020/21.

10 Standing Orders, Standing Financial Instructions and Financial Procedures

10.1 The Committee received the Standing Orders (SOs) and Standing Financial Instructions (SFIs) at its meeting held 22 October 2019. The report was produced following a review of the relevant SOs by WG. No changes had been made to the SFIs. The Committee considered the amendments made to UHB's SOs since those approved by the Board in May 2019, agreed that no further revisions were required, and recommended the final version of the SOs and SFIs to the Board for approval at its meeting held 28 November 2019.

11 Losses and Special Payments

11.1 In order to comply with SOs and SFIs, the Committee must review losses and special payments reports and where appropriate, recommend them to the Board for approval. This element of the Committee's work is discharged through consideration and approval of the losses and debtors write-offs provided in the Financial Assurance Report, which was received by Members at the Committee meeting held 25 February 2020. Members were pleased to note the UHB's improved relationship with HMRC, and were assured that systems and mechanisms have been put in place to mitigate financial losses and improve future financial planning. The Committee approved the losses and debtors write-offs noted within the report.

12 Assurance on Clinical Governance

12.1 It is a requirement of the NHS Wales Audit Committee Handbook that the Committee reviews the Clinical Audit Programme at the beginning of each year. The role of the Committee is to seek assurance on the overall plan and to consider the following:

- Does the UHB have a plan which is fit for purpose and is completed on time?
- Does it cover all relevant issues?
- Is it making a difference and leading to demonstrable change?
- Is change supported by recognised improvement methodologies?
- Does the organisation support clinical audit effectively?

In considering the above, the Committee continues to recognise the need for wider discussion around reviewing its role relating to clinical audit against the requirements of the Audit Committee Handbook.

12.2 The Clinical Audit Department has been seeking to improve the robustness of audit processes with the aim of increasing both the quality of action plans and the level of assurance that they can provide. The QSEAC continues to seek more detail of clinical outcomes and improvements made as a result of clinical audit, in line with its remit.

12.3 The Committee was presented with the 2019/20 Forward Clinical Audit Programme at its meeting held 23 April 2019, and was provided with details of its development, using the existing governance framework and monitoring and review of the programme and reports of the Effective Clinical Practice Sub-Committee (ECPSC). The Committee was informed of a 'step change' in terms of addressing outstanding recommendations relating to clinical audit, noting that a further update would be provided covering closure of outstanding actions. Members welcomed a reported improvement in participation in clinical audits since 2018/19, together with a reduction in partial participation rates. Members were further advised that the Clinical Audit Group would be modified, with membership reduced and its remit redefined as a Scrutiny Panel in order to ensure a more structured approach, whereby actions arising from clinical audits were tracked and those responsible held to account. Members welcomed the progress made, noting the improvement in mandatory national clinical audit compliance and uptake within the UHB, and plans for 2019/20 to increase the monitoring of the effectiveness of clinical audit within the organisation.

12.4 The Committee had previously requested that a formal clinical audit report be produced, showing overall compliance levels and reporting on the progress of both the mandatory national audits and the UHB's newly instated Forward Clinical Audit Programme. The Committee had also requested that a sample of outcomes and improved clinical practice resulting from national clinical audits be compiled, with particular reference to the impact upon culture, lessons learnt and benchmarking information. Accordingly, the Committee received the UHB's first Annual Clinical Audit Report at its meeting held 27 August 2019, and was informed that an annual audit plan at service level was anticipated for May 2020, with consideration being given to mapping the plan against UHB Risk registers. However this work will be impacted by the COVID-19 pandemic.

13. Other Committee Work

13.1 Targeted Intervention Arrangements

The tri-partite arrangements involve information sharing and dialogue between the WG, the Auditor General for Wales and Healthcare Inspectorate Wales (HIW). Under these arrangements, bi-annual meetings are held to discuss the overall position of the UHB (as with all other Health Boards and Trusts in Wales), and to agree the best way to respond to any issues affecting service delivery, quality and safety of care and/or organisational effectiveness.

The UHB's position has remained at 'Targeted Intervention' status during 2019/20, primarily as a result of its underlying financial position. The Committee has closely monitored the enhanced escalation status of the UHB during the year, with the targeted intervention arrangements included as a standing agenda item in its meetings, and the Chief Executive providing regular updates on the position. However, these meetings were suspended in early 2020 as a result of the COVID-19 pandemic.

Although the organisation remains at this targeted intervention level there is positive recognition of the UHB's improved performance, notwithstanding WG concerns that the UHB does not fully understand the reasons behind the underlying financial deficit. Whilst WG has remained generally positive regarding performance and the organisation's commitment to progressing its Health and Care Strategy, it is less assured around the UHB's financial position and ability to deliver the revised Control total of £15m. Members were advised that WG has not yet indicated whether it will remove the additional £10m, as this was predicated on the UHB achieving the £15m Control Total, and that the organisation is, therefore, preparing forecasts based on two outcomes; a £25m deficit and a £35m deficit.

The Committee has welcomed the strong engagement with WG, recognising the incremental gains and challenges ahead.

13.2 Reports of Other Committees

Lead Executive Directors of the Board level Committees attend the Committee on an annual basis to allow the Committee opportunity to scrutinise the controls and assurances on which they rely, agreeing actions where appropriate and including proposals for future internal audits.

Assurance reports from the following Committees were received, which provided assurances that the Committees' Terms of Reference, as set by the Board, are being adequately discharged:

- University Partnership Board (UPB);
- Primary Care Applications Committee (PCAC);
- Business Planning & Performance Assurance Committee (BPPAC);
- Quality, Safety & Experience Assurance Committee (QSEAC);
- Mental Health Legislation Assurance Committee (MHLAC);
- Finance Committee (FC);
- Charitable Funds Committee (CFC)

Whist it is recognised that Committees are discharging their Terms of Reference adequately, there are still improvements to be made to strengthen the assurance and risk focus of the Sub-Committees. It was highlighted in particular that QSEAC has been working to develop the focus of its sub-committees.

13.3 Adequacy of Arrangements for Declaring, Registering and Handling Interests Gifts, Hospitality, Honoraria and Sponsorship

In accordance with the Audit Committee Handbook, the Committee reviewed ongoing and planned work relating to arrangements for declaring, registering and handling gifts, hospitality, honoraria and sponsorship at its meeting held 23 April 2019. The Committee was assured by the adequacy of arrangements currently in place and noted proposed steps for improvement during 2019/20.

13.4 Single Tender Action (STA) and Quotation Reports

In line with SOs, and in the interest of probity and transparency, the Committee received reports relating to all STAs during the course of the year**.** This was supported at year end by a schedule of all such transactions during the course of the year being presented to the Committee in order to obtain assurance that there were no consistent or recurring themes which might indicate any attempt to circumvent due process, thereby enabling any trends or other issues of concern to be monitored and acted upon.

13.5 Audit and Risk Assurance Committee Development and Self-Assessment of Effectiveness

Members participated in a self-assessment and evaluation exercise of the Committee's performance and operation in April 2019, with outcomes from self-assessment surveys presented to the Committee at its meeting held 25 June 2019. Overall, the survey results were relatively positive, suggesting that the Committee is well chaired and operating effectively. Areas for potential improvement identified from responses included:

- Quality of management responses to internal and external audits;
- Senior managers/clinicians from relevant departments attending to present audit responses;
- Better understanding of the risk register.

Members were assured that steps would be taken to address areas for potential improvement identified in the survey.

13.6 Private Meeting of Audit and Risk Assurance Committee Members with the Auditors

In line with the Audit Committee Handbook and the Committee Terms of Reference, Committee Members met privately with IA Service, the SSU, AW and Counter Fraud on 25 February 2020. This meeting was attended by:

Independent Members	Attended by

• Mr Paul Newman, Committee Chair • Mr Mike Lewis, Committee Vice-Chair • Mrs Judith Hardisty, Committee Member • Mr Owen Burt, Committee Member • Cllr. Simon Hancock, Committee Member	• Mr Matthew Evans, Local Counter Fraud Specialist • Benjamin Rees, Local Counter Fraud Specialist • Ms Anne Beegan, Audit Wales • Mr Jeremy Saunders, Audit Wales • Mr Simon Cookson, Director of Audit and Assurance, NWSSP • Mr James Johns, Head of Internal Audit • Mr Gerallt Jones, Senior Healthcare Inspector

The purpose of holding a private session between Members and auditors, without management present, is to build a relationship of trust and to support the independence of the audit functions. It also provides an opportunity for the auditors to provide feedback to the Committee on its own performance. The discussion is not minuted, although the Chair provides appropriate feedback to Lead of the Committee where there are areas of improvement. Further work is needed to ensure this meeting adds value and that invited representatives are appropriately prepared.

14. Forward Plan

14.1 The Committee, in addressing issues identified in previous years, has continued to provide additional assurance that the Board is functioning effectively. This is even more important whilst the UHB manages the COVID-19 pandemic.

14.2 The Committee will continue to focus on those areas which will be subject to increased scrutiny, not least the organisation's financial challenge, which remains a serious concern, and which will be scrutinised through the UHB's Finance Committee. It is clear that the financial position will remain a significant challenge in 2020/21 and work will therefore continue through the Finance Committee to ensure the UHB is in a position to fully understand the underlying deficit and to provide an assurance on this to the Committee.

14.3 Assurances will also be sought by the Committee that the recommendations from the 2019 WAO Structured Assessment Report have been implemented. The UHB's process for tracking recommendations by all regulators has been particularly recognised by WAO as good practice and a welcome addition to the process of holding to account those charged with addressing these recommendations.

14.4 Any areas of Committee concern raised during 2019/20, including scrutiny of outstanding improvement plans, will be followed up in 2020/21. Any learning taken from the 2019/20 Self- Assessment of Committee Effectiveness exercise will be acted upon as appropriate.

14.5 In order to continue the triangulation of assurance for the Board and provide the required degree of scrutiny, it is the Committee's intention to further build relationships with the QSEAC, BPPAC and the FC.

15. Conclusions

15.1 It is acknowledged that the Committee is a well-established Committee of the Board with a detailed annual work plan in place.

15.2 Whilst the Committee believes it has met the duties of its Terms of Reference and has provided assurance to the Board on a significant number of matters, during the course of the year there were several areas where the Committee itself expressed concern that it was not being provided with the required degree of assurance to enable it to discharge its duties in informing the Board appropriately.

15.3 The IA work programme was aligned to the UHB's risk profile to provide assurance to the Committee that the identified mitigation is reducing or maintaining the level of identified risk. The Committee will also ensure that IA reviews are undertaken of those areas which received limited assurance during 2019/20, and the implementation of the agreed management action plans will be a focus for the Committee's attention. The IA plan for 2020/21 will need to be flexible and respond to the UHB's requirements while it is managing the COVID-19 pandemic.

15.4 The Committee will also, when WG escalation arrangements resume, continue to request the attendance of the CEO on a regular basis to provide assurance that the position relating to the UHB's Targeted Intervention status is being carefully managed and that no further escalation would be forthcoming.

15.5 Finally, focus will continue to be placed on work that is undertaken in collaboration and partnership, with the Committee seeking assurance that robust processes and reporting arrangements are in place where significant activity is shared with another organisation, e.g. NWSSP, EASC and WHSSC.

15.6 The Committee therefore provides a key source of assurance to the Board that the organisation has effective controls in place to manage the significant risks to achieving its objectives and that controls are operating effectively. In a period of rapid change where far-reaching decisions need to be made, it is vital that risk management is at the heart of this process. The Committee has continued to make progress in moving to a position where it can be used effectively to help achieve the UHB's objectives and improve decision making. Work will take place during 2020/21 to enable the Committee to receive assurance on the effectiveness of the risk management framework, particularly in respect of the impact of the COVID-19 pandemic. By monitoring the performance of risk management and any obstacles to improvement, the Committee has helped to ensure the adoption of good practice across the organisation.

15.7 This report demonstrates that the Committee has fulfilled its responsibilities as detailed in its Terms of Reference, through the completion of a comprehensive work plan, and from the reports it has received throughout the course of the year from a range of support services and sources. The Committee has successfully overseen a programme of work to provide the Board with assurance in respect of

the adequacy and effectiveness of the organisation's functions and systems to maintain a sound system of governance and internal control.

15.8 It is the opinion of the Committee that the Accountability Report, incorporating the Annual Governance Statement, which was received at the Committee meeting held 27 May 2019, is consistent with the view of the Committee on the UHB's system of internal control. In forming this opinion the following factors have been considered:

- The system of risk management is adequate in identifying risks and allowing the Board to understand the appropriate management of those risks, whilst noting work is continuing in refining risks to be undertaken at an operational level to enable the UHB to become a risk mature organisation;
- The reliability and integrity of its sources of assurance encompassing the work of both IA and AW together with the assurances forthcoming from the Committees of the Board;
- The Committee, in reviewing the system of assurance, whilst acknowledging the potential for improvement, believes the UHB had the necessary controls in place during the reporting period.

The Board is therefore asked to endorse the contents of this report as a summary of the work and findings of the Audit and Risk Assurance Committee for the financial year 2019/20.

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	23 June 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Business Planning & Performance Assurance Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Judith Hardisty, Interim Chair, Business Planning & Performance Assurance Committee
SWYDDOG ADRODD: REPORTING OFFICER:	Karen Miles, Executive Director of Planning, Performance & Commissioning

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

The purpose of this paper is to present the draft Business Planning & Performance Assurance Committee (BPPAC) Annual Report 2019/20 to the Board.

The BPPAC Annual Report provides assurances in respect of the work that has been undertaken by the Committee during 2019/20, and outlines the main achievements, which have contributed to robust integrated governance across the Health Board.

Cefndir / Background

Hywel Dda University Health Board's Standing Orders and the Terms of Reference for BPPAC require the submission of an Annual Report to the Board to summarise the work of the Committee and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Committee is to assure the Board on the following:

1. Provide assurance that the planning cycle is being taken forward and implemented in accordance with University Health Board and Welsh Government (WG) requirements, guidance and timescales.
2. Provide assurance that all plans put forward for the approval of the Health Board for improving the local population's health and developing and delivering high-quality, safe and sustainable services to patients, and the implementation of change, are consistent with the Board's overall strategic direction and any requirements and standards set for NHS bodies in Wales.
3. Provide assurance to the Board that, wherever possible, University Health Board plans are aligned with partnership plans developed with Local Authorities, Universities, Collaboratives, Alliances and other key partners.
4. Provide support to the Board in its role of scrutinising performance and assurance on overall performance and delivery against Health Board plans and objectives, including delivery of Tier 1 targets, giving early warning on potential performance issues and making recommendations for action to continuously improve the performance of the organisation and, as required, focus in detail on specific issues where performance is showing deterioration or there are issues of concern.

5. Assure the Board that the data on which performance is assessed is reliable and of high quality and that any issues relating to data accuracy are addressed.
6. Seek assurance on the management of principal risks within the Board Assurance Framework (BAF) and Corporate Risk Report (CRR) allocated to the Committee and provide assurance to the Board that risks are being managed effectively and report any areas of significant concern e.g. where risk tolerance is exceeded, lack of timely action.
7. Recommend acceptance of risks that cannot be brought within the UHBs risk appetite/tolerance to the Board through the Committee Update Report.
8. Receive assurance through Sub-Committee Update Reports that risks relating to their areas are being effectively managed across the whole of the Health Board's activities (including for hosted services and through partnerships and Joint Committees as appropriate).

Asesiad / Assessment

BPPAC has been established under Board delegation with the Health Board initially approving Terms of Reference for the Committee at its Board meeting on 30th July 2015. These were subsequently revised and approved by the Board as part of its annual cycle of review of Committees Terms of Reference at its meetings on 26th November 2015, 26th January 2017, 29th March 2018, 27th September 2018 and 28th March 2019.

In discharging its role, the Committee is required to oversee and monitor the business planning and performance assurance agenda for the Health Board and in respect of its provision of advice to the Board, ensure the implementation of the business planning and performance assurance agenda against the following areas of responsibility:

Business Planning

- Assure the development of delivery plans within the scope of the Committee, their alignment to the Integrated Medium Term Plan (IMTP), their delivery, and any corrective action needed when plans are off track.
- Monitor the development and delivery of the enabling strategies within the scope of the Committee, aligned to organisation objectives and the IMTP for sign off by the Board.
- Quality assure and approve all delivery plans required by Welsh Government, ensuring alignment with the University Health Board's strategy and priorities.
- Assure that best practice and national guidelines are adopted in service development plans and pathways.
- Ensure significant service change proposals approved by the Board pass through a gateway process before being approved by the Committee for implementation.

Performance Management

- On behalf of the Board, and subject to its direction and approval, develop and regularly review the performance management framework and reporting template, ensuring it includes meaningful, appropriate and integrated performance measures, timely performance data and clear commentary relating to the totality of the services for which the Board is responsible, including workforce performance matters.
- Scrutinise the performance reports prepared for submission to the Board, provide exception reports where performance is off track, and undertake deep dives into areas of performance as directed by the Board.
- Scrutinise the performance reports for submission to the Board and related to external providers, the Welsh Health Specialised Services Committee, Emergency Ambulance Services Committee and the NHS Wales Shared Services Partnership, and the Joint Regional Planning & Delivery Committee and hosted services (including the Low Vision Service Wales), provide exception reports where performance is off track, and undertake deep dives into areas of performance as directed by the Board.

- Ensure robust interface protocols are in place with regard to the NHS Wales Shared Service Partnership and test their efficacy on a planned programme of review.
- Monitor performance and controls with regard to Primary Care contracts.
- Approve the criteria for usage of Prescribing Management Savings and sign off individual applications.

Governance

- Provide advice and assurance to the University Health Board in relation to the effectiveness of local partnership governance arrangements.
- Provide assurance to the Board that arrangements for Capital, Estates and IM&T are robust.
- Consider proposals from the Capital, Estates and IM&T Sub Committee on the allocation of capital and agree recommendations to the Board.
- Agree usage of in year monies from Welsh Government, ensuring alignment with the University Health Board's strategy and priorities and sign off business cases.
- Provide assurance to the Board that arrangements for information governance are robust.
- Provide assurance to the Board in relation to the organisation's arrangements for health, safety, security, fire and emergency preparedness, resilience and response, including business continuity.
- Refer business and planning matters, which impact, on quality and safety to the Quality, Safety & Experience Assurance Committee (QSEAC), and vice versa.
- Receive advice from the Medicines Management Group and agree on the managed entry of new drugs, taking into account the resource and service implications.
- Approve corporate policies and plans within the scope of the Committee.
- Review and approve the annual work plans for the Sub-Committees, which have delegated responsibility from the Business Planning and Performance Assurance Committee, and oversee delivery.
- Agree issues to be escalated to the Board with recommendations for action.

Sub-Committees

The Sub-Committees reporting to BPPAC during 2019/20 were as follows:

- **Capital, Estates and IM&T Sub-Committee** – established to:

  - Oversee delivery of the Health Board's capital programmes and projects included in the planning cycle (in year and longer term).
  - Recommend to the Board, via the Business Planning and Performance Assurance Committee (BPPAC), the use of the Health Board's Capital Resource Limit (CRL).
  - Oversee the development of the Estates Strategy aligned to the Clinical Services Strategy for consideration by BPPAC, prior to Board approval.
  - Oversee the development of an innovative IM&T and Digital Health Strategy for IM&T (to cover all functions of the UHB's services i.e. primary, community, acute, etc.) aligned to the Clinical Services Strategy for consideration by BPPAC, prior to Board approval.
  - Oversee the development and delivery of implementation plans for the Estates and, IM&T and Digital Health Strategies agreeing corrective actions where necessary and monitoring their effectiveness.

- **Health & Safety Emergency Planning Sub-Committee** – established to:

  - Provide assurance around the Health Board's 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.
- Provide advice on compliance with all aspects of health and safety and emergency planning legislation.
- Oversee the development, maintenance and evaluation of the Health Board's Emergency Management Plan that will be underpinned by policy and protocols, planning and performance targets and strategies to address risks to business continuity.

- **Information Governance Sub-Committee** – established to:

  - Provide assurance to the Business Planning & Performance Assurance Committee on compliance with information governance legislation, guidance and best practice, and to:
  - Provide evidence based and timely advice to assist the Health Board in discharging its functions and meeting its responsibilities with regard to the quality and integrity; safety and security; and appropriate access and use of information (including patient and personal information) to support its provision of high quality healthcare.
  - Provide assurance in relation to the Board's arrangements for creating, collecting, storing, safeguarding, disseminating, sharing, using and disposing of information in accordance with its stated objectives; legislative responsibilities, e.g. the Data Protection Act 2018, General Data Protection Regulations 2016 (implemented May 2018) and Freedom of Information Act 2000; and any relevant requirements, standards and codes of practice.
  - Provide assurance that risks relating to information governance are being effectively managed across the whole of the UHB's activities (including for hosted services, through shared services, partnerships, independent contractors and Joint Committees as appropriate).

- **Planning Sub-Committee** – established to:

  - Advise and guide the Health Board's planning arrangements and implementation of major change (one year, medium and longer terms plans).
  - Oversee and assure the Transforming Mental Health Implementation Programme and the Transforming Clinical Services Implementation Programme (once established).
  - Provide assurance to the Business Planning & Performance Assurance Committee that the planning cycle is (designed and managed) being taken forward and implemented in accordance with the University Health Board and Welsh Government requirements, guidance and timescales.

The BPPAC Annual Report 2019/20 is intended to outline how the Committee and its Sub-Committees have complied with the duties delegated by the Board and BPPAC through the Terms of Reference set, and also to identify key actions that have been taken to address issues within the Committee's remit.

Constitution

From the Terms of Reference approved on 28th March 2019, the membership of the Committee was reviewed and agreed as the following:

- Independent Member (Chair – changed from Mr David Powell from October 2019 to Mrs Judith Hardisty from December 2019 as a result of Mr Powell's term of office ending).
- Independent Member (Vice Chair)

- 4 Independent Members

The following Members are identified as "In Attendance" Members:

- Chief Executive
- Director of Planning, Performance & Commissioning (Lead Executive)
- Deputy Chief Executive/Director of Operations (changed from Mr Joe Teape from October 2019 to Mr Andrew Carruthers from December 2019)
- Director of Finance
- Medical Director & Director of Clinical Strategy
- Director of Nursing, Quality & Patient Experience
- Director of Therapies & Health Science
- Director of Public Health
- Director of Workforce & Organisational Development
- Director of Primary, Community & Long Term Care
- Director of Partnerships & Corporate Services
- Independent Member (WAST) (not counted for quoracy purposes)
- Hywel Dda Community Health Council Representative (not counted for quoracy purposes)
- Advisory Forum Representatives (Local Partnership Forum/Healthcare Professionals Forum/Stakeholder Reference Group) (not counted for quoracy purposes)
- LMC Representative (not counted for quoracy purposes)

At the October 2019 meeting, gratitude was expressed to two Members at their final meeting. Mr Joe Teape, Deputy Chief Executive/Director of Operations, was thanked for his contribution and wished well for his new role. Mr David Powell, Independent Member/Chair of BPPAC, was thanked on behalf of the Health Board and the Executive Team.

Meetings

The Committee meets on a bi-monthly basis. During 2019/20, the Committee met on 6 occasions and was quorate at all meetings, as follows:

- 30th April 2019
- 27th June 2019
- 29th August 2019
- 29th October 2019
- 17th December 2019
- 20th February 2020

As BPPAC is directly accountable to the Board for its performance, it provides an assurance to the Board through a formal written update report, which is received at the subsequent Board meeting. A full set of the papers for each Committee meeting is routinely made publicly available from the Health Board's website.

Areas of Responsibility

In discharging its duties, BPPAC has undertaken work during 2019/20 against the following areas of responsibility in relation to its business planning and performance assurance agenda:

Governance

- **Draft Annual Report to Board 2018/19** – at its meeting in April 2019, subject to minor amendments, Members approved the BPPAC Annual Report 2018/19 for onward approval to the Board on 29th May 2019.

- **Sub-Committee Terms of Reference** – revisions to the Terms of Reference for BPPAC's Sub-Committees were presented to the Committee during 2019/20 and approved at the following meetings:
  - Information Governance Sub-Committee on 17th December 2019.
- **Committee Self-Assessment of Effectiveness 2018/19** – at its meeting in April 2019, Members received a verbal update on the outcome of the BPPAC self-assessment of Committee effectiveness exercise 2018/19 and received the full outcome at the June 2019 meeting. The report indicated actions to be progressed by the Corporate Governance Team in conjunction with the Lead Director for BPPAC.
- **Policies** – during 2019/20, the Committee approved the following policies:
  - Counter Fraud, Bribery and Corruption Policy
  - Standards of Behaviour Policy
  - Consolidates Rules for Managing Cardiac Referral to Treatment (RTT) Waiting Times Policy
  - All Wales E-mail Use Policy.

Performance

Integrated Performance Assurance Report (IPAR) - the Integrated Performance Assurance Reports presented to the Committee during 2019/20 outlined achievements against targets and actions in place to improve performance.

At its meeting in April 2019, the Committee received the Month 12 (2018/19) IPAR. Members welcomed the positive trajectory concerning RTT waiting times with zero breaches during the same period, however, noted that unscheduled care performance had declined in March 2019 compared to the previous month. Discussions took place around the lack of care packages both for reablement and complex care and Members raised queries on whether the Home of Choice policy was consistently being applied. Members agreed that the impact of Delayed Transfers of Care (DTOC) on other services be escalated to Board. The decline in compliance within admission units for the Sepsis Six Bundle applied within one hour compared to wards was noted and Members were advised that the reason for the reduction was possibly due to capacity issues.

In June 2019, the Committee received the Month 2 (2019/20) IPAR, outlining the challenge to maintain referral to treatment times (RTT). Members noted the increase in RTT, however, noted that Hywel Dda was performing better than other Health Boards in Wales in this regard. Members welcomed the positive trajectory concerning compliance rates for both medical and non-medical Performance Appraisal and Development Reviews (PADRs) and were pleased to note that Hywel Dda had the highest compliance of the six larger Health Boards in Wales.

At the August 2019 meeting, the Committee received the Month 4 (2019/20) IPAR. Members discussed stroke performance and although it was acknowledged that Hywel Dda performs well, concerns were expressed that services may be spread too thinly across all four sites. Members discussed the increase in patients waiting for delayed follow up appointments and were assured that additional funding had been secured to reduce these. Members acknowledged the decrease during the previous 12 months of Hospital Initiated Cancellations and commended the team involved for improving patient flow to achieve this.

In October 2019, the Committee received the Month 6 (2019/20) IPAR. Members noted that in regard to all Wales data, Hywel Dda was ranked in the top 3 for 36.1% of indicators, 2.8% higher than the previous month's position, and that RTT performance had improved compared to the previous month. Members expressed concerns regarding the significant

drop in stroke admissions to a specialist ward. Members received assurance regarding the plans in place to reduce the continuing declining position of delayed transfers of care and that non-compliance of medical staff with mandatory training was being monitored. Concern was expressed regarding fragility of clinical staff within hospitals and assurance was sought regarding the recruitment of additional therapy staff to ease the waiting times.

At the December 2019 meeting, Members received the Month 8 (2019/20) IPAR. Members noted that Hywel Dda ranked in the top 3 for 37.5% of measures. It was noted that unscheduled care dominated performance and proved extremely challenging, however, assurance had been received from WG that year-end targets would be met. Members received an update following the Winter Summit, highlighting the pressures on services and acknowledged the significant amount of work undertaken on the integrated performance management dashboards to obtain live information to assist in managing situations.

At the February 2020 meeting, Members received the Month 10 (2019/20) IPAR. Members noted that Hywel Dda ranked in the top 3 for 41% of measures. It was noted that November and December 2019 represented Hywel Dda's poorest ever performance concerning unscheduled care, however, improvement became apparent in February 2020. Members were pleased to note that Hywel Dda's approach and the models put in place in relation to Coronavirus had been recognised by WG.

Influenza Update – at the June 2019 meeting, the Committee received the "Influenza Season 2018/19: Impact, Vaccine Uptake and Emerging Priorities for the Forthcoming Season" report. Members noted the significant challenge in achieving both WG and Hywel Dda targets for 2018/19. It was also noted that more flu vaccinations were given in Hywel Dda in the 2018/19 flu season than in previous years. At the October 2019 meeting, Members received an update on Flu Vaccine supply issues advising of vaccination shortages due to batch testing failures, putting stock for staff and GP practices at risk. Members were assured that mitigations had been put in place to continue with the staff programme and the prioritisation of the 2-3 year old programme.

NHS Wales Shared Services Partnership (NWSSP) Summary Performance Report – at its meeting in June 2019, the Committee received the NWSSP Performance Report for Quarter 4 (2018/19) and Members noted the deteriorating position in performance in time to approve vacancies in Quarter 3, however, it was noted that Hywel Dda remains the highest performing Health Board in Wales in this regard. Members further noted that certain vacancies were delayed in order to comply with departmental budgetary targets. In August 2019, the Performance Report for Quarter 1 (2019/20) was received and Quarter 2 (2019/20) at the December 2019 meeting. In February 2020, the Performance Report for Quarter 3 (2019/20) was received, with Members noting that NWSSP returned £2m direct savings to NHS Wales compared to the £750k originally planned. For Hywel Dda, an additional distribution of £58k was planned for 2019/20 and following reinvestment, an additional cash distribution of £97k was made.

Monitoring Variation in Performance Over Time Report and Presentation – the Committee received the Monitoring Variation in Performance Over Time report and presentation at the August 2019 meeting to enable Members to understand the Performance Team's preferred approach to use run charts routinely and statistical process control (SPC) charts for more in-depth investigation. The Committee supported a prudent approach to use run charts for routine performance reporting and that the use of SPC charts be considered if and when a more detailed investigation is required.

Clinical Coding Sustainability Report – the Committee received an update on the

development of a sustainable coding service, highlighting the scale of the challenges faced by the Clinical Coding Team including the need for additional resources in order to achieve Welsh Government targets. Members agreed to escalate the clinical coding concerns to Board.

Winter Planning 2018/19 A&E Deep Dive Activity Report – the Committee received the Winter Planning 2018/19 A&E Deep Dive Activity Report, which provided a demand analysis of the A&E Departments during the winter of 2018/19. Due to the significant challenges at Withybush General Hospital (WGH), it was noted that additional funding had been sourced from WG for the Care at Home Team to support WGH. Members commended the report.

Out of Hours – the Committee received verbal updates regarding the out of hours peer review and were pleased to note that a positive and well-engaged meeting had taken place regarding plans for the future. In February 2020, Members received the Out of Hours Strategic Plan outlining the temporary service change to rationalise base coverage during all overnight periods commencing on the 9th March 2020.

Business Planning

Monitoring of Welsh Health Circulars (WHCs) – At the June 2019 and February 2020 meetings, the Committee received updates on progress in relation to the implementation of WHCs. Members expressed concern that WHC 027-17 Clinical Musculoskeletal Assessment Treatment Service (CMATS) had been delayed by NHS Wales Informatics Service and noted that WHC 053-15 of SNOMED CT is behind schedule due to external factors. These concerns were escalated to Board.

Delivery of Ophthalmology for Hywel Dda Patients – At the June 2019 meeting, the Committee received the Delivery of Ophthalmology for Hywel Dda Patients report and Members were advised that the Health Board had been allocated £420k to improve outcomes for ophthalmology patients. At the October 2019 meeting, a verbal update was received regarding the desire for a sustainable three-year plan for ophthalmology and Members acknowledged that ophthalmology services would remain a challenging issue. In November 2019, the Committee noted and considered the long-term plan for Ophthalmology services and supported the direction of travel outlined within the report. Members noted the fragility of services, however, were pleased to note that discussions had commenced with Swansea Bay University Health Board regarding a regional model. At the February 2020 meeting, the Committee received an update report including the long-term sustainability of Ophthalmology services. It was noted that discussions have commenced with Swansea Bay University Health Board regarding a regional model, to include joint posts to develop a sustainable service model for the future. Members expressed their contentment at the significant improvements in Ophthalmology with issues now appearing to be more managed and controlled.

Commissioning Framework – Members were advised of on-going discussions undertaken regarding the links to contracting and commissioning and the impact of the Turnaround Plan.

Together for Health Delivery Plans – The Committee received the “Together for Health Delivery Plans” and advised that Hywel Dda continues to develop these plans for the transformation agenda.

Health Records Management – The Health Records Management report was received by Members following the internal audit of Records Management, who noted the progression of the relocation of records for short-term service improvement. Members also received an

update on progress made by the Health Records Modernisation Programme Group and supported the work undertaken, together with the long-term vision of the introduction of an e-patient record.

Private Practice Update – The Committee received the Private Practice Update report confirming the actions identified following the internal audit review in 2014. Assurance was received regarding clinicians' job plans being explicit in terms of their split between NHS and private practice.

Adoption/Coverage of Key National Clinical Systems in Hywel Dda University Health Board – Members received the Adoption/Coverage of Key National Clinical Systems in HDdUHB report and noted the variations highlighted in the coverage of key national clinical systems between sites and specialities in Hywel Dda. Members were pleased to note the progress made in relation to pathology testing compliance. Members noted at the February 2020 meeting that orthopaedic referrals are now managed electronically and mental health electronic referrals would be "live" in June/July 2020.

Plans for a Non-Urgent Single Cancer Pathway – Members received the Implementation of the Single Cancer Pathway report, detailing current planning and progress towards the implementation. It was agreed to escalate to Board the requirements for a harm risk assessment view and a more quality focus for patients.

General Medical Services Access Update – Members were presented with a report highlighting the General Medical Services Contract changes, setting new requirements on GP Practices under the Quality Assurance and Improvement Framework as well as placing additional responsibilities on Health Boards for the monitoring and reporting on accessibility to GP Practices.

Risk

Corporate Risks Report – the Committee received regular Corporate Risks reports throughout 2019/20, highlighting the corporate risks assigned to BPPAC for consideration, and accepted the mitigations in place.

Operational Risks Report – the Committee received regular Operational Risks reports throughout 2019/20, identifying the risks assigned to BPPAC.

Feedback from Sub-Committees

- **Health & Safety and Emergency Planning Sub Committee (H&SEPSC)** – regular written update reports were received during 2019/20, highlighting the following matters:
    - Trials of staff wearing body cameras undertaken due to the increased number of violence and aggression reported incidents.
    - Capital bid submitted to invest in improving the effectiveness of managing external doors for "lock down" on acute sites.
    - Verbal updates following the recent Health and Safety Executive (HSE) Inspection where Members noted the eight improvement notices and eleven breaches identified, with a control group and task & finish groups established to co-ordinate compliance.
    - Establishment of a control group to implement the improvements needed to comply with the Fire Enforcement Notice at Withybush General Hospital.
    - The draft H&SEPSC Annual Report 2018/19 which the Committee approved.
    - The Director of Nursing, Quality & Patient Experience assumed responsibility in

January 2020 for the H&SEPSC.

- **Information Governance Sub-Committee (IGSC)** – regular written update reports were received during 2019/20, highlighting the following matters:
    - Work undertaken on an algorithm to monitor breaches associated with staff records.
    - Fragility within the Clinical Coding Team workforce with the team commended by the Committee on their performance.
    - Concerns expressed regarding the medical and dental staff compliance with Information Governance mandatory training.
    - The significant work undertaken to complete the three red actions relating to the development of a full Information Asset Register, which was acknowledged.
    - The draft IGSC Annual Report 2018/19 which the Committee approved.
    - The Caldicott Principles into Practice (C-PiP) was replaced by the Wales Information Governance Toolkit in 2020/21.
    - Assurance was received by the IGSC following internal audits on both the Server Virtualisation and Cyber Security.
    - All Wales Policies: Information Governance, Information Security, Email Use and Internet Use have been assured.

- **Capital, Estates and IM&T Sub-Committee (CEIMTSC)** - regular written update reports were received during 2019/20, highlighting the following matters:
    - Options for the delivery of the temporary cardiac catheterisation laboratory, which had been agreed.
    - Replacement of a general radiology room in Glangwili General Hospital using discretionary capital funding.
    - Concerns expressed by Members regarding the further roll out of Medicines Transcribing e-Discharge not being cost neutral to the Health Board which were escalated to the Board.
    - Approval of the proposed capital costs to provide a medical grade Wi-Fi network for medical students in residential accommodation.
    - Concerns raised with the Estates Department regarding the poor external state of the residential accommodation at Withybush General Hospital.
    - Acknowledgement of the work of the project teams involved with the successful delivery of Aberaeron and Cardigan Integrated Care Centres.
    - Completion of the Infrastructure & Investment Enabling Plan 2020/23 and Draft Digital Delivery Programme Plan 2020/23.
    - The Draft CEIMTSC Annual Report 2018/19, which the Committee approved.
    - A Decarbonisation Agenda report was provided to the Committee highlighting the positive work carried out by HDdUHB.
    - The bid for increased capacity to provide emergency department cover, Sunday opening and MTeD roll out, as a rolled bid was successful.
    - WG approved the utilisation of the Cardigan Scheme underspend/gain share for statutory fire and credits for cleaning.
    - Handover of Phase 1a of the Women & Children's scheme was completed.

- **Planning Sub-Committee** - regular written update reports were received during 2019/20, highlighting the following matters:
    - The 'substantial' assurance received following the Internal Audit of the 2019/20 Annual Plan.
    - Approval of a joint Regional Clinical Plan with Swansea Bay University Health Board.

- The significant amount of work undertaken preparing the Three Year Plan 2020/23, with assurance received that the Health Board was on target to achieve this.
- The draft Planning Sub-Committee Annual Report 2018/19 which the Committee approved.

Discretionary Capital Programme 2018/19 Year End Update – the year-end update report for 2018/19 was received with Members noting it had been a positive year concerning allocations and acknowledging the significant work undertaken by the Operations Directorate in relation to the medical devices backlog position.

Discretionary Capital Programme (DCP) 2019/20 and Capital Governance Update – updates were received throughout the year, outlining the capital funding position and priority areas identified. Members were pleased to note WG confirmed funding for Imaging and Pharmacy priorities. Members also noted the assessment of available capital funds and the recommended priority expenditure list for 2019/20. The Committee approved the pre-commitments emerging for the 2020/21 DCP.

Annual Plan – update reports were received throughout the year.

Collaborative Working/Update Reports

- **A Regional Collaborative for Health (ARCH)** – the Committee received regular updates on the activities of the ARCH programme, acknowledging the significant work undertaken between Hywel Dda and Swansea Bay University Health Board, in particular the Hyper Acute Stroke Unit. It was noted that the Internal Audit Report on ARCH received reasonable assurance due to some outstanding actions from Swansea Bay UHB. Members commended the progress made regarding the re-framing and re-calibrating of the regional plan.

- **Llanelli Wellness and Life Science Village Update** – regular updates were received on the Llanelli Wellness and Life Science Village with Members welcoming the progress made, however, concerns were expressed in respect of the workforce development. At the December 2019 meeting, Members noted the extremely positive feedback received regarding implementation of the Village and noted the provisional commitment to lease 4-6 clinical pods, which will create significant opportunities for the clinical workforce.

- **West Wales Regional Care Partnership Board** – at the June 2019 meeting, the Committee received an update on the work of the West Wales Regional Care Partnership Board. It was noted that following bids to the transformation bid, WG confirmed approval for three of the Healthier West Wales programmes ("Proactive, technology-enabled care", "Fast tracked, consistent integration" and "Creating connections for all"). Members expressed concern that in order for the programmes to progress, the Health Board would require a workforce strategy to invest in the current and future workforce, due to the risk that the Health Board may not have sufficient appropriately trained staff to deliver the programmes. Workforce concerns were escalated to Board.

During 2019/20, BPPAC also received and considered the following:

- **Welsh Community Care Information System (WCCIS) Business Case** – Members welcomed the progress that WCCIS became operational in Ceredigion in December 2019 with the anticipation that this would be rolled out to other Counties in Summer 2020.
- **Major Incident Plan** – the Major Incident Plan 2019/20 was received and it was agreed that following clarification of a number of queries raised, this be approved via Chair's Action.

Key Risks and Issues/Matters of Concern

During 2019/20, the following key risks and issues/matters of concern were raised by BPPAC to the Board:

- April 2019 – Corporate Risks Allocated to BPPAC – concerns regarding 5 of the 6 corporate risks allocated to BPPAC.
- April 2019 – Operational Risks Allocated to Performance for BPPAC – concerns regarding Risk 54: Non-achievement of agreed performance for urgent & non-urgent suspected cancers affects the whole Health Board, given that performance rates dropped in February and March 2019 making the target score of 6 a challenge to achieve.
- June 2019 – Influenza Season 2018/19: Impact, Vaccine Uptake and Emerging Priorities for the Forthcoming Season Report – concerns regarding the introduction of a new vaccine during 2018/19 and the lack of supply of the vaccine, however, assurance was received to mitigate against this occurring the following year with the plan being to have a universal vaccine in place.
- June 2019 – Monitoring of Welsh Health Circulars:
  WHC 027-17 Clinical Musculoskeletal Assessment Treatment Service – concerns raised that this had been delayed by NHS Wales Informatics Service (NWIS) resulting in the implementation of the recommended guidelines to report on all the annual metrics remaining behind schedule.
  WHC 053-15 Introduction of SNOMED CT as an Information Standard in NHS Wales – concerns raised that this was also behind schedule due to external factors.
- June 2019 - Clinical Coding Sustainability Report – concerns raised in regard to clinical coding sustainability.
- June 2019 - Llanelli Wellness and Life Science Village – concerns regarding workforce development given the uncertainty that Swansea University would be in a position to support the Health Board on this; however, as it is a requirement that an education provider is included in the development, an alternative education provider would be sourced.
- June 2019 - West Wales Regional Partnership Board – concerns regarding workforce models and clear alignment to the identified change models underpinning the Health and Care Strategy to mitigate against the risk that the Health Board may not have sufficient appropriately trained staff to deliver them.
- August 2019 – H&SEPSC Update Report – concerns regarding the key observations made following the recent Health and Safety Executive (HSE) inspection given that an action plan would not be progressed until receipt of the report.
- August 2019 – Integrated Performance Assurance Report Month 4 2019/20 – concerns that stroke services in Hywel Dda may be spread too thinly across all four acute sites, whilst acknowledging that until the new proposed hospital is operational, the Health Board will have to take a balanced approach to ensuring stroke services are sustainable.
- August 2019 – CEIM&TSC Update Report – concerns that the action taken to extend Medicines Transcribing e-Discharge (MTeD) informally without a plan was not a robust approach to implementing clinical systems and that a future roll out of MTeD would not be cost neutral to the Health Board.
- October 2019 – Integrated Performance Assurance Report Month 6 2019/20 – concerns regarding the significant drop in stroke admissions to a specialist ward and the fragility of clinical staff within hospitals.
- October 2019 – Delivery of Ophthalmology Plans and Long Term Sustainability – a recognition that ophthalmology services will continue to be a challenging issue.
- December 2019 – Delivery of Ophthalmology for Hywel Dda patients (Including Long Term Sustainability) – an on-going recognition that ophthalmology services recruitment

continues to be a challenging issue and that until the matter is resolved, it will continue to be a risk.

Matters Requiring Board Level Consideration or Approval

During 2019/20, the following matters required Board level consideration or approval:

- October 2019 – to consider the concerns raised following receipt of the report following the HSE inspection.
- October 2019 – to consider the concerns raised regarding the flu vaccine 2019/20 supply issues.
- February 2020 - to escalate the requirements for a harm risk assessment view and a more quality focus for patients in relation to the non-urgent single cancer pathway.

Argymhelliad / Recommendation

The Board is requested to endorse the Business Planning & Performance Assurance Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: **Further Information:**	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of BPPAC meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	BPPAC Chair and Lead Director

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: **Financial / Service:**	A sound system of internal control, as evidenced in the Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds
Ansawdd / Gofal Claf: **Quality / Patient Care:**	SBAR template in use for all relevant papers and reports.
Gweithlu: **Workforce:**	SBAR template in use for all relevant papers and reports.
Risg: **Risk:**	SBAR template in use for all relevant papers and reports.
Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Committee's Terms of Reference, requires the submission of an Annual Report to the Board.
Enw Da: **Reputational:**	Not applicable
Gyfrinachedd: **Privacy:**	Not applicable
Cydraddoldeb: **Equality:**	SBAR template in use for all relevant papers and reports.

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	23 June 2020
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Quality, Safety & Experience Assurance Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Professor John Gammon, Chair, Quality, Safety & Experience Assurance Committee
SWYDDOG ADRODD: **REPORTING OFFICER:**	Mandy Rayani, Director of Nursing, Quality and Patient Experience

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

The purpose of this paper is to present the draft Quality, Safety & Experience Assurance Committee (QSEAC) Annual Report 2019/20 to the Board.

The QSEAC Annual Report provides assurances in respect of the work that has been undertaken by the Committee during 2019/20, and outlines the main achievements which have contributed to robust integrated governance across the University Health Board (UHB).

Cefndir / Background

The UHB's Standing Orders and the Terms of Reference for the QSEAC require the submission of an Annual Report to the Board to summarise the work of the Committee and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Committee is to provide assurance to the Board around the organisation's strategy and delivery plans for quality and safety.

This Annual Report specifically comments on the key issues considered by the Committee in terms of quality, safety and experience, and the adequacy of the response, systems and processes in place during 2019/20.

Asesiad / Assessment

The Health Board established QSEAC, under the Board's Scheme of Delegation in 2015. Since then, the terms of reference have been subject to an annual review, and most recently approved by the Board at its meeting on 28th March 2019.

These terms of reference clearly articulate that the Committee's purpose is to provide assurance to the Board that the organisation's strategy and delivery plans for quality and safety are appropriate and that it can provide evidence based and timely advice to the Board to assist it in discharging its responsibilities.

The Committee provides leadership and ensures that the appropriate enablers are in place to promote a positive culture of quality improvement based on best evidence.

As identified within the most recently revised terms of reference, the Sub-Committees directly reporting to QSEAC during 2019/20 are as follows:

- Operational Quality Safety Experience Sub-Committee
- Mental Health & Learning Disabilities Quality, Safety & Experience Sub-Committee
- Infection Prevention Sub-Committee
- Improving Experience Sub-Committee
- Medicines Management Sub-Committee
- Strategic Safeguarding Sub-Committee
- Workforce & Organisational Development Sub-Committee
- Effective Clinical Practice Sub-Committee

The terms of reference for the above Sub-Committees were all reviewed and approved during 2019/20.

CONSTITUTION

From the terms of reference approved by the Board in March 2019, the membership of the Committee has been agreed as the following:

Full Members

- Independent Member (Chair)
- 6 x Independent Members (including the Audit and Risk Assurance Committee Chair and the Business, Planning & Performance Assurance Committee Chair)

In attendance Members:

- Executive Director of Operations
- Executive Medical Director
- Executive Director of Nursing, Quality & Patient Experience (Lead Executive)
- Executive Director of Planning, Performance and Commissioning
- Executive Director of Workforce & Organisational Development (and Chair of Workforce and OD Sub-Committee)
- Executive Director of Therapies & Health Science (and Chair of Operational Quality, Safety & Experience Sub-Committee)
- Executive Director of Public Health
- Assistant Director of Nursing, Assurance and Safeguarding/Chair of Strategic Safeguarding Sub-Committee
- Chair of Mental Health and Learning Disability Services Quality Safety and Experience Sub-Committee
- Chair of Improving Experience Sub-Committee
- Chair of Effective Clinical Practice Sub-Committee
- Chair of Medicines Management Sub-Committee/Head of Medicines Management
- Chair of Infection Prevention Sub-Committee
- Hywel Dda Community Health Council (CHC) Representative (not counted for quoracy purposes)

MEETINGS

QSEAC meetings have been held on a bi-monthly basis throughout the year and all were quorate as follows:

- 4th April 2019
- 4th June 2019
- 1st August 2019
- 3rd October 2019
- 3rd December 2019

- 4th February 2020

In-Committee sessions have been held after each Committee meeting during 2019/20, to discuss either potentially sensitive matters or identifiable data, including the following:

- Cardiology Review
- Royal College of Surgeons of England Review - Bronglais General Hospital (BGH)
- Tuberculosis (TB) Outbreak - Llwynhendy Update
- Care Delivery to Orthopaedic Patients in Withybush General Hospital (WGH)
- Trans-catheter Aortic Valve Implantation (TAVI) Service
- Colorectal Review
- Orthodontic Services
- Fragility of Services
- Point of Care Testing – Patient ID Audit

As QSEAC is directly accountable to the Board for its performance, the Chair of QSEAC has provided assurance or escalated matters to the Board through a formal written update report following each Committee meeting.

Quality Safety & Experience Assurance Committee - Working Arrangements
Committee working arrangements and expectations of Members were considered at the beginning of the financial year, where there was agreement for the following:

- Necessity of membership attendance;
- Executive Director Attendance;
- Reports to focus on quality, safety matters and assurance.

The role of QSEAC's Sub-Committees was reinforced, with the Chair emphasising the importance of the quality and safety agenda, and the focus on outcomes rather than process. It was agreed that QSEAC would review the higher-level quality and safety risks and issues, as opposed to the operational detail. The Operational Quality, Safety & Experience Sub-Committee (OQSEAC) would consider the operational quality and safety risks in more detail.

Outcome of QSEAC Self-Assessment of Effectiveness 2018/19 – the Committee received the outcome of the QSEAC self-assessment of effectiveness exercise for 2018/19. Members welcomed the feedback received, which had been positive on the whole, including considerable qualitative and quantitative data to review. Members believed that the Committee is maturing with robust discussions now taking place which are patient focused, and with a clear distinction between the strategic and the operational. For the self-assessment of effectiveness exercise for 2019/20, it was agreed at the February 2020 QSEAC meeting that an alternative approach should be adopted to include a greater focus on patient outcomes.

Annual Reports
The Committee received and approved the following Annual Reports in 2019/20:

- QSEAC Annual Report 2018/19
- QSEAC Sub-Committees Annual Reports 2018/19
- Draft Annual Quality Statement 2019/20

Operational and Strategic Delivery Reports
During the year, the Committee received numerous presentations, reports and updates in relation to operational services delivery and performance issues. Examples of which are:

Corporate Risks Assigned to QSEAC - the Committee received regular Corporate Risk Reports outlining current and new corporate risks assigned to QSEAC from the Board. Members were informed that all risks are subject to the CEO's performance review and are challenged, where appropriate, to provide the necessary assurance to Board. Members noted the controls, mitigations and plans in place, and agreed with the suggested deep dives on high risk areas for future QSEAC meetings.

Quality and Safety Assurance Report – the Committee received the Quality and Safety Assurance Report at each meeting, providing information and data from a high-level position against the organisation's assurance and improvement activities across the Health Board. Members welcomed the reports noting that these provided greater assurance with regard to data, statistical process control (SPC) charts and planned next steps. In regards to a noticeable increase in pressure damage indicators, Members received assurance that the Quality Improvement (QI) team are sharing good practice in all areas, in addition to monthly pressure damage scrutiny meetings, where good practice has been extended to community services. The report to QSEAC in June 2019, indicated improvements within Primary Care services and Mental Health and Learning Disabilities Directorates. Whilst welcoming the focus on specific domains, given that patient impact is not always made explicit, Members suggested that the emphasis within further reports should be focused on any consequential patient impact. During 2019/20, a number of Quality Improvement (QI) projects commenced, and whilst outcome reports from these projects were presented, Members acknowledged that outcomes from the first projects taken forward through the QI collaborative may initially be varied due to their infancy. At the August 2019 QSEAC meeting, Members welcomed the fact that the report is underpinned by improved governance across the indicators within the dashboard, and the fact that Teifi ward, where improvement work commenced in September 2018, recently reported over 200 days without any incidents of pressure damage. Members also welcomed the continuing trend in the reduction in incidents of pressure damage, falls and complaints. The report to the October 2019 QSEAC meeting included a Serious Incidents (SI) Deep Dive presentation. Members discussed the underlying reasons behind an SI occurrence and whether high staff turnover, or a lack of staff training and leadership within clinical teams may be factors. Members suggested that proactive steps should be taken to identify concerns earlier, although acknowledged that multidisciplinary discussions take place where staff are now more willing to escalate concerns to senior managers. Members also acknowledged that a reinforcement of the basics, including improved communication by medical staff with patients, would be key to driving improvements going forward. At the February 2020 QSEAC meeting, Members were advised of a rise in the number of level 1 incidents reported across the Health Board, which could be construed as a positive, with staff having the confidence to report such incidents. The Committee was assured by the inclusion of a triangulated approach in regard to Healthcare Inspectorate Wales (HIW) reports and identified hotspots, and that the proposed Listening & Learning Sub-Committee should support improved outcome and intelligent data. The Committee was also assured that following HIW inspections, immediate actions are agreed by the Service Lead and submitted to HIW. The Committee noted that additional narrative will be required when using SPCs in reports, to ensure Members can understand the detail behind the activities within services.

External Monitoring Activity Report - the Committee received the findings within the Final External Monitoring Reports at each meeting following unannounced visits by HIW and the Community Health Council (CHC), in addition to the current HIW and CHC trackers highlighting any outstanding actions. Members welcomed the increasingly positive feedback, particularly in regard to inspections undertaken in BGH, WGH and Glangwili General Hospital (GGH) where the sharing of good practice across these sites has been

noted. Following a visit to Sunderland Ward, South Pembrokeshire Hospital, in May 2019, Members were advised that staff had acknowledged the drop in standards, and convened a team meeting the same day where immediate actions were agreed and progressed. In addition, Members were assured that the immediate improvement plan has now been completed and submitted to HIW. The report to the August 2019 QSEAC meeting included an update in respect of the Welsh Health Circulars (WHCs) currently monitored at QSEAC, as well as the 22 WHCs that are under the remit of the QSEAC Sub-Committee structure. Members were assured that the detail of the action plans are discussed during the CEO performance review process, and that any assigned actions are progressed by the triumvirate teams.

Histopathology Staffing and Environment Issues – Update Report - the Committee received an update on the inherent risks facing the Cellular Pathology (Histopathology) service. Members were advised that the intention will still be to provide a service within the Health Board which will link into the regional service at Morriston Hospital, which should provide a more sustainable service, with better expertise and quicker turnaround times in future. Whilst acknowledging the fragility of the current workforce, Members received assurance regarding the long term plan given that the Board have approved this as part of the 'A Regional Collaboration for Health' (ARCH) programme, with Members receiving assurance that the Joint Regional Planning and Delivery Committee (JRPDC) has established a Task and Finish Group to work with the Health Board to develop opportunities for them.

NHS Wales Laundry Production Units - the Committee received a report on the NHS Wales Laundry Production Units given concerns raised at the March 2019 Public Board meeting on the potential quality and safety impacts due to the expected timescale for any new arrangements in Wales. Members acknowledged the current challenges in becoming compliant with the new standards, however received assurance that, to date, no concerns have been raised. Members welcomed the positive engagement with staff involved to ensure they are updated on the progress of the Outline Business Case.

South Wales Vascular Network Presentation - the Committee received a presentation on the South Wales Vascular Network by the Vascular Surgery Clinical Network lead following the National Vascular Registry Report 2018. Members were advised that the service now has nine consultants, with the hub just short of the national average of 62% undertaking 10 operations per week. Members received an overview of the statistics for Carotids, Aortas and complex Abdominal Aortic Aneurysm (AAA) and noted that an aneurysm screening programme is in place to address the medium to long term. Following recommendations from the National Vascular Registry Report 2018, the service is reviewing how to improve the supervision of a senior trainee undertaking amputations and improving procedures to ensure that amputations are recorded accurately on the register. Members welcomed the presentation which provided assurance for QSEAC on the service received by the patients of Hywel Dda.

Nurse Staffing levels (WALES) Act Updates – the Committee received regular updates in regard to the Nurse Staffing Levels (WALES) Act during 2019/20. At the April 2019 QSEAC meeting, Members received the Nurse Staffing Levels (Wales) Act – Annual Report 2018/19, and were advised of the requirement to update the Board twice a year in regard to progress on the implementation of the Act. Members acknowledged where the Health Board is not meeting the required standards, whilst recognising that robust standards are in place which is critical for QSEAC's assurance. In addition, the Health Board had adopted a risk based approach across the organisation, and as well as working with District Nurses and the MH& LD Directorate, work has also taken place in the paediatric directorate regarding activity and staffing. Members were advised that significant work has been undertaken within the Health Board and at the All Wales

Nurse Staffing Group, and advised that Ministers have acknowledged the requirement for a phased implementation of the Act. At the QSEAC meeting in June 2019, the Committee received an update outlining the 'in year' changes to the nurse staffing levels of several medical and surgical wards following the Spring 2019 nurse staffing level calculation cycle. Members received assurance that the nurse staffing levels had been calculated in line with the requirements of the Act. At the October 2019 QSEAC meeting, Members received the Nurse Staffing Levels (Wales) Act - Whole Time Equivalent (WTE) Recalculation report, providing an assurance that an appropriate process had been put in place in order to arrive at the revised calculations of the WTE required for the wards identified in the detailed summary provided to the Committee.

Management Response to the Delivery Unit Report Review of the Impact of Long Waits for Planned Care on Patients (November 2018) - the Committee received the Management Response to the Delivery Unit (DU) Report: Review of the Impact of Long Waits for Planned Care on Patients (November 2018) at the 4th April 2019 QSEAC meeting, and Members were advised that the report contained 10 recommendations for consideration by the Health Board. Members were informed that the review highlighted a significant gap from when a patient is referred for treatment, which could be due to a communication issue for this cohort of patients. Members acknowledged that whilst patient experience is important with any delay in treatments, the impact to family and carers should also not be underestimated. Members supported the proposed establishment of a Project Group and received confirmation at the QSEAC meeting in August 2019 that the quality improvement pilots regarding communications, reducing hospital admissions, and lengths of stay in A&E for patients had commenced. Members welcomed the progress which provided a level of assurance for QSEAC.

Management of Follow-Up Outpatients (Including Current Assessment Of Clinical Risk / Harm) - the Committee received a progress update in respect of the University Health Board's (UHB's) plans to reduce the volume of delayed follow-ups at the 4th April 2019 QSEAC meeting. Members welcomed the positive examples provided in the report where numbers have been reduced within the Health Board, which would be monitored by both QSEAC and the Business Planning and Performance Assurance Committee (BPPAC) during 2019/20. Whilst noting the recent validation to remove patients who had been on the follow up list for 3-5 years, Members suggested that a new approach could be adopted including utilisation of multi-disciplinary teams to establish whether further follow ups are required, and asking patients for their preference given the importance of listening to the patient voice. Following QSEAC's request to re-direct oversight of this to OQSESC, the Sub-Committee received assurance at its meeting in November 2019 on the extent to which the improvement plan, which had been designed to deliver at least the minimum targets set by WG this year, addresses the requirements of the Wales Audit Office review of delayed follow-up care, and the sustainability of the plan beyond the short-term WG funding period to March 2020.

Internal Assurance Review of Quality And Safety of Maternity Services Following Recent Independent Review of Maternity Services at Cwm Taf UHB and Presentation - the Committee received a presentation following an internal assurance review of the quality and safety of maternity services within Hywel Dda University Health Board HDdUHB at the 4th June 2019 QSEAC meeting, to provide assurance on the work undertaken by the Health Board to benchmark itself against the Cwm Taf review. Details of the key themes emanating from the Cwm Taf report were provided and Members welcomed the appointment of two new consultants, resulting in a lower reliance on locum cover, and areas identified for improvement. Members acknowledged the challenges faced by HDdUHB's maternity services, however agreed that the clinical team had provided sufficient assurance, whilst noting the follow up actions from the presentation alongside the further requests for information for Members required further follow up. At the February 2020 QSEAC meeting, Members received a further

update where it was noted that Board to Floor visits by Independent Members witnessed positive working relationships within the teams involved, and recognised the importance of triangulating data. The Committee took an assurance from the governance mechanisms in place. In addition to the update report, Members received a patient story of a mother who recently gave birth to her child in GGH Maternity Unit. Members welcomed the honest account of the care that had been received, which on the whole was positive, and suggested that other services could benefit from the same shared decision-making approach as community midwives when treating patients in their care.

Report on Public Health Wales Mortality Data – during the year, the Committee received regular updates in regard to Public Health Wales (PHW) Mortality Data, including a report on comparative mortality information for all Health Boards received at the 4th June 2019 QSEAC meeting, whilst acknowledging that mortality is only one indicator to monitor equitable care. Members welcomed the report, providing an update on the revised processes in place in regard to compliance for stage 1 mortality reviews given QSEAC's previous concerns. Whilst the Health Board is close to compliance for stage 1 reviews, following concerns raised in regard to stage 2 Mortality Reviews, the Mortality Review Group (MRG) undertook an assessment of current practice. In November 2019, the Effective Clinical Practice Sub-Committee (ECPSC) approved a revised Stage 2 Mortality Review process for each site, with the Mortality Scrutiny Group (MSG) to monitor progress. At the October 2019 QSEAC meeting, Members were advised that the MRG reviewed Stage 1 performance across the Health Board, and whilst noting an improving trajectory, the Health Board remained below the 90% target. At the December 2019 QSEAC meeting however, Members welcomed the significant improvement in compliance for BGH, which improved compliance to 91%.

Outcome of Bronglais Breast Ultrasound Scanner (USS) Review - the Committee received the outcome of the Bronglais Breast Ultrasound Scanner Review at its meeting on 4th June 2019 to provide assurance that this particular incident and the wider concerns which came to light in relation to service contracts and quality assurance of ultrasound equipment within the Health Board, have been managed appropriately. Members received an assurance through the review, and through the continued monitoring of the action plan by the USS Governance Group.

Cardiology Review Update - the Committee received an update at its meeting on 4th June 2019 in relation to concerns raised relating to Cardiology services provided by a Locum Cardiologist, formerly employed by HDdUHB. Members were assured that all actions had now been completed to provide assurance to QSEAC.

Board to Floor (Patient Safety) Walk Around Visits – during 2019/20, the Committee received regular updates on the Board to Floor (Patient Safety) Walk Around Visits, where staff had embraced the visits from Board Members, welcoming the opportunity to showcase their work. Whilst Members suggested that the number of visits should be increased and that a trigger list approach from the risks identified within the particular Board to Floor area should be considered, it was emphasised that the Board should also celebrate what is working well which has a direct correlation to quality and safety. Members acknowledged the value of these visits in supporting improved engagement with staff working within clinical areas. Members were advised that further updates would be incorporated within the Quality and Safety Assurance Report and suggested that these should include guidelines and reporting mechanisms to support learning.

Presentation - Review of Operational Quality and Safety Arrangements – the Committee received a presentation at its meeting on 1st August 2019 on the review undertaken by the Wales Audit Office (WAO) into the operational quality and safety arrangements within HDdUHB, focusing particularly on the flow of assurance from directorate level to the Board. Members

welcomed the review, noting that the improvement plan would be monitored by the Audit and Risk Assurance Committee (ARAC). Whilst Members were encouraged to note that improvements across the organisation are being acknowledged, it was agreed that the Health Board should continue to challenge itself for further improvements.

Risk 654 – Nutrition and Dietetics Progress Report – the Committee was presented with the Risk 654 – Nutrition and Dietetics Progress Report at its meeting on 1st August 2019. Members were informed that whilst the risk register includes a number of malnutrition risks, risk 654 is currently the highest and has also been linked to a recent Coroner's Regulation 28 report and safeguarding concerns. Members were advised that a business case had been presented to the Executive Team on 22nd July 2019, and following their approval to proceed with Option 3 i.e. *to recruit to address the acute hospital shortfall in dietetic capacity*, the Board subsequently approved the business case in September 2019. Members acknowledged the progress regarding this risk and that on-going monitoring would be undertaken by the Nutrition and Hydration Group reporting to OQSESC.

Enabling Quality Improvement in Practice (EQIiP) – the Committee was presented with the Enabling Quality Improvement In Practice (EQIiP) report at its meeting on 1st August 2019. Members were advised that the project teams selected to take part in the 8 month collaborative training programme would be supported by regular training days during the programme. Members welcomed the positive feedback from the teams taking part and also the continued Executive Director support for this patient care focused training. Members noted the iterative nature of the programme, and that whilst initial outcomes of the projects may not indicate improved performance measures, quantifiable data would be made available. Members received an update at the December 2019 QSEAC meeting identifying the positive improvement work delivered to date. Members supported the continuation of the programme, suggesting that for the next cohort a focus on wider teams within the Health Board could be considered, for example non-clinical teams.

Llwynhendy Tuberculosis (TB) Outbreak – Managing the Response – the Committee was presented with the Llwynhendy Tuberculosis (TB) Outbreak – Managing the Response update report at its meeting on 1st August 2019, advising how the clinical teams involved are managing the follow up work from the screening days held in June and September 2019. At the December 2019 QSEAC meeting, Members were informed that as the Tuberculosis (TB) outbreak is continuing, and as latent TB could be anticipated in some children, this cohort had been invited to attend screening sessions before Christmas 2019.

Delivery of Ophthalmology Plan and Impact on Care and Outcomes for Hywel Dda Patients – the Committee received the Delivery of Ophthalmology Plan and Impact on Care and Outcomes for Hywel Dda Patients report at its meeting on 3rd October 2019. Given the only limited assurance that could be taken from the report, a deep dive into Ophthalmology services was presented to the December 2019 QSEAC meeting. The Committee recognised the work of staff both in the Hospital Eye Service (HES) and in Community settings, and welcomed the proposed regional development with ARCH to support recruitment and retention. The Committee received assurance that the Ophthalmology Directorate had improved arrangements for reporting and investigating patient safety incidents, and the planned improvements to support patient experience.

Being Open Process / Duty of Candour in the NHS – Members welcomed the Being Open Process / Duty of Candour in the NHS report, providing a platform from the Health Board's perspective to enable further discussions to take place.

Update on Out of Hours (OOH) Service Provision – Members received an update on Out of Hours (OOH) Service Provision during the summer of 2019 at its meeting on 3rd October 2019. Members acknowledged the challenges within the service, however as the report indicates that the Advanced Paramedic Practitioner (APP) model with the Welsh Ambulance Service Trust (WAST) accounts for 20% of activity, suggested that this new way of working could be transferred to other fragile services. Members welcomed the news that the initiative has received national recognition, with the collaboration successfully shortlisted as a finalist in the 2019 NHS Wales awards. At the February 2020 QSEAC meeting**,** Members received a further update and recognised the improved OOH position, due in part to the success of the APP model. Whilst accepting the progress made to date, Members suggested that whichever future model is progressed, due consideration of the quality of care provided and the patient impact would be required.

Hospital Acquired Thrombosis (HAT) – Members received the Hospital Acquired Thrombosis (HAT) report at its meeting on 3rd December 2019 providing an overview of Hywel Dda University Health Board's position. Concerns were raised regarding the potential for an increase in errors which would have a direct impact on patient experience given that 5 different Thrombo-prophylaxis (TP) Risk Assessment tools are in use in Hywel Dda for different specialities and admissions in line with all Wales guidelines, which could potentially cause confusion within the clinical teams involved. It was noted that this would be taken forward by the Thrombosis Group and the soon to be appointed quality improvement leads. Given that on the evidence presented within the report, Members did not believe that sufficient progress had been made, the need for pace and focus on this matter was emphasised. Given the lack of assurance received, disappointment was expressed by Members that the report to QSEAC in February 2020, did not include further progress in regard to a system wide approach, including leadership of HAT. Further concerns were expressed with the lack of pace and focus, again noting the direct impact on patient outcomes. Given the concerns raised, it was agreed to escalate these to the March 2020 Board.

Colorectal Cancer Multidisciplinary Team (MDT) Peer Review – Members received the Colorectal Cancer Multidisciplinary Team (MDT) Peer Review report at its meeting on 3rd December 2019, noting that the review had been requested by the Health Board to assess the current position following the previous peer review undertaken in 2017. For QSEAC's assurance, confirmation was received that no serious concerns had been identified by the review team. It was further noted that work is being progressed to improve the underlying cultural and leadership issues in the MDT, with the Health Board investing in leaders and providing programmes for clinicians through the Medical Leadership Forum. Given the level of assurance received regarding the actions to date, the Committee agreed that further monitoring of the action plan would be undertaken by the Directorate.

Claims Management Report – High Value/Novel Claims – Members received the Claims Management Report – High Value/Novel Claims at its meeting on 3rd December 2019 which included a summary of the current clinical negligence claim caseload, and cases valued in excess of £100,000. Members agreed that an overview Claims Management report would be presented to the main QSEAC meeting in future, with the detailed report to be considered during In-Committee QSEAC.

Director of Public Health Report – the Committee received the Director of Public Health Report at its meeting on 3rd December 2019, noting that whilst there had been a significant vaccine supply issue at the commencement of the 2019/20 flu season, data on staff vaccinations confirmed that more have received the vaccination than at the same point in the previous year, which could be due to an increase in the number of flu champions in place during 2019/20.

Orthodontic Services - the Committee received the Orthodontic Services report at its meeting on 3rd December 2019, providing an update on the work of the Control Group to improve Orthodontic services, and the actions taken to reduce avoidable harm to patients. Members acknowledged that the team have been proactive in reducing this risk, and the Committee recognised and commended the approach taken.

Feedback on Winter Listening and Engagement Sessions - the Committee received the Feedback on Winter Listening and Engagement Sessions report, following discussions at the December 2019 QSEAC and Board Seminar meetings on continued service pressures. The staff involved welcomed the opportunity for open and honest discussions with Board Members. Members received assurance that identified actions would be progressed by Operational Leads and that any staff concerns would be taken forward by the newly established formal Quality Panels.

Key Risks and Issues/Matters of Concern

Matters Escalated to Quality, Safety & Experience Assurance Committee

During 2019/20, the following key risks and issues/matters of concern were raised at the Quality, Safety & Experience Assurance Committee and escalated to Board:

- concern regarding Cellular Pathology (Histopathology) staffing challenges.
- concerns in regard to the lack of meetings held by the Paediatric RRAILS Group, who report to OQSESC.
- concern regarding risk reporting to OQSESC, although the Committee was advised that as operational risks are being discussed at the CEO Performance Reviews meetings, it has been agreed to only receive risks by exception, and that going forward, a deep dive into 2 or 3 risks of particular concern would be undertaken during the year.
- concern regarding the lack of progress of the ECPSC.
- concern regarding an increase in cases of Clostridium difficile (C.diff) in WGH and Pembrokeshire since the beginning of March 2019.
- concern regarding stage 2 mortality reviews, where a written process has been requested by the ECPSC to ensure learning is shared across the organisation.
- concern regarding increases in cases of Clostridium difficile (C. diff) in BGH, given this represents an outlier within the Health Board.
- concern regarding the challenge for the Health Board to transform services and progress the workforce.
- concern regarding a lack of a pace, focus, leadership and a system wide approach in regard to Hospital Acquired Thrombosis (HAT).
- concern regarding core attendance at WODSC meetings.

Matters Requiring Board Approval

- Approval of the Annual Quality Statement
- Approval of the QSEAC revised Terms of Reference
- Approval of the QSEAC Annual Report 2019/20
- Strategic Equality Plan (SEP) and Objectives for Hywel Dda University Health Board (HDdUHB)

Update Reports from Sub-Committees

QSEAC received update reports from its Sub-Committees at each Committee meeting during 2019/20. As the full annual reports from each Sub-Committee will be presented to QSEAC alongside the QSEAC annual report, (Appendices 1-8) only the key risks and issues/matters of concern from each Sub-Committee are reported below:

Operational Quality, Safety & Experience Sub Committee (OQSESC)

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- the lack of meetings held by the Paediatric RRAILS Group - for assurance, QSEAC was advised that following a meeting with the Clinical Lead and Chair of the Group, these meetings would be re-established.
- significant work undertaken in regard to medical devices which now provides assurance through the annual audits established.
- deep dive reports on two key areas of risk: Pathology Risks 91 and 96, relating to staffing and environment concerns, and Risk 654 relating to harm to inpatients due to malnutrition.
- the development of documentation for general hospital staff to improve the governance around the use of covert medication for patients who lack decision-making capacity.
- a new risk 108, in relation to the limited staffing resource within the Point of Care Testing (PoCT) team, with assurance provided that whilst the current staff levels face challenges with demand, this is regularly being monitored.
- a lack of assurance in regard to the processes for reducing HAT, which was subsequently escalated to QSEAC.

The Sub-Committee continues to review its effectiveness on a regular basis and Sub-Committee Members continue to discuss and refresh the mechanism for monitoring and providing assurance to QSEAC in relation to operational risks with a potential quality or safety impact on patient care.

Medicines Management Sub Committee

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- a review of the standards in relation to the storage of emergency drugs by the national group, in addition to an audit to establish the Health Board's position against the new standard with any concerns discussed at ARAC.
- concerns regarding Risk 374 Aseptic Provision, which could become a critical risk given that an Improvement Notice is still in place on the WGH and BGH Aseptic Units. The approval of funding for the immediate refurbishment of the WGH and BGH Aseptic Units was subsequently noted.
- Risk 681, updating of infusion pump libraries, noting that manual updating is currently undertaken across hospital sites, and that a significant investment would be required to convert all pumps to update via WiFi.
- concerns regarding the potential lack of ownership and responsibility for reducing future occurrences of HAT by the Consultant team involved.
- an acknowledgement that a training programme for junior doctors on medication safety is required to reduce errors.

Improving Experience Sub-Committee (IESC)

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- the implementation of the Patient Charter.
- the need for children and young people's voices to be considered, and not only as patients, with options to link to the Public Services Boards Children's Boards.
- that the reminiscence interactive therapy activities (RITA) system, which has been implemented in two wards in Prince Philip Hospital (PPH), has been shortlisted as a finalist in the Patient Experience Network Awards.
- the re-development of the staff handbook which has been shared as part of a staff

development programme.
- the introduction of the Health, Social Care (Quality and Engagement) (Wales) Bill into the National Assembly for Wales on 17th June 2019, which if passed, is likely to become law in the summer of 2020.

Mental Health and Learning Disabilities (MHLD) Services Quality, Safety and Experience Sub-Committee

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- a change of focus for the Sub-Committee meetings which now include links to Healthcare Standards (HCS) and the monitoring of HIW reports.
- the inequalities of physiotherapy provision across the 3 counties, resolved by work undertaken by the Head of Therapies.
- the fragility of Mental Health and Learning Disability services across the Health Board, in particular the challenges faced in recruiting medical staff for Ceredigion and Pembrokeshire, which have been mitigated by the Head of Service returning to clinical practice, with the directorate also in the recruitment phase for a number of pharmacy posts which have non-medical elements attached to them.
- the positive outcome for those patients being moved from long term care in Ty Bryn to community placements.
- the transfer over to the Welsh Patient Administration System (WPAS).
- the actions taken to reduce waiting times within the Integrated Psychological Therapies Service (IPTS).

Workforce and OD Quality, Safety and Experience Sub-Committee

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- the approach of a deep dive into the risks assigned to the Sub-Committee which had been undertaken, providing assurance to QSEAC that risks are being monitored.
- 75% compliance for annual appraisal, with Hywel Dda above the NHS Wales average in all except one staff group.
- that 86 offers had been received for the auto allocation of Newly Qualified Nurses (NQN) which represented the highest fill rate in Wales at 75%.
- the improving trend regarding PADRs, whilst acknowledging that the next stage would require a focus on the quality of the PADRs received by staff.
- an acknowledgement that the Health Board has a responsibility to provide support for staff who work in challenging services, given the strong correlation between patient experience and under pressure staff.
- concerns expressed in regard to core attendance at Sub-Committee meetings, where it was agreed that further discussions would be required regarding the ToRs and membership.

Infection Prevention Sub-Committee

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- following the background work completed in regard to antibiotic use, confirmation that the Health Board became compliant before the new guidelines were initiated.
- an acknowledgement of the challenge to alter the culture of all staff groups within the Health Board, however the Heads of Nursing would reinforce and challenge staff to ensure that the ‘Bare Below the Elbow’ standard for hand hygiene is adhered to.
- an increase in the number of cases of Clostridium difficile (C.diff) in WGH and Pembrokeshire since the beginning of March 2019, which following meetings with the

Triumvirate, have now been addressed.

- the first Faecal Microbiota Transplant at the beginning of May 2019, which is a new treatment for recurring C.diff, with promising initial results.
- an 82% improvement in prescribing on the audited antibiotics, which will in turn have an effect on other prescribing.
- following training on urinary tract infections (UTI) by a Community Advanced Nurse Practitioner, a 22% reduction in E.coli bacteraemia reported by the Health Board this year compared to the previous year.
- a welcomed change of focus by the Infection Prevention Team where clinical teams will now take ownership of any infections occurring in their areas.
- concerns regarding increases in cases of Clostridium difficile (C. diff) in BGH, given this represents an outlier within the Health Board, however following meetings with the Infection Prevention team, improvements in clinical practice and cultural behaviour have been progressed.
- the reduction in infection rates across all targets other than for E.coli BSI compared to the previous year.
- following concerns raised regarding whether the work undertaken by the service to change practice in relation to antibiotic stewardship would provide the long-term improvements required, that the Health Board's ageing population has been recognised as a relevant risk factor.
- an assurance that no cases of Legionella have been identified in WGH due to the regular testing and monitoring of all areas by staff and clinicians.

Effective Clinical Practice Sub-Committee (ECPSC)

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- concerns regarding the lack of progress of the Sub-Committee, whilst welcoming the newly established processes in place.
- the increased focus regarding the level of participation of national audits, with the establishment of a new reporting group.
- a review of the groups reporting to the Sub-Committee to ensure robust reporting is being undertaken by those with the appropriate expertise.
- the establishment of a list of appropriate experts from University partners for specific topics, which would be in the form of a peer review process, where the experts would be called upon to assess new interventions, with the findings submitted to ECPSC for Members to discuss.
- an acknowledgment that ECPSC ToRs should include a link to the UPB and a greater focus on outcomes be considered by the Sub-Committee.
- confirmation regarding the variations in performance for Stage 1 mortality reviews on Health Board sites, which had been due to the differing mortuary processes in place across Hywel Dda; once standardised, performance rates should achieve 90%.
- an acknowledgement of the need for a whole system approach in regard to Venous Thromboembolism and Pulmonary Embolism given the number of groups reviewing guidance in this area.

Strategic Safeguarding Sub-Committee (SSSC)

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- the common themes regarding record keeping and sharing information which are still occurring in investigations, and whilst not directly related to safeguarding, assurance was received that the Sub-Committee has been in contact with operational teams across the Health Board to ensure that actions are being addressed.

- an assurance that Local Authority groups have raised awareness with GPs regarding referrals into their service in regard to the safeguarding of young carers, given the significant growth in the number of children who have been identified as carers.
- an assurance that any safeguarding issues identified when a Care Home is subject to the All Wales Escalating Concerns procedure are managed in line with due process.
- that a market position in relation to staffing is being considered between the Health Board and Local Authorities.

QSEAC Future Work Plan 2020/21

During 2020/21, there will be a key focus for the Committee on the following:

- continuous review and evaluation of the QSEAC throughout 2020/21.
- continuous development of assurance processes such as Board to Ward Walkabouts.
- continuous development of the quality dashboard with time scales and project plan completed, including the inclusion of SPC charts.
- evaluation and assurance from Sub–Committees that recommendations from external reports are being embedded into Sub-Committee structures.

Argymhelliad / Recommendation

The Board is asked to endorse the Quality, Safety and Experience Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: **Further Information:**	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Quality, Safety and Experience Assurance Committee meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.

Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Quality, Safety and Experience Assurance Committee Chair and Lead Director

Effaith: (rhaid cwblhau) **Impact: (must be completed)**	
Ariannol / Gwerth am Arian: **Financial / Service:**	A sound system of internal control, as evidenced in the Quality, Safety and Experience Assurance Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	SBAR template in use for all relevant papers and reports.
Gweithlu: **Workforce:**	SBAR template in use for all relevant papers and reports.
Risg: **Risk:**	SBAR template in use for all relevant papers and reports.
Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Quality, Safety and Experience Assurance Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Quality, Safety and Experience Assurance Committee's Terms of Reference, requires the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee.
Enw Da: **Reputational:**	Not Applicable
Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	Not Applicable

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ANSAWDD, DIOGELWCH A SICRHAU PROFIOD
QUALITY, SAFETY AND EXPERIENCE ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	07 April 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Operational Quality, Safety and Experience Sub-Committee (OQSESC) Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Alison Shakeshaft, Chair, OQSESC, Executive Director of Therapies & Health Science
SWYDDOG ADRODD: REPORTING OFFICER:	Karen Richardson, Committee Services Officer

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

The purpose of this paper is to present the draft Operational Quality, Safety and Experience Sub-Committee (OQSESC) Annual Report 2019/20. The OQSESC Annual Report provides assurances in respect of the work that has been undertaken by the Sub-Committee during 2019/20, and outlines the main achievements, which have contributed to robust integrated governance across the University Health Board (UHB).

Cefndir / Background

The UHB's Standing Orders and the terms of reference for the OQSESC require the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee to summarise the work of the Sub-Committee and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Sub-Committee is to focus on both acute and primary and community services quality and safety governance arrangements at an operational level, bringing together accountability and ownership for those quality and safety issues to be resolved operationally, freeing up the Quality, Safety and Experience Assurance Committee to be more strategic in its approach and providing onward assurance to the Board.

The Annual Report specifically comments on the key issues considered by the Sub-Committee in terms of quality, safety and experience, and the adequacy of the response, systems and processes in place during 2019/20.

Asesiad / Assessment

The OQSESC has been established under Board delegation with the Health Board approving terms of reference for the Quality, Safety & Experience Assurance Committee most recently at its Board meeting on 28th March 2019.

The OQSESC was established to combine and replace the previous Acute Services and Primary Care & Community Services Quality, Safety and Experience Sub-Committees. The first meeting of the OQSESC was held on 10th July 2018. The terms of reference of the OQSESC

were subsequently approved at its second meeting on 20th September 2018. A revised version was approved at the January 2019 OQSESC, with some slight amendments requested by QSEAC in February 2019 prior to their approval via Chair's Action.

The terms of reference clearly detail the Sub-Committee's purpose to provide assurance to the Quality, Safety & Experience Assurance Committee around the organisation's acute and primary and community services quality and safety governance arrangements at an operational level, bringing together accountability and ownership for those quality and safety issues to be resolved operationally, and providing an upward assurance.

In discharging this role, the Sub-Committee is required to oversee and monitor the quality, safety and experience agenda against the following areas of responsibility:

- Resuscitation/RRAILS
- Nutrition and Hydration
- Organ Donation
- Mental Capacity Act and Consent
- Medical Devices
- Radiation Protection

Other areas of focus to include:

- Clinical pathways such as stroke, diabetes, cardiology
- Operational risks from the acute, primary and community services, where there is an impact on patient quality, safety or experience.

OQSESC Groups
The Groups reporting to the OQSESC during 2019/20 were as follows:

- **Resuscitation/RRAILS Group** – established to:
  - Provide assurance that robust and reliable mechanisms for the early detection and response to acute illness and management of cardio/respiratory arrest are in place

- **Nutrition and Hydration Group** – established to:
  - Set the strategic direction and provide assurance on all matters relating to nutritional care, including aspects of catering services

- **Organ Donation Group** – established to:
  - Influence policy and practice in order to ensure that organ donation is considered in all appropriate situations and to identify and resolve any barriers to this
  - Ensure that a discussion about organ donation features in all end of life care wherever located and appropriate, recognising and respecting the decisions of individuals and their families
  - Maximise the overall number of organs donated through strong promotion and better support and advice, to potential donors and their families

- **Mental Capacity Act and Consent Group** – established to:
  - Provide clear leadership in the promotion of the application of the Mental Capacity Act in every day clinical practice
  - Ensure that there is a framework in place to support staff in relation to the Mental Capacity Act and monitor compliance with this legislation through appropriate assurance mechanisms

- Provide assurance that consent processes are being adhered to across the UHB, and where necessary agree corrective action
- Ensure that the Welsh Government Policy for Consent to Examination and Treatment and the associated consent forms are kept up to date and implemented in all relevant areas of the UHB

- **Medical Devices Group** – established to:
  - Provide assurance around strategic medical devices management and associated risk matters

- **Radiation Protection Group** – established to:
  - Consider radiation protection issues relating to ionising radiations (e.g. X-rays and radioactive materials including radon) and non-ionising radiations (e.g. lasers, MRI, phototherapy, ultrasound) within the Health Board.
  - Review implementation of the Health Board's radiation protection arrangements for health and safety, environmental protection (and medical exposures via the Medical Exposure Committee).
  - Identify and monitor current activities and developments relating to the use of radiations.
  - Review radiation risks and inform the Chief Executive of measures to be taken to secure compliance with relevant legislation and to manage risks.

The OQSESC Annual Report 2019/20 is intended to outline how the Sub-Committee and its Groups have complied with the duties delegated by the Quality, Safety & Experience Assurance Committee through the terms of reference set, and also to identify key actions that have been taken to address issues within the Sub-Committee's remit.

Constitution
From the terms of reference approved in February 2019, the membership of the Sub-Committee was agreed as the following:

- Executive Director of Therapies and Health Science (Chair)
- Assistant Director, Operational Nursing & Quality Acute Services – Vice Chair
- Associate Medical Director, Workforce & Primary Care
- Associate Medical Director, Quality & Safety
- Deputy Director of Operations
- Assistant Director of Nursing Assurance & Safeguarding
- Assistant Director of Therapies and Health Science – Professional Practice, Governance & Safety
- Assistant Director of Workforce & OD
- Assistant Director of Informatics
- County Directors x 3
- Independent Member, HDdUHB
- Head of Medicines Management
- Therapies Lead
- Health Science Lead
- Senior Nurse, Infection Prevention
- Representative from each Triumvirate
- Head of Primary Care

Meetings
Since April 2019, OQSESC meetings have been held on a bi-monthly basis as follows:

- 14 May 2019
- 16 July 2019
- 19 September 2019
- 21 November 2019
- 17 March 2020

As the OQSESC is directly accountable to the Quality, Safety & Experience Assurance Committee for its performance, following each meeting it provides an assurance to the Committee through a formal written update report, which is received at the subsequent Committee meeting.

During 2019/20 the Sub-Committee met on five occasions and was quorate at all meetings. The meeting scheduled to take place on 14th January 2020, was stood down due to the extraordinary pressures being experienced across all Hywel Dda sites, in order to free staff up to focus on discharge activity and manage flow.

Sub-Committee Terms of Reference and Principal Duties
In discharging its duties, the OQSESC is required to undertake the following areas of responsibility against its terms of reference:

- Implement and monitor the quality and safety of care delivered to patients through, for example, surveys and patient stories, and escalate issues that cannot be resolved operationally to the Quality, Safety and Experience Assurance Committee
- Monitor service specific action plans arising from internal and external audits, inspections such as HIW reviews, Royal College audits, accreditation issues, CHC reviews, requirements of Welsh Government, etc., and ensure that actions are being delivered in line with agreed timescales, reporting any exceptions to these
- Monitor and ensure compliance with national guidance, including NICE, NSFs, National Confidential Enquiries, outcome reviews and national clinical audits
- Inform and monitor progress against agreed performance targets identified in the Quality & Improvement Dashboard, providing onward assurance to the Quality, Safety & Experience Assurance Committee
- Seek assurance on the management of operational risks that have been aligned to the Sub-Committee, and provide assurance to the Quality, Safety and Experience Assurance Committee that risks are being managed effectively and report any areas of concern, e.g. where risk tolerance is exceeded, lack of timely action
- Receive assurance from those Groups reporting to the Sub Committee, and consider how escalated issues are addressed
- Receive position reports on key risks associated with preventing harm to patients.
- Assure itself that clinical written control documentation, which falls within the remit of the Sub-Committee, has been adopted, developed or reviewed in line with HDdUHB Policy 190 – Written Control Documentation prior to approving it, and to provide evidence of that assurance to the Clinical Written Control Documentation Policy Review Group when recommending a procedure or guideline for uploading or a policy for final approval by the Written Control Policy Review Group.
- Develop an annual work plan, responding to operational service priorities, consistent with the strategic direction for the organisation, for approval by the Quality, Safety and Experience Assurance Committee and oversee delivery to improve the quality, safety and effectiveness of care delivered, and enhance the patient experience.
- Inform the work plans for reporting Groups and vice versa.

- Address any other requirements stipulated by the Quality, Safety and Experience Assurance Committee.
- Agree issues to be escalated to the Quality, Safety and Experience Assurance Committee with recommendations for action.
- Ensure that concerns (incidents, complaints and claims) are being managed in a robust and timely way at service level, agreeing mitigating actions where required
- Monitor action plans following investigations into serious incidents and concerns and learning from events, ensure actions are being delivered in a robust and timely way, and seek assurance that learning is disseminated and embedded across all of the Health Board's activities as appropriate
- Consider the themes arising from triangulated information at service specific level, and agree and monitor any action plans required to deliver improvements

Specific Areas of Responsibility

During 2019/20, In discharging its duties during 2019/20, OQSESC received and considered the following:

- Coroner's Regulation 28 Report and Action Plan relating to the impact of nutritional management on the death of an inpatient in Glangwili General Hospital (GGH). Members reflected on the detail of the report and, whilst satisfied with the actions identified, requested further work to frame them into 'SMART' methodology, which have now been completed.
- Regulation 28 Response relating to the death of a patient under the care of the Mental Health and Learning Disabilities (MHLD) Directorate. Members acknowledged the outcome of the serious incident, the learning that has taken place following the review and inquest, and the extensive implementation of service improvements which have been achieved to date. The Sub-Committee was assured that the actions identified had been addressed and are being monitored through the MHLD Quality Assurance Governance Framework. The Sub-Committee was also pleased to note that positive relationships between staff and patients had been acknowledged during the inquest.
- The Sub-Committee received regular reports in relation to progress in implementing Welsh Health Circulars under the remit of OQSESC, including;
  - 022-16 Principles, Frameworks and National Indicators: Adult In-Patient Falls;
  - 044-17 Guidance for the Care of Children and Young People with Continence Problems;
  - 001-18 Guidance on Safe Clinical Use of Magnetic Resonance Imaging (MRI).

  During the year, it was agreed that further monitoring would be via the Chief Executive Officer Performance Reviews within Directorates.
- A report on the progress relating to HDdUHB's improvement plan following the Review of the Management of Outpatient Follow Up Appointments to reduce the number of patients awaiting delayed follow-up care and the current assessment of the impact of reported delays on patient outcomes. Members acknowledged that by reducing the number of patients awaiting delayed follow-up care, the harm to patients who are currently delayed and who may have serious conditions that are not receiving treatment would be reduced. The Sub-Committee received assurance on the extent to which the improvement plan, which has been designed to deliver at least the minimum targets set by WG this year, addresses the requirements of the Wales Audit Office review of delayed follow-up care, and the sustainability of the plan beyond the short-term WG funding period to March 2020.
- A Hospital Acquired Thrombosis (HAT) Report was received which described the process for reporting preventable HAT to Welsh Government (WG), together with the monitoring process through the acute site governance meetings and the quarterly Thrombosis Group. It was reported that although the number of preventable HATs

remains low, numbers have increased (from 1-5 per quarter to 2-8 per quarter) since a change in criteria in 2018, to include as preventable any case with a missed dose of thrombo-prophylaxis without clinical explanation. Root cause analysis and audits of HAT cases identified poor compliance with the Thrombo-prophylaxis (TP) Risk Assessment Tools, with five different TP tools currently in use across the Health Board. In addition, given the fact that the Health Board does not have a clinical lead for HAT, this results in a number of consultants being involved in the review process with varying levels of contribution. Whilst a number of actions/improvements were identified, the Sub-Committee was not assured by the processes described and agreed that further discussions would be required with the Executive Team, in addition to escalating Members concerns to QSEAC.

- The Sub-Committee received the Wales Audit Office Review of Operational Quality and Safety Arrangements – Health Board Management Response and discussed the content of the Management response.
- The Welsh Ambulance Services NHS Trust Framework for the Investigation of Patient Safety Serious Incidents, which was endorsed by the Sub-Committee following approval by the Executive Director of Nursing, Quality and Patient Experience.
- The Health Board's Consent Form Audit Report and Presentation 2019/20, where the Sub-Committee noted the improvements made since the previous year and received assurance by the work undertaken to address the issues raised.
- The review of the Ward 1 & 3 Orthopaedic Serious Incident Action Plan, WGH, where progress made with the 11 actions set out were noted by the Sub-Committee, and where clarification was received relating to the 5 actions outstanding. At the 17th March 2020 meeting, the Sub-Committee received a progress report on the outstanding actions and acknowledged that whilst mitigations had been identified, in order to close the action plan with Welsh Government (WG), the actions have to either be completed or have agreed timescales for completion.
- Health and Care Standards (HCS) Self-Assessment Report – the Sub-Committee received the Health and Care Standards (HCS) Self-Assessment Report which provided assurance that the standards are embedded within the organisation.
- Super Bariatric Care within Hywel Dda University Health Board (HDdUHB) – the Sub-Committee received a verbal update on Super Bariatric Care within HDdUHB in response to correspondence received by the CEO regarding the Health Board's service planning for this cohort of patients. Members were advised that a Task and Finish Group has been established to progress this action. Members recognised the need for multi-disciplinary representation, including Care Homes, given that the care pathway could involve patients being transferred there. Members further suggested that preventative strategies should be progressed to reduce the need for patients who require treatment in Intensive Care Units (ICUs), given the challenges with discharging fit patients.

Feedback from Groups

In terms of feedback from Groups:

- **Resuscitation/RAILS Group** – written update reports from the Resuscitation/RAILS Group (RRAILS) highlighting the key areas of work scrutinised have been received by OQSESC during 2019/20. The Sub-Committee received assurance through the progress reported by the Resuscitation/RAILS Group, and noted the following, including key risks and issues and matters of concern:
  - Concerns raised by the Hospital RRAILS Sub-Group with regard to Operating Department Practitioners being the first responders for medical emergency team calls in Bronglais General Hospital (BGH), whereas anaesthetists are the first responders in other acute sites. This has now been reviewed and resolved by the Anaesthetic Lead.

- Concerns regarding attendance at Paediatric RRAILS Sub-Group meetings, which has been improved by aligning these to Paediatric and Emergency Department Liaison meetings.
- Concerns regarding the appropriate deactivation of implantable cardiac devices, leading to a request from the RRAILS Group for the production of a written control document to address this, and a request for an urgent review in order to ensure training for new junior doctors.
- Concerns regarding the current lack of instructors for advanced life support training, with an urgent review requested in order to ensure training for each new junior doctors' cohort commencing in January and August 2019, which has now been resolved.
- Concerns regarding the Health Board's ability to meet the 12-month improvement trend for emergency department compliance with the sepsis bundle, with compliance ranging between 88-90%. The Sub-Committee noted that 55% of cases have been due to delays in IV antibiotics, with a review identifying that these delays were as a result of high levels of patient activity and acuity within the departments. Each site now has its own improvement plan in place.
- Concerns regarding staff not being released to attend resuscitation courses due to COVID 19 challenges, however, assurance was received from the Acting Chair that essential training would be prioritised.
- Concerns regarding a reduction in sepsis bundle activity in 3 out of 4 Emergency Admission Units, with the Group recommending the need to establish a Task and Finish Group to focus on the needs of the Emergency Departments.
- Concerns regarding the inconsistent attendance in representation from each of the 4 hospital site RRAILS monitoring groups during the year, to be addressed through discussions regarding the membership and timings of the meetings going forward.
- Members approved the Resuscitation/RRAILS Group Annual Report 2019/20.

- **Nutrition and Hydration Group** – written update reports from the Nutrition and Hydration Group (NHG) highlighting the key areas of work scrutinised have been received by OQSESC during 2019/20. The Sub-Committee received assurance through the progress reported by the Nutrition and Hydration Group, and noted the following, including key risks and issues and matters of concern:
  - An acknowledgment of the requirement for a policy and care plan to guide and inform the care of bariatric patients. Whilst recognising that obesity sits outside of the remit of the Nutrition and Hydration Group, the Sub-Committee requested it take forward this specific piece of work.
  - Following a review of the governance arrangements for nutrition and hydration across the Health Board, a targeted approach has now been undertaken through the development of a work plan, a Health Board wide tracker, the establishment of a Nutrition Champion role at ward level and in out-patients departments, and the establishment of three task and finish groups i.e. a Screening Group, Mealtimes Group and Malnutrition and Dehydration Call to Action Group; this approach has been designed to provide operational assurance regarding nutrition and hydration related governance.
  - Concerns regarding the shortfall in dietetic capacity in the Nutrition and Dietetic Department has been addressed by the submission and approval of a business case and the progression of recruitment processes.
  - Concerns regarding a lack of assurance in relation to food handling and hygiene to be addressed in further discussion by the Group.
  - Concerns regarding the lack of food hygiene and handling training for hotel services and nursing staff; however given COVID 19, this would be progressed at pace.

- Concerns raised on the use of non CE marked pH strips for testing gastric aspirate, however, Members received assurance that confirmation had been received that the Surgical Materials Testing Laboratory (SMTL) is progressing at pace to ensure the CE mark is on these strips in order to resolve this issue.
- An assurance that in response to COVID 19, food supplies for vulnerable patients has been recognised and that additional supplies would be available.
- Members approved the NHG Annual Report 2019/20.

- **Mental Capacity Act and Consent Group** – written update reports from the Mental Capacity Act and Consent Group (MCACG) highlighting the key areas of work scrutinised have been received by OQSESC during 2019/20. The Sub-Committee received assurance through the progress reported by the Mental Capacity Act and Consent Group, and noted the following, including key risks and issues and matters of concern:

  - To enable the swift identification of a case coordinator of a suitably senior level in complex cases to ensure that relevant services work together to meet the needs of the patient, approval was given by OQSESC to establish an appropriate process to be progressed by the Chair of the MCACG.
  - An acknowledgment of the requirement for mandatory face to face violence and aggression training for all general ward staff, and delirium training mandatory for all clinical staff, due to concerns that patients and staff on these wards are being put at risk due to the low numbers of staff who have completed such training. Whilst reference was also made to the delirium pilot being undertaken on Ward 12 in Withybush General Hospital (WGH), the Chair of OQSESC agreed to take this forward with the Workforce and OD Sub-Committee to consider both these requests within a wider consideration of how violence and aggression could be better managed at ward level.
  - The decision to delay joint action with Local Authority partners to resolve the shortage of Deprivation of Liberty Standards (DoLS) Medical Assessors until it is known whether this role will be required as part of the new Liberty Protection Safeguards. For assurance purposes, confirmation was received that a group chaired by the Director of Primary, Community and Long Term Care would lead on the implementation of the Liberty Protection Standards.
  - Concerns regarding the poor documentation relating to capacity assessment and best interests decision making for patients who lack decision making capacity, to be addressed by the introduction of a Covert Medication form to improve the governance around the use of covert medication. A new covert medication form is now operational following approval by the Medicines Management Sub-Committee.
  - Following consultation, approval by the Blood Transfusion Group of Consent Form 5, updated to incorporate a treatment plan to clearly articulate refusal of blood, blood components and blood derivatives.
  - Recognition from the Mental Capacity Act Lead at Welsh Government with regard to the robust governance arrangements and resource directed to the Mental Capacity Act by Hywel Dda University Health Board.
  - Approval of the Revised Terms of Reference (ToRs).
  - Approval of the introduction of Physiologist led consent in Cardiology, with only those who have received the necessary training and sign off to be permitted to obtain consent for the procedures identified. Given the expected increase in patients with COVID 19, this training to be prioritised during the next 2-3 weeks.
  - The development of the Protective Restrictive Technology Policy, given this practice is still in place in Bronglais General Hospital (BGH), which will stipulate where this practice is being used within the Health Board.

- Confirmation received that a number of strategies have been agreed to mitigate the long-term shortage of DoLS Mental Health Assessors, in particular, requesting S12 doctors from Mental Health & Learning Disabilities (MHLD) to be encouraged to consider taking on the DoLS Medical Assessor role in the period that the DoLS scheme remains in place.
- The findings of the first audit in Wales of the new Form 4: Treatment in Best Interests, which demonstrated a significant improvement in the way the required assessments are being documented on the new form.
- Members approved the Mental Capacity Act and Consent Group Annual Report 2019/20.

- **Medical Devices Group** – written update reports from the Medical Devices Group highlighting the key areas of work scrutinised have been received by OQSESC during 2019/20. The Sub-Committee received assurance through the progress reported by the Medical Devices Group, and noted the following, including key risks and issues and matters of concern:

  - Assurances received that the work programme is on target to achieve compliance with Regulation (EU) 2017/745 on Medical Devices by May 2020, with work also progressing in relation to the new Medical Devices Regulations (MDR) Regulation (EU) 2017/746 on In-Vitro Diagnostic Devices, which takes effect on 26th May 2022.
  - The development of guidance to ensure safe de-activation of implantable cardiac devices, with the Health Board on schedule to be compliant with the new MDR by May 2020 for class 3 implantable devices.
  - A review of Risk 386 (Red RAG rated score of 20) relating to avoidable harm to patients due to unsafe medical devices; given the amount of work undertaken around the management of medical devices, it is anticipated that this risk will be de-escalated.
  - Approval of the Medical Devices Training Strategy and Plan, with further work anticipated regarding the monitoring of Medical Devices Alerts (MDA) in the community, until the purchase the Emergency Care Research Institute (ECRI) system license in April 2020.
  - The identification of a new risk (Risk 108, score 12) in relation to the limited staffing resource in the Point of Care Testing (PoCT) Team, which will be a limiting factor in the development of future PoCT services in relation to the Health and Care Strategy's intent to provide care closer to home. A serious Point of Care Testing (PoCT) Patient Identification issue associated with false patient identifiers being utilised within the PoCT system was also raised with the Sub-Committee noting the undertaking of a PoCT audit to ascertain how this error occurred. However, for assurance purposes, confirmation was received that no harm had been identified to patients as a result.
  - Clinical engineering performance data reported for high category acute site devices, with medium and low risk categories are monitored for compliance at each Sub-Committee meeting.
  - An assurance that the concerns raised previously in respect of the use of incorrect patient ID at Point of Care Testing (PoCT) are being addressed with the establishment of a Control Group.
  - Concerns that no assurance could currently be provided that all medical device alerts are being received by the Health Board until a new system is purchased. Whilst recognising this as a priority, it has been agreed that a new system will not be purchased until improvements in relation to alerts have been completed on DATIX.
  - Concerns that the MDG has not received equipment reports from Radiology services and Pathology.
  - Approval of the MDG Revised ToRs, subject to the inclusion of nursing representation.

- Members approved the MDG Annual Report 2019/20.

- **Radiation Protection Group (RPG) -** written update reports from the Radiation Protection Group highlighting the key areas of work scrutinised have been received by OQSESC during 2019/20. The Sub-Committee received assurance through the progress reported by the Radiation Protection Group, and noted the following, including key risks and issues and matters of concern:

  - The Ionising Radiation Written Control Document which received the RPG's approval.
  - The progression of a business case through Swansea Bay University Health Board for the appointment of a regional Magnetic Resonance Imaging (MRI) Physics Expert.
  - Concerns regarding the lack of feedback from Healthcare Inspectorate Wales (HIW) in relation to 5 cases of unintended radiation dose. Whilst the cases remain open on DATIX until confirmation is received from HIW, the Sub-Committee received assurance that all 5 cases had been investigated and reports/action plans produced and progressed.

Key Risks and Issues/Matters of Concern
During 2019/20, in addition to the Operational Risk Report presented to each meeting, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- **Risks Associated with Pathology**: *Risk 91 - avoidable harm to patients & service delivery due to significant number of vacant Consultant Cellular pathologist posts HB wide. Risk 96 - avoidable harm to staff due to cramped working environment in pathology buildings, affecting GGH* - following concerns raised at QSEAC, the Sub-Committee received reports in relation to Pathology risks 91 and 96. The link between both risks was described, with the environmental risk impacting on the ability to recruit and retain staff. In relation to Risk 96, Members were advised of two options to relocate consultants and thus release space. The Sub-Committee was assured by the actions being undertaken to mitigate the risks involved and supported the need for capital and potential charitable funding to be agreed to address these.

- Risk 654 - relating to risk of harm to patients in hospital due to malnutrition, mitigated by the development of a business case by the Nutrition and Dietetic Department.

- **Primary Care Risk Report** - the Sub-Committee received a risk report relating to Primary Care, identifying four key risks and Members received assurance that the risks were being monitored by either QSEAC or PCAC.

- The Management of Patients with Suspected Deep Vein Thrombosis (DVT) due to a lack of DVT scanning provision over the weekend, with Members suggesting a Health Board wide DVT pathway review be undertaken, including options for the provision of a weekend Doppler service, in addition to the risk being added to the risk register.

- Three Counties Community Nursing Services Risk Report, with Members assured that the risks identified were being managed appropriately.

- **Site/Directorate/Deep Dive Risk Reports**
  - **Withybush General Hospital Unscheduled Care Directorate:** articulating the risk of increased flow throughout the hospital impacting particularly on patient care within the Emergency Department (ED). The report identified the mitigations in place to overcome these issues in conjunction with primary and community

care.

- **Carmarthenshire Community**: concerns expressed regarding insufficient cover for Palliative Care Consultants to manage increasing demand. The Sub-Committee noted that investment by HDdUHB in additional consultants, together with a rotation system in place with Swansea Bay UHB, has addressed the burden of cover involved with the tolerance level of this risk now reduced.
- **Health Board wide Community Services Directorate**: concerns expressed that the implementation of the Welsh Community Care Information System (WCCIS) meant the requirement for clinicians to double enter data. The OQSESC Chair agreed to pursue this matter with the Director of Planning, Performance and Commissioning.
- **Bronglais General Hospital (BGH)**: concerns expressed regarding the limited bed cleaning team availability at BGH which delays bed availability for patient transfer. The Sub-Committee noted that this resource is not separately funded, with a further factor regarding recruitment in housekeeping. Currently staff transfer in from other duties, however after 4pm this can present a conflict of priorities. Whilst Members welcomed the clarification, it was recognised that given the requirement for deep cleans across all sites, capacity would be a challenge.

  The Sub-Committee received assurance through the mitigating actions contained within the Site/Directorate/Deep Dive Risk reports.

- **Risks Relating to Stroke Staffing**: the Sub-Committee received the Risks Relating to Stroke Staffing report following on from the number of risks reported in regard to safe stroke staffing levels throughout HDdUHB. The Sub-Committee acknowledged the positive work undertaken by the teams involved with the limited resources available, noting that a business case would need to be completed. The Sub-Committee received assurance through the Stroke Service redesign progress to address the issues involved and supported the proposed actions highlighted within the report.

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Matters Escalated to Quality, Safety & Experience Assurance Committee
During 2019/20, the following matters requiring Quality, Safety & Experience Assurance Committee level consideration or approval were raised:

- Recurring issues regarding a lack of reporting and non-attendance at OQSESC, with the Chair of OQSESC again reminding the individuals concerned of the governance requirements to provide assurance to QSEAC and the Board.
- Lack of assurance regarding the use of incorrect patient identifiers for PoCT, and Medical Device Alerts prior to the new software being purchased from April 2020.

OQSESC Developments for 2020/21
The Sub-Committee continues to evolve and reviews its effectiveness on a regular basis. Members continue to discuss and refresh the mechanism for monitoring and providing assurance to QSEAC in relation to operational risks with a potential quality or safety impact on patient care. In addition to the items scheduled to be reviewed as part of the Committee's work programme, further topics will be determined following areas identified for monitoring by QSEAC.

Argymhelliad / Recommendation

To endorse the Operational Quality, Safety and Experience Sub-Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	9.4.1 Report formally, regularly and on a timely basis to the Quality, Safety & Experience Assurance Committee on the Sub-Committee's activities. This includes the submission of Sub-Committee update report, as well as the presentation of an annual report within 6 weeks of the end of the financial year.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Nodau Gwella Ansawdd: Quality Improvement Goal(s):	All Quality Improvement Goals Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Operational Quality, Safety and Experience Sub-Committee meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Ansawdd, Diogelwch a Sicrhau Profiod: Parties / Committees consulted prior to Quality, Safety and Experience Assurance Committee:	Operational Quality, Safety and Experience Sub-Committee Chair and Lead Director

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Operational Quality, Safety and Experience Sub-

	Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	SBAR template in use for all relevant papers and reports.
Gweithlu: **Workforce:**	SBAR template in use for all relevant papers and reports.
Risg: **Risk:**	SBAR template in use for all relevant papers and reports.
Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Operational Quality, Safety and Experience Sub-Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Operational Quality, Safety and Experience Sub-Committee's Terms of Reference, requires the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee.
Enw Da: **Reputational:**	Not Applicable
Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	Not Applicable

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ANSAWDD, DIOGELWCH A SICRHAU PROFIOD
QUALITY, SAFETY AND EXPERIENCE ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	07 April 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Medicines Management Sub-Committee Annual (2019/2020) Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Jill Paterson, Director of Primary Care, Community and Long Term Care.
SWYDDOG ADRODD: REPORTING OFFICER:	Dr D Ratnasinghe, Consultant Paediatrician (Chair)

Pwrpas yr Adroddiad
Purpose of the Report

Ar Gyfer Penderfyniad/For Decision

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The purpose of this paper is to present the Medicines Management Sub-Committee Annual Report 2019/20 to the Quality, Safety & Experience Assurance Committee. The Medicines Management Sub-Committee Annual Report provides assurances in respect of the work that has been undertaken by the Sub- Committee during 2019/20, and outlines the main achievements, which have contributed to robust integrated governance across the University Health Board (UHB).

Cefndir / Background

The UHB's Standing Orders and the terms of reference for the Medicines Management Sub-Committee require the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee to summarise the work of the Sub-Committee and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Sub-Committee is to:

- to provide assurance to the Quality, Safety & Experience Assurance Committee that robust arrangements are in place for the delivery of safe, effective, evidence-based medicines management across the Health Board and
- to develop the strategy for medicines management focused on improving clinical outcomes, patient experience and reducing unwarranted clinical variation.

The Annual Report specifically comments on the key issues considered by the Sub-Committee in terms of safety and quality, and the adequacy of the scrutiny and assurance in place.

Asesiad / Assessment

The Medicines Sub-Committee has been established under Board delegation with the Health Board approving terms of reference for the Quality, Safety & Experience Assurance Committee at its Board meeting on 26th January 2017. The terms of reference of the Medicines Management Sub-Committee were subsequently approved at its meeting on 9th June 2019.

These terms of reference clearly detail the Sub-Committee's purpose to provide assurance to the Quality, Safety & Experience Assurance Committee around the organisation's medicines management, ensuring that there is an accurate reflection of the key risks, issues and arrangements to deliver against gaps in assurance.

In discharging this role, the Sub-Committee is required to oversee and monitor the medicines management agenda for the Quality, Safety & Experience Assurance Committee in respect of its provision of advice to the Board, and ensure the implementation of the medicines management agenda against the following areas of responsibility:

- robust arrangements are in place for the delivery of safe, effective, evidence-based medicines management across the Health Board
- develop the strategy for medicines management focused on improving clinical outcomes, patient experience and reducing unwarranted clinical variation.

Medicines Management Sub-Committee Groups

The Groups reporting to the Medicines Management Sub-Committee during 2019/20 were as follows:

- **Medicines Formulary & Guidance Review Group** – established to:
  - provides recommendations to MMSC on the adoption of guidance on all prescribing and medicines management issues, including those relating to NICE Technology Appraisals and AWMSG recommendations and on the management of the HDUHB Formulary and applications for new medicines

- **Patient Group Directions Group** – established to:
  - provide assurance that governance arrangements are operating effectively with regard to the development, approval and audit of Patient Group Directions across the Health Board.

- **Thrombosis Group** – established to:
  - advise on the implementation of best practice in relation to the prevention and treatment of thrombosis as set out in its Terms of Reference
  - provide assurance in practice in relation to the prevention and treatment of thrombosis
  - be responsible for the Health Board's Thrombosis Policy and Prescribing Information.

- **Pain Management Group** – established to:
  - advise on the implementation of evidence based practice in relation to Pain Management (mainly acute) as set out in its Terms of Reference
  - provide assurance that pain is managed in accordance with legislation and best-practice guidance.

- **Medicines Event Review Group** – established to:
  - monitor medicines management incidents, identify trends and risk-minimisation strategies

- communicate to the service both risks and preventative measure as set out in its Terms of Reference
- provide assurance that a robust risk-minimisation strategy for medication incidents is in place
- respond to advice from national bodies and other guidance e.g. WG, NICE, MHRA, National Service Frameworks and National Patient Safety Agency (NPSA) that involve medicines.

- **Financial Planning and Horizon Scanning Group** – established to:
  - provide information, monitor and provide analysis on medicines expenditure across the Health Board and future medicines under development which will have an impact on the Health Board in the future
  - to review the impact of high cost drugs through horizon planning and in relation to the clinical and financial impact of new medicines on a monthly basis

- **Local Intelligence Network Group** – established to:
  - advise the Health Board (Primary & Secondary Care) and the Accountable Officer on the management, use and monitoring of Controlled Drugs used within the Health Board as set out in its Terms of Reference
  - provide assurance that Controlled Drugs used within the Health Board are used in accordance with legislation and best-practice guidance.

- **Vaccinations & Immunisation –** established to:
  - Advise the Health Board on the management, use and monitoring of vaccinations and immunisations
  - Provide assurance that vaccinations and immunisations are used and monitored in accordance with national and best-practice guidance

The Medicines Management Sub-Committee Annual Report 2019/20 is intended to outline how the Sub-Committee and its Groups have complied with the duties delegated by the Quality, Safety & Experience Assurance Committee through the terms of reference set, and also to identify key actions that have been taken to address issues within the Sub-Committee's remit.

Constitution

From the terms of reference approved 19th September 2018, the membership of the Sub-Committee was agreed as the following:

- Chair - Consultant
- Clinical Director of Pharmacy and Medicines Management - Vice Chair
- Assistant Director of Nursing
- Assistant Director of Therapies & Health Science
- Director of Primary Care
- Acute Services Lead for Pharmacy
- Senior Pharmacist Manager Primary Care and Community Pharmacy
- Head of Financial Planning (Medicines Management)
- Acute Care Medical representative (2)

- Lead Nurse for Planned and Unscheduled Care
- Lead Site Nurse (representation on rotation)
- Senior Nurse Medicines Management
- Primary Care Medical Representative (2)
- Medicines Safety Officer
- Antimicrobial Stewardship Representative
- Clinical Development Pharmacist
- Site Lead Pharmacist (1)
- Independent Member
- Core Group Representatives (Patient Group Directions, Local Intelligence Network, Thrombosis , Medicines Formulary & Guidance, Medicines Event Review Group, Acute Pain Management, Vaccinations & Immunisations)*

*May also be core member

Meetings

Since April 2018, Medicines Management Sub-Committee meetings have been held on a bi-monthly basis as follows:

9th May 2019	21st November 2019
18th July 2019	30th January 2020
19th September 2019	19th March 2020 (Held virtually; circulation of urgent papers & Chairs Action)

As the Medicines Management Sub-Committee is directly accountable to the Quality, Safety & Experience Assurance Committee for its performance, following each meeting it provides an assurance to the Committee through a formal written update report, which is received at the subsequent Committee meeting.

During 2019/20, the Sub-Committee met on 6 occasions and was quorate at all meetings.

Sub-Committee Terms of Reference and Principal Duties

In discharging its duties, the Medicines Management Sub-Committee has undertaken work during 2019/20 against the following areas of responsibility in relation to its terms of reference:

- Monitor variation in prescribing practice through national prescribing indicators and similar benchmarking tools, and to develop plans to address any variations identified.

- Oversee actions related to any Patient Safety Alerts/Patient Safety Notices that relate to Medicines Management.

- Provide assurance to QSEAC that the risks related to Medicines Management are being managed effectively by monitoring the risks, considering proposed mitigations and alerting QSEAC when necessary.

- Oversee the development of policies and guidance and to advise on the safe, rational, effective and prudent use of medicines, and to inform and endorse the Health Board's Strategy on Medicines Management.

- Assure itself that written control documentation, which falls within the remit of the Sub-Committee, has been adopted, developed or reviewed in line with HDUHB Policy 190 – Written Control Documentation prior to approving it, and to provide evidence of that assurance to the Clinical Written Control Documentation Group when recommending a procedure or guideline for uploading or a policy for final approval by the Clinical Written Control Documentation Group.

Whilst the MMSC recognises that it is not a commissioning forum, it will offer advice to the University Health Board on all prescribing and commissioning issues. The MMSC will be informed by, but not limited to, the following local and national policies/guidance:

- All Wales Medicines Strategy Group
- NICE Guidance
- Prudent Healthcare

Feedback from Groups
In terms of feedback from Groups:

- **Medicines Formulary & Guidance Review Group** –
  written update reports from the Medicines Formulary & Guidance Review Group (MFGG) highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Medicines Management Sub-Committee during 2019/20, including the following:
  - MFGG held 6 meetings
  - Medical representation has been lacking and the Medical Director has been approached for nominations. Nursing representation has been good.
  - MMFG evaluated 36 applications and made recommendations to MMSC

Approved	16
Not approved	1
Reclassification	5
Deletion	3
Total	**25**

The formulary status of the recommendations was as follows:

Green (1st line including GP)	7
Blue (2nd line including GP)	4
Specialist Recommendation	4
Specialist Initiation	5
Hospital Only	5
Non-Formulary	4
Total	**29**

[This number is higher as other items were deleted when other medicines were accepted]

- **Guidance (Policies/Guidelines/Prescribing Information) considered:**
  - Section 136 Prescribing & Administration of medicines for addition to the Medicines Policy
  - Prescribing & Administration of intravenous unfractionated heparin
  - Rapid Infusion Rituximab for haematology/oncology
  - Esyma® (ulipristal) Patient Record
  - Administration of oral lansoprazole in children (review)
  - Anticoagulant Discharge Referral Form
  - The roll-out of prescribing labels to improve the prescribing of 'flushes' across the HB following a success pilot
  - Service Specification: Management of UTIs in Community Pharmacy by Independent Prescribers
  - Enhanced Service Community Pharmacy Sore Throat Test and Treat (STTT) Service
  - NPPG Position Statement: Standardised Strengths of Unlicensed Liquid Medicines in Children
  - Joint Working Project: Community Pharmacy Inhaler Review Service
  - Review: Reversal of dabigatran procedure
  - Review: Anti-embolic Stockings Procedure
  - Review: Antimicrobial Stewardship Policy review
  - Version control: Medicines Policy Section 136
  - Version control: Prescription Charts Multi-site MDT
  - Version Control: Medicines Policy Refrigerator Procedure
  - Version Control: Controlled Drugs Standards of Practice Primary Care
  - Version Control: PCA Policy
  - Version Control: Immunoglobulin Procedure
  - Injectable Medicines and Infusion Therapy Policy
  - Naloxone SOP for Substance Misuse

- Clozapine Procedure subject to approval by the Mental Health & LD WCD Group.
- Dry Eye Formulary
- Buvidal: Specific Interim Standards and Guidance for the induction of prescribing
- Hypertension in Pregnancy Guideline
- Out of Hours Medication Supply Ward Poster (subject to SNMT approval)
- Version Control: Medicines Policy Physicians Associate
- Version control: Medicines Policy Covert administration of Medicines
- Chronic Pain and Neuropathic Pain Guideline (prior to CWCDG approval)
- Lithium Shared Care Protocol (NPT LES)

- **Antimicrobial Guidance**
    - Antimicrobial Guidelines: Influenza Update
    - Antimicrobial Guidelines: Gentamicin
    - Antimicrobial Guidelines: Influenza
    - Antimicrobial Guidelines: Traveller's Diarrhoea
    - Antimicrobial Guidelines: Pelvic Inflammatory Disease, Epididymitis, Open Fracture and Restricted antibiotics
    - Antimicrobial Guidelines: biliary infection, diverticulitis, groin abscess, pilonidal sinus, pyelonephritis and septal abscess guidelines
    - Antimicrobial Guidelines: All Wales Community-Acquired Pneumonia Guidelines

- **Patient Group Directions Group** – written update reports from the Patient Group Directions Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Medicines Management Sub-Committee during 2019/20, including the following:

    - Revising and updating existing PGDs (94 and the Community Pharmacy Common Ailments Scheme PGDs)

    - Rationale for development of PGDs approved:
        - The sore throat Test and Treat service in community pharmacies,
        - Lidocaine 1% and 2% and Citanest in Coloscopy
        - Antibiotics for cancer patients who present with neutropenic sepsis (A&E only)
        - Napoxen and Penthrox by ENP's in the emergency units
        - Tinzaparin for use by ENPs in the emergency unit in patients with a lower limb immobilisation
        - For the treatment of patients with a positive MRSA result in Pre-assessment Clinics

    - PGD development requests not supported:

- Antibiotics for cancer patients who present with neutropenic sepsis (general wards)
- Botox for the treatment of chronic migraine in Pain clinics
- PGDs for use in Endoscopy by the endoscopy specialist nurse

The varicella PGD was not reviewed (and retired) following advice from Public Health England (PHE) and Public Health Wales (PHW)

The PGD group adopted NICE guidance that PGDs (except vaccines) should be reviewed at least every 3 years.
An e learning package related to PGD's has been developed by members of the PGD subgroup and is available for staff via ESR.

As a part of the work of the PGD group work plan an annual audit of PGD's in practice has commenced. The first audit took place in one of the HB managed practices in Carmarthenshire.

- **Thrombosis Group** – written update reports from the Thrombosis Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Medicines Management Sub-Committee during 2019/20, including the following:
  - Andexanet alfa
  - Updating of the VTE risk assessment forms
  - Anticoagulant Discharge Referral Form
  - Thrombosis & Anticoagulation App
  - NOAC Patient Information Leaflet
  - NOAC Counselling Checklist (Update)
  - HAT Governance arrangements

Terms of Reference, membership and the resources of the Thrombosis Group were reviewed

- **Pain Management Group**– written update reports from the Pain Management Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Medicines Management Sub-Committee during 2019/20, including the following:
  - HB guidelines for the treatment of Acute Pain and Chronic Pain.

- **Medicines Event Review Group**– written update reports from the Medicines Management Review Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Medicines Management Sub-Committee during 2019/20, including the following:
  - Progression and Monitoring of the HB Gosport Report Action Plan
  - The timely updating of SMART drug libraries on infusion pumps was discussed and the (successful) application for a Bevan Exemplar Project to evaluate 'wi-fi' enabled pumps was supported.

- Use of multiple prescription charts in multi-site MDT meetings following a serious incident
- Identified resources, developed and introduced a process for update learning for medical staff following a medication incident

- **Local Intelligence Network**– written update reports from the Local Intelligence Network highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Medicines Management Sub-Committee during 2019/20, including the following:
  - Revised their Terms of Reference and revised membership
  - Visitors to Wales accessing Controlled Drugs
  - Monitored the prescribing of buccal fentanyl prescribing in Ceredigion
  - Noted the appointment of 2 pharmacist and 3 technicians to the Biopsychosocial Pain Team

- **Financial Planning and Horizon Scanning Group**– written update reports from the Financial Planning and Horizon Scanning Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Medicines Management Sub-Committee during 2019/20, including the following:
  - Development of a more formal process for horizon scanning for medicines

  - **Horizon Scanning Report 2020-2021** with a projected cost pressure from new medicines and indications estimated at £2.6M for 2019-2020 and £1M for the full-year effects of medicines already approved under the New Treatment Fund

- **Vaccination & Immunisation Group**
  - Rationalisation of sub-groups: Primary Care and Childhood Vaccination and Immunisation, Workforce Vaccination and Immunisation Subgroup, IN-FLU subgroup

Other Areas of Responsibility

During 2019/20, the Medicines Management Sub-Committee also received, and considered the following:

- **Service Development**

  Gluten-Free Food (GFF) Project Roll Out
  Optometrist Independent Prescribers Formulary
  Medicines Management: Clinical Audit Programme 2019/20
  Joint Working Project: Community Pharmacy Inhaler Review Service
  Prescribing Champions
  Community Pharmacy: Management of UTI's and Sore Throat Test and Treat
  Project Evaluation: Direct Supply of Wound Care Dressings to District Nurses

- **Governance**

  HDUHB Thrombosis Policy
  HDUHB Injectable Medicines and Infusion Therapy Policy

- **Monitoring:**

  Medicines Management Risk Register: RR374 Aseptic Services provision and SOC, RR405 Wholesaler Dealers Licence
  Internal Audit: Management of Controlled Drugs
  WHC/2019/019 AMR & HCAI Improvement Goals 2019-20
  Antibiotic Usage Report August 2019
  Medicines Shortages Management
  Primary Care PMS for 2019-2020
  Low Value Medicines: Levothyroxine/Armour and Erfa thyroid and Tadalafil
  HDUHB Medicines Information Service Annual Report
  Homecare Annual Report 2018-2019
  Closure of WHC (2018) 039 Cannabis-based Medical Products

Key Risks and Issues/Matters of Concern

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

Root cause analysis (RCA) of Hospital Acquired Thrombosis (HAT)
Prescription chart use in review meetings held over video or telephone conferencing
Medical representation on MMSC and sub-groups
New Risks Identified:

- Radiopharmacy Service
- RRR681 Updating of infusion pump libraries

Matters Escalated to Quality, Safety & Experience Assurance Committee

During 2019/20, the following matters requiring Quality, Safety & Experience Assurance Committee level consideration or approval were raised:

- Andexanet alfa
- Covert Medicines and Best Interest Record
- Training for junior doctors on Medication Safety
- HB Governance process for the development of healthcare apps

Medicines Management Sub-Committee Developments for 2020/21

The following developments are planned for the Medicines Management Sub-Committee during 2020/21:

- Development of a formal risk register for the Local Intelligence Sub-group
- Review of Medicines Management actions taken during the Coronavirus (COVID-19) outbreak
- Review of reports on the impact of the New Treatment Fund medicines to MMSC
- Completion of first MMSC Committee Effectiveness Review

Argymhelliad / Recommendation

To endorse the Medicines Management Sub-Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	10.4.1 Report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes the submission of a Committee update report, as well as the presentation of an annual report within six weeks of the end of the financial year.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Nodau Gwella Ansawdd: Quality Improvement Goal(s):	Choose an item. Choose an item. Choose an item. Choose an item.
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: **Further Information:**	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Medicines Management Sub-Committee meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Ansawdd, Diogelwch a Sicrhau Profiod: Parties / Committees consulted prior to Quality, Safety and Experience Assurance Committee:	Medicines Management Sub-Committee Chair and Lead Director

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

Ariannol / Gwerth am Arian: **Financial / Service:**	A sound system of internal control, as evidenced in the Medicines Management Sub-Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	SBAR template in use for all relevant papers and reports.
Gweithlu: **Workforce:**	SBAR template in use for all relevant papers and reports.
Risg: **Risk:**	SBAR template in use for all relevant papers and reports.
Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Medicines Management Sub-Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Medicines Management Sub-Committee's Terms of Reference, requires the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee.
Enw Da: **Reputational:**	Not Applicable
Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	Not Applicable

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ANSAWDD, DIOGELWCH A SICRHAU PROFIOD
QUALITY, SAFETY AND EXPERIENCE ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	07 April 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Improving Experience Sub-Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Mandy Rayani, Executive Director of Nursing, Quality & Patient Experience
SWYDDOG ADRODD: REPORTING OFFICER:	Louise O'Connor, Chair, Improving Experience Sub-Committee

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

The purpose of this paper is to present the Improving Experience Sub-Committee Annual Report 2019/20 to the Quality, Safety & Experience Assurance Committee. The Sub-Committee Annual Report provides assurances in respect of the work that has been undertaken by the Sub-Committee during 2019/20, and outlines the main achievements which have contributed to robust integrated governance across the University Health Board (UHB).

Cefndir / Background

The UHB's Standing Orders and the terms of reference for the Improving Experience Sub-Committee require the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee to summarise the work of the Sub-Committee and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Sub-Committee is to provide assurance that a focus on improving patient experience is integrated into Health Board functions and influences the direction for service delivery, evidencing changes/improvements to services as a result of patient feedback. It is also to oversee and steer the direction of patient experience and public engagement in the Health Board, and promote a culture of positive patient experience, together with the development and delivery of the Board's Strategy for reactively gathering patient experience. The Sub-Committee is also required to provide assurance on all matters relating to Concerns (Claims, Incidents and Complaints) across the Hywel Dda community and provide assurance that the arrangements are consistent with the Putting Things Right Regulations and associated Guidance.

The Annual Report specifically comments on the key issues considered by the Sub-Committee in terms of experiences of care and concerns management, and the adequacy of the systems and arrangements in place for implementation of the NHS (Concerns, Complaints and Redress) Arrangements (Wales) Regulations 2011.

Asesiad / Assessment

The Improving Experience Sub-Committee has been established under Board delegation with the Health Board approving terms of reference for the Quality, Safety & Experience Assurance Committee at its Board meeting on 26th January 2017. The terms of reference were subsequently approved at its meeting on May 2017, a further review was undertaken in May 2019.

These terms of reference clearly detail the Sub-Committee's purpose to provide assurance to the Quality, Safety & Experience Assurance Committee in discharging its function to oversee and monitor the wider patient and staff experience agenda for the Quality, Safety & Experience Assurance Committee in respect of its provision of advice to the Board, and ensure the implementation of the agenda against the following areas of responsibility:

- Triangulation of patient and staff experience data (including from complaints, compliments, claims, patient and staff surveys, Continuing Health Care (CHC) Hospital Patient Environment Audits**,** engagement events, media coverage, MP correspondence and other relevant sources) for approval by the Quality, Safety and Experience Assurance Committee.
- Identify themes/gaps, risks and training needs based on the information analysed from all aspects of patient and staff experience.
- Developing a culture of engaging patients and the wider public in its work.
- Receive assurance from the Quality, Safety and Experience Sub-Committees that concerns are being managed in a timely way, actions arising from concerns are being monitored for delivery and lessons learnt are being identified, with plans in place for dissemination of learning.
- Provide assurance that the Health Board's legal responsibilities for Equality, Diversity Human Rights, and Welsh Language are being met and embedded across the Health Board and in partnership arrangements.
- Monitor compliance with Welsh Governments (WG's) Serious Incident Reporting.

The Improving Experience Sub-Committee Annual Report 2019/20 is intended to outline how the Sub-Committee and its Groups have complied with the duties delegated by the Quality, Safety & Experience Assurance Committee through the terms of reference set, and also to identify key actions that have been taken to address issues within the Sub-Committee's remit.

Constitution
The membership of the Sub-Committee was agreed as the following:

- Assistant Director (Legal Services/Patient Experience (Chair)
- Assistant Director, Assurance, Quality & Governance (Vice Chair)
- Independent Member (Putting Things Right Lead)
- Director of Nursing, Quality and Patient Experience (Executive Lead)
- Medical Director (or Deputy Medical Director)
- Director of Partnerships and Corporate Services
- Director of Operations/Deputy Chief Executive (depending on agenda items)
- Senior Representative from each Directorate
- Assistant Director of Nursing (Practice)
- Assistant Director of Therapies (professional practice, quality and safety)
- Associate Medical Director / Quality and Assurance Manager Primary Care
- Assistant Director, Quality Improvement
- Assistant Director, Workforce and Development

In Attendance:

- Assistant Investigation Manager, Public Services Ombudsman for Wales
- Head of Legal Services
- Putting Things Right/Ombudsman Facilitator
- Community Health Council Representation
- Concerns Manager
- Patient Experience Manager
- Head of Public & Patient Engagement
- Senior Equality & Diversity Adviser
- Legal Representation as required
- Representatives from partner organisations to be invited according to agenda items

Meetings
Since 1st April 2019, the Sub-Committee held two meetings on 17th April and 1st July 2019.

As the Improving Experience Sub-Committee is directly accountable to the Quality, Safety & Experience Assurance Committee for its performance, following each meeting it provides an assurance to the Committee through a formal written update report which is received at the subsequent Committee meeting.

During 2019/20, the Sub-Committee met on two occasions because, as confirmed in last year's Annual Report and agreed by the Quality, Safety and Experience Assurance Committee, a Listening and Learning from Events Sub-Committee will be established which will strengthen the governance arrangements of the lessons learnt process. Improving experience assurances will be integrated into the assurance process of the Operational Quality, Safety & Experience Sub-Committee and an improving experience report will be received by the Board at each meeting.

Sub-Committee Terms of Reference and Principal Duties

In discharging its duties, the Improving Experience Sub-Committee has undertaken work during 2019/20 against the following areas of responsibility in relation to its terms of reference:

IMPROVING EXPERIENCE

Implementing the Framework for Assuring Service User Experience

The framework sets out three domains for what makes a positive experience and requires Health Boards and Trusts to collect experience using a number of methods to gain a picture of what it feels like to receive care within a service provided by the organisation. Feedback from the Welsh Government (WG) has been positive, and stated there is evidence that the Board is using a variety of methods to gather feedback. The Health Board has responded to patient feedback in order to improve services, such as the Education Programme for Patients (EPP) which provides a range of free self-management health and wellbeing programmes for people living with heart conditions or for those who care some someone with a heart condition. The feedback stated it was encouraging to hear that some of the programmes received the recognitions they deserve having been selected as finalists in the NHS Wales Awards. There were also a number of other initiatives to which the Health Board has provided evidence of improvement, all of which were encouraging.

Another good example sited was the introduction of the Information, Awareness & Wellbeing Now (IAWN) website. The WG advised that it was important for people to have access to good, quality information around mental health support and the purpose of the website was to provide a useful resource for people looking for information and self-help guides about mild to

moderate mental health problems. The feedback also welcomed the work being undertaken in patient transport.

- **Charter for Improving Patient Experience**
  The Charter was produced using a co-design process and approved by the Health Board in January 2020 for implementation and formal launch in April 2020.
- **Expansion of the Friends and Family Test**
  The friends and family test service user feedback system was approved for expansion to all areas of the Health Board, the majority of areas were completed by the end of March 2020; with the remaining areas going live soon in April / May 2020.
- **Encouraging and Receiving Feedback**
  The Sub-Committee received significant assurance of the work being undertaken to encourage and receive feedback, which included:

➢ Establishment of a patient support groups
➢ Audits/Surveys being undertaken in numerous services with evidence of improvements made as a result of the feedback in individual departments
➢ Patient story videos being used in staff training and learning reviews;
➢ Use of Focus Groups
➢ A Patient Related Experience Measure is being devised with Outpatient Department Sisters for weekly review and publishing of 'we asked, you said, we did' data.
➢ Review of Friends and Family tests in the Minor Injuries Unit (MIU) and A&E, to improve services.
➢ Continued Implementation of being open/duty of candour following adverse incidents
➢ Initiation of You Said We Did boards
➢ Use of technology and virtual clinics in some specialties such as orthopaedic services is enhancing experiences as well as improvement in resource allocation/efficiencies.
➢ Introduction of CaPS Project – psychological support for cancer patients and cancer workforce
➢ The Sub-Committee received a patient story from a Syrian refugee. An update on the work ongoing to address the experiences and challenges in accessing health care was provided.

- **Listening and Learning from Feedback**
  The Sub-Committee received reports from directorates in relation to the patient experience feedback collated and actions taken in response. The overriding concern and root cause related to the area of communication. This matter was escalated to the Quality, Safety and Experience Assurance Committee. To ensure improvement in this area, a quality improvement work stream was established as part of the Health Board's new Quality Improvement Strategy implementation.

  Other themes from concerns related to appointments and waiting times: record keeping and documentation; staff attitude; inpatient falls; hydration; and delayed or missed diagnosis; lack of sleep due to noise and disturbances and discharge decisions/processes.

EQUALITY AND DIVERSITY
The Strategic Equality Plan Annual Report was discussed and commended to the Business Planning and Performance Assurance Committee for approval.

PUTTING THINGS RIGHT PROCESS

- **Concerns (incidents/claims/complaints)**

The performance of concerns management has been addressed through the revised performance management arrangements, in particular the Executive Performance Review Process. Assurance reports to the Sub-Committee provide a focus on improving

experience/outcomes arising from the concerns process and patient experience feedback. Oversight of the process in relation to referrals to the Ombudsman and compliance with the Welsh Government targets for responding to complaints has also been a priority for the Sub-Committee and Members welcomed an improving trajectory for both positions. The continued increase in the volume of cases being managed by the Patient Advice and Liaison Service team and the patient support Hub was also having a positive impact; however capacity issues within this service and lack of appropriate accommodation prevented the further progress in the area.

- **Public Services Ombudsman for Wales (PSOW)**

Throughout the year, the Sub-Committee has received a detailed report at each meeting on the cases submitted to the PSOW and reviewed any areas of exception where agreed actions had not been completed within the required timescale. The area of compliance with timescales had been raised by the Ombudsman to the Chief Executive and this matter was being very carefully monitored and managed with an Executive Team action plan.

The Sub-Committee has also benefitted from the attendance of the PSOW Improvement Manager, who addressed Members on specific areas of concern relating to Hywel Dda and the new Ombudsman's Act.

Key Risks and Issues/Matters of Concern

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- Attitude/communication/assault – highlighted as a new emerging theme impacting on both staff and patient experience.
- Communication and information – between teams and professionals highlighted as the most significant area for improvement following a review of feedback. This will form part of a new quality improvement collaborative programme.

Argymhelliad / Recommendation

To endorse the Improving Experience Sub-Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	10.4.1 Report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes the submission of a Committee update report, as well as the presentation of an annual report within six weeks of the end of the financial year.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability

Nodau Gwella Ansawdd: Quality Improvement Goal(s):	All Quality Improvement Goals Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the XXX Sub-Committee meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Ansawdd, Diogelwch a Sicrhau Profiod: Parties / Committees consulted prior to Quality, Safety and Experience Assurance Committee:	Improving Experience Sub-Committee Chair and Lead Director

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Improving Experience Sub-Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: Quality / Patient Care:	SBAR template in use for all relevant papers and reports.
Gweithlu: Workforce:	SBAR template in use for all relevant papers and reports.
Risg: Risk:	SBAR template in use for all relevant papers and reports.

Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Improving Experience Sub-Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Improving Experience Sub-Committee's Terms of Reference, requires the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee.
Enw Da: **Reputational:**	Not Applicable
Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	Not Applicable

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ANSAWDD, DIOGELWCH A SICRHAU PROFIOD
QUALITY, SAFETY AND EXPERIENCE ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	07 April 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Mental Health and Learning Disabilities (MHLD) Services Quality, Safety and Experience Sub-Committee (QSESC) Annual Report
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Andrew Carruthers – Director of Operations
SWYDDOG ADRODD: REPORTING OFFICER:	Liz Carroll – Director, Mental Health and Learning Disabilities

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

The purpose of this paper is to present the Mental Health and Learning Disabilities (MHLD) Quality, Safety & Experience Sub-Committee Annual Report 2019/20 to the Quality, Safety & Experience Assurance Committee (QSEAC). The MHLD Quality, Safety & Experience Sub-Committee Annual Report provides assurances in respect of the work that has been undertaken by the Sub-Committee during 2019/20, and outlines the main achievements which have contributed to robust integrated governance across the University Health Board (UHB).

Cefndir / Background

The UHB's Standing Orders and the Terms of Reference for the MHLD Quality, Safety & Experience Sub-Committee require the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee to summarise the work of the Sub-Committee and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Sub-Committee is to focus on quality and safety governance arrangements at an operational level bringing together accountability and ownership for those quality and safety issues that can only be resolved operationally, freeing up the Quality, Safety and Experience Assurance Committee to be more strategic in its approach.

The Annual Report specifically comments on the key issues considered by the Sub-Committee in terms of quality and safety governance arrangements, and the adequacy of the scrutiny and assurance that is in place.

Asesiad / Assessment

The MHLD Quality, Safety & Experience Sub-Committee has been established under Board delegation with the Health Board approving terms of reference for the Quality, Safety & Experience Assurance Committee at its Board meeting on 29th March 2018. The terms of reference of the MHLD Quality, Safety & Experience Sub-Committee were subsequently approved at its meeting on May 13th 2019.

These terms of reference clearly detail the Sub-Committee's purpose to provide assurance to the Quality, Safety & Experience Assurance Committee around the organisation's governance and assurance arrangements, ensuring that there is an accurate reflection of key risks and issues for the service and assurances around actions that are being taken to mitigate those risks from a quality, safety and experience assurance perspective to deliver against gaps in assurance.

In discharging this role, the Sub-Committee is required to oversee and monitor the MHLD Directorate's agenda for the Quality, Safety & Experience Assurance Committee in respect of its provision of advice to the Board, and ensure the implementation of the MHLD agenda against the following areas of responsibility:

Performance

- Monthly Monitoring of Delayed Transfers of Care
- Monthly Monitoring of Mental Health Outpatient Waiting Times
- Monthly Monitoring of Mental Health Therapy Waits over Fourteen Weeks
- Monthly Monitoring of Compliance with the Performance Indicators in relation to the Mental Health (Wales) Measure 2010
- Quarterly Targets for Substance Misuse Services

The above Performance Indicators are submitted to the monthly Directorate Business Planning and Performance Assurance Group (BPPAG) with an overarching report to the MHLD Quality, Safety & Experience Sub-Committee. The focus of the Sub-Committee is in relation to the services ability to deliver against them and what is being done to enhance performance in order to minimise the impact on the quality of service that is being delivered to Health Board residents.

Compliance

- Compliance with relevant HealthCare Standards
- Outcomes of the Fundamentals of Care Reports
- Presentation of the Annual Fundamentals of Care Reports

Action Plan Delivery

- Each Head of Service provides a Service Report covering areas such as, clinical governance /risk management, workforce development and clinical practice/service developments
- Healthcare Inspectorate Wales (HIW) Action Plans
- Delivery Unit (DU) reviews and associated Action Plans
- Action Plans arising from external reviews
- Royal College Reviews
- Welsh Government Requirements

Risk Management

The Directorate has continued to develop and refine the Risk Register for the service. The Directorate BPPAG is where risk register activity is monitored and reviewed and items that are contained within the Risk Register are used to inform the agenda for the monthly BPPAG meetings. The service also carries risk registers and sessions have been provided both within the service and from the Corporate Governance Team throughout the year on risk register development.

Concerns Management

- Complaints
- Ombudsman

- Serious Untoward Incidents (SUIs)
- Datix
- Claims

Considerable work has been undertaken to improve performance in meeting the target requirements for the closure of complaints, Serious Untoward Incidents (SUIs) and Datix during the year with weekly reports being provided in order that increased scrutiny around performance can be undertaken by each service area.

Sub-Committee Groups
The Groups reporting to the MHLD Sub-Committee during 2019/20 were as follows:

- Clinical Incident Review Group
- Directorate Safeguarding Group
- Medication Optimisation Group

Health Board Wide Groups:

- Resuscitation/RRails Group
- Infection, Prevention and Control Group
- Nutrition and Hydration Group
- Mental Capacity Act and Consent Group
- Effective Clinical Practice Sub-Committee

In addition to the above meetings the Directorate has a Quality, Assurance and Practice Development Team to strengthen the governance arrangements within the service. The team is working alongside the Heads of Service and has established assurance meetings to ensure that there is cross service learning from incidents and events and robust arrangements for the monitoring of action plans.

The MHLD Quality, Safety & Experience Sub-Committee Annual Report 2019/20 is intended to outline how the Sub-Committee and its Groups have complied with the duties delegated by the Quality, Safety & Experience Assurance Committee through the terms of reference set, and also to identify key actions that have been taken to address issues within the Sub-Committee's remit.

Constitution
From the terms of reference approved in May 2019, the membership of the Sub-Committee was agreed as the following:

Head of Nursing, Mental Health & Learning Disabilities (Chair)
Associate Medical Director Mental Health & Learning Disabilities
Director Mental Health & Learning Disabilities
Independent Member
2 X Consultant Psychiatrists
Head of Adult Mental Health Services
Head of Learning Disabilities and Older Adult Mental Health Services
Head of Commissioning
Head of Clinical Innovation and Strategy
Head of Child & Adolescent Mental Health Services and Psychological Services
Senior Nurse, Quality Assurance & Professional Practice
Professional Lead for Psychology and Psychotherapy
Patient Support Services
Ombudsman Liaison

Legal Services Manager
Clinical Effectiveness Coordinator
Clinical Audit Facilitator
Patient Experience Manager
Infection Control
Service Lead Occupational Therapy Mental Health

Meetings
MHLD Quality, Safety & Experience Sub-Committee meetings have been held on a bi-monthly basis as follows:

- 13th May 2019
- 16th July 2019
- 9th September 2019
- 4th November 2019
- 13th January 2020
- The meeting scheduled for the 16th March 2020 was stood down due to operational pressures brought on due to Corvid 19

As the MHLD Quality, Safety & Experience Sub-Committee is directly accountable to the Quality, Safety & Experience Assurance Committee for its performance, following each meeting it provides an assurance to the Committee through a formal written update report which is received at the subsequent Committee meeting.

During 2019/20, the Sub-Committee met on five occasions and was quorate at all meetings.

Sub-Committee Terms of Reference and Principal Duties
In discharging its duties, the MHLD Quality, Safety & Experience Sub-Committee has undertaken work during 2019/20 against the following areas of responsibility in relation to its terms of reference:

Reports were received from the following Groups:

- Resuscitation/RRAILS Group
- Infection Prevention & Control Group
- Nutrition & Hydration Group
- Mental Capacity Act & Consent Group

and the following Directorate Sub-Groups:

- Clinical Incident Review Group
- NICE/Clinical Audit Group
- Directorate Safeguarding Group
- Medication Optimisation Group
- Effective Clinical Practice Sub-Committee

The following were presented to QSEAC and assurance provided that the Sub-Committee has monitored and taken action to address these:

CHILDREN AND ADOLESCENT MENTAL HEALTH SERVICES

- The Sub-Committee received the Neurodevelopment Assessment Waiting Times report outlining the current challenges of delivering a diagnostic service for Autistic Spectrum Disorder in children and young people. The Welsh Government standard waiting time is 26 weeks and due to the high numbers of referrals and the small team in place to meet demand, there is an ongoing challenge in Hywel Dda to meet

increasing demand within current resources. The historic waiting list has now been cleared with staff having undertaken 1,300 assessments. The current lists however are continuing to grow due to increased demand. A single point of referral will soon be implemented on a pilot basis in Pembrokeshire and meetings have been held with paediatricians as currently GPs make referrals to paediatricians and patients are then signed over to the relevant service, such as Attention Deficit Hyperactivity Disorder (ADHD).

- Following an action from QSEAC, the Sub-Committee reviewed the impact and outcomes for service users whilst on the waiting list for Autistic Spectrum Disorder (ASD) assessments. The impact of ASD varies between individuals with some people able to live relatively independent lives however others may have accompanying learning disabilities that requires more extensive longer term support. The impact of ASD will vary from person to person and family to family although will permeate every area of life including mental, emotional, social and economic health. Without the right kind of support autism will significantly limit the individual's ability to reach their full potential and can have a strong negative impact on the whole family's wellbeing. Studies have shown that family stress related to the care of children with ASD are significantly greater than the care of children with developmental disorders. The Health Board is commissioned to provide a diagnostic service only in relation to ASD and as can be seen by the waiting times the numbers of referrals are increasing and we are currently not able to meet demand within an acceptable time frame. In order to resolve this the Health Board are continuing to work with the Delivery Unit (DU) who are continuing to support the demand and capacity work in relation to the more timely management of ASD referrals in Child and Adolescent Mental Health Services (CAMHS) services. The Directorate met with the DU on the 13th November 2019 for their regular performance reviews and informed the service that they have been asked to complete this exercise with other Health Boards in Wales. Additional staff are being recruited to increase the capacity of the team. In addition we have recently trained ten staff from CAMHS, Adult Mental Health and Women's and Children's services to assist in undertaking the assessments. Referrals are prioritised according to a set of criteria that have been discussed at the National Steering Group to enable consistency and transparency in the prioritisation of referrals.

- The Delivery Unit (DU) undertook a Demand and Capacity workshop on 7th May 2019 and have continued with other workshops since. The workshop was well attended from colleagues throughout the service as well as colleagues from the Corporate Performance Team. In an attempt to progress this work, the Directorate has asked the DU to work with them to progress a focused piece of work around the Neuro Developmental waiting times, as the service is experiencing increased demands with associated growing waiting times. This piece of work will be across the age span and will also include colleagues from Women's and Children's Services and the Corporate Performance Team.

- As a result of a recent report by the Children's Commissioner for England, on children with learning disabilities or autism living in mental health hospitals 'Far less than they deserve', published in May 2019, the Chief Nursing Officer for Wales commissioned individual reviews of all CAMHS patients in hospitals outside of Wales. The NHS Wales Quality Assurance and Improvement Service (QAIS) and Welsh Health Specialised Services Committee (WHSSC) arranged to review each patient in conjunction with Local Health Board representatives and an outcome summary will be provided for QSESC once feedback is received.

- CAMHS services are one of the three pilot sites across Wales for the Schools In-reach Project.

ADULT MENTAL HEALTH SERVICES

Following an action from QSEAC examples of Service User and Stakeholder Involvement in the Transforming Mental Health Programme were presented to QSEAC.

Service user and stakeholder engagement has been extensive throughout the duration of the Transforming Mental Health (TMH) Programme. This has been evidenced in TMH being recognised as 'Best Practice' by the Consultation Institute for Consultation and engagement with service users, as well as being awarded an NHS Wales award for co-production with service users and stakeholders. The process of engagement and consultation throughout the lifecycle of the Programme is detailed as below:
Over one hundred activities were undertaken during the pre-engagement and formal engagement periods to ensure optimal participation and involvement from the public, service users, carers, staff and stakeholder groups. Throughout the engagement process HDdUHB worked closely with West Wales Action for Mental Health (WWAMH) to ensure that an independent service user and carer perspective on alternative models of care was used to inform any service transformation.

The University of Wales Trinity Saint David were commissioned to analyse the engagement feedback. This engagement evaluation report was finalised following a stakeholder feedback event to test and confirm the emerging themes set out in the report. The draft and final reports were shared with the Community Health Council (CHC) and WWAMH. This was presented at the HDdUHB Public Board meeting on 2nd June 2016.

Building on the engagement analysis, between June and November 2016, a multi-stakeholder options development group was formed to distil and shortlist options. Representation included service users, carer representatives, the CHC, police, HDdUHB staff, WWAMH, Carmarthenshire, Ceredigion and Pembrokeshire County Councils. The group followed best practice advice on developing options from the Consultation Institute and was guided by the Senior Equality and Diversity Officer for HDdUHB.

During the consultation phase the consultation methods were designed to be as accessible as possible. They provided opportunities for communities and individuals served to share their views on the proposals. Opportunities included an open consultation questionnaire, available in hard copy, electronically and in easy read format, as well as a series of meetings and drop-in events. There was a commitment to meeting people where they felt most comfortable therefore meetings and drop-ins were arranged at a variety of existing groups and meetings.

There was a broad range of feedback responses received. It was recorded that at least 1171 people engaged directly with the consultation.

The implementation phase has continued with the co-production principles and the model and recommendations are being developed with service users and stakeholders in order that everyone has the opportunity to influence and contribute to planning the implementation of the proposed model of care.

The Transforming Mental Health Programme Group, which oversees the implementation, has service user and stakeholder representation. Further, the sub-groups and workshops run as part of the implementation all have membership from stakeholders and service users, inclusive of Estates, Transport, Workforce and Pathways.

A number of proof of concept projects have been implemented to test the TMH model across Hywel Dda. All project groups affiliated with these projects have service user and stakeholder representation.

LEARNING DISABILITIES SERVICES

- In autumn 2018, the Learning Disability Service began a comprehensive review of its current service delivery model and as a result of findings will now embark on a two year Service Improvement Programme involving inpatient, residential, community and liaison models.

- Move on plans put in place for a number of clients on a residential units that have been there since it opened some fifteen years ago. The feedback received is that the clients are settling well into their new placements. Whilst in some instances, families have been anxious about the move on plans, they have been assured by the manner in which the transition was planned and are happy to see them settled in community settings. This will allow the Directorate to repatriate clients who are in commissioned placements outside of the Hywel Dda footprint.

- The 'Intensive Support Team' is in the development process as a pilot project to look at proof of concept which will provide intensive or additional outreach support for a time limited period for clients with a learning disability. Additionally throughout this period of change, the team has supported some emergency admissions into mental health wards and into Ty Bryn. Other options in scope include the return of patients who live in costly, distant placements which limit family contact and render regular review difficult by the Health Board as the placing authority.

- Further work into identifying a future inpatient service delivery model for those people with a learning disability who have a primary mental health condition is being explored within the Transforming Mental Health programme of work.

OLDDER ADULT MENTAL HEALTH SERVICES

- The Dementia Wellbeing (Community Team), all posts, including, the Advanced Practice Occupational Therapist Dementia Lead post have been recruited. In addition, the Dementia Wellbeing (Acute Hospital) Service is now clinically operational and in relation to the Memory Assessment Service, two of three Advanced Nurse Practitioner posts have been recruited.

- The Enlli Enabling Quality Improvement In Practice (EQIiP) project is in place and the estates works commenced on 10th October 2019, which is due for completion by 20th December 2019. However, this work has taken longer due to the requirement of work needing to comply with point of ligature standards, the new completion date is the end of March 2020. Staff drop-in events have been held and registered nursing staff have expressed an interest in working on Enlli Ward under the new model.

- Bryngolau Ward has re-configured an area to improve the management of patients who require quieter areas and more intensive support. The initiative has worked well

in providing a calming and more therapeutic environment and staff have reported that they believe this provides an opportunity to implement a reduction in restrictive practices.

PSYCHOLOGICAL THERAPIES

- The Sub-Committee received a report on the discontinuation of Emotional Coping Skills (ECS) low intensity psycho education intervention within Integrated Psychological Therapy Services (IPTS). The Directorate supported the proposal that IPTS will discontinue providing ECS and will take no further referrals from 1st July 2019. IPTS will then focus on providing evidence based specialist psychological therapies for people with moderate to severe mental health difficulties in line with NICE guidelines. Service users with moderate to severe mental health difficulties will be directed to the clinically indicated psychological therapy based on their clinical condition and the evidence based intervention for this.

- Waiting times for Psychological Therapies are also high within the Directorate. Within the service a significant amount of work has been completed in respect of the waiting times and the Health Board now has an Integrated Psychological Therapies service where a centralised approach is taken to the management of referrals and screening for appropriate and timely intervention. Some modems of therapy take a considerable period of time to deliver and this can result in delays. Again in a relatively small service waiting times are sensitive to vacancies, delayed recruitment processes and sickness. There has been year on year investment from Welsh Government to enhance the provision of psychological therapies, however there is not a skilled work force to recruit from and very often the Health Board has to develop its own staff to provide the recommended modems of therapy. Those who are on a waiting list receive correspondence providing them with contact details should the individual feel that their circumstances change or required more urgent assistance.

COMMISSIONING

- Work has continued with the Local Authorities to streamline funding, this has been enhanced with workshops around multi-disciplinary workshops, team decision making and how that links up.

- There is also work in progress with the local authorities to develop a guidance document to strengthen decision making and agree joint funding criteria.

SUBSTANCE MISEUSE SERVICES

- Alcohol Prescribing in General Practice – Prescribing for alcohol interventions provided by the Community Drug and Alcohol Team (CDAT) (such as detoxification and medications to support abstinence) relies on collaboration with colleagues in primary care. To strengthen prescribing in this area and to address the gaps in prescribing for alcohol interventions, early discussions to resolve this have taken place with the Area Planning Board.

- Key areas of work currently in progress include the ongoing development and Implementation of the CDAT Treatment Model including speeding up access to prescribing interventions if appropriate and establishing Non-Medical Prescribing in Substance Misuse in each of the counties. The implementation of the co-occurring Substance Misuse and Adult Mental Health Framework continues.

- Work with the Substance Misuse Area Planning Board (APB) Commissioners, partner agencies and GPs continues to review the model for the prescribing of Opiate Substitute Therapy (OST) across the three counties, in addition to exploring ways to increase the speed of access for vulnerable groups, particularly those at greater risk of opiate overdose and those who come into contact with the criminal justice system. A bid for extra investment via APB Substance Misuse Action Plan Funding to support the development of Non-Medical Prescribers in the Service has recently been successful.

- IT was reported that GPs are choosing not to prescribe given that that they believe it should either be undertaken by specialist prescribers or be the subject of a shared care arrangement with GPs which would include a payment for providing an enhanced service. This has resulted in gaps in prescribing for alcohol interventions and will be taken forward by the APB.

DIRECTORATE WIDE

- An audit was carried out on Carepartner by Informatics and presented to the Information Governance Sub-Committee. This had been undertaken to assess the timeliness of information entry in to the Carepartner clinical system and highlight any issues that may require addressing. Findings from the audit concluded that not all contacts are recorded on Carepartner however it is not possible to confirm whether this is a regular issue due to the limited amount of data that was included in the analysis. The lack of a reporting module in Carepartner means it is difficult to fully assess the quality of the data. The process of checking the audit facility for each patient record is time consuming but there is no alternative method currently available. A further review will be undertaken to ensure continuity throughout the directorate. Assurance was provided at the meeting that all areas that have been identified have been checked and reported to relevant Heads of Service for dissemination through the management structure.

Feedback from Groups
In terms of feedback from Groups:

- Resuscitation/RRAILS Group - written update reports from the Resuscitation/RRAILS Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern are now received initially at the Ward Manager's Forum and escalated to the MHLD Quality, Safety & Experience Sub-Committee as necessary.

- Infection Prevention & Control Group - written update reports from the Infection Prevention & Control Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the MHLD Quality, Safety & Experience Sub-Committee during 2019/20.

- Nutrition & Hydration Group - written update reports from the Nutrition & Hydration Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the MHLD Quality, Safety & Experience Sub-Committee during 2019/20.

- Mental Capacity Act & Consent Group - written update reports from the Mental Capacity Act & Consent Group highlighting the key areas of work scrutinised and identifying key

risks and issues and matters of concern, have been regularly received by the MHLD Quality, Safety & Experience Sub-Committee during 2019/20.

In terms of feedback from the following Directorate Sub-Groups:

- Clinical Incident Review Group - written update reports from the Clinical Incident Review Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been received by the MHLD Quality, Safety & Experience Sub-Committee during 2019/20

- Directorate Safeguarding Group - written update reports from the Directorate Safeguarding Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the MHLD Quality, Safety & Experience Sub-Committee during 2019/20.

- Medication Optimisation Group – No written update reports from the Medication Optimisation Group were received by the MHLD Quality, Safety & Experience Sub-Committee during 2019/20. This has been largely due to service pressures for pharmacy. It is anticipated that the additional posts that the Directorate have created through Transformation and Innovation funds will assist in resolving this.

Key Risks and Issues/Matters of Concern

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee, with submission of the Fragility of Mental Health Services initial report presented to QSEAC in February 2019, with a further report in August 2019. The areas identified included:

Risk 227	Review of clients in LD commissioned packages of care by health professionals
Risk 150	MH&LD Directorate is reliant on an outdated Patient Administration system. The reliance on the PAS system means that any inability in its function would have a direct impact on accessing clinical information
Risk 136	MH&LD difficulty in recruiting medical staff to particular geographical areas, namely Ceredigion and Pembrokeshire. National shortage of suitably trained medical staff. Current number of substantive medical workforce in post is decreasing.
Risk 144	MH&LD in year continuing Health Care Savings Target and inability to determine future demand for services. Work to date has provided the Directorate with a clear understanding of the commissioning costs. The Head of Service has worked closely with the three Local Authorities to understand our position in relation to the historic Service Level Agreements. In addition, a transparent process has been put in place with the individual Local Authorities who are lead commissioners for the identification and notification in a timely manner of any uplifts that they agree with providers as well as the approval for new individual packages of care for clients.
Risk 135	Lack of MH isolation units and historic skill mix inpatient services led by Novice professionals. Sustained pressure on adult inpatient services was a key driver for undertaking a service wide review, hence the consultation and subsequent implementation of a revised service model which will take several

	years to implement. At the present time the control measures are adequate though will need to be under constant review.
Risk 141	Sustained pressures on patient flow through adult inpatient services. Adult acute services continue to experience high levels of demand on inpatient services with patient acuity high requiring additional staffing
Risk 687	Inability to meet increasing demand in MH LD Service. Adult acute services continue to experience high levels of demand on inpatient services for patients with high levels of risk that require additional staffing. There are a number of arrangements in place to monitor patient flow and safe business continuity. Recruitment and retention of professional staffing groups remains challenging. The MH&LD Directorate are continuing to look at ways of sustaining this workforce through new recruitment initiatives as well as looking at roles and functions of other mental health practitioners in order to safeguard the medical workforce in providing those elements of patient care that they alone can undertake.

The fragility reports presented to QSEAC outlined mitigating actions that the Directorate has in place for the risks detailed above.

Matters Escalated to Quality, Safety & Experience Assurance Committee
During 2019/20, the following matters requiring Quality, Safety & Experience Assurance Committee level consideration or approval were raised:

- Sustained pressures within adult mental health inpatient services.
- Increased referral rates for ASD assessments and the challenges in undertaking these in a timely manner
- In addition the fragility papers which outlined the risks detailed above

MHLD Sub-Committee Developments for 2020/21
The following developments are planned for the MHLD Quality, Safety & Experience Sub-Committee during 2020/21:

- A review of the Directorate governance structure as the MHLD QSESC is to now report through the Operational Quality, Safety and Experience Sub-Committee (OQSESC).
- Informatics work plan to continue to be progressed.
- Continuation of Care and Treatment Plan (CTP) audit and training cycle.

Argymhelliad / Recommendation

To endorse the Mental Health and Learning Disabilities (MHLD) Quality, Safety & Experience Sub-Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)		
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	5.2	Provide assurance to the Board that risks relating to quality, safety, statutory duty/inspection (and workforce/OD/staffing/competence and safeguarding via Sub Committees) are being effectively managed across the whole of the University Health Board's activities, including for

	hosted services, and through partnerships and Joint Committees. 10.4.1 Report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes the submission of a Committee update report, as well as the presentation of an annual report within six weeks of the end of the financial year.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Contained within the report
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	All Health & Care Standards Apply
Nodau Gwella Ansawdd: Quality Improvement Goal(s):	All Quality Improvement Goals Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	9. All HDdUHB Well-being Objectives apply

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of MHLD Quality, Safety & Experience Sub-Committee meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Ansawdd, Diogelwch a Sicrhau Profiod: Parties / Committees consulted prior to Quality, Safety and Experience Assurance Committee:	MHLD Quality, Safety & Experience Sub-Committee Chair and Lead Director

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	There are financial impacts associated with the current risks, mainly in relation to variable pay – medical and nursing as well as an over-stretched commissioning budget.

	A sound system of internal control, as evidenced in the MHLD Quality, Safety & Experience Sub-Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	No direct impacts from the report however impacts of each risk are outlined in the risk description.
Gweithlu: **Workforce:**	There is an impact for the work force as many of the risks are associated with recruitment challenges. The workforce will need to be redesigned on the basis of safe and sustainable staffing.
Risg: **Risk:**	The Directorate works continually to mitigate risks as the service needs evolve.
Cyfreithiol: **Legal:**	No direct impacts from report however proactive risk management including learning from incidents and events contributes towards reducing/eliminating recurrence of risk materialising and mitigates against any possible legal claim with a financial impact. A sound system of internal control, as evidenced in the MHLD Quality, Safety & Experience Sub-Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the MHLD Quality, Safety & Experience Sub-Committee's Terms of Reference, requires the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee.
Enw Da: **Reputational:**	Poor management of risks can lead to loss of stakeholder confidence. Organisations are expected to have effective risk management systems in place and take steps to reduce/mitigate risks.
Gyfrinachedd: **Privacy:**	No direct impacts

Cydraddoldeb: **Equality:**	Has EqIA screening been undertaken? No Has a full EqIA been undertaken? No A full EqIA was undertaken on the Transforming Mental Health Programme of work

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ANSAWDD, DIOGELWCH A SICRHAU PROFIOD
QUALITY, SAFETY AND EXPERIENCE ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	07 April 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Workforce and OD Sub-Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lisa Gostling, Director of Workforce & OD
SWYDDOG ADRODD: REPORTING OFFICER:	Sonja Wright, Committee Services Officer

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

The purpose of this paper is to present the Workforce and Organisational Development Sub-Committee (WODSC) Annual Report 2019/20 to the Quality, Safety & Experience Assurance Committee (QSEAC). The WODSC Annual Report provides assurances in respect of the work that has been undertaken by the Sub-Committee during 2019/20, and outlines the main achievements which have contributed to robust integrated governance across Hywel Dda University Health Board (HDdUHB).

Cefndir / Background

HDdUHB's Standing Orders and the terms of reference for the WODSC require the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee to summarise the work of the Sub-Committee and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Sub-Committee is to provide assurance to QSEAC on compliance with legislation, guidance and best practice around the WODSC agenda.

The Annual Report specifically comments on the key issues considered by the Sub-Committee in terms of Workforce and OD, and the adequacy of the scrutiny and assurance in place.

Asesiad/ Assessment

The WODSC has been established under Board delegation, with HDdUHB approving terms of reference for QSEAC at its Board meeting on 28th March 2019. The terms of reference of the WODSC received their annual review at its meeting on 15th May 2019, and were approved, subject to the addition of the requirement for WODSC to approve appointments following Advisory Appointments Committees (AAC).

Following changes to HDdUHB's Corporate Governance structure, dis-establishing the WODSC from 1st April 2020, the Sub-Committee meeting scheduled to take place on 5th March 2020 was stood down in place of a discussion on the most appropriate fora through which to direct and progress the Sub-Committee's workstreams, many of which would naturally fall

within the remit of the newly established People, Planning & Performance Committee (PPPAC).

The WODSC terms of reference clearly detail the Sub-Committee's purpose to provide assurance to QSEAC around the organisation's workforce, ensuring that there is an accurate reflection of key risks, issues, and arrangements to deliver against gaps in assurance.

In discharging this role, the Sub-Committee is required to oversee and monitor the WODSC agenda for QSEAC in respect of its provision of advice to the Board, and ensure the implementation of the Sub-Committee's agenda against the following areas of responsibility:

- Monitor and oversee the development of the values and vision of HDdUHB;
- Oversee the development and delivery of an implementation plan for the Workforce and OD Strategy;
- Monitor operational performance to ensure the sustainability of current and future workforce models;
- Monitor key workforce savings targets and productivity measures;
- Monitor employee relations activity across the organisation to identify trends and agree relevant strategy for issues identified;
- Ensure robust mechanisms are in place to deliver effective staff engagement and an organisational culture of effective leadership, innovation and continuous improvement;
- Oversee the management of performance issues for all clinical staff, including Primary Care;
- Provide assurance to the Board that risks relating to workforce, OD, staffing, competence, etc are being effectively managed across the whole of HDdUHB's activities (including in Primary Care, for hosted services and through partnerships and Joint Committees);
- Proactively address the educational needs of the current and future workforce;
- Assure the quality, accuracy and integrity of workforce planning and redesign processes (including medical workforce planning);
- Monitor, review and implement Welsh Government and external Workforce & OD initiatives;
- Consider internal and external workforce reports, audits and reviews and monitor the delivery of subsequent action plans;
- Provide assurance of workforce data quality;
- Develop OD and Human Resources (HR) strategies to support redesign. Support the University Partnership Board Committee agenda by ensuring workforce development occurs in line with work programmes;
- Consider and approve Workforce Policies;
- Approve appointments made by the Advisory Appointments Committee.

Workforce & Organisational Sub-Committee Groups

The following Groups reported to the WODSC during 2019/20:

Volunteering for Health Governance Group – established to provide strategic direction for Volunteering for Health and develop and monitor governance arrangements, comprising:

- Overseeing the development of both the long term vision and the annual work programme for the service;
- Providing guidance and input into the services and planning systems to ensure that volunteering opportunities are considered at all times;
- Proactively encouraging the effective engagement of all HDdUHB services with volunteering;

- Providing assurance to HDdUHB relating to the added value of the service – both quantitative and qualitative;
- Recognising opportunities for new funding steams to support the service workplan, and HDdUHB.

Colleague Experience Group – an amalgamation of the Health and Wellbeing Group and Anti Bullying Group, established to provide leadership and support to HDdUHB in facilitating the health and well-being of staff as an integral part of its corporate objectives. It carries this out by:

- Supporting the implementation of any location actions arising from WG's Health Working Wales Programme;
- Continuing to maintain evidence to ensure re-validation of the Corporate Health Standard gold and platinum awards for future re-validations;
- Supporting the implementation of any actions arising from HDdUHB's Integrated Medium Term Plan (IMTP);
- Managing the implementation of the agreed action plan to support delivery;
- Demonstrating a commitment to HDdUHB Values and Behaviour Framework to support the health and well-being of staff.

Workforce Information Systems Programme Group – established to agree the strategy for workforce information management systems within the UHB by:

- Providing vision, strategic direction, guidance and support in maximising the benefits of Employee Self Service on the Electronic Staff Record (ESR) and related workforce systems within the UHB;
- Promoting the significance and benefits of workforce information systems at all levels;
- Driving the Workforce Information Systems (WfIS) Programme forward, and in particular the Hire to Retire workstream, to ensure delivery of outcomes and benefits:
- Producing high quality workforce information;
- Reducing transactional costs;
- Establishing interfaces between ESR and other electronic workforce systems;
- Increasing productivity through process redesign;
- Reviewing resources for any workforce systems project outcomes, and agreeing the most appropriate forum for debate.

Medical Education Group – established to provide assurance to the WODSC on compliance with the Service Level Agreements with the Deanery for Postgraduate Medical Education, and with WG for the placement of Medical students from both Cardiff and Swansea Medical Schools, by:

- Producing, implementing and monitoring an Educational Governance strategy for the provision of medical and dental education and training;
- Creating a unified and co-ordinated approach to medical and dental postgraduate/ undergraduate education to ensure the process of programme delivery and quality control of training are standardised and reporting in a similar way, enabling cross-referencing between sites;
- Aligning medical training and education with the service objectives as defined by HDdUHB;
- Monitoring financial performance against Deanery and Service Increment For Teaching (SIFT) budgets;
- Monitoring the Deanery Risk Register and ensuring implementation of appropriate management actions;
- Discussing new developments in Medical Education, reviewing progress against medical education projects and implementation programmes;
- Sharing good practice and solving common issues around the Quality agenda;

- Reviewing Deanery and Medical School initiatives and policies to ensure HDdUHB compliance;
- Considering relevant internal and external reports, audits and reviews and monitoring the subsequent action plans.

Mandatory Training Steering Group – established to provide the mechanism for the identification of mandatory training requirements to enable HDdUHB to prioritise the delivery of statutory, mandatory and patient safety training activity, ensuring that resources are targeted effectively and allowing the organisation to meet its legal and clinical governance responsibilities by:

- Establishing the required systems and processes to support identification, development, monitoring and evaluation of statutory, mandatory and patient safety training initiatives;
- Agreeing the appropriate delivery mechanisms by which these programmes can be made available.

Nursing Workforce Management Group – established to coordinate, identify and provide leadership for the direction of all issues related to ensuring and developing an appropriately sized, skilled and professionally-focused Nursing and Midwifery workforce across HDdUHB by:

- Overseeing the development and monitoring of the workforce elements of the Professional Nursing & Midwifery Strategy/ Annual Plan, ensuring alignment with relevant strategic workforce documents;
- Providing assurance to the WODSC that risks relating to Nursing/ Midwifery workforce and organisational development are being effectively managed;
- Developing and monitoring the effectiveness of strategies to ensure maximum efficiency in the utilisation of the available Nursing and Midwifery workforce;
- Supporting the development, implementation and monitoring of innovative recruitment and retention strategies, which recognise the specific characteristics of the workforce of Mid and West Wales;
- Devising and monitoring Nursing and Midwifery workforce commissioning and development plans for HDdUHB;
- Developing and monitoring strategies to support Nursing and Midwifery staff engagement and well-being, ensuring effective leadership at all levels and access to development opportunities;
- Being aware of the work of all HDdUHB workforce and organisational development groups, and of current and planned national and local developments relating to Nursing and Midwifery workforce when developing and monitoring the work programme of the Group;
- Considering, advising on and supporting Nursing & Midwifery workforce-related policies prior to recommending approval of such policies at the WODSC;
- Receiving exception reports from the groups reporting into it, monitoring action plans and providing assurance on the work of these Groups to WODSC.

A **Workforce Delivery Group** and a **Workforce Inclusion Group** have recently been established as reporting Groups of the W&ODSC. The Workforce Delivery Group has been established in response to specific agreed revisions to the HDdUHB Turnaround approach and to support delivery of Workforce Efficiency by:

- Supporting schemes developed by other Directorates which have a workforce element to their delivery;
- Monitoring expenditure on variable pay across all staff groups;
- Identifying HDdUHB-wide/ corporately driven schemes which may deliver results in workforce efficiency and effectiveness.

The Workforce Inclusion Group has been established with the purpose of providing assurance to the Sub-Committee regarding the development of employment, work experience and volunteering opportunities for individuals with a learning disability by ensuring that pathways are developed in the areas of:

- Recruitment;
- Training;
- Employment support.

The WODSC Annual Report 2019/20 is intended to outline how the Sub-Committee and its Groups have complied with the duties delegated by QSEAC through the terms of reference set, and also to identify key actions that have been taken to address issues within the Sub-Committee's remit.

Constitution

From the terms of reference approved in March 2019, the membership of the Sub-Committee was agreed as the following:

Title
Director of Workforce & OD (Chair)
Assistant Director of Workforce (Vice-Chair)
Independent Member (Trade Union)
Director of Mental Health & Learning Disabilities
County Director & Commissioner x 1
Health Board-wide General Manager x 1
Unscheduled Care General Manager x 1
Trade Union Chair, Ceredigion Partnership Forum
Trade Union Chair, Carmarthenshire Partnership Forum
Trade Union Chair, Pembrokeshire Partnership Forum
Director of Estates
Assistant Director of Finance (Sustainability)
Assistant Director of Informatics
Assistant Director of Nursing (Practice)
Assistant Director of Primary Care
Assistant Director of Therapies & Health Science
Associate Medical Director (Workforce)
Head of Medicines Management
Consultant in Public Health

Meetings

Since April 2019, WODSC meetings have been held on a bi-monthly basis; unfortunately a meeting scheduled for 16th January 2020 had to be cancelled due to exceptional service pressures across the Health Board and the meeting scheduled for 5th March 2020 was stood down to accommodate a discussion on how the work of the Sub-Committee would be taken forward in light of its proposed dis-establishment as part of the overall Corporate Governance review.

Meetings scheduled to take place during 2019 were held were as follows:

- 15th May 2019
- 4th July 2019

- 6th September 2019
- 12th November 2019

As the WODSC is directly accountable to QSEAC for its performance, it provides an assurance to the Committee following each meeting through a formal written update report which is received at the subsequent Committee meeting.

During 2019/20, the Sub-Committee met on four occasions and was quorate at all four meetings.

Sub-Committee Terms of Reference and Principal Duties
In discharging its duties, the WODSC has undertaken work during 2019/20 against the following areas of responsibility in relation to its terms of reference:

Monitor and oversee the development of the values and vision of the Health Board
- The Sub-Committee was presented with the HDdUHB Standards of Behaviour Policy, for comment, as part of targeted consultation for the revised policy.

Oversee the development and delivery of an implementation plan for the Workforce and OD Strategy
- Each quarter, an update on progress on the Annual Plan's implementation has been received and reviewed by the Sub-Committee. Progress is noted and discussion held where the reported position has deteriorated.

Monitor operational performance to ensure the sustainability of current and future workforce models.
- Issues relating to workforce sustainability have been reported in regular Recruitment Updates and Organisational Development Overview Reports; the Sub-Committee also received reports relating to:
    - Nurse Agency/ Bank usage;
    - The Healthcare Apprentice Programme, aimed at developing a future nursing workforce from the local population;
    - Nursing & Midwifery Council (NMC) Standards of Preregistration Nursing;
    - Estate Operational Maintenance Workforce Modernisation and Succession Plan;
    - A Deep Dive into Vacancy Rates and Establishment Control;
    - NHS Wales Shared Services Partnership (NWSSP) progress in streamlining for all Allied Health Professional (AHP) groups where the NHS bursary applies for the 2020 output.

Monitor key workforce savings targets and productivity measures
- At each meeting, a bank and agency report has been produced which highlights actions being taken at a corporate level to drive variable pay reduction. The Sub-Committee also received feedback from the Pay Review Body Visit held on 26th June 2019.

Monitor employee relations activity across the organisation to identify trends and agree relevant strategy for issues identified
- An Employee Relations report has been produced bi-annually for scrutiny. This report analyses volume of cases, outcomes, and consistency across services and trends.

Ensure robust mechanisms are in place to deliver effective staff engagement and an organisational culture of effective leadership, innovation and continuous improvement.

- The OD Team has produced regular reports to highlight activity across HDdUHB relating to the adoption of staff leadership programmes, provision of staff training, and an invitation from WG to submit a bid for a Research, Innovation and Improvement Coordination Hub in conjunction with HDdUHB's Local Authority partners.

Oversee the management of performance issues for all clinical staff, including Primary Care

- At each meeting, a Workforce Information Report has been presented which monitors progress against a number of measures, including Personal Appraisal and Development Reviews (PADR), mandatory training and sickness absence. It has been pleasing to note the following improvements:
    - PADR compliance 79.7% November 2019 compared to 75% in February 2019 (Wales average 70%)
    - Core Skills and Training Framework (CSTF) compliance 83% November 2019 compared to the all Wales average of 79.9%.
    - Reduction in turnover rate for HDdUHB staff (7.9% November 2019), including Medical and Dental staff group (10.1% November 2019)

Provide assurance to the Board that risks relating to workforce, OD, staffing, competence, etc are being effectively managed across the whole of HDdUHB's activities (including in Primary Care, for hosted services and through partnerships and Joint Committees)

- The Sub-Committee regularly receives the Operational Risk Register Report. Risks assigned to the Sub-Committee have been reviewed and scrutinised to seek assurance that all relevant controls and mitigating actions are in place.
- The Sub-Committee requested and was provided with details of HDdUHB's Maternity Services Internal Assurance review (responding to a report on the Wales Approach to Psychological Safety in Maternity Services).
- The Sub-Committee requested and was provided with details of support and specialist immigration advice provided to HDdUHB staff regarding Brexit arrangements.
- As requested by the Audit and Risk Assurance Committee, actions arising from the Draft Internal Audit Report 2018/19 of the Radiology Directorate have been managed and monitored by the Sub-Committee.

Proactively address the educational needs of the current and future workforce

- Updates have been received via the workforce section of HDdUHB's Annual Plan. A Higher Awards report was also discussed in September 2019.

Assure the quality, accuracy and integrity of workforce planning and redesign processes (including medical workforce planning)

- The Sub-Committee received updates on a number of schemes to develop HDdUHB's workforce.

Monitor, review and implement WG and external Workforce & OD initiatives

- The Sub-Committee received a Nursing e-Documentation progress update on implementation of the Digitisation of Nursing Documents Programme.
- An Impact on Workforce report has been presented to the Sub-Committee, detailing how the W&OD Directorate has assessed its readiness to ensure that HDdUHB's teams comply with the Welsh Language Standards. The W&OD assessment will be adopted by all Directorates within HDdUHB.
- The Sub-Committee has also received updates regarding pay progression in 2019/20.

Consider internal and external workforce reports, audits and reviews and monitor the delivery of subsequent action plans

- Throughout the year the Sub-Committee has considered the following reports:
  - Nurse Agency/ Bank report (including Thornbury agency usage) within the Health Board;
  - Nursing & Midwifery Council (NMC) Standards of Preregistration Nursing report;
  - Welsh Language Standards: Impact on Workforce report;
  - Draft Internal Audit Report 2018/19 of the Radiology Directorate;
  - Strategic Equality Plan Annual Report 2018/19;
  - Wales Approach to Psychological Safety in Maternity Services report;
  - International Health Partnership Governance Framework report;
  - Deep Dive into Vacancy Rates and Establishment Control;
  - Update on Radiology Reasonable Assurance report;
  - Gender Pay Gap report

Provide assurance of workforce data quality

- The Sub-Committee has received reports from the Workforce Information Systems Group which reviews data quality as part of its agenda.
- The Sub-Committee sought assurance that a Task and Finish Group would be established to understand the variance and to agree the actions to close the vacancies reporting gap between the Establishment Control Project (ECP) tool and the TRAC recruitment system.

Develop OD and HR strategies to support redesign. To support the University Partnership Board Committee agenda by ensuring workforce development occurs in line with work programme.

- The Workforce Delivery Group Update report has been presented to Sub-Committee, advising of a workshop held on 5th September 2019 regarding the Workforce Delivery Group's programme of work, with a number of sub-groups established as a result, and a Project Support Officer appointed to support the Group's programme of work.
- The Sub-Committee also received reports at each meeting regarding Staff Partnership Forum activities.

Consider and approve Workforce Policies.

The following workforce policies have been approved during 2019/20:

- Guidance on Referral of Employees to the Occupational Health Service
- Staff Immunisation and Screening Policy
- Preceptorship Policy
- Interim Guidelines to Support Effective Rostering for Nurses and Midwifes
- Annual Leave Policy
- Guidance on Starting Salaries Policy
- Retirement Policy
- Managing Allegations against Employees of HDdUHB of Harm/ Abuse Involving Children or Adults Policy
- Referral of Staff to the Disclosure and Barring Service (DBS) - formerly Independent Safeguarding Authority (ISA) - Policy & Guidance
- Overtime Policy
- Personal Relationships at Work Policy
- Alleged Abuse Allegations Policy
- Supporting Transgender Staff Policy (approved via Chair's Action)

Feedback from Groups

In terms of feedback from Groups:

Volunteering for Health Group – written update reports from the Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, were received by the WODSC during 2019/20, including the following:

- Updates were provided regarding incidents involving volunteers and action taken to resolve these e.g. establishment of a working group to consider the appropriate level of DBS check required for each volunteer role;
- An update was provided regarding the Health Board's involvement with Helpforce Cymru;
- Discussions were held regarding those tasks and functions which are appropriate for volunteers to undertake;
- Membership of the Group was discussed, together with the frequency of meetings; it was agreed that the Group should meet quarterly.

Colleague Experience Group– written update reports highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been received by the WODSC during 2019/20, and included the following:

- The development of Anti Bullying intranet pages by Organisational Development;
- The annual All Wales Staff Survey to include both qualitative and quantitative questions, to enable more accurate reflection of colleague experience. Discussion was held with regard to means of reducing duplication of actions and interventions;
- An update from the Lesbian, Gay, Bisexual Transgender (LGBT) Sub-Group was provided, with agreement that this Sub-Group would report into the Colleague Experience Group via regular update reports.

Workforce Information Systems Group – written update reports highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the WODSC during 2019/20, including the following:

- ESR Self Service Support Hub Phase 2 went live 1st June 2019; Phase 3 to go live January 2020. An internal audit of ESR self-service was received with reasonable assurance and an action plan has been put in place to address recommendations arising.
- Exit Questionnaires have been made available within ESR;
- All paper payslips have been removed;
- ESR data cleansing has been undertaken for cost centres, subjectives and staff groups to assist establishment control reporting;
- A User Responsibility Audit has been carried out for ESR;
- Roll-out of Self Service Manager on ESR has been completed across HDdUHB for all responsibilities and functionalities;
- The implementation of the interface between the General Dental Council and ESR was delayed until December 2019;
- Welsh language competencies recorded in ESR stood at 94% as at November 2019;
- Inactive posts in bank (E-rostering) were terminated in ESR in August 2019;
- Allocate E-Job planning - 375 job plans commenced on the system are due to be signed off by the end of the financial year;
- With regard to E-rostering, paperless bank pay is in place in WGH, PPH and GGH and an upgrade was successfully applied to the roster system in May 2019;
- Computer Aided Job Evaluation (CAJE) has been procured for a further 3 years;
- NHS Digital National Workforce Reporting System for GP managed practices has been rolled out;
- The procurement of Employee Relations software (Selenity) has been delayed;

- The Digital Workforce Vision pilot identified several problems, leading to suspension of roll-out pending rectification;
- The Establishment Control Project, showing vacancies and temporary staff usage based upon April 2019 data, was shared with the Group;
- Discoverer reports were decommissioned from ESR July 2019;
- An NHS Wales ESR PADR Template will be developed for improved management of performance and development requirements and link to payroll for pay progression management;
- ESR talent profiles and management of succession planning across NHS Wales – Finance and Pharmacy are developing profiles to feed into ESR;
- Pay Progression – An All-Wales meeting was held on 5th December 2019; the policy is being designed and translated and will be issued imminently.

Medical Education Group – written update reports highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the WODSC during 2019/20, including the following:

- Feedback on the Health Education Improvement Wales (HEIW) and Health Board Commissioning visit held on 3rd April 2019 where HEIW commended HDdUHB for clear and improving evidence of the commitment to current and future training and positive and comprehensive engagement with the commissioning process. A report has been provided by HEIW summarising areas of good practice and opportunities for development within the Health Board.
- Updates to the Risk Register reported, including the introduction of a risk relating to the Orthopaedics specialty in Withybush General Hospital (WGH) (i.e. on-call duties impacting upon training, unfilled posts impacting upon the rota, and the risk of training posts being removed if HDdUHB fails to meet the Education Contract).
- The HEIW Risk report was updated, to include Supervision and lack of Educational Supervisors in Emergency Medicine at Glangwili General Hospital (GGH) due to consultant sickness in GGH as a Key Risk Area. This issue has been escalated to the Medical Director and Director of Clinical Strategy for action. Concerns regarding General Surgery were also identified, to be the subject of a follow-up visit by HEIW.
- A further £0.2m discretionary capital has been made available to meet the WG Standards for hospital accommodation and associated support facilities, specifically with regard to GGH student accommodation. However, a general improvement in standards of student accommodation across HDdUHB was noted.
- Ongoing unreliability relating to WiFi access in all residential accommodation was reported. Capital has been approved to provide a medical grade WiFi network to improve the infrastructure within residences.
- Internal Medicine Training (IMT) updates were received: Service planning has been undertaken to ensure delivery of the curriculum, with particular reference to providing outpatient clinic exposure for Internal Medicine trainees.
- Details were provided of the award of Foundation Priority Programme status to Bronglais General Hospital (BGH), with F1 posts to be advertised for August 2020

Mandatory Training Group – written update reports highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the WODSC during 2019/20, including the following:

- HDdUHB's compliance against the Mandatory Training WG Performance Target of 85% has seen improvement (82.6% as reported to WODSC November 2019 meeting);
- The refresh period for Resuscitation level 1 has changed to a 3-yearly one;
- Work to feed e-learning records for staff not directly employed by HDdUHB into ESR has been progressed by a Task and Finish Group;

- A new General 'Fire Safety Training' module has been introduced, covering former Level 1 and Level 2 training modules;
- The Quality Assurance Document and Prospectus Template have been revised;
- A Task and Finish Group has been established to support development of a process to ensure a quality standard and level for all internal training courses.

Nursing Workforce Management Group – written update reports highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the WODSC during 2019/20, including the following:

- Potential delay in recruitment due to the revised Welsh Language Standards and requirement for translation of all Job Descriptions and adverts. WODSC was requested to consider whether this needs to be entered onto the Risk Register.
- To mitigate the loss of external candidates deemed appointable, the Sub-Committee was asked to consider whether a request to open up the 'Talent Pool' facility on TRAC was feasible and relevant.
- The Sub-Committee was asked to note the decision to establish a Task and Finish Group to develop Supervisory Governance Arrangements for non-registrants.
- Nurse Staffing Levels (Wales) Act: The potential for further delay to the implementation of a consistent Health Board-wide system as a result of All Wales delays to system enhancement were highlighted, together with changes to working practices to implement and embed the system operationally, once available.
- An update on the HCSW framework was provided. It was agreed that there would be a generic scope of practice competency document developed for Assistant Practitioner roles, with each specialism adding their own competencies aligned to the Job role. For 2019/20, there would be 9 places in Ceredigion and 9 in Carmarthenshire for the 1st year of the module. 12 candidates will continue on to the 2nd year.
- The Group's Terms of Reference were discussed and the membership was adapted to enable individuals to be co-opted for 'agenda dependant' items.

Workforce Delivery Group – written update reports highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the WODSC during 2019/20, including the following:

- The Sub-Committee was provided with details of the Group's generic objectives following the Group's first meeting held on 16th October 2019.
- Key actions resulting from the first meeting were to:
    - Confirm the delivery status of Directorate workforce-related savings schemes, including any risk to delivery of 'green' schemes;
    - Identify which Corporate schemes will support the delivery of Directorate schemes;
    - Allocate Workforce Leads to support the delivery of Directorate schemes;
    - Make recommendations regarding the '*top 10'* Corporate-led priority schemes.
    - In addition to Directorate and Corporate-led schemes, initial actions were developed to address KPMG's recommendations regarding the control environment for workforce operating in HDdUHB.

Other Areas of Responsibility

During 2019/20, the WODSC also received, and considered the following:

- HDdUHB Medical Education Strategy 2020-2023;
- HDdUHB Strategic Equality Plan 2020-2024 and Objectives;
- Regular recruitment reports;
- A report on the Wales Approach to Psychological Safety in Maternity Services;

- The Sub-Committee ratified 7 appointments made following Advisory Appointments Committees (AACs) held between March and October 2019.

Key Risks and Issues/ Matters of Concern
During 2019/20, the following key risks and issues/ matters of concern were raised to QSEAC:

- Poor attendance at the W&ODSC meetings;
- Lack of feedback received from the Datix reporting system;
- Limited time remaining to set up processes relating to streamlining for all the AHP groups where the NHS bursary applies for the 2020 output;
- Significant volume of on-call duties, impacting upon training; number of unfilled posts impacting upon the rota, and the risk of training posts being removed if HDdUHB cannot meet the Education Contract;
- Poor Wi-Fi access within accommodation blocks at GGH.

Matters Escalated to Quality, Safety & Experience Assurance Committee (QSEAC)
During 2019/20, the following matters requiring QSEAC-level consideration or approval were raised:

- AAC appointments linked to Workforce & OD Sub-Committee

Argymhelliad / Recommendation

To endorse the Workforce and Organisational Development Sub-Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	9.4.1 Report formally, regularly and on a timely basis to the Quality, Safety & Experience Assurance Committee on the Sub-Committee's activities. This includes the submission of a Sub-Committee update report, as well as the presentation of an annual report within 6 weeks of the end of the financial year
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	7.1 Workforce
Nodau Gwella Ansawdd: Quality Improvement Goal(s):	Focus on What Matters to Patients, Service Users, Their Families and Carers, and Our Staff

Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Workforce & Organisational Sub-Committee meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Ansawdd, Diogelwch a Sicrhau Profiod: Parties / Committees consulted prior to Quality, Safety and Experience Assurance Committee:	Workforce and Organisational Development Sub-Committee Chair and Lead Director

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Workforce and Organisational Development Sub-Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: Quality / Patient Care:	SBAR template in use for all relevant papers and reports.
Gweithlu: Workforce:	SBAR template in use for all relevant papers and reports.
Risg: Risk:	SBAR template in use for all relevant papers and reports.

Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Workforce and Organisational Development Sub-Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Workforce and Organisational Development Sub-Committee's Terms of Reference, requires the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee.
Enw Da: **Reputational:**	Not Applicable
Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	Not Applicable

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ANSAWDD, DIOGELWCH A SICRHAU PROFIOD
QUALITY, SAFETY AND EXPERIENCE ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	12 May 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Infection Prevention Sub-Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Mandy Rayani, Director of Nursing, Quality and Patient Experience
SWYDDOG ADRODD: REPORTING OFFICER:	Sharon Daniel, Assistant Director of Nursing, Professional Standards and Workforce Meleri Jenkins, Senior Nurse, Infection Prevention

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

The purpose of this paper is to present the Infection Prevention Sub-Committee Annual Report 2019/20 to the Quality, Safety & Experience Assurance Committee. The Infection Prevention Sub-Committee Annual Report provides assurances in respect of the work that has been undertaken by the Sub-Committee during 2019/20, and outlines the main achievements which have contributed to robust integrated governance across the University Health Board (UHB).

Cefndir / Background

The UHB's Standing Orders and the terms of reference for the Infection Prevention Sub-Committee require the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee to summarise the work of the Sub-Committee and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Sub-Committee is to provide assurance to the Quality, Safety & Experience Assurance Committee around all matters relating to the prevention of infection.

The Annual Report specifically comments on the key issues considered by the Sub-Committee in terms of Healthcare Associated Infections and infection prevention measures to protect patients, staff and the wider public and the adequacy of the controls and measures in place.

Asesiad / Assessment

The Infection Prevention Sub-Committee has been established under Board delegation with the Health Board approving terms of reference for the Quality, Safety & Experience Assurance Committee at its Board meeting on 26th January 2017. The terms of reference of the Infection Prevention Sub-Committee were updated and approved at its meeting on 5th March 2019 and subsequently approved by QSEAC on 4th April 2019.

These terms of reference clearly detail the Sub-Committee's purpose to provide assurance to the Quality, Safety & Experience Assurance Committee around all matters relating to the prevention of infection, ensuring that there is an accurate reflection of performance against Delivery Unit infection reduction targets and identified risks to deliver against gaps in assurance.

In discharging this role, the Sub-Committee is required to oversee and monitor the infection prevention agenda for the Quality, Safety & Experience Assurance Committee in respect of its provision of advice to the Board, and ensure the implementation of the infection prevention agenda against the following areas of responsibility:

Performance

- Delivery Framework Targets
- Hand Hygiene compliance rates
- Surgical Site Infection rates

Leadership

- Policy - review, development and implementation
- Work plan – monitor delivery
- Monitor hospital performance, identifying and rectifying irregularities
- Environment & Cleanliness – receiving and monitoring reports
- Monitor hospital and community outbreaks
- Monitor Quality Improvement work
- Monitor and report on staff infection prevention issues

Risk

- Monitor Risk Register and Issue Log
- Review the analysis and learning from adverse events
- Monitor implementation of recommendations from national organisations such as Health Inspectorate Wales, Shared Services and Welsh Health Circulars.

Infection Prevention Sub-Committee Groups

The Groups reporting to the Infection Prevention Sub-Committee during 2019/20 were as follows:

- **Decontamination Group** – established to:
  - Monitor compliance with and oversee the Health Board's decontamination arrangements regarding practice, regulation, standards and guidance.
  - Make recommendations on all matters concerned with decontamination of medical devices and other equipment requiring decontamination or sterilisation.

- **Antimicrobial Stewardship Group** – established to:
  - Implement and deliver the Health Board's Antimicrobial Resistance Plan
  - Review Health Board antibiotic guidelines

- **Water Safety Group** – established to:
  - Provide assurance that there is an appropriate system for the delivery of water services focusing on the delivery of water to point of use for all the Health Board premises.
  - Monitor Water Safety/Quality and ensure compliance with HTM 04-01 and Approved Code of Practice – L8, thereby positively contributing to the health and wellbeing of patients/visitors and staff in all health related premises.

- **Locality Infection Prevention Groups x 4 –** established to:
  - Monitor operational delivery of the infection prevention agenda
  - Deliver National surveillance schemes
  - Implement the infection prevention work plan
  - Support Clinical Teams in scrutiny of health care associated infections

The Infection Prevention Sub-Committee Annual Report 2019/20 is intended to outline how the Sub-Committee and its Groups have complied with the duties delegated by the Quality, Safety & Experience Assurance Committee through the terms of reference set, and also to identify key actions that have been taken to address issues within the Sub-Committee's remit.

Constitution

From the terms of reference approved at IPSC on 5th March 2019, the membership of the Sub-Committee was agreed as the following:

- Assistant Director of Nursing, Professional Standards and Workforce (Chair)
- Senior Nurse Infection Prevention (Vice-Chair)
- Director of Nursing, Quality & Patient Experience
- Director of Public Health
- Consultant Microbiologists
- Associate Medical Director
- Independent Member responsible for cleanliness and infection control
- County Director Community Services (or representative)
- Directorate Nurse, Mental Health & Learning Disabilities (or representative)
- Directorate Nurse, Family & Child Health (or representative)
- Assistant Director Operational Nursing & Quality Acute Services
- Head of Facilities
- Decontamination Lead
- Health & Safety Officer (or representative)
- Consultant in Communicable Disease Control
- Public Health Nurse
- Lead for Occupational Health
- Head of Medicines Management (or representative)

Meetings

For the year April 2019 to March 2020, Infection Prevention Sub-Committee meetings have been held on a bi-monthly basis as follows:

- 3rd June 2019
- 9th July 2019
- 11th September 2019
- 19th November 2019
- 15th January 2020

As the Infection Prevention Sub-Committee is directly accountable to the Quality, Safety & Experience Assurance Committee for its performance, following each meeting it provides an assurance to the Committee through a formal written update report which is received at the subsequent Committee meeting.

During 2019/20, the Sub-Committee met on 5 occasions and was quorate at all meetings.

Sub-Committee Terms of Reference and Principal Duties
In discharging its duties, the Infection Prevention Sub-Committee has undertaken work during 2019/20 against the following areas of responsibility in relation to its terms of reference:

Performance
Performance is reviewed against the Delivery Framework Targets as set out in the document WHC 2019 (019) 'AMR & HCAI Improvement Goals for 2019-20' received on the 8th July 2019

- The Health Board did not achieve any of the Reduction Expectation Targets set by the Delivery Framework
- The Health Board achieved a reduction in *Clostridioides difficile* infection (CDI) rates of 1%, 1 less case over the financial year and did not sustain the high levels of infection seen in Withybush General Hospital in March and April 2019. A new Faecal Microbiota Transplant Service was developed in the Health Board with three successful transplants completed.
- The Health Board has saw an increase in *E. coli* Blood Stream Infections over the financial year of 10%, 34 additional cases. Despite this increase we have not returned to the high numbers seen in 2016/17 and 2017/18. The collaborative work with community and primary care teams continues, working with the Medicines Management Team and Primary Care Antibiotic Pharmacist. Additionally work has been done with Emergency and Admission Units across the Health Board on recognition and management of Urinary Tract Infections.
- The Health Board data for *Staph. aureus* Blood Stream Infections shows a reduction of 7% was achieved, nine less cases over the financial year. Competency assessment on Aseptic Non Touch Technique has been delivered in the community and primary care settings with rollout continuing in the acute setting. A decrease in line related *S.aureus* BSI was noted following the purchase of Vascular Access Trolleys across acute in-patient wards.
- Reduction of *Klebsiella* sp. and *Pseudomonas aeruginosa* Blood Stream Infections continue to be a reduction target. The Health Board reported an increase in *Klebsiella* sp. of 14%, 11 additional cases over the financial year. *P. aeruginosa* saw a 35% reduction, 14 less cases over the financial year.
- ICNet continues to provide high quality information to the Infection Prevention Team to work with, this has been supported by Public Health Wales employing a Healthcare Epidemiologist hosted by the Infection Prevention Team to support reporting and data analysis. ICNet has also made an Outbreak Module available on the system which the Infection Prevention Team are learning to use.

- Review compliance with Hand Hygiene
  - Hand Hygiene compliance against the World Health Organisation '5 Moments' has been below the recommended 95%, with the Health Board reporting 89% to 92% compliance.
  - The Infection Prevention Team developed an action plan for 2019/20, with changes to the Hand Hygiene Audit Tool incorporating audit on 'Bare Below The Elbow' education was provided on this new tool to all Link Nurses.
  - The Infection Prevention Team successfully piloted 'Glove Awareness Training' on a two wards, with improvement noted in Hand Hygiene and a reduction in glove usage.
  - Hand Hygiene products were trialled on multiple sites across the Health Board as part of the All Wales procurement process

- Surgical Site Infection (SSI) Surveillance
    - Caesarean Section SSI retrospectively reported a rise in infections in Glangwili General Hospital (GGH) in Quarter 2 of 2019/20. This was investigated by the service and attributed to incomplete returns; the same issue arose in Bronglais General Hospital (BGH). Hywel Dda UHB has a low Caesarean SSI rate of 2.91% below the All Wales rate of 4.14%
    - Orthopaedic SSI is retrospectively reported and for 2018, the Health Board reported an all procedure infection rate of 0.08% below the All Wales rate of 0.2%.

Environment

- Credits for Cleaning (C4C) Reports are now being scrutinised in the Locality IP meetings and were to be standardised across the HB
- Community C4C reports were disappointing; action plans are therefore to be developed and reviewed through Locality meetings.
- Environmental decontamination with Ultraviolet Cleaning was trialled in WGH.
- WHC (2018) 033 Airborne Isolation Room Requirements was reviewed with requirements for Facilities and the Transformation Team. Further work is required to determine what action is currently needed and what will need future investment to be aligned to Health Board strategy.
- Water Safety has been noted as a risk in WGH with improvement work being carried out throughout the year in removal of redundant pipework, flushing and disinfection of the water systems.
- Environmental Audit Programme developed for each site using the Infection Prevention Society audit tool

Quality Improvement

- The Faecal Microbiota Transplant (FMT) service successfully transplanted three patients, improving their quality of life.
- Aseptic Non Touch Technique (ANTT) was rolled out in Community and Primary Care with good engagement from Practise Nurses.
- Glove Awareness Training was piloted on two sites in the Health Board, this was shown to improve hand hygiene, reduce general glove usage and consequently reduce waste initiating a cost saving for the wards involved.
- A reduction in peripheral line infections was noted as a result of the purchase of Vascular Access Trolleys across all in-patient areas in the Health Board
- Review and launch of the HB Antibiotic Guidelines noted improvements in prescribing in the unvalidated data from the 2019 Point Prevalence Survey
- Improvements noted in Community prescribing following Meryl Davies and Jo McCarthy's participating in a Bevan Exemplar.
- All Community Podiatry instruments are now processed centrally in the Hospital Sterilisation Decontamination Unit (HSDU)
- E. coli age standardisation project which illustrated that age should be recognised as an independent risk factor when reviewing infection surveillance data. In doing so the HB infection rate was noted to be 75.49 per 100,000 population, changing our ranking to 3rd in Wales.
- Education work completed in Emergency and Admission areas on recognition and management of Urinary Tract Infections
- Training in Care Homes on recognition and management of Urinary Tract Infections

- Work with community Leg Ulcer Clinics to achieve minimum standards and rollout ANTT.
- Hosting of a Public Health Wales Healthcare Epidemiologist

Risk

- The risk register was reviewed, with one risk remaining in place Risk 272 Healthcare Associated Infection (HCAI) lack of engagement from clinical teams to adopt a zero tolerance HB wide. This risk is reviewed on a bi-monthly basis.
- The decontamination of Nasendoscopes on Merlin Ward remains a concern due to failures in decontamination and traceability and is part of the Scheduled Care Risk Register.
- Failures in the decontamination relating to TRUS biopsy channelled probe resulted in the probe being taken out of service.
- Ongoing issues related to Legionella risk in WGH were noted with robust mitigation processes in place.
- Failure of the Automated Endoscope Reprocessors in Prince Philip Hospital (PPH) required a capital bid with work due to replace them in 2020/21.

Policy

- Policies were reviewed as required with extensions being approved as requested by the Infection Prevention Team.
- All policies are current

Feedback from Groups

In terms of feedback from Groups:

- **Decontamination Group** – written update reports from the Decontamination Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Infection Prevention Sub-Committee during 2019/20, including the following:
    - Review of HB Dental Practices against the All Wales Dental Survey in which the HB was commended for its centralisation of dental instruments and recommended as a benchmark for other health boards in Wales.
    - Glangwili General Hospital (GGH) HSDU refurbishment work is currently in progress and nearly complete
    - Decontamination from HB Podiatry was centralised during the year with all instruments now being decontaminated in HSDU.
    - The All Wales Endoscopy Audit Report was received, following the audit the work on centralising the decontamination of endoscopes in WGH was completed. Many of the recommendations within the audit have been achieved with the Nasendoscopes on Merlin Ward continuing to be an issue and part of the Scheduled Care Risk Register.

- **Antimicrobial Stewardship Group** – written update reports from the Antimicrobial Stewardship Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Infection Prevention Sub-Committee during 2019/20, including the following:
    - The Group requirement to report against Delivery Framework antibiotic reduction targets was undertaken with some difficulty early in the year due to data inconsistencies. It was noted that antibiotic targets 2018/19 were achieved in BGH and GGH.

- The reviewed Antibiotic Guidelines within Secondary Care were launched in June 2019 with considerable education and support from the Antibiotic Pharmacists
- The Infection Prevention Team supported this with Jabs to Tabs training across all acute wards.
- The All Wales Antimicrobial Prescription Chart which was piloted in GGH, was rolled out across the HB in April 2019.
- A Bevan Project in the community audited GP practises with high and low antimicrobial prescribing rates. Feedback on antimicrobial stewardship was provided by the Community Antibiotic Pharmacist supported by a Consultant Microbiologist before the practises were reaudited. This led to an improvement and reduction in antimicrobial prescribing
- Significant reductions in primary care prescribing have been seen which is aiming for a 25% reduction by 2023/24
- Progress was being made against Secondary Care antimicrobial targets with the HB moving towards the achieving the 55% WHO target
- Provisional figures presented from the annual Antibiotic Point Prevalence Survey showed improvement in antibiotic prescribing rates across the HB.

- **Water Safety Group (WSG)** – written update reports from the Water Safety Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Infection Prevention Sub-Committee during 2019/20, including the following:
  - The Shared Services Internal Audit Report provided only limited assurance to the Health Board on matters of Water Safety. This report was presented directly to Audit and Risk Assurance Committee, bypassing the Water Safety Group. The report was noted to have some inaccuracies and an action plan was developed and completed to address the issues identified in the report.
  - Water Safety Policy was reviewed and agreed
  - Legionella risk in WGH highlighted during refurbishment work (included on the Estates Risk Register). Schematic drawings of Front of House complete and removal of redundant pipework completed
  - Clinical Handwash basins with sensor taps in the Intensive Care Unit of WGH were identified as carrying Legionella during routine testing, capital funding was approved for replacement of these taps and basins

- **Locality Infection Prevention Groups x4** – written update reports from the four Locality Infection Prevention Groups highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Infection Prevention Sub-Committee during 2019/20, including the following:
  - Venous access trolleys purchased across all acute in-patient wards
  - Programme developed to complete Environmental Audits scrutinise them at locality meetings.
  - C. Difficile Root Cause Analysis Tool streamlined to improve engagement with clinicians, all hospital acquired cases discussed at locality meetings
  - C.difficile carriers processed in the same way as those with infection.
  - Noted that WGH and GGH had the availability of Decant Wards in order to progress work on Deep Cleaning of Ward areas and refurbishment work.
  - GGH and PPH reported major Norovirus outbreaks in December with a number of wards affected, this resulted in both hospitals being closed to visiting for significant periods

Other Areas of Responsibility
During 2019/20, the Infection Prevention Sub-Committee also received, and considered the following:

- Health Protection Team reports regarding the testing and management of the Llwynhendy Tuberculosis (TB) Outbreak. This has been a large piece of collaborative working by the Infection Prevention Team, Health Protection Team and the HB Respiratory Team.

Key Risks and Issues/Matters of Concern
During 2019/20 the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

- Legionella Risk in WGH due to water systems, schematic drawings are in place for the majority of areas, redundant pipework identified has been removed and their continues a daily flushing process and testing as part of risk mitigation
- Decontamination of Nasendoscopes on Merlin Ward in GGH

Matters Escalated to Quality, Safety & Experience Assurance Committee
During 2019/20, the following matters requiring Quality, Safety & Experience Assurance Committee level consideration or approval were raised:

- Faecal Microbiota Transplant

Infection Prevention Sub-Committee Developments for 2020/21
The following developments are planned for the Infection Prevention Sub-Committee during 2020/21:

- Review Terms of Reference and membership in line with the Sub-Committee changing to a Strategic Steering Group.
- To work towards the Delivery Framework Reduction Expectation Targets and continue with our current reduction trajectory.
- To ensure that all relevant policies are reviewed, updated and current
- To support the Health Board in the delivery of coronavirus guidance in acute, primary and community settings
- Work with Facilities in the introduction of Enhanced Cleaning Technologies

Argymhelliad / Recommendation

To endorse the Infection Prevention Sub-Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	10.4.1 Report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes the submission of a Committee update report, as well as the presentation of an annual report within six weeks of the end of the financial year.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable

Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Nodau Gwella Ansawdd: Quality Improvement Goal(s):	Protect Patients From Avoidable Harm From care Focus On What Matters To Patients, Service Users, Their Families and Carers, and Our Staff
Amcanion Strategol y BIP: UHB Strategic Objectives:	2. Living and working well. 3. Growing older well.
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Support people to live active, happy and healthy lives

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agenda, papers and minutes of the Infection Prevention Sub-Committee. WHC 2019 (019) 'AMR & HCAI Improvement Goals for 2019-20' HDUB Infection Prevention Improvement Plan 2019/20 Hand Hygiene Improvement Plan
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Ansawdd, Diogelwch a Sicrhau Profiod: Parties / Committees consulted prior to Quality, Safety and Experience Assurance Committee:	Infection Prevention Sub-Committee Chair and Lead Director

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Infection Prevention Sub-Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.

Ansawdd / Gofal Claf: **Quality / Patient Care:**	SBAR template in use for all relevant papers and reports.
Gweithlu: **Workforce:**	SBAR template in use for all relevant papers and reports.
Risg: **Risk:**	SBAR template in use for all relevant papers and reports.
Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Infection Prevention Sub-Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Infection Prevention Sub-Committee's Terms of Reference, requires the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee.
Enw Da: **Reputational:**	Not Applicable
Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	Not Applicable

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ANSAWDD, DIOGELWCH A SICRHAU PROFIOD
QUALITY, SAFETY AND EXPERIENCE ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	07 April 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Effective Clinical Practice Sub-Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Dr Philip Kloer, Medical Director and Director of Clinical Strategy
SWYDDOG ADRODD: REPORTING OFFICER:	Lisa Davies, Clinical Effectiveness Co-ordinator

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

The purpose of this paper is to present the Effective Clinical Practice Sub-Committee (ECPSC) Annual Report 2019/20 to the Quality, Safety & Experience Assurance Committee (QSEAC). The Effective Clinical Practice Sub-Committee Annual Report provides assurances in respect of the work that has been undertaken by the Sub-Committee during 2019/20, and outlines the main achievements which have contributed to robust integrated governance across the University Health Board (UHB).

Cefndir / Background

The UHB's Standing Orders and the terms of reference for the Effective Clinical Practice Sub-Committee require the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee to summarise the work of the Sub-Committee and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Sub-Committee is to provide assurance to QSEAC that robust arrangements are in place for the delivery of safe, effective, evidence based clinical practice across all UHB activities as part of core business, focused on improving clinical outcomes and the patient experience and reducing unwarranted clinical variation.

The ECPSC is process focused, and gives assurance on safe, effective, evidence-based clinical practice. Ineffective practice is not monitored by the Sub-Committee: this is a function of the Operational Quality, Safety and Experience Sub-Committees' (OQSESC) risk management. However, reviews of practice in operational departments are undertaken by the ECPSC, and may uncover issues that need support or input from the ECPSC, such as the commissioning and review of local written control documents, a recommendation for auditing, or an application for use of a procedure.

The Annual Report specifically comments on the key issues considered by the Sub-Committee in terms of the adequacy of the key controls, assurances, and action plans in place.

Asesiad / Assessment

The Effective Clinical Practice Sub-Committee has been established under Board delegation with the Health Board approving terms of reference for the Quality, Safety & Experience Assurance Committee at its Board meeting on 26th January 2017. The terms of reference of the

ECPSC were initially approved at its meeting on 19th April 2016, and subsequently updated in May 2017 and November 2018.

The terms of reference of the Effective Clinical Practice Sub-Committee have been reviewed during 2019/20, and are submitted with this report to QSEAC for approval.

During 2019/20, reviews of the Terms of Reference have resulted in the following amendments:

May 2019
- Addition of an Independent Board Member to the Membership
- Amendment of group title to Clinical Audit Scrutiny Panel
- Amendment to the Blood Transfusion Group function description

July 2019
- Establishment of reporting for National Safety Standards for Invasive Procedures (NatSSIPs)

September 2019
- Changes to reporting arrangements for NatSSIPs and inclusion in organogram
- Removal of the word 'Review' in the title of Clinical Written Control Documentation Group (CWCDG) (organogram)
- Change of ownership of INNU from Public Health Wales to Health Board
- Addition of National Confidential Enquiry into Patient Outcome and Death (NCEPOD) in guidance sources within remit of the group

October 2019
- Addition of Operational Quality Safety and Experience Sub-Committee to the organogram.
- A link to Research and Development to be added.

In October 2019 the Terms of Reference were presented to QSEAC for approval and amendments were accepted with the exception of the inclusion of a 'Learning & Listening Group' in section 9.3 and a review of linkages with Research and Development, for which discussion is ongoing. The amended Terms of Reference were accepted at the ECPSC meeting in November 2019, however it has been acknowledged by the Sub-Committee that a further review will be necessary pending the outcome of the wider Health Board governance review. Further dialogue also required regarding the addition of a link to Research and Development and the relationship with the newly established Health Board Learning and Listening Group.

The Terms of Reference clearly detail the Sub-Committee's purpose to provide assurance to QSEAC around the organisation's effective clinical practice, ensuring that there is an accurate reflection of key controls, assurances, and action plans to deliver against gaps in assurance.

In discharging this role, the Sub-Committee is required to oversee and monitor the Effective Clinical Practice agenda for the Quality, Safety and Experience Assurance Committee in respect of its provision of advice to the Board, and ensure the implementation of the Effective Clinical Practice agenda against the following areas of responsibility:

Clinical Effectiveness Forward Plan
A forward plan, informed by the work of the component groups, and setting out priorities.

Contributory Groups
To receive reports from the following groups, as appropriate, escalate issues that impact upon clinical patient outcomes, or provide assurance of best practice to QSEAC:

- Clinical Written Control Documentation Group
- Blood Transfusion Group
- Clinical Audit Scrutiny Panel
- Mortality Review Group
- NICE and National Guidelines Group
- National Safety Standards for Invasive Procedures (NatSSIPs) Steering Group

Barriers to Implementation

- To advise QSEAC when the organisation is unable to implement National Institute for Health and Care Excellence (NICE) guidance or National Clinical Audit and Patient Outcomes Programme (NCAORP) review recommendations.

Monitoring the Groups and Departments

- To monitor risks within the scope of the contributory groups and departments, ensuring that all identified risks are appropriately captured, and that risks above agreed tolerance levels are being regularly reviewed and sufficiently mitigated, agreeing mitigating actions where necessary.

Evidence review

- **University Partnership Board (UPB)** - to work closely with the UPB in reviewing, testing and validating evidence presented by clinicians when applying for approval to use new clinical procedures (in line with the New Interventional Procedures Policy, no. 012), the NICE evidence base when approving new Clinical Written Control Documentation and elements below as appropriate. Membership will be of the NICE and National Guidelines Sub-Group,
- **Audit** - to ensure that the Health Board participates appropriately in external best practice reviews, including the National Clinical Audit and Outcomes Review Programme (NCAORP).
- **Internal Audit** – to recommend to the Audit and Risk Assurance Committee areas of activity for review by internal audit.
- **Service Delivery** – to review the evidence to support strategic shifts in service delivery, service developments etc., as mandated by the Business Planning and Performance Assurance Committee and/or QSEAC.
- **Inspection Reports** - if requested, to critically review external inspection reports, internal and external audits, national guidelines, etc., within the scope of the Sub-Committee and consider action as required.
- **Research & Development** - if requested, to critically review research reviews and evidence, within the scope of the Sub-Committee and consider action as required.

Escalation

- To agree actions and exceptions which require escalation to QSEAC. Escalation will be made both when there is high risk, including exceptions to the discharge of our ability to provide assurance, and where it is considered that QSEAC should be made aware or informed of an issue.

Sub-Committee Terms of Reference and Principal Duties
In discharging its duties, the Effective Clinical Practice Sub-Committee has undertaken work during 2019/20 against the following areas of responsibility in relation to its terms of reference:

Internal Audit

- The Sub-Committee has a responsibility to recommend to the Audit and Risk Assurance Committee areas of activity for review by internal audit. No recommendations were made during the year 2019/20.

Evidence review

- **Inspection Reports** - a review of the Royal College of Physicians (RCP) Cymru Wales Visit to Bronglais General Hospital (BGH) report was undertaken and an ongoing review of the action plan requested.

In January 2020, the Health Board considered a review of the corporate governance structure/arrangements at Hywel Dda University Health Board, and a recommendation to review and revise the Operational Groups reporting to QSEAC, including Effective Clinical Practice Sub-Committee, was approved. Accordingly, a review commenced during 2019/20, and will inform the future role and purpose of the effective clinical practice assurance function, together with any reporting groups.

Effective Clinical Practice Sub-Committee Groups

The Groups reporting to the Effective Clinical Practice Sub-Committee during 2019/20 were as follows:

NICE and National Guidance Group – established to:

- provide a forum to oversee the consideration and implementation of National Institute for Health and Care Excellence (NICE) guidelines and quality standards and interventional procedures guidance, guidance on interventions not normally undertaken, and other relevant evidence based guidelines and standards, providing the Sub-Committee with assurance of implementation and ensuring where necessary that action plans are in place and being monitored to ensure compliance.
- Manage the guidance sources usually within the remit of the Group, as follows:
  - NICE (with the exception of Technology Appraisals Guidance)
  - National Confidential Enquiry into Patient Outcome and Death (NCEPOD)
  - Health Board INNU Policy
  - Royal colleges, UK and European professional bodies, World Health Organisation
  - Scottish Intercollegiate Guidelines Network (SIGN)
  - UK Government, where relevant.

(Reporting to ECPS-C from April 2019 to March 2020)

Clinical Audit Scrutiny Panel – established to:

- Provide assurance that a robust clinical audit function is in place, supporting the organisation's strategic direction, priorities and identified risks as well as national priorities, with strong links to the quality, safety and experience sub-committees who will provide assurance with regard to the dissemination and implementation of actions arising from clinical audits and service evaluations.

(Reporting to ECPS-C from April 2019 to March 2020)

Clinical Written Control Documentation Group – established to:

- Approve clinical written control documents (policies, procedures and guidelines) on behalf of the Board in line with HDUHB Policy 190 – Written Control Documentation
- Provide assurance to the Board that the governance arrangements are operating effectively and therefore that clinical written control documents comply with legislation, meet mandatory requirements and support the delivery of health care that is evidence-based, safe and sustainable.
- Commission on behalf of the Board clinical written control documents in order to minimise risk to patients, employees and the organisation.

(Reporting to ECPS-C from April 2019 to March 2020)

Mortality Review Group – established to:

- Provide strategic direction, guidance and oversight for the collection, interpretation and dissemination of mortality related information within the Health Board.

(Reporting to ECPS-C from April 2019 to March 2020)

Blood Transfusion Group – established to:

- Provide assurance that robust arrangements are in place to ensure that Blood Transfusion Service is operating within its regulations and legislation as set out in the Terms of Reference.
- Be responsible for the Health Board Blood Transfusion Policy and prepare an annual report to the Health Board.

(Reporting to ECPS-C from April 2019 to March 2020)

The Effective Clinical Practice Sub-Committee Annual Report 2019/20 is intended to outline how the Sub-Committee and its Groups have complied with the duties delegated by the Quality, Safety & Experience Assurance Committee through the terms of reference set, and also to identify key actions that have been taken to address issues within the Sub-Committee's remit.

Constitution

From the terms of reference approved in November 2019, the membership of the Sub-Committee was agreed as the following:

- Medical Director & Director of Clinical Strategy (Chair)
- Assistant Director, Quality Improvement (Vice Chair)
- Associate Medical Director for Clinical Effectiveness
- Independent Member
- Associate Medical Director for Quality & Safety
- Assistant Director of Therapies and Health Science
- Assistant Director, Nursing
- Assistant Director, Medical Directorate
- Head of Quality & Governance
- Representative (and all others) from Operational Quality, Safety & Experience Sub-Committee
- Named representative from Quality, Safety & Experience Sub-Committee: Mental Health & Learning Disabilities
- Named representative from the University Partnerships Board
- Named Representative from Primary Care
- Named representative from Medicines Management
- Chair of Clinical Written Control Documentation Group
- Chair of Blood Transfusion Group
- Chair of NICE and National Guidelines Review Group
- Chair of Clinical Audit Scrutiny Panel
- Chair of Mortality Review Group
- Clinical Effectiveness Co-ordinator
- Clinical Audit Manager
- Named representative from Public Health

Meetings

Since April 2019, Effective Clinical Practice Sub-Committee meetings have been held on a bi-monthly basis as follows:

- 15th May 2019

- 12th July 2019
- 10th September 2019
- 6th November 2019
- 20th January 2020
- 16th March 2020

As the Effective Clinical Practice Sub-Committee is directly accountable to the Quality, Safety & Experience Assurance Committee for its performance, following each meeting it provides an assurance to the Committee through a formal written update report which is received at the subsequent Committee meeting.

During 2019/20, the Sub-Committee met on six occasions and was quorate at all meetings.

Feedback from Groups
In terms of feedback from Groups:

NICE and National Guidance Group – written update reports from the NICE and National Guidance Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Effective Clinical Practice Sub-Committee during 2019/20, including the following:

- Approval by the Sub-Committee of the Terms of Reference and membership of the newly formed NICE and National Guidance Group.

Key areas of work scrutinised:

- Guidance and recommendations relating to Venous Thromboembolism and Pulmonary Embolism, and its relationship with Hospital Acquired Thrombosis (HAT) - including CG144: Venous thromboembolic diseases: diagnosis, management and thrombophilia testing; NG89: Venous thromboembolism in over 16s: reducing the risk of hospital-acquired deep vein thrombosis or pulmonary embolism; and National Confidential Enquiry into Patient Outcome and Death (NCEPOD): Pulmonary Embolism
- Review of NICE and National Guidance Implementation Policy - to ensure it remains fit for purpose.
- Duty of Candour - Position statement drafted relating to the Duty of Candour, for inclusion in the NICE Policy, to provide clarity to patients and to comply with the duty of candour regulation.
- Revision of NICE Guidance dissemination, reporting and recording flowcharts - to develop quality governance routes for assurance and compliance. The amended processes to improve oversight of NICE compliance and provide a governance framework for reporting through Directorate governance meetings.
- NG136: Hypertension in adults: diagnosis and management - challenges identifying an owning group as the guideline affects all services across Primary and Secondary care. Accordingly there was a decision to pilot dissemination of NG136 following the new NICE process flowcharts
- National Safety Standards for Invasive Procedures (NatSSIPs) Steering Group - inclusion of the NatSSIPs Steering Group as a feeder group, reporting to NICE and National Guidelines Group
- **Escalated from March 2020 ECPSC Meeting** - South Wales Trauma Network Clinical Guidelines - Escalation of South Wales Trauma Network Clinical Guidelines for consideration by ECPSC.

Blood Transfusion Group – written update reports from the Blood Transfusion Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters

of concern, have been regularly received by the Effective Clinical Practice Sub-Committee during 2019/20, including the following:

Key areas of work scrutinised:

- Falsified Medicines Directive - Work on increasing safeguards against the use of counterfeit medicines and blood products is ongoing. The Health Board is awaiting an outcome on Brexit and information from NHS Wales Informatics Service (NWIS) before blood banks implement the falsified medicines directive. Associated risks considered and entered on the risk register. The risk is considered to be small for blood products given that the procurement of blood products is a centralised process, and only products from the Welsh Blood Service are used, minimising the risk.
- Telepath LIMS system – Health Board-wide high risk associated with manual transcription and the inability to access test results has been logged (Risk 309), with ongoing review to ensure that the mitigation in place is appropriate and correct. The Telepath system has been upgraded in order to provide continuity while the National LIMS system continues to be tested and prepared for implementation. Discussions have taken place with the Assurance & Risk Team regarding the risks surrounding the Telepath/LIMs during the reporting period.
- Major Haemorrhage Protocol – review of the Major Haemorrhage Protocol. An all Wales consultation has also been ongoing and national recommendations will inform update guidelines accordingly. Progressed within Clinical Written Control Documentation Group (CWCDG) process, with Health Board trauma clinical lead reviewing the protocol.
- Traceability on Blood products – figures reported regarding traceability on blood products on hospital sites.
- Blood Transfusion Service mock laboratory inspections - instances of 'critical failure', a category defined by the Medicines and Healthcare Products Regulatory Agency (MHRA) inspection process, had been shown across the four sites by mock inspections. Action plans for each of the four sites, presented to the Sub-Committee, have been finalised and non-conformances addressed. The Pathology Strategy Group monitors this area and has provided assurance that the risk was being managed appropriately.
- Incidents reported by Blood Transfusion Group – three incidents noted, the Sub-Committee requested that QSEAC note the incidents, with assurance that they were being mitigated and managed appropriately.
- **Escalated from March 2020 ECPSC Meeting** - Non-medical prescribing of blood products – lack of take-up of the Non-Medical Prescribing of Blood Products training opportunity by nurses within Hywel Dda University Health Board, in comparison with other Health Boards.

Clinical Audit Scrutiny Panel – written update reports from the Clinical Audit Scrutiny Panel highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Effective Clinical Practice Sub-Committee during 2019/20, including the following:

Key areas of work scrutinised:

- Establishment of Clinical Audit Scrutiny Panel - The new Clinical Audit group was established as a 'scrutiny panel' and the terms of reference reviewed accordingly. The panel would seek assurance predominantly for national mandatory audit, but also local audit, participation, outcomes and risk management. The Sub-Committee recommended that there be a rolling programme ensuring, for example, that action plans are in place and recommendations made to the services for management through appropriate risk registers. The Sub-Committee recommended a link to Business, Planning and Performance Assurance Committee for assuring on participation in every national mandatory audit. Resources to manage the group remain a challenge. The group held

an informal first meeting on 22nd August 2019, and has subsequently met twice, in October 2019 and January 2020. Risk mitigation for non-compliance with all National Audits remains with the relevant services, and the Clinical Audit Scrutiny Panel has a responsibility to monitor actions.

- Cardiology Service – positive feedback noted following the attendance of Cardiology Service representatives at the Clinical Audit Scrutiny Panel, with particular focus on the low case ascertainment and improvement plan for Myocardial Ischaemia National Audit Project (MINAP) and Heart Failure mandatory national audits. This follows completion of a risk assessment by the new Service Delivery Manager to address current and historical concerns.
- National Ophthalmology Audit - National Ophthalmology Audit has been declassified as a mandatory audit. Risk assessment received from the Ophthalmology service, however did not provide assurance that there are robustly governed auditing and monitoring arrangements in place for the Ophthalmology service, or an audit plan in place for the service. Clinical Audit Manager to look at other audits for Ophthalmology to ensure that the service is scrutinised and audited effectively.
- Trauma Audit & Research Network (TARN) - Risk assessment completed and progress on TARN has been achieved through the work of the Trauma Collaborative work with Swansea Bay University Health Board (UHB) and assurance has been given that TARN data will now be collected and submitted to TARN.
- National Clinical Audit and Outcome Review Plan *(WHC 2019 006)*
- Fracture Liaison Service - Clinical Audit Scrutiny Panel to assist in moving discussions forward.
- National Chronic Obstructive Pulmonary Disease (COPD) (Primary Care) Audit - Hywel Dda will not be participating in this audit for the period 2019/20 due to General Data Protection Regulation (GDPR) concerns. The Health Board will look to participate in the next audit round, however this will require explicit guidance from Welsh Government and the audit providers to facilitate.
- Non-participation in National Clinical Audit – At the beginning of 2019/20 the Sub-Committee was made aware of the continued non - participation of the National Ophthalmology Audit and Fracture Liaison Service as well as the current variable compliance with the Trauma Audit & Research Network (TARN), Myocardial Ischaemia National Audit Project (MINAP) and Heart Failure national audits. Risk mitigation remains with the relevant services, and the Clinical Audit Scrutiny Panel has a responsibility to monitor actions.
- Annual Clinical Audit Report 2018/19 - The Sub-Committee received the Clinical Audit Annual Report for approval.

Clinical Written Control Documentation Group – written update reports from the Sub-Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Effective Clinical Practice Sub-Committee during 2019/20, including the following

- Lists of approved documents; documents under review or development; removal of redundant documents from the Intranet and queries from staff.
- Approval of the Group's Terms of Reference
- Escalation of specific Written Control Documentation
- **Escalated from March 2020 ECPSC Meeting** - Resilience of the Clinical Written Control Documentation Group structure - risks highlighted, namely the stepping down of the current Chair; diminishing membership of the Group; and the vulnerability of the Administration function, which presents a risk in terms of assurance obtained regarding the level of scrutiny that can be provided.

Key areas of work scrutinised:

- Policy 339 -Electronic Tagging Devices to Safeguard Vulnerable Adult in-patients: This policy was not approved by CWCDG as there were questions raised as to the appropriateness of now using these devices. This was referred to the Nursing Management Group for discussion and review in regards to the need for the use of these and other restraint devices.
- Policy 163 – Deprivation of Liberty Safeguards (DoLS) Policy: This policy is compliant with DoLS legislation with the exception of the prioritisation tool which has been approved by the Mental Capacity and Consent Group. The tool has been developed to address a national issue with meeting timescales under DoLS. While it has no legal standing, the use of such a tool has the support of Welsh Government and the Department of Health. QSEAC were informed, and MCA & Consent Group requested to provide assurance to OQSESC that any risk associated with this is recorded and monitored.
- Policy 787 – Medication Errors Policy - QSEAC asked to note approval of this new policy. It intends to provide a consistent framework for the management of medication errors for all staff who are involved in any medication processes. The successful implementation of the policy aims to change the culture.

Mortality Review Group – written update reports from the Sub-Group highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the Effective Clinical Practice Sub-Committee during 2019/20, including the following:

Key areas of work scrutinised:

- Mortality Review Group Meetings - decision for meeting to be held on hospital sites on a rotational basis to facilitate attendance of Triumvirate teams, supporting discussions around how mortality reviewing performance will be improved, to ensure that all deaths are reviewed in a timely manner, which in turn should support the Health Board to meet the target.
- Mortality Reporting - consideration of the Caspe Healthcare Knowledge Systems (CHKS) Mortality Patient Safety and Quality All Wales and Board Level Analysis report and noted the need to synthesise a number of different data sets relating to mortality, to enable the Health Board to achieve a consistent position and support the identification of priorities. Referral to Mortality Scrutiny Group for further consideration.
- Stage 1 Reviews - Ongoing monitoring of compliance with Stage 1 Reviews. The Health Board has shown a significantly improved performance overall in respect of timeliness for Stage 1 mortality reviews, with the Mortality Review Group targeting ongoing areas of challenge
- Stage 2 Reviews - The Stage 2 review process has been developed and was approved by the Mortality Review Group and ECPSC. There is ongoing monitoring of compliance with Stage 2 Reviews. Work has been undertaken to develop new questions for Stage 2 Reviews, to increase the average stage 2 reviews to 40%, providing a more robust process and assurance for clinicians and the Board that a more in-depth review has been undertaken.
- Mortality Reviews in the Community - Review of figures on compliance with stage 1 mortality reviews in Community Hospitals, giving a position on which community services undertake mortality reviews. This data is not included in the figures reported to Welsh Government.
- Speciality Reporting - In line with recommendations in the Palmer Report, a service review was undertaken on stroke mortality. Report on the outcome was presented to the Mortality Scrutiny Group.
- Datix - update that Datix to be used to capture mortality reviews.

Other Areas of Responsibility
During 2019/20, the Effective Clinical Practice Sub-Committee also received, and considered the following:

NatSSIPs
Approval of the draft policy for NatSSIPs and presentation to the Clinical Written Control Documentation Group (CWCDG) for ratification and dissemination. The Policy states that the NatSSIPs Steering Group should report under the ECPSC structure. Following consideration at a Task and Finish Group it was decided that the NatSSIPs Steering Group should report to NICE and National Guidelines Group.

Patient Safety Solutions (PSS)
Agreement reached for the Sub-Committee to oversee concerns within Patient Safety Solution notices relevant to the Sub-Committee, and in each case the appropriate group should take on this role, with regular reporting to the Sub-Committee. The Patient Safety Solutions and responsible Group were agreed as follows:

- **PN049 Supporting the introduction of the Tracheostomy Guidelines for Wales – Adults and Children** - Clinical Audit Scrutiny Panel to commission and have oversight of the relevant service's development of an audit process, audit, monitoring and management of risk.
- **PN046: Resources to support safer bowel care for patients at risk of autonomic dysreflexia** - the Clinical Written Control Documentation Group to oversee review of existing local written control documents (WCDs) or commission and oversee development of new WCDs as appropriate.
- **PN040 Confirming removal or flushing of lines and cannulae after procedures** - combined action from Clinical Audit Scrutiny Panel to initiate and monitor ongoing audit, and Nice and National Guidance Review Group/National Safety Standards for Invasive Procedures Steering Group to undertake the same for the World Health Organisation (WHO) Checklist and Local Safety Standards for Invasive Procedures developed at the Health Board.

Ongoing audit for closed Patient Safety Solutions (PSS)**:** agreement that PSS's where the Health Board has reported compliance to Welsh Government and the actions closed, but which include a recommendation for "ongoing clinical audit", be reviewed and the relevant group requested to initiate action required to establish ongoing clinical audit where required. This will strengthen governance for PSS.

Key Risks and Issues/Matters of Concern
During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

NICE and National Guidance Group

- Requirement for a review of the NICE Policy and approved the use of the new process for improved governance reporting in NICE Guidance implementation. Any risks with the new NICE implementation process to be mitigated by use of a 6 month review timeframe and monitoring by ECPSC.
- Requirement for a position statement on the duty of candour in relation to transparency of the level of service provided to patients. Progressed via provision of a position statement in the NICE policy.

Blood Transfusion Group:

- Assurance that further scrutiny is being undertaken on the management of the risks

relating to the Falsified Medicines Directive and the Telepath LIMS system.
- Review of Risk 309 to ensure the controls are effective and that actions are being implemented. Mitigating actions reported to ECPSC. Blood Transfusion Group service manager to ensure that the risks have been assessed and entered into the appropriate risk register.
- Telepath software functionality.
- MHRA laboratory inspections.
- Incident: two wrong blood in tubes incidents, Withybush General Hospital (WGH) and Bronglais General Hospital (BGH).
- Incident: out of temperature range from the stock fridge in Glangwili General Hospital (GGH) leading to loss of all stock.

Clinical Audit
- Sub-Committee advised of the need for further scrutiny in Ophthalmology, and noted the current variable compliance with the Myocardial Ischaemia National Audit Project (MINAP) and Heart Failure national audits. Improvements in TARN Data collection also noted and the risks around this will continue to be monitored by the Trauma Unit Task & Finish Group.
- Noted the lack of a clinical audit plan for some services and provides assurance that this will be addressed by a Medical Director's letter, and by the future work of CASP which has already shown improvements in compliance in some services.
- Sub-Committee advised of the need for further scrutiny in Ophthalmology, and noted the lack of progress with the Fracture Liaison Service as well as the current variable compliance with the Trauma Audit & Research Network (TARN), Myocardial Ischaemia National Audit Project (MINAP) and Heart Failure national audits. Risk management is through the relevant services.
- Sub-Committee was made aware of the continued non-participation of the National Ophthalmology Audit and Fracture Liaison Service as well as the current variable compliance with the TARN, MINAP and Heart Failure national audits. Risk management is through the relevant services.
- Non-participation in national mandatory audits.
- Ophthalmology Department issues.
- **Mortality Review Group:**
  - Assurance provided on the progress that has been made to improve compliance with stage 1 reviews.
  - Assurance provided on the progress being made to improve compliance with stage 1 reviews in BGH. Further work is being undertaken on stage 1 reviews in a community setting.
- **Clinical Written Control Documentation Group**
  - Assurance provided on the review process has identified areas of concern for use of restraint devices and has raised this with the appropriate groups.
  - DoLS Policy.
- **Patient Safety Solutions:**
  - Assurance provided on the management of older ('closed') PSSs with a requirement for ongoing clinical audit.

Matters Escalated to Quality, Safety & Experience Assurance Committee
During 2019/20, the following matters requiring Quality, Safety & Experience Assurance Committee level consideration or approval were raised:

- **Royal College of Physicians (RCP) Cymru Wales Visit to Bronglais General Hospital (BGH):** The ECPSC received report and noted the recommendations made. A

review of progress against the recommendations, and the action plan, was undertaken at the March 2020 ECPSC meeting. It was agreed that BGH would be asked to develop a SMART action plan, and ensure that all sections of the action plan are completed for further review.

- **Peer Review:** A draft process for Peer Review was shared with the ECPSC. The process supports the NHS Wales Peer Review Framework (July 2017). Recognising that Peer Reviews will not always be clinical, Members proposed that the process be reviewed alongside the Health Board's wider corporate processes, to explore whether the proposed process could also encompass non-clinical Peer Reviews.
- **Hospital Acquired Thrombosis (HAT):** Discussion around clinical groups and the need for oversight from a clinical effectiveness perspective regarding HAT.
- **Success of the Clinical Audit Scrutiny Panel**
- **Issues with Ophthalmology:** Ophthalmology risk assessment did not provide assurance that there are robustly governed auditing and monitoring arrangements in place for the Ophthalmology service, or an audit plan.
- **Mortality Reviewing**: Ongoing development of the process including sign off of stage 2 mortality review and performance improvements on stage 1 reviews. Concern regarding significant dip in performance at BGH.
- **NICE Guidance:** Revision of process for NICE Guidance dissemination
- **Telepath/LIMS:** Blood Transfusion Group work on Telepath and mitigation for the risk register.
- **NICE Guidance:** Statement on Health Board position with regard to NICE Guidance, and broader issue of ensuring transparency for patients.
- **Clinical Audit Annual Report:** presented to ECPSC and the Audit, Risk and Assurance Committee (ARAC), which has been uploaded onto the intranet.

Meeting of the Effective Clinical Practice Sub-Committee on 16th March 2020:

The following priorities were identified for escalation to QSEAC:

- **Non-Medical Prescribing of blood products**

The Blood Transfusion Group has identified a lack of take-up of the Non-Medical Prescribing of Blood Products training opportunity by nurses within Hywel Dda University Health Board, in comparison with other Health Boards. There have been over 50 successful participants since 2011 and only three from Hywel Dda have participated with only one completing the course. Lack of uptake may relate to time commitment and that the nurses do not tend to have haematology-dedicated roles. This has been brought to the attention of the Nursing Directorate for consideration.

- **Endorsement of the recommendations contained within the LIMS/Telepath Report, and escalation to QSEAC for consideration**

In order to support business continuity and disaster recovery for the Blood Transfusion laboratory information system (LIMS), the Effective Clinical Practice Sub-Committee endorsed the recommendation to procure the DXC temporary replacement platform service. This is subject to Blood Transfusion departments committing to support and take forward the implementation of TrakCareL2016 in the near future to potentially reduce Telepath support running costs.

- **Consideration and approval of the South Wales Trauma Network Clinical Guidelines**

The South Wales Trauma Network is due to go live in April 2020. As part of the Major Trauma Centre (MTC) and Trauma Unit (TU) designation process all organisations committed that they would sign up to the network clinical guidelines. Following consideration, the Effective Clinical Practice Sub-Committee was assured of the process that has been followed and supported the adoption of the clinical guidelines, subject to assurance that internal processes are followed regarding implementation and ensuring where necessary that action plans are in place and being monitored to ensure compliance. The Effective Clinical Practice Sub-Committee also identified the Operational Quality, Safety and Experience Sub-Committee as the most appropriate reporting route to monitor compliance with the clinical guidelines and standards, via the newly constituted Trauma Quality Improvement Sub-Group.

- **Resilience of the Clinical Written Control Documentation Group structure**

The Effective Clinical Practice Sub-Committee formally acknowledged the risks highlighted within the report presented by the Clinical Written Control Documentation Group, namely the stepping down of the current Chair; diminishing membership of the Group; and the vulnerability of the Administration function. It was recognised that this presented a risk in terms of how assured the Sub-Committee could be regarding the level of scrutiny that can be provided. The Sub-Committee therefore agreed to consider this further as part of the over-arching review of the role and function of the Sub-Committee and reporting groups.

Effective Clinical Practice Sub-Committee Developments for 2020/21
The following developments are planned for the Effective Clinical Practice Sub-Committee during 2020/21:

- Review of role and purpose of the Sub-Committee following the implementation of Board-approved proposals for this to become a working group with an operational/management focus
- Development of a Clinical Effectiveness Work Programme

Argymhelliad / Recommendation

To endorse the Effective Clinical Practice Sub-Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	9.4.1 Report formally, regularly and on a timely basis to the Quality, Safety and Experience Assurance Committee on the Sub-Committee's activities. This includes the submission of a Sub-Committee update report, as well as the presentation of an annual report within 6 weeks of the end of the calendar year.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability

Nodau Gwella Ansawdd: Quality Improvement Goal(s):	No Avoidable Deaths Protect Patients From Avoidable Harm From Care Reduce Duplication and Eliminate Waste Reduce Unwarranted Variation and Increase Reliability
Amcanion Strategol y BIP: UHB Strategic Objectives:	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Effective Clinical Practice Sub-Committee meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Ansawdd, Diogelwch a Sicrhau Profiod: Parties / Committees consulted prior to Quality, Safety and Experience Assurance Committee:	Effective Clinical Practice Sub-Committee Chair and Lead Director

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Effective Clinical Practice Sub-Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: Quality / Patient Care:	SBAR template in use for all relevant papers and reports.
Gweithlu: Workforce:	SBAR template in use for all relevant papers and reports.
Risg: Risk:	SBAR template in use for all relevant papers and reports.

Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Effective Clinical Practice Sub-Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Effective Clinical Practice Sub-Committee's Terms of Reference, requires the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee.
Enw Da: **Reputational:**	Not Applicable
Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	Not Applicable

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

PWYLLGOR ANSAWDD, DIOGELWCH A SICRHAU PROFIOD
QUALITY, SAFETY AND EXPERIENCE ASSURANCE COMMITTEE

DYDDIAD Y CYFARFOD: DATE OF MEETING:	07 April 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Strategic Safeguarding Sub-Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Mandy Rayani, Executive Director of Nursing, Quality and Patent Experience
SWYDDOG ADRODD: REPORTING OFFICER:	Sian Passey, Assistant Director of Nursing, Quality and Professional Standards

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

The purpose of this report is to present the Strategic Safeguarding Sub-Committee Annual Report 2019/20 to the Quality, Safety & Experience Assurance Committee. The Strategic Safeguarding Sub-Committee Annual Report provides assurances in respect of the work that has been undertaken by the Sub-Committee during 2019/20, and outlines the main achievements which have contributed to robust integrated governance across the University Health Board (UHB).

Cefndir / Background

The UHB's Standing Orders and the terms of reference for the Strategic Safeguarding Sub-Committee (SSSC) require the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee to summarise the work of the Sub-Committee and to identify how it has fulfilled the duties required of it.

The fundamental purpose of the Sub-Committee is to assist the Health Board and Quality, Safety & Experience Assurance Committee to deliver its statutory and mandatory responsibilities in relation to legislation and guidance specific to safeguarding.

The Annual Report specifically comments on the key functions that are considered by the Sub-Committee, these include:

- The assurances that are in place to safeguard children, young people and adults who access the services within Hywel Dda University Health Board (HDdUHB).
- The Health Board's compliance with Welsh Government legislation and safeguarding policies and the adequacy of the internal processes and systems in place to discharge out legal duties.
- It will further advise that the relevant guidance and standards are achieved or being worked towards in order to reduce risk and ensure the safety and delivery of high standards.

Asesiad / Assessment

The Strategic Safeguarding Sub-Committee has been established under Board delegation with the Health Board approving terms of reference for the Quality, Safety & Experience Assurance Committee at its Board meeting on 26th January 2017. The terms of reference of the Strategic Safeguarding Sub-Committee were subsequently approved at its meetings on 22nd March 2018 and 19th December 2019.

These terms of reference clearly detail the Sub-Committee's purpose to provide assurance to the Quality, Safety & Experience Assurance Committee around the organisation's statutory and procedures responsibilities for safeguarding, ensuring that there is an accurate reflection of assurance, exceptions, and resources to deliver against gaps in assurance.

In discharging this role, the Sub-Committee is required to oversee and monitor the Strategic Safeguarding agenda for the Quality, Safety & Experience Assurance Committee in respect of its provision of advice to the Board, and ensure the implementation of the safeguarding agenda against the following areas of responsibility:

Relevant Legislation or Health and Care Standard

- Social Services and Well Being (Wales) Act 2014
- Children Act 2004
- All Wales Child Protection Procedures (2008)
- Safeguarding Children Working Together under the Children Act 2004 (2006)
- Wales Interim Policy and Procedures for the Protection of Vulnerable Adults 2013
- Wales Safeguarding Procedures 2019
- Health and Care Standard 2.7 Safeguarding Children and Adults at Risk
- Violence Against Women, Domestic Abuse & Sexual Violence (Wales) Act 2015
- MAPPA (Multi Agency Public Protection Arrangements)
- Engagement with Partners to Safeguard Adults and Children

Strategic Safeguarding Sub-Committee Groups

Service Safeguarding Delivery Groups were formalised in September 2019 to report to the Strategic Safeguarding Sub-Committee during 2019/20 as follows:

- Acute Service Safeguarding Delivery Group
- Mental Health and Learning Disabilities Safeguarding Delivery Group
- Women, Children and Public Health Nursing Safeguarding Delivery
- Community and Primary Care Safeguarding Delivery

These groups were established as operational groups to:

- Promote a consistent high quality standard of clinical and managerial practice relating to safeguarding across the life span.
- Monitor and report the level of compliance attained within the Service Structures in relation to relevant policy and legislative guidance for the protection of children and young people and adults.
- Promote multi-agency working relationships and systems.

The Strategic Safeguarding Sub-Committee Annual Report 2019/20 is intended to outline how the Sub-Committee and its Groups have complied with the duties delegated by the Quality, Safety & Experience Assurance Committee through the terms of reference set, and also to identify key actions that have been taken to address issues within the Sub-Committee's remit.

Constitution
From the terms of reference approved in December 2019, the membership of the Sub-Committee was agreed as the following:

- Independent Member
- Director of Nursing, Quality & Patient Experience
- Assistant Director of Nursing Quality, Assurance, Safeguarding and Professional Regulation (Chair)
- Assistant Director of Workforce and OD (Employment Strategy and Practice)
- Assistant Director of Therapies and Health Science
- Head of Safeguarding (Named Nurse) Vice Chair
- Lead Nurse LAC
- Lead Adult Safeguarding Practitioner
- Lead Nurse Safeguarding Children
- Chair of Acute Hospital Safeguarding Delivery Group
- Chair of Mental Health & Learning Disability Safeguarding Delivery Group
- Chair of Community and Primary Care Safeguarding Delivery Group
- Head of Learning & Development
- Head of Midwifery & Women Services
- Directorate Nurse Child Health Services
- Senior Nurse / SDM Health Visiting & Early Years
- Associate Medical Director with lead for Safeguarding
- Named Doctor for Safeguarding for Children
- Designated Nurse for Public Health Wales

Meetings
Since April 2019, Strategic Safeguarding Sub-Committee meetings have been held on a quarterly basis as follows:

- 19th June 2019
- 10th September 2019
- 19th December 2019
- 11th March 2020 (narrative to be added to the final Annual Report following the meeting)

As the Strategic Safeguarding Sub-Committee is directly accountable to the Quality, Safety & Experience Assurance Committee for its performance, following each meeting it provides an assurance to the Committee through a formal written update report which is received at the subsequent Committee meeting.

During 2019/20, the Sub-Committee met on 4 occasions and was quorate at two meetings.

Sub-Committee Terms of Reference and Principal Duties
In discharging its duties, the Strategic Safeguarding Sub-Committee has undertaken work during 2019/20 against the following areas of responsibility in relation to its terms of reference:

Social Services and Well-being Act (Wales) (SSWBA) 2014
The Health Board is able to provide assurance of compliance with the Act and associated statutory guidance through the assurance and exception report to SSSC during 2019/20. The UHB supported the national launch of the new Wales Safeguarding Procedures 2019.

- **Adult Safeguarding**
- Review of the numbers and themes arising from adult safeguarding referrals involving Health Board services and named employees.

- Assurance that pressure damage reporting and scrutiny will stand up to external challenge through an internal audit independently conducted by the corporate safeguarding team.
- Revised adult safeguarding training at Level 3 to evidence compliance with the Adult Safeguarding: Roles and Competencies for Healthcare Staff Intercollegiate Document (2018) and launched the Achieving Adult Safeguarding Training Competency Booklet.
- Compliance with adult safeguarding training uptake.

- **Child Safeguarding**
- Compliance with the Procedural Response to Unexpected Death of a Child (PRUDiC) and early lessons learned.
- Review of the numbers and themes arising from child safeguarding referrals involving named Health Board employees
- Launch of the Achieving Child Safeguarding Training Competency Booklet to evidence compliance with the Safeguarding Children and Young People: Roles and Competencies for Healthcare Staff Intercollegiate Document 2019.

- **Looked After Children**
- HDdUHB has statutory responsibilities in relation to the planning, commissioning and delivery of services in order to address the health needs of Looked After Children residing in HDdUHB and HDdUHB children placed in other Health Board areas.
- Assurance and exceptions in compliance with the UHB statutory requirement to provide a minimum of an annual health assessment for children and young people looked after who are over 5 years of age and twice yearly for children under 5 years of age has been received.

- **Statutory Reviews**
- The UHB has statutory duties under the Social Services and Wellbeing (Wales) Act 2014 to participate in multi-agency Child and Adult Practice Reviews.
- The UHB participated in two published Child Practice Reviews – CYSUR 1 2017 and CYSUR 2 2018.
- Domestic Homicide Reviews are held under statutory guidance under section 9(3) of the Domestic Violence, Crime and Victims Act 2004 and the Health Board is directed to participate in such reviews and share relevant information.
- The UHB are actively participating in one new review in 2019/20.

Serious Crime Act 2015
Female Genital Mutilation (FGM) is detailed within the new provisions in the Serious Crime Act 2015. There is a legal requirement for all Health Board's to report the number of FGM cases. A UHB Procedure has been approved in 2019 to support staff in the recognition and reporting of FGM.

Violence Against Women Sexual Violence and Domestic Abuse Act (2015)
HDdUHB has duties under the Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act (VAWDASV) 2015. The National Training Framework issued statutory guidance under Section 15 of the Act. We are required to evidence improvement in compliance with Groups, 1, 2 and 6 of the National Training Framework.

Progress against this is reviewed by the SSSC on a quarterly basis.

A Mid and West Wales VAWDASV Strategic Group is well established and chaired by the Head of Mental Health and Learning Disabilities, Carmarthenshire Local Authority. The UHB is

engaged in the VAWDASV Regional Strategy under which there are six regional priorities agreed as follows.

- Improve public knowledge and awareness and challenge attitudes towards equality and domestic abuse among citizens.
- Increase the awareness of children and young people of the important of safe and healthy relationships and abuse is always wrong.
- Increase the focus on holding perpetrators to account and providing them with opportunities to understand their behaviour and its consequences.
- Make early intervention and prevention an integrated priority.
- Ensure professionals are trained to provide timely and effective responses to victims and survivors.
- Provide victims with equal access to appropriately resourced services.

The operational delivery against these priorities is through the VAWDASV Delivery Group. HDdUHB has representation on both the strategic and delivery groups and associated Task and Finish Groups.

Feedback from Groups

In terms of feedback from Groups, written update reports from the Service Safeguarding Delivery Groups highlighting the key areas of work scrutinised and identifying key risks and issues and matters of concern, have been regularly received by the SSSC during 2019/20, including the following:

- Safeguarding concerns related to Health Board services, including themes and improvement plans for lessons learned
- Professional abuse allegations and concerns involving named Health Board employees, including themes and lessons learned
- Incidents of non-compliance with safeguarding procedures
- Safeguarding training compliance
- Compliance with Disclosure and Barring Service (DBS) checks
- Number of ongoing Adult Practice / Child Practice Reviews / Multi- agency Practitioner Forum (MAPFs) / Domestic Homicide Reviews (DHRs) with service involvement (detailing lessons learned and action taken)

Other Areas of Responsibility

During 2019/20, the Strategic Safeguarding Sub-Committee also received, and considered the following:

- Strategic safeguarding work plan
- Improvement plan for the NHS Wales Safeguarding Maturity Matrix.
- Sexual Assault Referral Centre developments
- Regional Executive Safeguarding Board updates
- NHS Safeguarding Network developments
- Multi- agency referral form (child and adult) audits
- Looked After Children – quality of health assessments audit
- Internal pressure damage scrutiny audit
- Regional pressure damage scrutiny audit

Key Risks and Issues/Matters of Concern

During 2019/20, the following key risks and issues/matters of concern were raised to the Quality, Safety & Experience Assurance Committee:

Core Safeguarding Training Compliance for level 2 and 3 – this has remained a risk that has been raised to the Quality, Safety & Experience Assurance Committee. Although there has

been an improvement in training compliance, capacity to release staff to attend training remains a risk and this will be continually monitored throughout 2020/21 to ensure the increase in compliance continues.

DBS – assurance of DBS compliance remains a risk for the Health Board, both in the context of compliance with 3 yearly checks for those involved in the care of children, and also in identifying those staff who have never had a DBS / CRB (Criminal Records Bureau) check. The Head of Workforce – Resourcing and Utilisation is leading a task and finish group which has representation from Workforce, Safeguarding and Operational Services. This risk is detailed on the Workforce and OD risk register.

Compliance with the Group 1 VAWDASV National Training Framework – the Health Board failed to achieve 100% compliance by March 2018; while some improvement has been made, continued improvement is required. At the end of Quarter 3, compliance is reported as 83.79%. Services and Directorates are to identify their improvement plans which will continue to be monitored through the SSSC.

Matters Escalated to Quality, Safety & Experience Assurance Committee
During 2019/20, there were no matters raised requiring Quality, Safety & Experience Assurance Committee level consideration or approval.

Strategic Safeguarding Sub-Committee Developments for 2020/21
The following developments are planned for Strategic Safeguarding during 2020/21:

- Continue good working relationships with Local Authority and other partner agencies.
- Continued review of annual work plan.
- Concentrated effort to support wider learning from Safeguarding reviews, consideration to be given to processes to facilitate this.
- Concentrate on analysis of data to support outcome focused reports over the year.

Argymhelliad / Recommendation

To approve the Strategic Safeguarding Sub-Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	10.4.1 Report formally, regularly and on a timely basis to the Board on the Committee's activities. This includes the submission of a Committee update report, as well as the presentation of an annual report within six weeks of the end of the financial year.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable

Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Nodau Gwella Ansawdd: Quality Improvement Goal(s):	All Quality Improvement Goals Apply
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Strategic Safeguarding Sub-Committee meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Ansawdd, Diogelwch a Sicrhau Profiod: Parties / Committees consulted prior to Quality, Safety and Experience Assurance Committee:	Strategic Safeguarding Sub-Committee Chair and Lead Director

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Strategic Safeguarding Sub-Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: Quality / Patient Care:	SBAR template in use for all relevant papers and reports.
Gweithlu: Workforce:	SBAR template in use for all relevant papers and reports.

Risg: **Risk:**	SBAR template in use for all relevant papers and reports.
Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Strategic Safeguarding Sub-Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Strategic Safeguarding Sub-Committee's Terms of Reference, requires the submission of an Annual Report to the Quality, Safety & Experience Assurance Committee.
Enw Da: **Reputational:**	Not Applicable
Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	Not Applicable

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	23 June 2020
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Charitable Funds Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Simon Hancock, Charitable Funds Committee Chair
SWYDDOG ADRODD: **REPORTING OFFICER:**	Sarah Jennings, Director of Partnerships & Corporate Services

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

The purpose of this paper is to present the Charitable Funds Committee's (CFC) Annual Report for 2019/20 to the Board.

The Annual Report outlines how the CFC has complied with the key responsibilities set through its terms of reference and identifies key areas of work intended to provide further assurance that the Committee's terms of reference are being adequately discharged.

Cefndir / Background

The Hywel Dda University Health Board (HDdUHB) was appointed corporate trustee of the charitable funds by virtue of Statutory Instrument 2009 No. 778 (W.66), with the Board serving as its agent in the administration of the charitable funds held by HDdUHB.

In accordance with HDdUHB's standing orders and scheme of delegation, the Board has nominated a committee to be known as the Charitable Funds Committee, established as a Committee of HDdUHB, and constituted from 22nd July 2010.

HDdUHB holds charitable funds as sole corporate trustee, and board members, whilst not 'trustees' in their own right, are jointly responsible for the management of those charitable funds.

The charitable funds linked to HDdUHB are independent of the 'exchequer' funds of HDdUHB and must be managed separately. The Charity Commission has regulatory responsibility for ensuring the proper management of these funds.

The purpose of the CFC is to 'make and monitor arrangements for the control and management of the HDdUHB's charitable funds, within the budget, priorities and spending criteria determined by the Board and consistent with legislative framework'.

This paper outlines the governance arrangements in place to ensure that the Committee's terms of reference are adequately discharged and that our registered charity, Hywel Dda Health Charities, operates to a high standard with limited exposure to any kind of risk, both financial and non-financial.

Asesiad / Assessment

The CFC Annual Report 2019/20 is intended to outline how the Committee and its Sub-Committee has complied with the duties delegated by the Board through the terms of reference set, and also to identify key actions that have been taken to address issues within the Committee's remit.

The CFC has been established under Board delegation with the CFC reviewing its current terms of reference at its meeting on 17th March 2020.

These terms of reference clearly detail the Committee's purpose to provide assurance to the Board in its role as corporate trustee of the charitable funds held and administered by the Health Board. The Committee is required to make and monitor arrangements for the control of the Board's charitable funds, within the budget, priorities and spending criteria determined by the Board and consistent with legislative framework.

1. Key responsibilities

In discharging its role, the Committee is required to oversee and monitor implementation against the following areas of responsibility:

- Within the budget, priorities and spending criteria determined by the HDdUHB as trustee and consistent with the requirements of the Charities Act 2011 (or any modification of these acts) to apply the charitable funds in accordance with its respective governing documents.
- Devise, implement and approve appropriate procedures and policies to ensure that fundraising and accounting systems are robust, donations are received and coded as instructed and that all expenditure is reasonable, clinically and ethically appropriate.
- Ensure that the HDdUHB policies and procedures for charitable funds investments are followed.
- In addition, make decisions involving the sound investment of charitable funds in a way that both preserves their value and produces a proper return consistent with prudent investment and ensuring compliance with:
  - Trustee Act 2000
  - The Charities Act 2011
  - Terms of the fund's governing documents.
- Receive at least twice a year reports for ratification from the Director of Finance and investment decisions and action taken through delegated powers upon the advice of the HDdUHB's investment adviser.
- Oversee and monitor the functions performed by the Director of Finance as defined in the HDdUHB's Standing Financial Instructions.
- Monitor the progress of Charitable Appeal Funds where these are in place and considered to be material.
- Monitor and review the HDdUHB's scheme of delegation for Charitable Funds expenditure and to set and reflect in Financial Procedures the approved delegated limits for expenditure from Charitable Funds.

2. Charitable Funds Operations Sub-Committee

There is currently one Sub-Committee reporting to the CFC; the Charitable Funds Operations Sub-Committee, which was constituted from 1st April 2017.

The Sub-Committee was established following a review of charitable funds governance arrangements at a local level to provide assurance to the CFC that HDdUHB's policies and procedures are followed in relation to the control and management of our named charitable funds. The Sub-Committee was established alongside the establishment of a central business function within the operations directorate with the intention of also providing administration support to the Sub-Committee function.

During 2019/20, the Sub-Committee met on ten occasions and was quorate at nine of these meetings.

The operational responsibilities of the Sub-Committee are to:

- Consider and approve all requests for expenditure over £5,000 against named charitable funds, within the scheme of delegation for authorisation of charitable funds expenditure.
- Providing updates on:
  Fund balances
  Expenditure requests over £5,000 for consideration
  Expenditure under £5,000
  Unusual or novel expenditure requests of any value, and expenditure requests resulting in ongoing charitable funds commitment (prior to Charitable Funds Committee consideration)
  Progress on requests for expenditure already approved
  Expenditure plans for named HDdUHB charitable funds
  Notable donations received
  Fundraising appeals
  Table of actions
  Feedback from Charitable Funds Committee meetings.
- Develop and oversee the implementation of annual expenditure plans for the use of the named charitable funds.
- Provide quarterly written updates to the Charitable Funds Committee.
- The Chair of the Sub-Committee (or a suitably briefed deputy) will attend the quarterly Charitable Funds Committee meetings and provide written reports on the following items:
  Notable items of expenditure
  Key decisions
  Progress on expenditure plans for use of named HDdUHB charitable funds
  Chair's actions undertaken outside of the cycle of Sub-Committee meetings
  Key risks and issues/matters of concern
  Matters requiring Charitable Funds Committee consideration or approval
  Any revisions to the Sub-Committee's Terms of Reference.

2.1 Sub-Committee Feedback

The Sub-Committee is required to report to the CFC on a quarterly basis to provide assurance that it is exercising its duties in line with its terms of reference. During 2019/20, the CFC received quarterly written reports from the Sub-Committee highlighting the key areas of work scrutinised, key risks, issues, and matters of concern.

This included:

Sub-Committee update to the June 2019 CFC meeting

- Members received an update on the work of the Sub-Committee for the period 15th March 2019 – 6th June 2019 and were updated on charitable items approved for purchase, items rejected and items pending decision. 11 requests valued at £74,473 had been approved. Two requests valued at £13,612 were approved through Sub-Committee Chair's Action. One request was recommended for Executive Director approval valued at £38,706.

Sub-Committee update to the September 2019 CFC meeting

- Members received an update on the work of the Sub-Committee for the period 19th June – 19th September 2019 and were updated on charitable items approved for purchase, items rejected and items pending decision. 14 requests valued at £73,562 were approved. Five requests were on hold whilst further information was obtained. Two requests were rejected. One request valued at £32,915 was recommended for Executive Director approval.

Sub-Committee update to the March 2020 CFC meeting

- Members received an update on the work of the Sub-Committee for the period 20th September 2019 – 5th March 2020 and were updated on charitable items approved for purchase, items rejected and items pending decision. 15 requests valued at £77,198.70 were approved. Five requests were on hold pending decision and one request was rejected. Four items were recommended for approval by Executive Director/Charitable Funds Committee. No items were approved using Chair's Action during the reporting period.

3. Membership

From the terms of reference approved in March 2019, the membership of the Committee was agreed as the following:

- Independent Member (Chair)
- Independent Member (Vice-Chair)
- 4 x Independent Members
- Chief Executive
- Director of Finance
- Director of Partnerships & Corporate Services (Lead Director) for Hywel Dda Health Charities

In attendance:

- Assistant Director of Finance (Finance Systems and Statutory Reporting)
- Senior Finance Business Partner (Accounting & Statutory and Reporting)
- Deputy Director of Operations
- Head of Hywel Dda Health Charities
- Staff Side Representative

The Committee's membership ensures that HDdUHB's charitable funds are managed by a clearly identifiable body of people (as the corporate trustee) who take responsibility for management and control of the funds.

4. Meetings
Since April 2019, CFC meetings have been held on four occasions and were quorate at each:

- 18th June 2019
- 20th September 2019
- 16th December 2019 (Strategy Workshop)
- 17th March 2020

5. Reporting to the Board
As the CFC is directly accountable to the Board for its performance, following each meeting it provides an assurance to the Board through a formal written update report, which is received at the subsequent Committee meeting. These reports highlight any significant matters which require the Board's attention and are also used to request Board ratification of any relevant decisions made by the Committee. The Committee provided update reports to the Board during 2019/20 on the following dates:

- 25th July 2019
- 28th November 2019
- 28th May 2020

6. Matters escalated to Board
During 2019/20, no key risks and issues/matters of concern were escalated to the Board for consideration.

During 2019/20, one matter required Board/Corporate Trustee level consideration or approval – the Hywel Dda Health Charities 3 Year Plan 2020-23.

7. Committee Terms of Reference and principal duties
In discharging its duties, the CFC has undertaken work during 2019/20 against the following areas of responsibility:

7.1 Financial control
A financial procedure which includes expenditure guidelines is in place to ensure that there are sufficient management controls to provide assurance that:

- Spending is in accordance with objects and priorities agreed by the CFC.
- Criteria for spending charitable monies are fully met.
- Accounting records are maintained.
- Devolved decision making is within specified parameters.

HDdUHB's Standing Financial Instructions cover the charity in so far as it is possible. Where it is not possible to follow the Standing Financial Instructions then prior authority needs to be sought through the Committee and ratified by Board.

Charitable Funds are managed through HDdUHB's Oracle finance system in line with the Health Board's financial procedures. Internal Audit and Wales Audit Office conduct annual audits of the financial procedures in place.

Internal staff expertise ensures that all Charity Commission requirements and changes are adhered to and reported to the CFC as they occur.

7.2 Agreed spending objectives and charitable expenditure
Charity law recognises 'the relief of those who are ill including the support of those who care for the sick' as a charitable purpose. Our charitable funds must therefore only be utilised to support

activity over and above our NHS responsibilities by providing additional benefits to frontline healthcare.

Our internal policies, procedures and systems relating to charitable funds expenditure have been subject to recent refinement. Our comprehensive 'User Guide' for staff provides clear guidelines on our charitable aims, eligible and ineligible items of expenditure and how to use the funds of the charity in a responsible and appropriate manner.

Every request for charitable expenditure must be approved by staff with the necessary authorised limits before being passed on to the Finance team for assessment and final authorisation.

Expenditure over £50,000 and expenditure under £50,000 which is unusual or contentious, is presented to the CFC as it arises, and is discussed and agreed before being committed.

7.3 Resources to maintain management and control of charitable funds
Staff are employed by the HDdUHB to ensure the effective management and operations of our charitable funds. Salary costs are reclaimed from the charity's resources to support the following duties:

- Maintenance of accounting systems
- Production of annual accounts
- Compilation of management information
- Scrutiny of expenditure proposals to ensure propriety
- Preparation of committee papers
- Fundraising and support to internal and external stakeholders.

The Committee considers these costs on an annual basis when a report is submitted at the final meeting of each financial year to seek approval to cover both pay and non-pay costs associated with the running of the charity.

7.4 Risk management
The Chief Executive of HDdUHB, together with the other Directors, is responsible for ensuring that an effective system of financial control is maintained. The Chief Executive and other Directors are also responsible for reviewing the effectiveness of this system and have confirmed that the minimum control standards laid down by the Welsh Government have been in existence throughout the financial year. The minimum control standards apply equally to the management of the charity by officers of the HDdUHB as to the exchequer funds of the University Local Health Board. In this way, the major risks to which the charity is exposed have been reviewed and systems have been established to mitigate those risks.

Historically, the Committee's risk register has had high-risk scores around a number of risks relating to public confidence and reputational damage. However, recent efforts to rebuild trust and confidence have significantly helped to reduce the risks to the charity as mitigating actions have had a great impact.

At the CFC meeting on 17th March 2020, an update was provided on the one on-going charitable funds related risk (743) of reputational damage should the Health Board be implicated by default, in events outside of the Health Board's control, due to association, or perceived association, with any external charitable organisations. Members discussed the tolerance level for this risk and whether the target risk score of 4 would be achievable due to the nature of the risk. It was agreed that a target risk score of 8 would be more achievable

which is within the Committee's tolerance level. Members acknowledged the significant actions put in place to provide assurance that the risk is being appropriately monitored and mitigated.

7.5 Investments and performance
The charity retains the services of investment advisors to manage its investment portfolios. Policy is set by the charity trustee in its instruction to their advisors. The advisors are instructed to manage the portfolios to produce both income and capital returns, and manage those funds within the value they retain on the accounts. The charity also holds funds in short term investments that are not managed by the investment advisor. The CFC monitors the performance of the Investment Advisor (Sarasin & Partners LLP) through the quarterly Integrated Performance Report.

7.6 Reserves
The charity has a reserves policy and has defined reserves to be the element of funds that are unrestricted and uncommitted. The charity shall hold reserves of 10% of the value of its fixed asset investments and £500,000, and shall only fall below to cover losses in value of those investments. In order to maintain the reserves as low as possible, it is important that expenditure plans be developed for all funds. Reserves are needed where there may be insufficient balances in individual restricted and designated funds to meet the objectives of those funds. There is also a need for reserves where there may be a requirement to incur expenditure which is exclusively charitable, and cannot be funded from revenue, for which there is not a relevant fund.

7.7 Internal audit
Internal audit undertake annual reviews to evaluate the adequacy of procedures and controls, to ensure compliance, and to provide reasonable assurance over:

- Achievement of management objectives for the systems
- Use of resources in accordance with donors requirements
- Compliance with policies and procedures
- Safeguarding assets.

The internal audit reports are presented to both the CFC as well as the Audit and Risk Assurance Committee (ARAC).

7.8 Compilation of annual report and accounts
As part of its delegated role, the CFC reviews, approves and adopts the charity's annual report and accounts on an annual basis. Wales Audit Office (WAO) conducts an annual audit of the charity's annual reports and accounts with the outcome reported to the Committee as well as ARAC. The annual audit provides assurance that all financial procedures are being adhered to. The 2018/19 annual report and accounts were approved by the CFC at the September 2019 meeting following their audit by WAO.

7.9 Professional development
The Board, as corporate trustee, has a sound knowledge of the purpose of the charity and the procedures that govern its operations to fulfil its duties.

All Board Members (Executive Directors and Independent Members) are aware of their statutory duties and responsibilities to the charity and have unrestricted access to officers of the charity to enquire about its activities.

The Committee receives regular updates on relevant changes to charity law and any other areas of interest via verbal updates from staff, papers from the Charity Commission or from the national Healthcare Financial Management Association (Charitable Funds Special Interest Group).

An overview of the charity and roles and responsibilities of the corporate trustee is to be developed as part of the formal induction arrangements for new Board members, led by the Corporate Governance team, with a more informal induction undertaken by the Head of Hywel Dda Health Charities for new Committee members when required.

8. Chair's Actions

Outside of Committee meetings, the Chair has delegated authority to act on behalf of the Committee. Chair's Actions typically focus on the approval of items of expenditure over £50,000, as required by the charitable funds approval thresholds. Requests for 'Chair's Actions' are infrequent but are always accompanied by detailed papers for audit and reporting purposes, with any activity reported back to the next meeting for ratification.

During 2019/20, no items were considered under 'Chair's Action'.

9. Other areas of responsibility

During 2019/20, the CFC also received and considered the following:

- Members were presented with examples of staff fundraising activities and expressed gratitude to staff for their heartening and inspiring fundraising stories.
- Members of the Committee were provided with a presentation on the charity's investments by Mr Alexander True and Mr Tom Knight, Sarasin Investments. Members were also provided with an update on the Charity's portfolio, training and events and the investment outlook, noting:
  - The combined portfolio value as at 31st May 2019 was £7.3 million.
  - Mildly overweight in respect of equities and property.
  - Underweight on fixed interest.
  - Performance versus peers up 6.8% versus 6.1% (Arc).

  Members further noted a market update, noting the following key points:
  - Rate height reached a peak and was expected to start to fall again.
  - European interest rates – German government issued a 10-year bond offering a negative rate of -0.3% and it was 1.6 times over-subscribed. Western economy enjoyed a decent growth from 2009.
  - UK government borrowing was at a 17 year low.
- An update report was provided to the Committee in respect of the Psychological Support for Cancer Patients project and Members noted the delay in the project launch due to the recruitment of a psychologist and further noted proposed changes in order to ensure the success of the project.
- Members were pleased to note "The Utilisation of IT Devices to Support Patient Centred Care and Service Improvement" had been purchased.
- Members visited the Bronglais General Hospital Chemotherapy Day Unit and approved the development of a fundraising appeal under the umbrella of Hywel Dda Health Charities for a new Chemotherapy Day Unit at Bronglais Hospital, subject to confirmation of the availability of a proposed location for the development. Members approved the contribution of £287,496 from the Ceredigion Cancer Services charitable fund to the development and reaffirmed its commitment to the £250,000 of charitable funds committed to the scheme in 2015 and approved the additional sum of £9,97 of current and any future interest growth to the scheme.
- An update report was provided at the June 2019 meeting on the charity's financial

performance and position and Members noted the following:
  - Next movements in funds had increased by £15,535 in the month of April 2019.
  - Donations had remained steady over the year.
  - Although donations increased, spend had a decreasing trend.
  - The decrease of 30% in donations for month 1 had been recovered in month 2.
  - The largest ever income as charity with a 26% increase was noted for the year ending 31st March 2019.
- An update report was provided at the September 2019 meeting on the charity's financial performance and position and Members noted the following:
  - A 12% decline noted in Carmarthenshire.
  - A new on-line fundraising database established.
  - The Charity exceeded its fundraising target during Quarter 1 (April – June 2019).
- Members were informed that following the 2018 Internal Audit Report, it was recommended that the funded projects associated with the T607 (Wales for Africa) fund were considered completed and formally closed.
- The Committee approved the request to contribute £259,214 of charitable funds to support an enhanced scheme to improve experience for patients using Ward 10 at Withybush General Hospital.
- Members felt they could not approve a proposal from the Executive Director of Operations on the principle of using charitable monies as a gesture to support staff working beyond expectations during the winter months.
- A strategic planning workshop was held in December 2019 to engage with CFC members on the future direction of Hywel Dda Health Charities to support the development of the charity's future growth strategy and the development of charity's three-year plan 2020/23.
- At the March 2020 meeting, Members were presented with the IT Equipment for Patients with Learning Disabilities report, providing an overview of the challenges experienced and the current position on the use of mobile IT devices in the ward areas. The Committee authorised a request to fund an additional 100 mobile devices for inpatient use, estimated at a value of approximately £25,000.
- Members were presented with the Hywel Dda Health Charities Three-Year Plan 2020-23, developed in response to priorities identified on the future direction of the charity at the Charitable Funds Committee Workshop in December 2019. The Committee noted the Plan and recommended it be presented to an (In-Committee) Corporate Trustee meeting on 26th March 2020.

Argymhelliad / Recommendation

The Board is requested to endorse the Charitable Funds Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability

Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of CFC meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	CFC Chair and Lead Director

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds
Ansawdd / Gofal Claf: Quality / Patient Care:	SBAR template in use for all relevant papers and reports.
Gweithlu: Workforce:	SBAR template in use for all relevant papers and reports.
Risg: Risk:	SBAR template in use for all relevant papers and reports.
Cyfreithiol: Legal:	A sound system of internal control, as evidenced in the Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Committee's Terms of Reference, requires the submission of an Annual Report to the Board.
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	SBAR template in use for all relevant papers and reports.

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	23 June 2020
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Finance Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Mr Michael Hearty, Chair, Finance Committee
SWYDDOG ADRODD: **REPORTING OFFICER:**	Mr Huw Thomas, Executive Director of Finance

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

The purpose of this paper is to present the Finance Committee Annual Report 2019/20 to the Board.

The Annual Report provides assurance in respect of the work that has been undertaken by the Committee during 2019/20, and demonstrates that the Terms of Reference, as set by the Board, are being appropriately discharged.

Cefndir / Background

Hywel Dda University Health Board's (HDdUHB's) Standing Orders and the Terms of Reference (ToR) for the Finance Committee require the submission of an Annual Report to the Board to summarise the work of the Committee and to identify how it has fulfilled the duties required of it.

The purpose of the Finance Committee, as expressed in its ToR, is to provide assurance on financial performance and delivery against the Health Board's financial plans and objectives and, with regard to financial control, to provide early warning of potential performance issues and recommend actions to continuously improve the financial position of the organisation, focusing in detail upon specific issues where financial performance is showing deterioration or there are areas of concern.

This includes:

- Scrutiny and provision of oversight of financial and revenue consequences of investment planning (both short term and in relation to longer term sustainability);
- Review of financial performance and review of any areas of financial concern, reporting these to the Board;
- Detailed scrutiny of all aspects of financial performance, including the financial implications of major business cases, projects, and proposed investment decisions on behalf of the Board;
- Regular review of contracts with key delivery partners.

Asesiad / Assessment

The Finance Committee has been established under Board delegation, with the Terms of Reference approved by the Board at its meeting on 30th May 2019.

A Self-Assessment of Performance for the period 2018/19 was undertaken by Committee members in April 2019, with outcomes from the assessment presented to the Committee in the meeting held 20th May 2019. The recommendation that the Committee review medium and long term issues and actions in addition to maintaining a close focus on in-year delivery was taken forward by the Corporate Governance Team and the Finance Team as part of their respective workplans for 2019/20.

This Annual Report outlines how the Finance Committee has complied with the duties set through its Terms of Reference and identifies key actions to address developments.

Constitution
The core membership of the Committee is comprised of:

- Associate Member of the Board (Chairman)
- Independent Member (Vice Chairman)
- Health Board Vice-Chair
- Independent Member
- *Invitation extended to the Chair of Audit and Risk Assessment Committee (ARAC) to attend (not counted for quoracy purposes)

The following 'In Attendance' Members have also been identified to serve on the Committee:

- Chief Executive Officer
- Executive Director of Operations
- Executive Director of Finance
- Turnaround Director (this post was removed from the establishment, effective from January 2020, with certain elements of the role transferred to the Executive Director of Finance)
- Other key Executive Directors/ Directors to attend as and when the Committee requests their attendance

Meetings
The Finance Committee is directly accountable to the Board for its performance, and it provides assurance to the Board, either through a formal written update report or through a verbal update, which is received at each subsequent Board meeting. A full set of papers for each Committee meeting is routinely made available on-line from the Health Board's website.

During 2019/20, Finance Committee meetings were held on a monthly basis, as follows, and were quorate at each meeting:

- 25th April 2019
- 20th May 2019
- 25th June 2019
- 22nd July 2019
- 22nd August 2019
- 24th September 2019
- 21st October 2019
- 26th November 2019
- 19th December 2019
- 27th January 2020
- 13th March 2020

There was no meeting held in February 2020.

Areas of Responsibility

In discharging its duties, the Finance Committee has undertaken work during 2019/20 against the following areas of responsibility in relation to its Terms of Reference:

Discussion Items

- At each meeting the Committee is presented with the following papers to scrutinise in regard to the in-year financial position:

    - Financial Performance Update and Finance Report;
    - Turnaround Report (this paper was amalgamated with the Finance Report, with effect March 2020);
    - Financial Projections Report (this paper was amalgamated with the Finance Report, with effect March 2020);
    - Referral to Treatment Financial Plan and Trajectory 2019/20
    - Capital Financial Management Report;
    - Corporate Risks assigned to the Finance Committee (quarterly report)

- **Year-End Debrief** – An update on outcomes from a meeting of the Year-End Debrief Panel (consisting of the Chair of the Finance Committee, HDdUHB Executive Director of Finance, HDdUHB Chief Executive and members of the Finance Delivery Unit) was provided to the Committee in its meeting held in May 2019. The Panel had focused upon lessons learned from the previous year, and upon defining processes and budget-setting for 2019/20.

- **Referral to Treatment (RTT) Report** – the RTT Plan 2019/20 was presented to the Committee in its meeting held in April 2019, with members advised of the forecast for delivery requirement for 2019/20, standing at £5.5m.

  Monthly updates were provided to the Committee, detailing progress with respect to the Financial Plan and planned expenditure trajectory to support RTT, Diagnostic and Therapy service waiting times target delivery for 2019/20. In the Committee meeting held 13th March 2020, members were assured that, in terms of year-end spend, HDdUHB remained on course to meet the target of £6.45m against the 2019/20 Financial Plan, with an operational Delivery Plan in place to enable attainment of target positions. Members were advised of £1.5m additional funding secured from WG to support the cost of planned outsourced Orthopaedic activity, forming part of the Delivery Plan. The Committee also received a report detailing the RTT performance relating to patients resident within HDdUHB area who are being treated by external Health Boards, and requested that this report continue to be received on a quarterly basis.

- **Draft Financial Plan Implementation 2019/20** – a report on implementation of the Draft Financial Plan 2019/20 was provided to the Committee in April 2019, advising Members of savings requirements, financial challenges, and risks to schemes to deliver the £25 million Control Total, together with details of mitigating actions to de-risk these schemes.

- **Draft Financial Plan 2020/21** – the Draft Indicative Financial Plan 2020/21 was introduced to the Committee in its meeting held 22nd July 2019, providing an initial assessment of the financial challenge and the scale of the organisational savings required for 2020/21. Further presentations of the Draft Financial Plan were received at Finance Committee meetings held 21st October 2019 and 27th January 2020, providing details of the calculated opening underlying deficit for 2020/21 and a breakdown of the deficit, including full year impact and cost pressures identified at Directorate level.

At the Committee meeting held 13th March 2020, recognising significant shortfalls in the plan regarding the delivery of savings required, and notwithstanding assurance regarding further work by Directorates to identify and progress key savings schemes, Members agreed that the Draft Financial Plan 2020/21 could not be signed off in its current form, and that further work was required before the plan could be signed off by the Finance Committee and submitted to the Board for approval at its meeting on 26th March 2020. Committee Members therefore confirmed that, in light of timescales involved, they were content for the Chair of the Committee to take Chair's Action on their behalf to work through the Draft Financial Plan with the Executive Director of Finance and Lead Director for the Committee and confirm approval of the plan, or otherwise, on the Committee's behalf.

- **Long Term Agreements (LTAs)/Contracts Update** – In July 2019 an External Secondary Care Contracts report was presented to the Committee, providing an update on the current contractual position of external Secondary Care and Welsh Health Specialised Services Committee (WHSSC) contracts. The Committee subsequently received updates relating to HDdUHB's Healthcare Contract Management Approach in August 2019 and September 2019, and was advised of measures to align HDdUHB contracts/LTAs through the Contracting Project Implementation Plan. In September 2019, the Committee approved the inclusion of a LTA/Contracts Update as a standing item on its agenda, to ensure Members are sighted on any contracts over £0.5m and to enable any concerns to be reported to Board. In March 2020, it was agreed that the LTA/Contracts Update report would be submitted to the Committee on a quarterly basis.

- **Workforce Pay Controls** – Updates relating to the Establishment Control Project and the KPMG Grip and Control workstream and Action Plan were presented to the Committee. Members were assured that KPMG's action plan and recommendations, which had been developed through its assessment of the control environment operating in HDdUHB, were being addressed and taken forward by the Workforce Delivery Group.

- **External Finance Review** – monthly updates to the Committee were provided, covering the background, planning and progress of the review, which had been commissioned by Welsh Government (WG). The Committee received an overview of the requirements set by WG and HDdUHB for review of the current financial plan for 2019/20, identifying opportunities to improve the underlying deficit for 2019/20, and to review the financial governance and structure of the Health Board. HDdUHB responses to KPMG recommendations were presented to the Committee at its meeting held 13th March 2020.

- **Savings Plan 2019/20 –** the Savings Plan 2019/20 was presented to Committee at its meeting held in April 2019. The Committee was advised that savings of £24m were required in order to meet the year-end position of a £29.8m deficit, although acknowledged that variations in this figure may result from work being undertaken in relation to RTT. The Committee was further advised of the change in Control Total set by WG, with a further £5m added pressure in year.

- **Deloitte Zero Based Review -** recommendations from the Deloitte Zero Based Review were presented to Committee at its meeting held in May 2019. The Committee was advised that the review made four recommendations regarding actions to improve efficiencies in the short, medium and longer term. The Committee was assured that implementation of these actions would be monitored as part of the External Finance Review.

- **Impact of International Financial Reporting Standard (IFRS) 16** – the Committee received a report detailing the Impact of IFRS 16 in March 2020 and was advised that the new accounting standard, which replaces previous accounting standards related to leases,

would be effective from 1st April 2020. The Committee also received updates in relation to the implementation of IFRS 16 in its meetings held in May 2019 and September 2019.

- **Benchmarking Network Summary Report** - the Benchmarking Network Summary Report produced by the Financial Delivery Unit (FDU) was presented to the Committee in May 2019. The Committee was advised that the Summary Improvement Opportunity Reports for HDdUHB would contribute to the direction of work for long term financial management.

- The Committee was presented with outcomes from the following Strategic Workshops:

    - **Implementing Value** – the Committee received a presentation on Implementing Value, providing an overview of the Intelligence and Value Strategy.
    - **Implementing Contracting** – the Committee was advised of the proposed approach to future contracting and service commissioning arrangements.
    - **Implementing Finance Strategy** – the Committee was provided with an update on the status of the Finance Team, and the development of a finance function to support better decision-making within HDdUHB.

Assurance Items

- **Corporate and Operational Financial Risk Reports** - the Corporate Risk report and the Operational Financial Risks report were presented to the Committee for scrutiny in May 2019, November 2019 and March 2020. Corporate risks identified as having financial consequences for the Health Board were discussed, and the Committee was assured that operational risks would be reviewed by the Finance Directorate and operational services to ensure that individual services are provided with the necessary support to identify and manage risks effectively. In light of current national challenges in respect of the COVID-19 pandemic, Members recognised the need to refresh these Finance–related risks for the 26th March 2020 Board meeting.

- **Winter Plan Model 2019/20** – a verbal update on the Winter Plan Model 2019/20 was presented to the Committee in September 2019. A comprehensive Winter Plan report was submitted for the October 2019 Finance Committee meeting, advising Members of the methodology used for winter planning 2019/20 and funds allocated by WG and HDdUHB. The Winter Preparedness 2019/20 Report to Board on 28th November 2019 was also presented to the Committee.

- **Development and Implementation of Value Based Health Care (VBCH)** - the Committee received a presentation and a report on the Intelligence and Value Strategy, outlining key components in the application of Business Intelligence within the Finance Team to support VBHC across HDdUHB. Details of the development of a Locality Resource Tool as part of the Intelligence and Value Strategy were presented to the Committee at its meeting held 19th December 2019.

- **Executive Team Opportunities Framework -** Members were presented with an overview of the Executive Team Opportunities Framework at the Finance Committee meeting held 27th January 2020, setting out proposed workflows, responsibilities and supporting processes. Members agreed that the Opportunities Framework would provide a useful tool for the robust scrutiny of ideas within the Health Board, ensuring rigorous testing is undertaken to promote confidence and provide assurance to the Board.

- The Committee was presented with findings from Deep Dive reviews of the following areas:

    - Medicines Management and the Aseptic Unit in Glangwili General Hospital;
    - Performance challenges and work to address these in Withybush General Hospital;
    - Mental Health and Learning Disabilities (MH&LD) Commissioning. The Committee was advised of the increasing demand upon the service, both in terms of numbers and complexity of cases. An overview of savings delivery schemes and opportunities was also presented;
    - Ring-fenced Allocation within MH&LD;
    - Long-Term Care; the Committee received a presentation, including an overview of the complex policy context, the fragility of the market and work completed by the team to transform the Long-term Care pathway using a whole systems approach.

Information Items

- **Financial Efficiency Framework** - Members were presented with a report at the Committee meeting held in November 2019, identifying the ways in which the analysis provided by the Finance Delivery Unit (FDU) has been used to shape the Financial Strategy.

- **Strategic Cash Assistance** - the Committee was informed of HDdUHB's request for Strategic Cash Assistance from WG (£16m for 2019/ 20).

- **Strategic Financial Planning Group Update Report to the Strategic Integrated Enabling Group** - in June 2019, August 2019, September 2019, November 2019 and March 2020, the Committee received update reports from Strategic Financial Planning Group meetings.

- **Primary Care Prescribing** – at the Committee meeting held 13th March 2020, Members received the Primary Care Prescribing report, outlining actions planned and implemented by the Pharmacy and Medicines Management Directorate to identify priority areas and mitigate pressures. Significant savings delivered by the Pharmacy and Medicines Management Team in 2019/20 were also noted.

- **The Committee also received the following reports and presentations for information during 2019/20:**
    - Welsh Government Monitoring Returns Month 1
    - Scheme of Delegation
    - Wales Audit Office Public Spending Trends in Wales 1999-00 to 2017-18.
    - Defining Value-based Healthcare in the NHS – CEBM
    - Finance Committee Assurance Report to ARAC
    - Draft Annual Accounts 2018/19 (as presented to ARAC at its meeting held on 7th May 2019)

Approval Items

- The Finance Committee approved the following procedures during 2019/20:

    - Cash Imprest Account - Rehabilitation Monies (July 2019)
    - Disposal of Surplus and Obsolete Furniture, Equipment, Sale of Scrap and Other Waste Materials (July 2019)
    - Main Control Stores (July 2019)
    - Budgetary Control Procedure (August 2019)
    - Losses and Special Payments Procedure (August 2019)

- Patient Property and Monies Procedure (September 2019)
- FP11 Financial Management System (FMS) – System Access & General Ledger Security Procedure (October 2019)
- Income and Cash Collection Procedure (November 2019)

- The Committee also approved the proposed increase in limits for the Executive Director of Finance under Charitable Funds from £5,000 to £25,000 in line with the current limits assigned to Executive Directors (Corporate Scheme of Delegation) and recommended the proposed change to the Board for approval (May 2019).

Key Risks and Issues/ Matters of Concern raised by the Committee to the Board during 2019/20 included:

- **Draft Financial Plan 2020/21** – In March 2020, the Finance Committee received the Draft Financial Plan 2020/21. Recognising shortfalls in the delivery of savings required, it was confirmed that the Committee was unable to approve the content of the plan as it stood for submission to the Board, with it agreed that the Chair of the Finance Committee would take Chair's Action on the Committee's behalf to work through the Draft Financial Plan with the Executive Director of Finance and Lead Director for the Committee, and confirm approval of the plan, or otherwise, on the Committee's behalf.

- **Cost Pressures Associated with Workforce Management** - Increased cost pressures relating to workforce pay controls and the use of agency staff (as identified in the KPMG and Establishment Control Project reviews) were highlighted as areas of concern by Finance Committee, and the Health Board's responses to recommended actions from the reviews were monitored through Workforce Pay Controls update reports received at each meeting.

- **Challenges to Delivery of Savings Schemes** – A risk to HDdUHB's revenue and savings position for 2019/20 was identified by the Finance Committee in its meeting held 5th April 2019, and updates regarding adverse variances to plan and measures to address the savings gap were accordingly requested, and reported, at each subsequent meeting in order that progress in relation to delivery, and identification of savings, could be tracked.

- **Risk to £10m additional WG Funding** – Significant risks relating to the organisation's ability to deliver the required Control Total for 2019/20, and associated risk to £10m additional WG funding which had been predicated on delivery of the required £15m Control Total, were highlighted by Finance Committee to the Board. Recognising risks to the additional £10m funding, Finance Committee was advised in its meeting held 26th November 2019 of a recommendation to the Board to change the forecast deficit position from £15m to £25m, and subsequently advised the Board in March 2020 of a revised position of £35m, following drawback of the additional funding.

- **Risk to Delivery of Planned Care Referral to Treatment (RTT) targets** – Having received the 2019/20 RTT Plan at its meeting held 25th April 2020, Finance Committee was first advised of challenges to delivery of RTT targets resulting from un-forecast Unscheduled Care pressures in its meeting held 22nd July 2019, while subsequent reports presented to the Committee advised of further challenges, necessitating upward expenditure projections to support the delivery of RTT, Diagnostic and Therapy waiting time targets. At its meeting held 27th January 2022, Finance Committee was advised of a significant risk to the activity delivery plan within the Orthopaedic pathway, and apprised of remedial plans involving outsourcing activity, which would potentially involve delivery costs likely to exceed the value of the 2019/20 Delivery Plan. At its meeting held 13th March

2020, the Committee was reassured that additional funding of £1.5m had been secured from WG to support the cost of planned outsourced Orthopaedic activity.

- **Contracts and Long Term Agreements (LTAs)** – Recognising overspend in respect of HDdUHB patients receiving treatment by external Health Boards, Finance Committee requested that Members be sighted upon all contracts and LTAs exceeding £0.5m in value and advised that the effectiveness and value-for-money of contracts be assessed in order to provide assurance to the Board regarding the level of scrutiny applied to HDdUHB contracting arrangements.

Other risks and matters of concern identified by Finance Committee during 2019/20 included:

- Potential risk should HDdUHB's request for WG Strategic Cash Support (£16m for 2019/20) not be met.
- Significant YTD pressure in Unscheduled Care and Medicines Management.
- Significant financial pressures on drugs manifesting in both Secondary and Primary Care.
- Issues relating to the individual units across all hospital sites, particularly in relation to the Aseptic Unit in Glangwili General Hospital, and to 12-hour treatment target breaches and increased patient length of stay in Withybush General Hospital, representing an overall risk to HDdUHB's Financial Plan.
- Financial impact resulting from delays to the proposed centralised Nurse Rostering System, pending implementation of an All-Wales system.

Argymhelliad / Recommendation

The Board is requested to endorse the Finance Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Committee meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Finance Committee

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: **Financial / Service:**	A sound system of internal control, as evidenced in the Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	SBAR template in use for all relevant papers and reports.
Gweithlu: **Workforce:**	SBAR template in use for all relevant papers and reports.
Risg: **Risk:**	SBAR template in use for all relevant papers and reports.
Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and Committee's Terms of Reference, requires the submission of an Annual Report to the Finance Committee.
Enw Da: **Reputational:**	Not Applicable
Gyfrinachedd: **Privacy:**	Not Applicable
Cydraddoldeb: **Equality:**	SBAR template in use for all relevant papers and reports

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	23 June 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Mental Health Legislation Assurance Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Judith Hardisty, Chair, Mental Health Legislation Assurance Committee
SWYDDOG ADRODD: REPORTING OFFICER:	Andrew Carruthers, Director of Operations

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

The purpose of this paper is to present the Mental Health Legislation Assurance Committee's Annual Report for 2019/20.

The Mental Health Legislation Assurance Committee provides assurances in respect of work that has been undertaken by the Sub-Group during 2019/20 and that the terms of reference are being adequately discharged.

Cefndir / Background

Hywel Dda University Health Board's Standing Orders and the Terms of Reference for the Mental Health Legislation Assurance Committee (MHLAC) require the submission of an Annual Report to summarise the work of the Committee and to identify how it has fulfilled the duties required of it.

Whilst the Board retains overall responsibility and accountability for ensuring the quality and safety of healthcare for its patients, service users, staff and the wider public, it has delegated authority to the Committee to undertake functions as set out within the Terms of Reference of the Committee.

In respect of its provision of advice to the Board, the Mental Health Legislation Assurance Committee is required to:

- Review reports from Healthcare Inspectorate Wales visits, the Delivery Unit and other external scrutiny bodies and approve the action plans for monitoring through its sub-committee structure;
- Review the Mental Health & Learning Disabilities Risk Register bi-annually to ensure that risks relating to compliance with mental health legislation are being appropriately managed by the Mental Health Legislation Scrutiny Group;
- Receive Mental Health Legislation Scrutiny Group updates;
- Consider issues arising from its sub-committee and group structure;

- Receive the Hywel Dda Mental Health Partnership Board Annual Report and consider issues in relation to the implementation of the Mental Health Strategy across the Hywel Dda area;
- Receive update reports from the Mental Health Programme Group on improvement programmes for high quality, safe and sustainable mental health services which are consistent with the Board's overall strategic direction.
- Receive Hospital Manager's Power of Discharge Committee Update Report & Minutes from previous meetings.

The Terms of Reference for MHLAC were presented in December 2019 for review; however, it was agreed that, as the University Health Board's committee structure was being reviewed, the MHLAC Terms of Reference would be reviewed in April 2020 following approval of the new committee structure by the Board.

CONSTITUTION
Membership of the Mental Health Legislation Assurance Committee consists of Independent Members. The Vice Chair of the University Health Board (UHB) undertakes the role of Chair of the Committee given their specific responsibility for overseeing the Board's performance in relation to Mental Health Services. Membership of the Committee consists of four Independent Members only – for assurance purposes.

In attendance membership includes UHB manager representation, a wide range of partner organisations, including local authority, police, advocacy, user representation, carer representation, Welsh Ambulance Services NHS Trust and the Community Health Council. The Committee may also request the attendance of any other officers of the UHB as required.

Mr Andrew Carruthers replaced Mr Joe Teape as Director of Operations and took up his role as Executive Director at the meeting in December 2019.

MEETINGS
The Committee meets on a quarterly basis. During 2019/20, the Committee met on 3 occasions and was quorate at all meetings, as follows:

- 24th June 2019
- 17th September 2019
- 17th December 2019

Unfortunately, the meeting scheduled for 3rd March 2020 had to be postponed. As a result, the meeting was rescheduled to 6th April 2020, which was then cancelled due to COVID-19.

AREAS OF RESPONSIBILITY
In discharging its duties, the Committee receives information of all activity undertaken in relation to the 1983 Act and the MH Measure which includes:

- Regular reporting on the use of the Mental Health Act within the area served by the University Health Board;
- Regular reporting on the activity and compliance with the Mental Health (Wales) Measure 2010;
- Performance reporting;
- Healthcare Inspectorate Wales reviews.

SUB-COMMITTEE

The Committee has one Sub-Committee following the UHB's governance review in 2015; the Hospital Managers Power of Discharge Sub-Committee.

The Committee agreed to the establishment of the Hospital Managers Power of Discharge Sub-Committee (the Sub-Committee), made up of all Independent Members and Lay Members. Section 23 of the 1983 Act (the power of discharge) was delegated to the Sub-Committee. Officers can attend but are not members. A panel of three or more members drawn from the Sub-Committee hear individual cases where patients or their nearest relative have applied for discharge. The panels also sit on renewal hearings – these are collectively known as Hospital Managers reviews.

In respect of its provision of assurance to the Board, the Sub-Committee is required to:

- Review and monitor how the operation of the delegated functions under Section 23 of the 1983 Act are being exercised;
- Discuss the work of individual panels;
- Discuss the training requirements of review panel members;
- Discuss any impact of legislative change on the role of Hospital Managers;
- Highlight any impact of service changes; and
- Provide learning opportunities.

The Sub-Committee meetings are held three times each year and are divided into two parts: the first part deals with the Sub-Committee's governance and the second part has a training focus to ensure members are kept up to date with current legislation and of changes within the UHB.

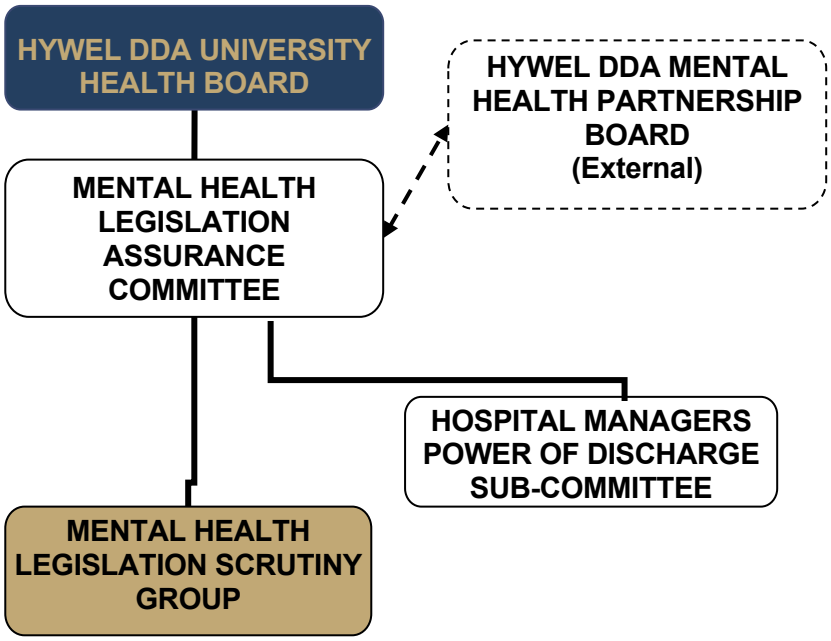
The Chair of the Sub-Committee is Professor John Gammon (Independent Member). This provides an additional level of assurance and scrutiny. The Mental Health Act administration lead is an attendee.

During the year members received training on the following areas:

- All Wales Hospital Managers Conference – Edge Training
- All Wales Hospital Managers Conference – Welsh Government in conjunction with Edge Training and Cardiff and Vale Health Board
- The role, responsibilities and conduct of advocates and legal representatives at reviews – Cara Young, Cambrian Law
- Deprivation of Liberty Safeguards (DoLS) – Steve Hughes, DoLS Coordinator

Compliance with Mental Health Legislation (Sub-Groups)

The Mental Health Legislation Assurance Committee had two Sub-Groups that provide additional layers of scrutiny to the UHB's compliance with statutory mental health legislation. Beneath the scrutiny group sat the operational group; the decision was taken by the Scrutiny group to disband the operational group following the May 2019 meeting. This was due to lack of attendance, similar membership within both groups and the fact that the majority of the operational issues could be addressed at the Ward Managers' Forum, which meets on a monthly basis.



SUB-GROUP

The Mental Health Legislation Scrutiny Group (Scrutiny Group) representation consists of senior service managers from health and local authority stakeholders. It also includes representatives of service users, carers and advocacy groups. It is chaired by the Head of Adult Inpatient Services and its Vice Chair will be the Mental Health Legislation Lead. It meets on a quarterly basis, four weeks prior to MHLAC. Its purpose is to scrutinise the UHB's compliance with mental health legislation and to investigate any areas of concern, independently or as directed by MHLAC. It reports directly to MHLAC through a quarterly performance paper and may also provide additional papers to MHLAC on areas of concern being investigated.

The role of the Scrutiny Group is evolving; however, its primary benefits to date have been to:

- More clearly identify any areas of concern and present greater clarity of exception reporting to MHLAC;
- Provide a clear line of communication between practicing clinicians and managers to the MHLAC assurance process;
- Quickly identify any areas of concern and instigate further investigation and intervention, thereby improving the quality of care delivery.

An away day took place during the year, to review the work in respect of the Strategy and the role of the Committee and Sub-Group.

Asesiad / Assessment

	Target	Apr 19	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan 20	Feb	Mar
Part 1, T1	80%	93.4%	87.3%	94.3%	85.8%	82.3%	91.3%	93.8%	88.6%	90.3%	68.6%	80.3%	86.8%
Part 1, T2	80%	89.9%	86.3%	88.0%	90.6%	87.0%	83.6%	84.9%	86.0%	85.8%	76.3%	83.2%	83.9%
Part 2	90%	90.9%	91.0%	91.6%	92.0%	94.5%	92.7%	93.9%	93.0%	94.8%	94.0%	94.4%	92.3%
Part 3	100%	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	64.3%	100.0 %	85.7%	80.0%	100.0 %	100.0 %	85.7%
Part 4	100%	97.2%	94.0%	100.0 %	96.2%	100.0 %	98.2%	100.0 %	98.4%	100.0 %	100.0 %	100.0 %	100.0 %

Part One – Target One – Assessed within 28 days of referral
Target Two – Treated within 28 days of assessment

Compliance with this target has been consistent in the main – the services are made up of small teams of staff which are sensitive to vacancies and sickness absence. Waiting time initiatives are used at times, resourced by funding available through vacancies.

Part Two – Patients in secondary care to have a valid Care and Treatment Plan

The service has been consistently compliant, albeit marginally at times. Fluctuations are mostly seen in adult services in teams where there are vacancies – this target is monitored at service level.

Part Three – 100% of assessment reports sent within ten working days

There is some variation in compliance with this target; the numbers of individuals involved are small.

Part Four – (Internal Target) – All patient admissions offered Independent Mental Health Advocate

The variation in compliance with this target is largely down to the adult acute inpatient units and is often due to higher levels of acuity as well as instances where patients on admission are less receptive to a discussion about advocacy services.

Inspections

The last joint thematic review (Healthcare Inspectorate Wales and Care Inspectorate Wales) of a Community Health Team was carried out at Brynmair Clinic in December 2019.

There were unannounced Healthcare Inspectorate Wales visits to:

- Bro Myrddin (Learning Disablities NHS Residential setting) – April 2019
- Bryngofal Ward, Prince Philip Hospital, Llanelli – April 2019
- St Caradog and St Nons Wards, Bro Cerwyn, Haverfordwest – June 2019

Action plans are devised for each visit that takes place and these are monitored through the Mental Health and Learning Disabilities Quality, Safety and Experience Sub-Committee. The MH&LD QSEASC was stood down in March 2020 in line with recommendation of the UHB

governance review. MH&LD will report through the Operational Quality Safety & Experience Sub Committee in the future. There will be a separate MH&LD Quality Assurance Meeting.

Other Areas of Responsibility

- The Committee noted the updated Locked Door Policy and Section 135 Procedure.
- The Committee was provided with an update on the use of Section 136 following the implementation of the Policing and Crime Act in 2017.
- The Committee noted the content of the Local Mental Health Partnership Board Annual report.
- The Committee was provided with updated report on the learning disability service improvement programme.
- The Committee also noted the updated Mental Health Review Tribunal for Wales Practice Directions of November 2019.

Annual Work Plan

The Committee will continue to review all work undertaken by the UHB which lies within its remit and provide assurance to the Board that its statutory obligations are being met.

The Committee takes an annual work plan-based approach to the management of its work and reminds members and stakeholders at every meeting that they can influence this work plan at any time. In addition to the previous work highlighted within this paper, this included:

- Regular updates from the Mental Health Programme Group on the transformation project
- Regular updates on the All Wales Benchmarking report based upon MHA usage data
- Regular updates from the Mental Health Partnership Board. The Committee will continue to receive regular updates throughout 2020/21
- Regular updates on out-of-area placements
- Service user representations including service user sharing stories and experiences

Argymhelliad / Recommendation

The Board is requested to endorse the Mental Health Legislation Assurance Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability 2. Safe Care 3. Effective Care 4. Dignified Care
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	Not Applicable

Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Mental Health Legislation Assurance Committee meeting 2019/20
Rhestr Termau: Glossary of Terms:	Included within body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Director of MH&LD Vice Chair/Chair of Mental Health & Legislation Assurance Committee

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds
Ansawdd / Gofal Claf: Quality / Patient Care:	SBAR template in use for all relevant papers and reports.
Gweithlu: Workforce:	SBAR template in use for all relevant papers and reports.
Risg: Risk:	SBAR template in use for all relevant papers and reports.
Cyfreithiol: Legal:	A sound system of internal control, as evidenced in the Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Committee's Terms of Reference, requires the submission of an Annual Report to the Board.
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	SBAR template in use for all relevant papers and reports.

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	23 June 2020
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Primary Care Applications Committee Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Judith Hardisty, Chair, Primary Care Applications Committee
SWYDDOG ADRODD: **REPORTING OFFICER:**	Jill Paterson, Director of Primary Care, Community & Long Term Care Rhian Bond, Assistant Director of Primary Care

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

The purpose of this paper is to present the Primary Care Applications Committee (PCAC) Annual Report 2019/20 to the Board.

The PCAC Annual Report provides assurance in respect of the work that has been undertaken by the Committee during 2019/20, and that the terms of reference as set by the Board are being appropriately discharged.

Cefndir / Background

Hywel Dda University Health Board's Standing Orders and the Terms of Reference for the Primary Care Applications Committee require the submission of an Annual Report to the Board to summarise the work of the Committee and to identify how it has fulfilled the duties required of it. The purpose of the Primary Care Applications Committee as expressed in its Terms of Reference is to determine Primary Care contractual matters on behalf of the Health Board, and in accordance with the appropriate NHS regulations. The contractual matters to be determined by the Primary Care Applications Committee include:

- General Medical Services Vacant Practices in accordance with Welsh Health Circular (WHC) (2006) 063.
- General Medical Services Sustainability Applications made in accordance with the local sustainability assessment process.
- General Medical Services contractual changes in accordance with the NHS (General Medical Services Contracts) (Wales) Regulations 2004.
- Community Pharmacy contractual changes in accordance with NHS (Pharmaceutical Services) (Wales) Regulations 2013.
- General Dental Services contractual changes in accordance with the National Health Service (Personal Dental Services Agreements) (Wales) Regulations 2006 and the National Health Service (General Dental Services Agreements) (Wales) Regulations 2006.

Asesiad / Assessment

The Primary Care Applications Committee has been established under Board delegation with the Health Board initially approving Terms of Reference for the Committee at its Board meeting on 30th July 2015. These were subsequently revised and approved by the Board as part of its annual cycle of review of Committees' Terms of Reference at its meetings on 26th November 2015, 26th January 2017, 31st May 2018 and 13th June 2019.

This Annual Report outlines how the Primary Care Applications Committee has complied with the duties set through its Terms of Reference, and also identifies key actions to address developments.

Constitution

There is a core membership of the Committee which is comprised of:

- University Health Board Vice Chair (Chair)
- Independent Member (Vice-Chair)
- Two Independent Members
- Director of Primary Care, Community & Long Term Care (Lead Executive)
- Associate Medical Director - Primary Care
- Assistant Director of Primary Care

The following In Attendance Members have also been identified to serve on the Committee:

- Head of GMS/Deputy
- Head of Dental and Optometry/Deputy
- Primary Care Manager (Community Pharmacy)/Deputy
- Locality Development Manager from the applicable locality

Further membership is dependent upon the decisions which need to be made and these are determined by relevant Primary Care Contract guidance and regulation. The Community Health Council, Local Medical Committee and Community Pharmacy Wales are commonly invited as non-voting members to give patient or contractor opinion. The County Director, Dental Practice Adviser or Associate Medical Director (Dental) may also be invited to provide further local or clinically specific information.

Meetings

During 2019/20, PCAC meetings were held on a bi-monthly basis or whenever there were contracting decisions to be made.

As the Committee is directly accountable to the Board for its performance, it provides an assurance to the Board through a formal written update report which is received at the subsequent Board meeting. A full set of the papers for each Committee meeting is routinely made available on line from the Health Board's website.

During 2019/20, the Committee met on the following five occasions and was quorate at each; one of which was an extra-ordinary meeting:
13th June 2019
6th August 2019 (meeting stood down, decisions made by Chair's Action)
8th October 2019
18th November 2019 (Extra-ordinary meeting)
7th January 2020

Following a review of Hywel Dda University Health Board's Committee structure during 2019/20, the Board agreed to dis-establish PCAC from 1st April 2020.

Areas of Responsibility
In discharging its duties, PCAC has undertaken work during 2018/19 against the following areas of responsibility in relation to its Terms of Reference (no Vacant Practice Panel meetings were held during 2019/20, and no Sustainability Applications were reported to the Committee in 2019/20).

At its meeting on 13th June 2019, the Committee approved the revised PCAC Terms of Reference. The Committee agreed that paragraph 4.2 could be removed which would be attended to at the next formal review of PCAC's Terms of Reference.

Also at the meeting on 13th June 2019, the outcome from the Committee's self-assessment of effectiveness exercise was presented. Discussion took place about how the wider Hywel Dda University Health Board (HDdUHB) engages with Primary Care issues as part of its quality and assurance agenda outside of PCAC. Members agreed that this needed to be discussed further with the Corporate Governance team.

- **General Medical Services (GMS) contractual changes in accordance with the NHC (General Medical Services Contracts) (Wales) Regulations 2004**

At its meeting on 13th June 2019, the Committee received a report about current General Medical Services (GMS) provision in Meddygfa Minafon. Members were informed that Meddygfa Minafon, which has been a Managed Practice for over four years, operates over three sites – Kidwelly, Trimsaran and Ferryside – with a list size of 8,500 patients. Members were informed there is no GP provision at the Ferryside site (Mariners Surgery), and that the number of nurse led clinics from that site had been reduced in line with demand for services. Members noted that the current lease expired on 4th January 2020. Members discussed the likely impact on patients if the site was to close and acknowledged that it was a sensitive issue. The Committee decided to proceed in principle with option two set out in the report, to consolidate services to two sites at Meddygfa Minafon Kidwelly and Trimsaran, subject to the following actions and final consideration at a later date:

- Patient consultation: joint consultation between Hywel Dda Community Health Council (CHC) and HDdUHB
- Receipt of patient feedback on the quality, timeliness and service to date, and
- The development of a transitional plan.

An Extraordinary PCAC meeting was held on 18th November 2019 to further consider the proposal following a public engagement event which was held on 15th October 2019 in Ferryside. Committee members were informed that the event was attended by 110 people and representatives of Hywel Dda CHC. Committee Members were updated on the key points made by attendees during that event, including that many attendees had noted that they used the Phlebotomy service in Mariners Surgery; many were already attending Meddygfa Minafon in Kidwelly for medical appointments and the fear by attendees over the loss of social resilience in the Ferryside community. The Committee was assured that, should the decision be to close the Mariners Surgery, existing services would not be depleted, however would be relocated to Meddygfa Minafon in Kidwelly, although the Phlebotomy service and Social Prescribing service would remain in the Calon-y-Fferi complex in Ferryside (which also housed the Mariners Surgery).

A discussion was held in relation to the importance of working with HDdUHB's Carmarthenshire County team and Carmarthenshire County Council to support the Ferryside community to grow its social resilience, and to ensure that developments supported HDdUHB's Strategy.

Committee Members agreed that this would be important. The Committee agreed to support the proposal to relocate the remaining services at Mariners Surgery to Kidwelly and Trimsaran from 1st January 2020, subject to certain conditions including continuous patient engagement.

At its meeting on 13th June 2019, the Committee received a report proposing to hold a procurement exercise to return three of HDdUHB's Managed Practices to Independent Contractor status – Meddygfa Minafon, Kidwelly; Meddygfa'r Sarn, Pontyates and Tenby Surgery. The fourth Managed Practice – Ash Grove Medical Centre, Llanelli – was not included in the exercise. The Committee was assured that this was the preferred direction of travel for HDdUHB and that this exercise represented an opportunity to test the market. The Committee was further assured that, as the procurement exercise would be undertaken by NHS Wales Shared Services, there would be no direct cost to HDdUHB. The Committee agreed the recommendation to undertake a full procurement exercise.

The Committee received an update on the procurement exercise at its meeting on 8th October 2019. Members were informed that, following a formal procurement exercise, an Expression of Interest had been received for Tenby Surgery and that a tender scoring exercise would be taking place on 11th October 2019. Members were assured that HDdUHB would continue to run a formal procurement exercise for Meddygfa Minafon, Kidwelly and Meddygfa'r Sarn, Pontyates despite no Expressions of Interest having been received, because it would give HDdUHB a mandate for reviewing how to continue to deliver services to the population if no tenders were received in future exercises. For the remaining Managed Practice, Ash Grove Medical Centre, the Committee was informed that it had not been included in the procurement exercise and that this would be revisited in early 2020.

At its meeting on 7th January 2020, the Committee was informed that, whilst a tender interview had been held for the Expression of Interest received for Tenby Surgery, it had not been possible to award the contract on financial grounds. Committee Members were advised that work was being undertaken to explore whether an alternative procurement process, similar to one undertaken by Cwm Taf Morgannwg University Health Board, would provide a more flexible process to enable a Contract to be awarded, whilst continuing to meet procurement rules. The Committee was assured that the intention was to hold another procurement exercise at the beginning of the 2020-2021 financial year to ensure that momentum would not be lost. Committee Members noted the update provided and recognised that the process had been helpful in terms of gathering information to inform next steps. Members agreed that an alternative procurement process should be explored, balancing the need to benefit patients, address HDdUHB's Strategy and within funding available.

At its meeting on 13th June 2019, the Committee also considered the application from Meddygfa Tywi, operating in Nantgaredig, to close its Brechfa Branch Surgery. Committee members were informed that the branch surgery was open for a period of one hour on a Monday for the purpose of a walk-in service, however it was not situated in a fit for purpose building. Members were informed that consultation had taken place with the Practice, with its patients and with Hywel Dda CHC. The CHC confirmed that it had no objections to closing Brechfa Branch Surgery. The Committee supported the recommendation to close Brechfa Branch Surgery.

Also at the meeting on 13th June 2019, the Committee received a report about the key learning points from the reflective exercise following the south Ceredigion dispersals following the closure of Teifi Surgery, Llandysul, and Ashleigh Surgery, Cardigan in 2018/19, outlining some of the key challenges arising during the process:

- Communication.
- Time pressures.

- Public engagement, and
- Data migration.

Members agreed that the reflective exercise had been useful in terms of gathering learning for the Primary Care team to share with others.

At its meeting on 7th January 2020, the Committee received reports on the formal applications from Borth Surgery and Ystwyth Surgery to remove areas of their Practices' boundaries. The Committee was informed that stakeholder consultations had taken place in relation to the two applications, and that during this consultation phase, two further Practices had also indicated their intention to submit applications to amend their Practices' boundaries. Given this, and to ensure that applications would not trigger instability across the Locality, Committee Members were asked to agree a recommendation to undertake a Cluster-wide review of Practices' boundaries. The Committee was assured that the feedback from the consultations also supported this approach. The Committee was further informed that, if this recommendation was agreed, the intention would be to hold a workshop for the Cluster's Practices to help them to identify solutions, supported by HDdUHB's Primary Care team. The Committee did not support the applications from both Practices to change their boundaries, however did agree to the recommendation to undertake a Cluster-wide review of Practices' boundaries, and asked that HDdUHB's Ceredigion County team be involved in this work.

In total, five GMS contractual changes were considered by the Primary Care Applications Committee during 2019/20 (compared with eight in 2018/19):

- Closure of Mariners Surgery, Ferryside and relocation of services to Meddygfa Minafon in Kidwelly and Trimsaran
- Tywi Surgery, Nantgaredig – closure of Brechfa Branch Surgery
- Two boundary change applications – Borth Surgery and Ystwyth Surgery.

The Committee also supported the undertaking of a procurement exercise to return three Managed Practices to Independent Contractor status.

- **Community Pharmacy contractual changes in accordance with NHS (Pharmaceutical Services) (Wales) Regulations 2013:**

At its meeting on 13th June 2019, the Committee received a report that Well Pharmacy, Cardigan had submitted a Minor Relocation Application of its Pharmacy contract to the new Cardigan Integrated Care Centre (CICC). Members were assured that granting the application would not make the Community Pharmacy less accessible in its new location for those who used it, and that the application met the Regulation Criteria. The Committee agreed the application submitted by Well Pharmacy, Cardigan.

Also at the meeting on 13th June 2019, the Committee received a report on the preparation of a tender process, in conjunction with both Procurement and Estates teams, to lease a unit for a Community Pharmacy in the new Cardigan Integrated Care Centre (CICC). Discussion took place about the implications of this process for the three Community Pharmacies located in Cardigan. Members were assured that the tender process was being put in place to be able to manage potential Minor Relocation Applications from all three Pharmacies.

The Committee received an update on the tender process at its meeting on 8th October 2019. Committee Members were reminded that two Minor Relocation applications had already been agreed in relation to the relocation of Well Pharmacy, Cardigan (at the 13th June 2019 meeting) and Caerleon Pharmacy, Cardigan (in July 2019 via Chair's Action) to lease a unit in the new Cardigan Integrated Care Centre (CICC), and that the next stage of the process would be to

hold a tender exercise to determine which of the two Pharmacy contractors would be offered the agreement to lease the unit. Following the tender exercise, the Committee was informed that Well Pharmacy had been offered an agreement to lease the unit in the new CICC. The Committee noted the conclusion of the tender process and the subsequent selection of Well Pharmacy as the Community Pharmacy contractor for the CICC. The Committee requested that a paper be presented for information at the next PCAC meeting on 7th January 2020 regarding Pharmacy Enhanced Services and Pharmacy Walk-in Centres and the services that they provide.

At its meeting on 13th June 2019, the Committee received a report on the application from Lloyds Pharmacy to vary the core hours of two of its Pharmacies – Lloyds Pharmacy, Northfield Health Centre, Narberth and Lloyds Pharmacy, Padarn, Aberystwyth. Members were informed that Hywel Dda CHC's Executive Committee was willing to accept the application as there were alternative Pharmacies locally available, however had commented that vigilance needed to be maintained to ensure services did not dwindle and affect patient access. Mindful of this, the Committee agreed to grant the application to vary the core hours of Lloyds Pharmacy, Narberth Health Centre and Lloyds Pharmacy, Padarn, Aberystwyth.

The Committee meeting scheduled for 6th August 2019 had to be stood down as key PCAC members were not available, and Chair's Action was taken to agree two applications under consideration:

- Application to vary core opening hours, Margaret Street Pharmacy, Ammanford (agreed via Chair's Action on 24th July 2019).
- Application for a minor relocation by Sach Chemists Ltd., t/a Caerleon Pharmacy, Cardigan (agreed via Chair's Action on 31st July 2019).

At the meeting held on 8th October 2019, the Committee received a report on the applications for changes of ownership received from Cross Hands Pharmacy, Gravells Pharmacy (Llangennech) and Kidwelly Pharmacy. The Committee was assured that the applications met all regulatory criteria and the Committee noted the changes of ownership of the NHS Pharmacy contracts for the three pharmacies.

Also at the meeting on 8th October 2019, the Committee received an application for a minor relocation by Lloyds Pharmacy, Pembroke. Committee Members were informed that the consultation had ended on 5th October 2019 and that only one response had been received from another Pharmacy, which confirmed that it did not have any comments. The Committee was assured that the application met the regulatory criteria and the Committee approved the Minor Relocation Application.

At its meeting on 7th January 2020, further to the Committee's request at its meeting on 8th October 2019, the Committee received a report for information which outlined the contribution that Community Pharmacy was making to assist in sustainable service delivery. The Committee noted the content of the report and commended the work being undertaken by the team.

In total, 10 Community Pharmacy contractual change applications were considered by the Committee during 2019/20 (compared to one in 2018/19).

- Minor relocation application – Well Pharmacy, Cardigan
- Two applications to vary core hours - Lloyds Pharmacy, Narberth; Lloyds Pharmacy, Aberystwyth
- Application to vary core hours – Margaret Street Pharmacy, Ammanford.
- Minor relocation application – Sach Chemists Ltd., t/a Caerleon Pharmacy, Cardigan

- Three changes of ownership applications - Cross Hands Pharmacy, Gravells Pharmacy (Llangennech) and Kidwelly Pharmacy
- Minor relocation application – Lloyds Pharmacy, Pembroke

The Committee also received an update on the tender exercise to determine which Pharmacy contractors would be offered the agreement to lease the unit in the new Cardigan Integrated Care Centre.

- **General Dental Services contractual changes in accordance with the National Health Service (Personal Dental Services Agreements) (Wales) Regulations 2006 and the National Health Service (General Dental Services Agreements) (Wales) Regulations 2006:**

At its meeting on 13th June 2019, the Committee received a report on the request received from My Dentist to incorporate two of the Contracts held - My Dentist, Feidr Fair, Cardigan and Thomas Street Dental Practice, Llanelli. Members were advised that the request was in line with Regulations and the extant Health Board process, and agreed they were content to approve the request.

Also at the meeting on 13th June 2019, the Committee received a report on the temporary rebasing of the General Dental Services (GDS) contract at My Dentist, Aberystwyth. Members were advised that a temporary rebase had been negotiated because of underperformance of the contract in 2018/2019, and were assured that the contract would be monitored closely in 2019/2020. Committee Members and Hywel Dda CHC were further assured that, because the Practice had recently recruited two new Dentists, it would be able to deliver on its contract this year.

The Committee also received a report at its meeting on 13th June 2019 on the request to vary the contract for Achddu Villa Dental Practice from a Partnership to a Sole Trader. Members were informed that the request has been accepted, with certain conditions imposed.

Also at the meeting on 13th June 2019, the Committee received an update on the Dental Reform Programme Phase 1: April 2018-March 2019. Committee Members were informed of the introduction of a minimum Unit of Dental Activity (UDA) rate of £25 for participating Practices, as part of Phase 1. Members were also informed that the total cost of uplifting the UDA rate for those Practices currently in the scheme is £8,327. Members were further informed that Welsh Government expects all Practices to participate in Dental Contract Reform by the end of 2020, and that this would cost HDdUHB approximately £186,000 if the current level of contracted activity was maintained. The Committee agreed that the HDdUHB Board should be updated about developments in relation to the Dental Reform Programme.

At its meeting on 8th October 2019, the Committee received a report on the request by Q Dental, Carmarthen to align its opening hours for the remainder of its Waiting List Initiative contract, ending on 31st March 2021, with its other Orthodontic contracts by reducing its opening hours by two hours on Fridays (from 3:00pm to 1:00pm). The Committee was assured that Q Dental had completed its main work on the Waiting List Initiative contract and that urgent access for patients on Friday afternoons would be provided through Q Dental's Swansea branch. The Committee agreed the application to vary the opening hours of Q Dental, Carmarthen for the remaining duration of its Waiting List Initiative contract.

At its meeting on 7th January 2020, Committee Members received a report for information on My Dentist's proposal for remote mentorship arrangements for their Lampeter and Hendy Gwyn Practices, given recruitment issues to Clinical posts being experienced in these two

Practices. Members were informed that, with advice from HDdUHB's Dental Practice Adviser, it would be recommended that the proposal from My Dentist would not be supported because of the risks associated with remote mentorship for Performers and for patient safety. Committee Members were also asked to note the associated risks with declining this approach which could lead to contract reduction or termination. In discussion in relation to recruitment issues more generally, Committee Members were informed that Health Education and Improvement Wales (HEIW) was exploring a training model for dentists which combined working in Practice with a University placement to enable further skills to be developed. The Committee noted the report and its recommendations.

Also at the meeting on 7th January 2020, Committee Members received three reports in relation to dental contract changes that had been approved in line with the relevant Regulations:

- St Davids Dental Surgery – permanent rebase of the contract
- Charsfield Dental Practice – request to vary the partnership
- Emlyn Dental Practice - NHS General Dental Services (GDS) Contract termination

In relation to the latter, a discussion was held which acknowledged the work being undertaken in relation to improving access, the issues around recruiting Dentists and that under the current Contract it appeared less attractive for Dentists to provide NHS Dental Services. The Committee noted the content and recommendation of the report and the Chair requested that the Board was made aware of this development and its impact on access to NHS Dental Services, especially in south Ceredigion.

In total, eight Dental contractual and/or service changes were considered by the Primary Care Applications Committee during 2019/20 (compared to 3 in the previous year).

- Two applications to incorporate contracts – My Dentist, Feidr Fair; Thomas Street Dental.
- Temporary rebase – My Dentist, Aberystwyth.
- Application to vary contract – Achddu Villa Dental Practice.
- Application to align core hours – Q Dental, Carmarthen.
- Permanent rebase of contract - St Davids Dental Surgery
- Request to vary the partnership - Charsfield Dental Practice
- NHS General Dental Services (GDS) Contract termination - Emlyn Dental Practice

Workplan for 2019/20

The core purpose of the Primary Care Applications Committee is to consider Contract changes, many of which cannot be predicted and developed into an annual work programme. Core standing agenda items are therefore included on a work plan template and agenda items added as meetings progress throughout the year and presented at each Committee meeting.

Key Risks and Issues/ Matters of Concern:

- Developments in relation to the Dental Reform Programme.
- Potential relocation of services from Ferryside Branch Surgery subject to patient consultation.
- The provision of Dental Services, especially in south Ceredigion.

Matters Requiring Board Level Consideration or Approval:

- PCAC Revised Terms of Reference.
- Developments in relation to the Dental Reform Programme.
- Recruitment and retention of dentists and dental professionals to improve accessibility of NHS dental services, as well as meeting the national target for the roll-out of Dental Contract Reform.

Argymhelliad / Recommendation

The Board is requested to endorse the Primary Care Applications Committee Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: **Further Information:**	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Committee meetings in 2019/20.
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	PCAC Chair and Lead Director.

Effaith: (rhaid cwblhau) **Impact: (must be completed)**	
Ariannol / Gwerth am Arian: **Financial / Service:**	A sound system of internal control, as evidenced in the Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds
Ansawdd / Gofal Claf: **Quality / Patient Care:**	SBAR template in use for all relevant papers and reports.
Gweithlu: **Workforce:**	SBAR template in use for all relevant papers and reports.
Risg: **Risk:**	SBAR template in use for all relevant papers and reports.

Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Committee's Terms of Reference, requires the submission of an Annual Report to the Board.
Enw Da: **Reputational:**	Not applicable
Gyfrinachedd: **Privacy:**	Not applicable
Cydraddoldeb: **Equality:**	SBAR template in use for all relevant papers and reports.

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	23 June 2020
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	University Partnership Board Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Professor John Gammon, Chair, University Partnership Board
SWYDDOG ADRODD: **REPORTING OFFICER:**	Sarah Jennings, Director of Partnerships and Corporate Services

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

The purpose of this paper is to present the draft University Partnership Board (UPB) Annual Report for 2019/20 to the Board.

The University Partnership Board Annual Report provides assurance in respect of the work that has been undertaken by the Committee during 2019/20 and outlines how the UPB has complied with the key responsibilities delegated by the University Health Board (UHB) through the Terms of Reference set.

Cefndir / Background

Hywel Dda University Health Board's Standing Orders and the Terms of Reference for the UPB require the submission of an Annual Report to the Board to summarise the University Partnership Board's work during the year and to identify how it has fulfilled the duties required of it.

The purpose of the UPB, as expressed in its Terms of Reference, is:

- To provide assurance to the Board around its University status.
- To act as a formal, reciprocal, partnership arrangement between the UHB and its University partners, forming a creative hub to drive and monitor developments in agreed priority areas under the umbrella of the UPB Strategy.
- To monitor progress against the plans developed by the priority area leads and ensure that the UHB is meeting the criteria to maintain its University status against which it will be judged by Welsh Government.
- To assess the current position of the UHB, identify gaps and opportunities, and ensure links are made to maximise the effectiveness of developments to improve the health of its population and the quality and effectiveness of its services (including those delivered jointly with partners).
- To advise the UHB to ensure it is sighted on major innovations, with the guiding principles of clear strategy; clear governance and performance management; mindful of budget

constraints. Issues of relevance to the UHB will include rurality, frailty, links with partners, legislation and work with related initiatives.
- To assure the Health Board that a plan is in place to ensure it continues to meet the criteria for university status.
- To assure the Board that the work of the UPB, through partnership working with the Universities, is leading to continual improvement in the quality of care being provided and patient outcomes.
- To assure the Board that the organisation is compliant with research governance statutory requirements and that the Board is meeting its contractual requirements with regard to research and development.
- To receive the R&D Annual Report for approval prior to submission to the Health and Care Research Wales.
- Cross cutting and underpinning themes of the UPB may include innovation, service improvement and change, workforce development, regeneration within communities and demographic factors such as rurality, as well as a focus on the importance of quality and cultural change.

Asesiad / Assessment

The UPB was established under Board delegation with the UHB approving Terms of Reference for the UPB at its Board meeting on the 25th July 2019.

This Annual Report outlines how the UPB has complied with the duties set through its Terms of Reference, and identifies key actions to address developments.

Constitution:

There is a core membership of the Committee which is comprised of:
- Independent Member (Chair)
- Independent Member (Vice-Chair)
- 2 x Independent Members
- University Health Board Chair
- University Health Board Chief Executive
- Director of Partnerships & Corporate Services (Lead Director)
- Director of Research & Development
- Director of Public Health
- Director of Workforce & Organisational Development
- Director of Planning, Performance & Commissioning
- Director of Therapies and Health Science
- Director of Nursing, Quality and Patient Experience
- Medical Director and Director of Clinical Strategy
- 3 x Aberystwyth University Representatives
- 3 x University of Wales Trinity Saint David University Representatives
- 3 x Swansea University Representatives
- 1 x Further Education Representative (Pembrokeshire College)

Meetings:

UPB meetings are held on a quarterly basis.

During 2019/20, the Committee met on the following occasions and was quorate at each.

- 29th May 2019
- August 2019 (cancelled due to the non-availability of key members due to annual leave)
- 7th November 2019

As the UPB is directly accountable to the Board for its performance, assurance is provided to the Board through a formal written update report which is received at the subsequent Board meeting. A full set of the papers for each Committee meeting is routinely made available on line from the Health Board's website.

Sub-Committees:

Two Sub-Committees reported to the University Partnership Board during 2019/20:

- Research & Development Sub-Committee
- Collaborative Institute for Learning & Development Sub-Committee

Research & Development (R&D) Sub-Committee

The R&D Sub-Committee meetings are held quarterly and a written update report is produced for the UPB following each meeting. These update reports detail the key actions, issues and risks discussed, and are the subject of debate and discussion at each UPB meeting.

The principal duties of the Research & Development (R&D) Sub-Committee are to:

- Ensure R&D is appropriately resourced and that resources are channelled to local and national R&D priorities in the health community.
- Report to relevant agencies such as Health and Care Research Wales (HaCRW), Welsh Government, through the approval of the R&D Annual Return, Mid-Year Return, Annual Plan and Spending Plan.
- Receive and comment on financial, performance management and data reports submitted to HaCRW.
- Review new research applications pertaining to a member's specialist field / management responsibilities when requested by the R&D Manager.
- Promote increased staff involvement in research activity, including facilitating access to relevant training to enhance research capacity and capability.
- Encourage multi-disciplinary and multi-agency R&D, including patient/public involvement where appropriate.
- Report on R&D activity to relevant health community committees and the Health Board via the R&D Director or their nominated person.
- Support Universities with their research agenda and impact, including undergraduate/postgraduate work, Research Excellence Framework submission.
- Develop joint roles between University partners and the UHB (e.g. honorary contracts, joint contracts, academic roles, clinical academic roles).
- In respect of its provision of assurance and advice to the University Partnership Board, the Sub-Committee will ensure the implementation and adherence to relevant research legislation and any requests for reports to HaCRW.

During 2019/20, the Sub-Committee met on the following dates:

- 7th May 2019
- 29th July 2019 (cancelled due to the non-availability of key members due to annual leave)
- 11th November 2019
- 27th January 2020

Collaborative Institute for Learning & Development Sub-Committee

The Collaborative Institute for Learning & Development Sub-Committee meetings are held quarterly and a written update report is produced for the UPB following each meeting. These update reports detail the key actions, issues and risks discussed, and are the subject of debate and discussion at each UPB meeting.

The principal duties of the Collaborative Institute for Learning & Development Sub-Committee are to:

- Ensure R&D is appropriately resourced and that resources are channelled to local and national R&D priorities in the health community.
- Report to relevant agencies such as Health and Care Research Wales (HaCRW), Welsh Government, through the approval of the R&D Annual Return, Quarterly Returns, Annual Plan and Spending Plan.
- Receive and comment on financial, performance management and data reports submitted to Health and Care Research Wales.
- Review new research applications pertaining to a member's specialist field / management responsibilities when requested by the R&D Manager.
- Promote increased staff involvement in research activity, including facilitating access to relevant training to enhance research capacity and capability.
- Encourage multi-disciplinary and multi-agency R&D, including patient/public involvement where appropriate.
- Report on R&D activity to relevant health community Committees and Health Board via the R&D Director or their nominated person.
- Support Universities with their research agenda and impact, including undergraduate/postgraduate work, Research Excellence Framework submission.
- Develop joint roles between University partners and the UHB (e.g. honorary contracts, joint contracts, academic roles, clinical academic roles).
- The Sub-Committee will, in respect of its provision of assurance and advice to the Quality, Safety and Experience Assurance Committee, ensure the implementation and adherence to relevant research legislation and any requests for reports to HaCRW.

At the UPB meeting held on 29th May 2019, Members were presented with a paper proposing the dissolution of the Collaborative for Learning & Development Sub-Committee. Members noted the paper and approved the proposal for the cessation of the Collaborative Institute for Learning & Development Sub-Committee.

<u>Areas of Responsibility:</u>

In discharging its duties, the UPB has undertaken work during 2019/20 against the following areas of responsibility in relation to its Terms of Reference:

Governance

- **Annual Review of the University Partnership Board Terms of Reference** – The Terms of Reference were discussed and agreed, subject to amendments, at the meeting held on 29th May 2019.

- **Self-Assessment of Performance** – At the meeting held on 29th May 2019, five key questions were discussed:

  1. *Has the UPB been provided with sufficient membership, authority and resources to perform its role effectively and independently?*
     Feedback – unclear on the issue of resources and a need to keep sight of partnerships further afield.
  2. *Is there effective scrutiny and challenge from all UPB Members?*
     Feedback – all voices are heard and there is always transparent and open debate at meetings. A need to re-look at the standing agenda item 'Academic Developments' and how it is facilitated.
  3. *Has the UPB determined the appropriate level of detail it wishes to receive from reports?*
     Feedback – reports to the UPB can extend to a number of pages therefore a more carefully formulated cover sheet should be considered for presentation to the UPB in future.
  4. *Does the UPB receive timely and appropriate feedback from its Sub-Groups and does the UPB provide clear direction to its Sub-Committees?*
     Feedback – feedback is not always fed up to the strategy of the UPB on a regular basis which would be considered further.
  5. *Does the UPB receive the right level and type of information to provide assurance?*
     Feedback – the majority of Members considered that the right level of information was not always received in order to provide assurance which would be reflected in the revised Terms of Reference.

- **Revised Governance Arrangements** - At the meeting held on 7th November 2019, the UPB agreed to the revised governance arrangements proposed that under the auspices of a University Partnership Group (UPG), the UPG Chair and Lead Director, supported and facilitated by HDdUHB's Strategic Partnerships & Inclusion Manager, would meet on a bi-annual basis with each University and Pembrokeshire College to scope areas of mutually beneficial activities, building on their unique strengths to improve services to the population of HDdUHB. These areas of work would culminate in an annual meeting or workshop event bringing together the products of the joint work that had taken place throughout the year, with an annual report to be presented to the Board to discharge the UPG's responsibilities within its revised Terms of Reference. The Committee supported the proposed governance arrangements to progress this collaborative work, outside of the current quarterly cycle of formal assurance Committee meetings, and to re-brand the UPB as a UPG. Given the enormity of untapped potential to release, working in this new way would enable an overview to be maintained through the wider University partnership arrangements put in place for an annual meeting and conference, with increased energy expended on specific joint projects. The success of these revised governance arrangements for the re-branded UPG would be dependent upon maximising the strength of the partners in order to deliver tangible outcomes.

Strategy

- **Year 2 of the University Partnership Board Strategy – A means by which delivery on research, and delivery on innovative ways of providing services, care and supporting staff – to ultimately benefit patients** – At the 29th May 2019 meeting, Members were assured that as current milestones are being reached in the majority of missions, progress against Year 2 of the UPB Strategy was on track.

- **University Partnership Board Strategy – Year 3 and Plans for the Future** - At the 7th November 2019 meeting, Members supported the Aberystwyth University, Swansea University and University of Wales Trinity Saint David individual workplans to be used as a basis for identifying in terms of their respective strengths, their proposed engagement with the Health Board's strategic direction and plan over the next 3 years.

Academic Developments

- **Apprenticeships in Hywel Dda** – Members were provided with an update on apprenticeships within Hywel Dda at the meetings held on 29th May 2019 and 7th November 2019, noting the following:

  - A formal launch was held on 30th May 2019 to recruit 40 Health Care apprentices.
  - Following the 'soft launch', 32,888 hits on the Apprentice logo were received, 103 direct enquiries on Facebook and Twitter and 73 emails.
  - The successful candidates commenced with the UHB in September 2019. By December 2027, these students would become qualified nurses.

  The team involved was congratulated on this excellent example of strategically responding and exploiting opportunities with the UHB's partners. Assurance was provided that individual organisations could deliver each level and phase of the programme. Members also welcomed the update that an Invest to Save bid had been submitted with a view to creating a cross sector apprenticeship scheme for 2020/21.

- **International Collaborative Research Project on Workplace Climate and Staff Wellbeing** – At the 29th May 2019 meeting, Members noted that Swansea University had been approached by Swinburne University to take part in the 'What Nurses Want' survey, and advised of a proposal to undertake the survey in the UHB at a later date.

Service Developments

- **Rural Health & Care Wales (RHCW)** - Members received an update on the Graduate Entry for Rural Medicine, noting that funding had been secured and seven recruits signed up to date. Members were informed that the RHCW Conference held on 5th and 6th November 2019 at Builth Wells Showground, opened by Mr Mark Drakeford, First Minister for Wales, had been particularly informative, propounding a range of presentations.

- **Regional Strategic Projects** – Members received an update on both the ARCH and Swansea Bay City Deal projects.

- **Appointment of Deputy Director of Research and Innovation** – Members were pleased to note that Dr Leighton Phillips had been appointed to the role of Deputy Director of Research & Innovation.

- **Widening Access to Training** – At the 7th November 2019 meeting, Members received a presentation on the Cardiff Medical School programme "Community and Rural Education Route (CARER)". The UPB was pleased to note that positive feedback had been received from both the students involved and the public. A presentation was also received from Professor Hawthorne in respect of Swansea University's equivalent programme "Primary Care Academy", where it was acknowledged that support would be needed from HDdUHB in terms of building resilience and planning for providing opportunities in hospital and primary care placements in order for the Academy to be a success.

- **Evaluation Approaches** – At the 7th November 2019 meeting, Members received a report on evaluation approaches for the Health and Care Strategy Delivery Portfolio, noting that all University partners were considering how best to align their considerable knowledge, expertise and analytical resources to support HDdUHB in advancing the Health and Care Strategy and related portfolio.

Assurance

- **Academic Centre (Hub) Update** – At the 7th November 2019 meeting, Members received an update on the activities of the West Wales Academic Health Collaborative (WWAHC) and were pleased to note that 11 applications to the Bevan Exemplar Programme had been supported, 9 of which have gone on to become Exemplars. The Director of Partnerships and Corporate Services was requested to ensure that conversations continue between HDdUHB and University partners regarding funding to extend the programme.

- **Support Plan for Active Research Clinicians** – At the 7th November 2019 meeting, Members received a presentation emphasising the need for additional research-active departments within HDdUHB. Members were pleased to note that the Research & Development Department is pro-active in promoting the importance of research to other health care professionals and that grant funding sources are being pursued to resolve this.

- **Action from Effective Clinical Practice Sub Committee & Academic Advisors Template** – At the 7th November 2019 meeting, Members welcomed the review that had been undertaken of the Effective Clinical Practice Sub-Committee and its underpinning reporting structure, with the findings indicating that access to University partners' expertise around literature reviews and new interventional procedures would be most beneficial. Members noted that a template was being developed for subsequent sharing with University partners.

- **Research & Development Sub-Committee** - Written update reports from the Research & Development Sub-Committee meetings were received by the University Partnership Board at the 29th May and 7th November 2019 meetings.

Key Risks and Issues/Matters of Concern raised by the Committee to the Board during 2019/20 included:

- There were no key risks and issues/matters of concern raised by the UPB to the Board during 2019/20.

Matters Requiring Board Level Consideration or Approval during 2019/20:

- From its meeting on 29th May 2019, the UPB requested the Board support the amended governance arrangements for the University Partnership Board (UPB) and approve its revised Terms of Reference.
- From its meeting on 7th November 2019, the UPB requested the Board support the amended governance arrangements for the University Partnership Group (UPG).

Argymhelliad / Recommendation

The Board is requested to endorse the University Partnership Board Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable
Gwybodaeth Ychwanegol: **Further Information:**	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the UPB meetings 2019/20.
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	UPB Chair & Lead Director

Effaith: (rhaid cwblhau) **Impact: (must be completed)**	
Ariannol / Gwerth am Arian: **Financial / Service:**	A sound system of internal control, as evidenced in the Committee's Annual Report, will assist with ensuring financial control, and the safeguard of public funds

Ansawdd / Gofal Claf: **Quality / Patient Care:**	SBAR template in use for all relevant papers and reports.
Gweithlu: **Workforce:**	SBAR template in use for all relevant papers and reports.
Risg: **Risk:**	SBAR template in use for all relevant papers and reports.
Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Committee's Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and the Committee's Terms of Reference, requires the submission of an Annual Report to the Board.
Enw Da: **Reputational:**	Not applicable
Gyfrinachedd: **Privacy:**	Not applicable
Cydraddoldeb: **Equality:**	SBAR template in use for all relevant papers and reports.

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	23 June 2020
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Healthcare Professionals Forum Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Dr Philip Kloer, Medical Director/ Deputy Chief Executive Officer
SWYDDOG ADRODD: **REPORTING OFFICER:**	Dr Kerry Donovan, Chair, Healthcare Professionals Forum

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

The purpose of this paper is to present the Healthcare Professionals Forum Annual Report 2019/20 to the Board.

The Healthcare Professionals Forum Annual Report provides assurances in respect of the work that has been undertaken by the Forum during 2019/20, and demonstrates that its Terms of Reference are being appropriately discharged.

Cefndir / Background

Hywel Dda University Health Board's Standing Orders and the Terms of Reference (ToR) for the Healthcare Professionals Forum require the submission of an Annual Report to the Board to summarise the work of the Forum and to identify how it has fulfilled the duties required of it.

The Healthcare Professionals Forum (hereafter referred to as "the Forum") was established as an Advisory Forum of the Hywel Dda University Health Board (HDdUHB) and constituted from December 2010.

As an Advisory Group to HDdUHB, the purpose of the Healthcare Professionals Forum is to provide advice to the Board on all professional and clinical issues it considers appropriate. Its role does not include consideration of professional terms and conditions of service.

The Annual Report specifically comments on the key issues considered by the Forum in terms of professional and clinical issues and the adequacy of the scrutiny and assurance in place.

Asesiad / Assessment

Governance

The Healthcare Professionals Forum has been established under Board delegation, with the Health Board initially approving Terms of Reference for the Forum at its Board meeting held

25th March 2010. Terms of Reference have since been regularly reviewed, with the latest version approved by the Board at its meeting held 30th May 2019.

At its meeting held 12th June 2019, the Forum considered its ToRs specifically in relation to its principal duties and operational role. On reflection, Members considered that the Forum's duties and role, as described in the ToR, were sufficient and appropriate, and agreed to retain the current version of the ToRs until the next review period.

At its meeting held 20th January 2020, Members discussed and agreed the Forum's principal areas of focus for the following three-year period, grouped under the following headings:

- Clinician-Level Information (enabling access for clinicians to information required to support clinical decision-making);
- Medical Management and Leadership Programmes (adapting current programmes to clinical leadership structures, using organisational management structures and clinical leadership models to inform change and lead on local/ specialty improvements for patients and staff, and promote local ownership and decision making to improve patient and service outcomes);
- Transforming Clinical Services (review of job plans and working arrangements to support staff involvement in core workstreams, promotion of clinical leadership of pathway redesign, and establishment of clinical empowerment to lead change relating to specialism/ Directorate);
- Digital Requirements and Solutions (identification of digital requirements in wards and clinics to support clinical decision-making, contextualisation of resource implications, and evaluation and delivery of digital solutions);
- Quality Improvement (QI) Programmes (promotion of a QI culture among clinicians and creation of localised QI programmes at speciality, Directorate and site level to improve services and outcomes for HDdUHB patients and staff).

As the Forum is directly accountable to the Board for its performance, it provides assurance to the Board through a formal written update report which is received at the subsequent Board meeting.

The draft Healthcare Professionals Forum Annual Report 2019/20 had been scheduled for review at the Forum meeting due to be held 18th March 2020, prior to submission to the Board for approval, however this meeting was stood down in line with the contingency Corporate Governance arrangements drawn up in response to the COVID-19 pandemic. The Healthcare Professionals Forum Annual Report 2019/20 has therefore received approval via Chair's Action.

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Constitution

All members of the Forum are full and equal members and share responsibility for the decisions of the Forum.

The membership of the Forum reflects the structure of the seven Health Statutory Professional Advisory Committees set up in accordance with Section 190 of the NHS (Wales) Act 2006. Membership of the Forum therefore comprises the following eleven members:

Welsh Medical Committee

- Primary and Community Care Medical representative
- Mental Health Medical representative
- Specialist and Tertiary Care Medical representative

Welsh Nursing and Midwifery Committee
- Community Nursing and Midwifery representative
- Hospital Nursing and Midwifery representative

Welsh Therapies Advisory Committee
- Therapies representative

Welsh Scientific Advisory Committee
- Scientific representative

Welsh Optometric Committee
- Optometry representative

Welsh Dental Committee
- Dental representative

Welsh Pharmaceutical Committee
- Hospital Pharmacists representative
- Community Pharmacists representative

Management Representatives:

Medical Director/ Deputy Chief Executive.

HDdUHB may nominate designated Board Members or Health Board staff to be in attendance at Forum meetings. The Forum Chair may, likewise, request the attendance of Board Members or Health Board staff, subject to the agreement of HDdUHB Chair.

The following representative has been designated as an *In Attendance* Member:
- Advanced Paramedic Practitioner representative.

Meetings

During 2019/20, Healthcare Professional Forum meetings were held on a bi-monthly basis and the Forum met on five occasions and was quorate at each, as follows:

- 9th April 2019
- 12th June 2019
- 16th September 2019
- 8th November 2019
- 20th January 2020

The meeting scheduled for 18th March 2020 was necessarily stood down, in line with the contingency Corporate Governance arrangements drawn up in response to the COVID-19 pandemic.

Areas of Responsibility

In discharging its role, the Forum is required to oversee and monitor its agenda on behalf of the Health Board, and in respect of its provision of advice to the Board, ensure the implementation of the Forum's agenda against the following areas of responsibility:

- To provide a balanced, multi-disciplinary view of professional issues to advise the Board on local strategy and delivery;
- To facilitate engagement and debate amongst the wide range of clinical interests within the Health Board's area of activity, with the aim of reaching and presenting a cohesive and balanced professional perspective to inform the Health Board's decision making; and
- To link in with existing internal clinical engagement structures.

The Forum has undertaken work during 2019/20 against the following areas of responsibility in relation to its agenda:

Items Discussed - Strategic Issues

- **Empowering Clinicians**
  The Forum was presented with a report outlining the aims, objectives and development of the HDdUHB 'Empowering Clinicians' Strategy. Members were informed that the strategy document (in draft form at the time of presentation) is being taken forward within the Executive portfolio of the Medical Director/ Deputy Chief Executive Officer. The strategy itself will be informed by dialogue with clinicians, to support an understanding of patient needs and deliverables, and will be based upon contextualisation of resources, leadership and solutions required for the facilitation of clinical empowerment within working practice. Forum Members provided comment on the range of aspects covered by the strategy, and welcomed the opportunity to discuss these further at future Forum meetings.

- **Transformation Fund Update**
  Forum Members received a presentation regarding the Transformation Fund at the HPF meeting held 16th September 2019, including an overview of programmes that have received funding from WG. Members were informed that the total bid (£80m) covered four themes involving eight interactive programmes, and were provided with programme details, both those approved by WG and those awaiting approval. Members were pleased to note that proposals for Transformation Fund bids were aligned with the HDdUHB Health & Care Strategy given the extensive involvement of clinicians its development, and would therefore facilitate delivery of various elements, however expressed concern regarding the relative lack of engagement with clinicians and General Practitioners (GPs) during the development of the funding programmes. It was resolved that the Head of the Regional Collaboration Unit would feed back the concerns raised, and emphasise that effective and early engagement would be welcomed in future developments.

- **Public Services Boards and the Regional Partnership Board**
  At its meeting held 8th November 2019, the Forum received presentations from the Director of Partnerships and Corporate Services and the Head of Strategic Partnerships, Diversity and Inclusion, relating to the Public Services Boards and the Regional Partnership Board. Members were advised of the focus, structure, membership and accountability of these respective Boards, and were provided with detail relating to the work undertaken, including examples of collaborative working with partner agencies. The Forum was pleased to note the joint commitment and active working within the Public Services Boards to provide sustainable solutions for the next generation, and was assured that work by the Regional Partnership Board is taking place to address any obstacles impacting on the smooth delivery of services, and to progress integrated project work within the systems. The Forum acknowledged the current workstreams, and suggested that clinical staff may appreciate further updates in order to raise their awareness of the important work of these Boards. It was also suggested that clinical staff may wish to express views and feedback, through operational and professional management lines, to the relevant Executive.

- **Value-Based Healthcare**
  A presentation was received at the Forum meeting held 20th January 2020, informing Members of the rationale underlying the Value-Based Healthcare (VBHC) model. This was described in terms of restructuring health care systems in order to create value for patients and improve the health of local populations within the limits of available resources, with a focus upon prevention, self-care and patient-led maintenance treatment. Members were advised of prioritised areas of focus i.e. fragile services within HDdUHB, analysis tools available to support the delivery of VBHC, and assistance provided by the VBHC Team in terms of process mapping, resource allocation and costing, project management and data analysis.

Items Discussed - Fragile Services

Those services representing a concern to the Health Board in terms of their fragility were highlighted to the Forum. Members were reassured that work is being undertaken to reduce the levels of risk associated with these services and acknowledged that, in certain cases, work would be undertaken imminently in response to immediate risks and pressures. Sustainability work would also be undertaken over the forthcoming year for other services.

The fragile services discussed at Forum meetings included:

- **Trauma Network**
  All aspects of planning, development, resourcing and outcomes relating to the Trauma Network were discussed by the Forum, following the approval of a clinical network consisting of a dedicated Major Trauma Centre in Cardiff, and Trauma Units in each Health Board. In order to obtain further detail, and at Members' invitation, the Director of Planning, Performance & Commissioning, provided a further update regarding the Trauma Network at the Forum meeting held 12th June 2019, .

  The Forum noted evidence of better healthcare outcomes resulting from the clinical network model, and was reassured that a business case is being developed in support of a 24-hour Emergency Medical Retrieval and Transfer Service (EMRTS) to cover Mid Wales and Pembrokeshire, thereby strengthening the network and ensuring that all patients have timely access to specialist trauma care.

  Forum Members discussed proposals for the siting of the HDdUHB Trauma Unit, given requirements to meet relevant standards, and endorsed the interim designation of Glangwili General Hospital (GGH), while remaining mindful of capacity and pressures already impacting the site. Concerns expressed by clinical groups in Bronglais General Hospital (BGH) regarding the potential designation of the site as a Local Emergency Hospital were noted, and Members were reassured to learn that the role and significant positioning of BGH would be recognised in terms of Rural Trauma facilities, supported by provision of further training and support for staff.

  Timetables for the implementation of the Trauma Network were considered in terms of whether the need to establish local arrangements at pace would allow time for capital investment. The Forum received assurance that the project had benefited from enthusiastic clinical leadership as well as appropriate support from the Corporate Planning Team.

  Forum Members discussed priority resources required to establish the Trauma Network and highlighted shortfalls in therapy services within HDdUHB to support the rehabilitation care required, while acknowledging that the Trauma Audit and Research Network

(TARN) data collection does not yet provide sufficient detail for accurate planning in terms of patient flows. Members noted separate workstreams within HDdUHB relating to Trauma, Stroke and Neuro-Rehabilitation, and agreed the need to link these pieces of work to provide a sustainable service for complex-need patients.

- **Stroke Services**

  Noting evidence linking better stroke outcomes with designated Hyper Acute Stroke Units (HASUs), Forum Members discussed ongoing work within the Health Board to develop a HASU, based on co-location of Stroke services at one site, while recognising challenges within the current Stroke and Rehabilitation Service structure. Acknowledging associated sensitivities, Forum Members received an update regarding the current position and developments in Stroke services from the Director of Therapies & Health Science at its meeting held 12th June 2019, where evidence was presented to support the use of intensive therapy in reducing disability and length of stay, and enhance the provision of seamless transfer of care into specialist community services to improve outcomes.

  Members were concerned to note that data relating to the Sentinel Stroke National Audit Programme (SSNAP), showed the relatively low rating allocated to provision of Stroke services within HDdUHB as a whole, and acknowledged that low performance gradings were largely attributable to staff shortages due to recruitment difficulties, and relatively low availability of specialist skill and 24/7 cover across all specialties.
  The Forum agreed that the current system was unsustainable and would not enable relevant standards of delivery to be met.

  The Forum was assured that a multi-disciplinary and multi-agency Stroke Redesign Programme has been established to develop service provision within HDdUHB, predicated to an extent upon the Morriston HASU model, and that consideration is being given to develop home-based rehabilitation for appropriate Stroke patients. The Forum was reassured that BGH will continue to be an admitting and stabilising unit.

- **Heart Disease**

  Forum Members noted challenges in terms of length of wait for services, and were reassured that the new Triage and Treat service offered to Non-ST-Elevation Myocardial Infarction (NSTEMI) patients had reduced length of hospital stay prior to transfer, and that a business case is being developed to expand certain procedures. Medical members provided updates regarding the appointment of a Consultant Cardiologist and development of Computed Tomography (CT) Angio and Pacing services at BGH. Members noted positive outcomes from the establishment of dedicated Heart Failure Nurses in certain Health Board sites, and discussed potential efficiencies to be derived from the appointment of Chronic Conditions Nurses trained to deal with a range of conditions. Members emphasised the need to consider whole-system design in the re-design of services, and the role of other professions such as Pharmacy and Occupational Therapy.

- **Dermatology**

  The Forum was informed that this remains a high risk area with Consultant recruitment proving challenging. Members appreciated that HDdUHB and Abertawe Bro Morgannwg University Health Board (ABMUHB) have been working closely together to address some of the challenges faced, and that GPs with a specialist interest in Dermatology have been identified to support the service.

- **Adult Mental Health**
  The Forum acknowledged unsustainable pressures in Mental Health services, noting that medical rotas had precipitated the need for service change and that this would be prioritised over the coming year. Medical members queried the impact of resultant pressures on bed occupancy as a result of transformation. The Forum accepted the assurance that the number of beds would not be reduced, however beds may be used for different functions according to the nature of need.

- **Ophthalmology**
  The Forum noted challenges surrounding recruitment of medical staff in addition to long waiting lists, and suggested that provision of dedicated Eye theatre time would assist in alleviating pressures, dependent upon staffing capacity. The Forum noted that the establishment of joint Health Board posts was also being explored.

- **Neurology**
  Given historic gaps in provision, the Forum was pleased to learn that this service is being developed as part of the A Regional Collaboration for Health (ARCH) project, and that a community-focused model has been developed.

- **Histopathology**
  The Forum noted that due to ongoing issues with the recruitment of medical staff within Histopathology, a Hub and Spoke model is being developed. Equal access to laboratory reporting and Multi-Disciplinary Team (MDT) representation was identified as a requirement in the long-term model.

- **Out of Hours (OOH) Service**
  The Forum acknowledged challenges and ongoing issues relating to the provision of OOH services across the Health Board, attracting regular media attention.

- **Paediatric Task and Finish Group**
  The Service Delivery Manager, Paediatrics and Neonates, delivered a presentation at the Forum meeting held 16th September 2019, updating Members on the work of the Paediatric Task and Finish Group which had been established in response to changes and challenges facing Paediatric and Neonatal services, in order to discuss potential models of Paediatric care ensuring that the model selected in moving the service forward would be sustainable, clinically safe and appropriate for patients. Whilst the Forum was reassured that this complex piece of work included input from clinical leaders from Anaesthetics, Paediatrics, A&E and Out of Hours (OOH) services, with public engagement and consultation events planned, Members highlighted that all professional groups needed to be involved in service redesign going forward in order to ensure that developments accommodate existing models specific to individual specialties and departments.

Key Risks and Issues/ Matters of Concern:
Key risks and issues/matters of concern raised by the Forum to the Board during 2019/20 included:

- The need for the Health Board to engage with key clinical leaders and GP leads - and specifically the Healthcare Professionals Forum, as the clinical and professional Advisory Group to Board - at an early stage in development of funding proposals, to enable clinicians to exercise effective influence upon future developments requiring large scale funding. While recognising constraints linked to Transformation Funding in terms of timescales and the need to agree proposals with all partners, the Forum expressed concern regarding the

level of engagement with clinicians during the development of the transformation proposals and lack of available detail relating to input processes.

- In view of concerns raised regarding the potential designation of BGH as a Local Emergency Hospital only, consideration should be given to the designated role of the hospital within the Trauma Network, ensuring that this aligns with the particular characteristics of the site.

- Current gaps in meeting Trauma Unit standards across the Health Board, while acknowledging significant work underway to meet this standard.

- Existing capacity pressures already existing at the GGH site, and the impact of further flow resulting from designation of the site as a Trauma Unit.

- The ambitions for implementation of the timetable for the Trauma Network which do not accord with the local arrangements required, and will not allow time for the necessary capital investment.

- The unsustainability of the current system of provision of Stroke services across all HDdUHB sites given the challenges involved, and the threat to the Health Board's ability to meet the standards of delivery required.

- The value of specific specialisms in Heart Failure nursing needs to be balanced against efficiencies to be derived from a move to generic Chronic Conditions Nurses in certain areas of the Health Board.

- Challenges to accurate estimation of patient flow to Morriston HASU, as flow modelling needs to include different travel and traffic conditions over given periods. Failure to do so could impact on critical treatment timelines for patients and provide an inaccurate picture of the number of patients that can attend within 45 or 60 minutes.

- Gaps in workforce establishment of Therapy staff within Stroke and Trauma services, particularly Clinical Psychology, together with a lack of investment in these areas.

- The need to link and align separate workstreams currently in place relating to Trauma, Stroke and Neuro-rehabilitation, in order to optimise use of resources and promote service sustainability. The need to consider Pharmacy and the Pharmacy model in work undertaken by the Task and Finish Group established to review Children's Services (particularly at WGH site), in addition to input from Paediatric, OOH and A&E Service Leads.

Matters Requiring Board Level Consideration or Approval:

- From its meeting on 16th September 2019, the need for the Health Board to engage with key clinical leaders and GP leads at an early opportunity, during the infancy of development of proposals for funding, in order for clinicians to have effective influence with any future large scale funding.
- From its meeting on 16th September 2019, the need for the Health Board to engage with the Healthcare Professionals Forum, as the clinical and professional advisory group to Board, at the earliest opportunity in developing proposals for large scale funding.
- From its meeting on 20th January 2020, the new Chair of the Healthcare Professionals Forum – Dr Mo Nazemi (approved by Forum).

Argymhelliad / Recommendation

The Board is asked to endorse the Healthcare Professionals Forum Annual Report 2019/20.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	N/A
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: **Further Information:**	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Healthcare Professionals Forum meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	HPF Chairs

Effaith: (rhaid cwblhau) **Impact: (must be completed)**	
Ariannol / Gwerth am Arian: **Financial / Service:**	A sound system of internal control, as evidenced in the Healthcare Professional Forum's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	SBAR template in use for all relevant papers and reports.
Gweithlu: **Workforce:**	SBAR template in use for all relevant papers and reports.
Risg: **Risk:**	SBAR template in use for all relevant papers and reports.
Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Healthcare Professional Forum's Annual Report, ensures that any risks to the achievement of the Health

	Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and Terms of Reference, requires the submission of an Annual Report.
Enw Da: **Reputational:**	Not applicable
Gyfrinachedd: **Privacy:**	Not applicable
Cydraddoldeb: **Equality:**	SBAR template in use for all relevant papers and reports

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	23 June 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Staff Partnership Forum Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Lisa Gostling, Executive Director of Workforce & OD
SWYDDOG ADRODD: REPORTING OFFICER:	Lisa Gostling, Executive Director of Workforce & OD

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

The purpose of this paper is to present the Staff Partnership Forum Annual Report 2019/20 to the Board.

The Staff Partnership Forum Annual Report provides assurances in respect of the work that has been undertaken by the Forum during 2019/20, and that the terms of reference as set by the Forum are being appropriately discharged.

Cefndir / Background

Hywel Dda University Health Board's Standing Orders and the Terms of Reference for the Staff Partnership Forum require the submission of an Annual Report to the Board to summarise the work of the Forum and to identify how it has fulfilled the duties required of it.

The Staff Partnership Forum was established as an Advisory Forum of the Hywel Dda University Health Board and was constituted from 1st October 2009.

The fundamental purpose of the Forum is to provide assurance on compliance with legislation, guidance and best practice around its agenda.

The Annual Report specifically comments on the key issues considered by the Forum in terms of staff partnership and the adequacy of the scrutiny and assurance in place.

Asesiad / Assessment

The Forum has been established under Board delegation with the Health Board initially approving Terms of Reference for the Forum at its Board meeting on 25th March 2010. These were further revised in 2011, 2013, 2014 and 2015. Following discussion on the revised Terms of Reference at the Forum meeting on 10th February 2020 to consider whether these adequately covered the Forum's focus, it was agreed to establish a sub-group to further review the Terms of Reference and present a draft amended version to the Forum at its April 2020 meeting.

In discharging its role, the Forum is required to oversee and monitor its agenda for the Health Board, and in respect of its provision of advice to the Board, ensure the implementation of the Forum's agenda against the following areas of responsibility:

- Establish a regular and formal dialogue between the Board's Executive and the Trade Unions on matters relating to workforce and health service issues.
- Enable employers and staff organisations to put forward issues affecting the workforce.
- Provide opportunities for staff organisations and managers to input into organisation service development plans at an early stage.
- Consider the implications on staff of service reviews and identify and seek to agree new ways of working.
- Consider the implications for staff of NHS reorganisations at a national or local level and to work in partnership to achieve mutually successful implementation.
- Appraise and discuss in partnership the financial performance of the organisation on a regular basis.
- Appraise and discuss in partnership the Board services and activity and its implications.
- Provide opportunities to identify and seek to agree quality issues, including clinical governance, particularly where such issues have implications for staff.
- Communicate to the partners the key decisions taken by the Board and senior management.
- Consider national developments in NHS Wales Workforce & Organisational Strategy and the implications for the Board including matters of service re-profiling.
- Negotiate on matters subject to local determination.
- Ensure staff organisation representatives are afforded reasonable paid time off to undertake trade union duties.
- To develop in partnership appropriate facilities arrangements using A4C Facilities Agreement as a minimum standard.

Constitution

All members of the Forum are full and equal members and share responsibility for the decisions of the Staff Partnership Forum. The Health Board agrees the overall size and composition of the Forum in consultation with those Trade Unions it recognises for collective bargaining. Trade Union Non-Officer Members//Independent Members are expected to attend the Forum in an ex-officio capacity. From the terms of reference approved in December 2015, the membership of the Forum was agreed as follows:

Management Representatives:

Chief Executive
Finance Director
General Manager/Divisional Managers (as locally identified)
Director of Workforce & OD (Chair)
Workforce and OD staff (as locally identified)
Other Executive Directors and others may also be members or may be co-opted dependent upon the agenda

The Board recognises the following Trade Unions for the representation of members who are employed by the organisation.

Staff Representatives:

British Medical Association (BMA)
Royal College of Nursing (RCN)
Royal College of Midwives (RCM)
UNISON
UNITE
GMB
British Orthoptic Society
Society of Radiographers
British Dental Association
Society of Chiropodists and Podiatrists
Federation of Clinical Scientists
Chartered Society of Physiotherapy (CSP)
British Dietetic Association
British Association of Occupational Therapists (BAOT)

In June 2019, Mrs Gostling expressed her formal gratitude to Mr Adam Morgan, Independent Member and Chartered Society of Physiotherapy representative, who departed HDdUHB to become a Regional representative. Members acknowledged that Mr Morgan had been a great credit to the Forum, regularly enquiring about staff impact in any Board and Committee discussions.

Meetings

During 2019/20, Staff Partnership Forum meetings were held on a bi-monthly basis and the Forum met on six occasions and was quorate at all meetings, as follows:

- 1st April 2019
- 10th June 2019
- 5th August 2019
- 7th October 2019
- 9th December 2019
- 10th February 2020

As the Forum is directly accountable to the Board for its performance, it provides an assurance to the Board through a formal written update report which is received at the subsequent Board meeting.

Areas of Responsibility

In discharging its duties, the Forum has undertaken work during 2019/20 against the following areas of responsibility in relation to its agenda:

Governance:

- Draft Annual Report to Board – at its meeting in February 2020, the Staff Partnership Forum Annual Report 2019/20 was presented and agreed for onward approval to the Board.

- Approval of County Fora Terms of Reference – at its December 2019 meeting, the Carmarthenshire, Ceredigion and Pembrokeshire Fora terms of reference were approved.
- Staff Partnership Forum Terms of Reference – at its meeting in February 2020, Members agreed that a sub-group be established to review the current Terms of Reference.

Strategic Issues:

A Healthier Mid and West Wales Update – Update reports on *A Healthier Mid and West Wales*/Health & Care Strategy, have been presented to the Forum throughout 2019/20 and Members noted the significant work undertaken to plan for the delivery phase, including the establishment of 3 programme groups (Transforming Our Communities, Transforming Our Hospitals, and Transforming Mental Health and Learning Disabilities). The Forum nominated representatives to serve on these 3 programme groups. The Forum was also presented with an overview of the portfolio of programmes for the delivery of the Health & Care Strategy. Members were pleased to note that HDdUHB's Transforming Clinical Services programme had been recognised internationally and had become a global resource case study.

Strategic Equality Plan Annual Report 2018/19 – The draft Strategic Equality Plan (SEP) Annual Report 2018/19 was presented to the Forum, together with the Strategic Equality Plan (SEP) and Objectives 2020-24 which provided an overview of the process to involve protected groups and the general public in developing HDdUHB's equality objectives for the next four years. The Forum supported the principles of the SEP and Objectives 2020-24.

Finance Update – In April 2019, the Forum noted the financial position at the end of Month 11 2018/19 and the revision of the forecast deficit and further noted the adverse variance against plan of £0.1m (year to date). In June 2019, the Forum noted the financial position at the end of Month 1 2019/20 which represented an adverse variance against plan of £0.4m and at the end of Month 2 represented an adverse variance against plan of £0.6m. Members were informed that this position had been driven by bed pressures in Unscheduled and Critical Care, particularly in Withybush Hospital but also in Glangwili and Prince Philip Hospitals. The Forum discussed pressures upon Emergency Departments and the importance of collective working in the context of the Transforming Community Services programme. In August 2019, the Forum noted the financial position at the end of Month 3 which represented an adverse variance against plan of £1.4m, with the biggest impact on the year to date forecast being Withybush Hospital with its significant surge activity, issues with staffing medical and nurse rotas in A&E, and issues with medical rotas in medical specialities. Members noted that £21.1m savings had been identified against the target of £27m with work ongoing to identify further opportunities. £9.4m savings had been identified within workforce, which represents a large element of the financial plan for 2019/20. In October 2019, the Forum noted the financial position at the end of Month 5, which represented an adverse variance against plan of £3.1m, with an adverse variance of £10.6m to breakeven, noting this position was driven by bed pressures, vacancies covered by premium cost staff, drug costs in both Scheduled and Unscheduled Care, slippage on a referral management savings scheme, Medicines Management Prescribing, and the continued local Tuberculosis (TB) outbreak. In December 2019, the Forum noted the financial position at the end of Month 7, which represented a revised forecast position of a £25 million deficit from the initial control total of £15 million, as a result of ongoing operational pressures. In February 2020, the Forum noted the financial position at the end of Month 9, which represented an adverse variance against plan of £8.2 million (adverse variance of £20.1 million to breakeven). Assurance was provided that HDdUHB is on target to achieve the forecast position of £25 million, whilst acknowledging that next year is anticipated to be a challenge.

Turnaround Update – the Forum received regular turnaround updates, highlighting the key areas and themes of the Turnaround Programme.

Nurse Staffing Levels (Wales) Act 2016 – The Nurse Staffing Level (Wales) Act (NSLWA) 2016 Update was presented to Forum, advising on the progress of implementation and the requirements of meeting the NSLWA, together with an indication of how key risks are being mitigated.

Pay Award/Review – In April 2019, the Forum was presented with the Pay Award report, noting the closure of Band 1 roles. In June 2019, the Forum was presented with the Pay Award Implementation report, and advised of the NHS Terms and Conditions of Service (Wales) changes which came into effect on the 1st April 2019. In August 2019, the Pay Review Body Visit update was presented to Forum, summarising the visit hosted by HDdUHB on 26th June 2019, noting the purpose of the visit was to monitor the implementation and impact of the three-year Agenda for Change (AfC) pay agreement, since its implementation in 2018. In December 2019, the Forum was presented with a verbal update on Pay Award Implementation and noted that the Band 1 and Band 2 payments had been implemented in November 2019 with an increment date of April 2020. It was also noted that the proposed changes to enhanced pay during sickness absence from 1st October 2019 were on hold until further notice is received from Welsh Partnership Forum.

Managing Attendance at Work – In June 2019, an update on Managing Attendance at Work was presented to the Forum with a report providing information on the performance of HDdUHB and other Health Boards in Wales in relation to the well-being agenda. In August 2019, the Absence Management report presented to Workforce & Organisational Development Sub-Committee on 4th July 2019 was presented to Forum. The Forum was advised that monthly absence rates had been above 5% earlier in the year although more recent figures demonstrated an improvement. However, the 12-month rolling rate remained below 5%, which is the lowest in Wales. In October and December 2019, the Managing Attendance at Work report was presented to Forum, providing information relating to sickness absence within HDdUHB. Members noted that sickness advisors were conducting a deep dive into the reasons for sickness absence to determine any strategies which may improve sickness rates. In February 2020, the Managing Attendance at Work report was presented to Forum and Members noted that the reasons for the highest rate for sickness reported in the year were anxiety/stress/depression/other psychiatric illnesses, and that this reason for absence is increasing.

No Deal Brexit Preparations – The Forum received regular updates, noting the on-going developments of a no deal Brexit and were able to follow developments via dedicated Brexit web pages.

Wellbeing Work Programme Update – A verbal update regarding “Wellbeing” events arranged for acute sites in January/February 2020 was presented to Forum and Members noted that the Chief Executive would attend the 14th February 2020 event to sign up to the Trade Union Dying to Work Charter and re-sign the Time4Change Mental Health Charter.

Car Park Management Update – Car Park Management updates were presented to Forum and Members were advised that the new arrangements would come into effect on 1st August 2019. The Forum approved the following Car Park procedures in line with suggested amendments:- 798 – Parking Charge Notice Procedure, 799 – Parking Permit Appeals Procedure and 805 – Parking Permit Application Procedure.

Healthcare Apprenticeship Programme – The Healthcare Apprentice Programme was presented to Forum. The Forum was advised that commencing in September 2019, 40 healthcare apprentices would be recruited across the acute sites who would complete a foundation programme for 18 months, a further education employability enhancement programme for 6 months, Level 4 certification for 24 months, and become a part time student nurse for 2 years 9 months. By 2027, apprentices would become Registered Nurses (RNs). Members commended the work involved with the programme and supported the development and delivery of the Healthcare Apprentice Programme.

Nursing & Midwifery Workplace Survey - A report on the Nursing & Midwifery Workplace Survey was presented to Forum. The Forum was advised that Swansea University had approached HDdUHB to gauge interest in participating in a staff wellbeing survey for nurses, midwives and Health Care Support Workers (HCSWs). A similar survey had been carried out in a rural area in Australia, and Swansea University were keen to see if this could be replicated in Wales. The survey commenced in September 2019 with a further 2 surveys due to be carried out by March 2020 to enable differences to be observed at different points in the year. The Forum supported the approach to the proposed Nursing & Midwifery Workplace Survey.

Bullying in the NHS – The Forum discussed the all Wales agenda and identified the need for a campaign to reiterate zero-tolerance towards bullying within HDdUHB. The Forum was advised of the all Wales work which is leading to consideration of a policy, with HDdUHB's Colleague Experience Group (CEG) currently refreshing their membership in terms of identifying a core membership with co-opted members.

Obligatory Response to Violence in Healthcare – The Forum received a verbal update on the Obligatory Response to Violence in healthcare, and attention was drawn to the document "NHS Anti-Violence Collaborative Obligatory Response to Violence in Healthcare". Recognising the increased support required in this area, Members were pleased to note the appointment of a second Violence & Aggression Manager within Hywel Dda, who will work closely with both the Police and the CPS, with a further update to be provided to a future meeting.

Operational Issues:

Payrolling of Benefits – The Forum supported the proposal to commence the payrolling of benefits, which is the ability to include all taxable benefits in an employee's payroll, from 6th April 2020, subject to approval by Executive Team/Board.

Update on In-House Made Sandwiches – The Forum agreed to support the recommendation that HDdUHB continues to purchase sandwiches via the all Wales contract due to the health & safety risks and increased costs associated with producing these in-house.

Staff Restaurant Single Tier Prices - The Forum approved the increase in Staff Restaurant Single Tier Prices.

Withybush General Hospital Crèche - The Forum approved the increase in WGH crèche childcare charges.

Policies:

The following policies were approved/agreed during 2019/20:

- Overtime Policy
- Personal Relationships at Work Policy
- Allegations Against Employees of HDdUHB of Harm/Abuse Involving Children or Adults (Professional Abuse Policy)
- Guidance on Referral of Employees to the Occupational Health Service
- Staff Immunisation and Screening Policy
- Preceptorship Policy
- Supporting Transgender Staff Policy
- Interim Procedure for Volunteer Staff Deployment During Adverse Weather
- All Wales Employment Break Policy
- All Wales Pay Progression Policy

The following policies were presented for discussion/comment during 2019/20:

- Revised Rostering Policy
- Revised Standards of Behaviour Policy
- Annual Leave Policy
- Guidance on Starting Salaries Policy
- Retirement Policy
- Additional paragraph added to the All Wales Special Leave Policy.

The Forum noted updates on the following policies during 2019/20:

- Role and Intentions Regarding HDdUHB's County Fraud Policy
- The Trade Union Congress (TUC) Dying to Work Charter Paper
- The Smoke Free Sites Policy Update report highlighting the draft Regulations coming into force in early 2020 which will make it illegal to smoke on hospital sites. The Forum approved the appointment of a representative from each county to attend the pan-Hywel Dda Smoke Free Sites Working Group to feedback on any developments

The Forum noted that the All Wales Dignity at Work Policy was to be replaced by a Respect and Resolution at Work Policy and that a toolkit would be developed for staff and managers to access to resolve concerns and conflict.

At the February 2020 Forum meeting, an update was received from Health Education & Improvement Wales (HEIW) on the Healthy Working Relationships and Respect & Resolution at Work Policy, highlighting the importance of healthy working relationships within the workplace. Staff representatives expressed contentment and support for the policy direction, however, highlighted the need to change the culture within the workplace in order for people to talk to each other to resolve issues rather than taking the matter straight to management. Members were reminded that it is the responsibility of all staff to ensure this works, and that all are responsible in influencing the change.

County Partnership Fora Updates

The Forum received and noted regular updates from the three County Partnership Fora's (Carmarthenshire, Ceredigion and Pembrokeshire).

Matters Escalated to Board

Key Risks and Issues/Matters of Concern raised by the Forum to the Board during 2019/20:

- The need for a campaign to reiterate zero-tolerance towards bulling within HDdUHB.
- The lack of GP Out of Hours (OOH) provision was highlighted to Forum and the impact of this upon A&E raised as a concern. The Forum acknowledged the concern, recognising that the challenges are a national issue requiring a whole systems approach.
- Given the increasing rate of sickness absence reported due to anxiety/stress/ depression/other psychiatric illnesses, a further update would be provided at a future meeting.
- Recognising the increased support required to manage violence within healthcare, a further update would be provided at a future meeting.

Matters Requiring Board Level Consideration or Approval:

- There were no matters requiring Board level consideration or approval during 2019/20.

Argymhelliad / Recommendation

The Board is asked to endorse the Staff Partnership Forum Annual Report 2019/20.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Forum meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.

Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Staff Partnership Forum

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	A sound system of internal control, as evidenced in the Forum's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: Quality / Patient Care:	SBAR template in use for all relevant papers and reports.
Gweithlu: Workforce:	SBAR template in use for all relevant papers and reports.
Risg: Risk:	SBAR template in use for all relevant papers and reports.
Cyfreithiol: Legal:	A sound system of internal control, as evidenced in the Annual Report, ensures that any risks to the achievement of the Health Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and Terms of Reference, requires the submission of an Annual Report.
Enw Da: Reputational:	Not applicable
Gyfrinachedd: Privacy:	Not applicable
Cydraddoldeb: Equality:	SBAR template in use for all relevant papers and reports.

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	23 June 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Stakeholder Reference Group Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Sarah Jennings, Director of Partnerships and Corporate Services
SWYDDOG ADRODD: REPORTING OFFICER:	Sarah Jennings, Director of Partnerships and Corporate Services

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

The purpose of this paper is to present the Stakeholder Reference Group Annual Report 2019/20 to the Board.

The Stakeholder Reference Group Annual Report provides assurances in respect of the work that has been undertaken by the Group during 2019/20, and demonstrates that its Terms of Reference (ToR) are being appropriately discharged.

Cefndir / Background

Hywel Dda University Health Board's Standing Orders and the Terms of Reference (ToR) for the Stakeholder Reference Group require the submission of an Annual Report to the Board to summarise the work of the Group and to identify how it has fulfilled the duties required of it.

The Stakeholder Reference Group (hereafter referred to as 'the Group' or the 'SRG') has been established as an Advisory Group of the Hywel Dda University Health Board (HDdUHB) and constituted from 1st June 2010.

As an Advisory Group to HDdUHB, the purpose of the Stakeholder Reference Group is to provide:

- Early engagement and involvement in the determination of the Health Board's overall strategic direction;
- Advice to the Health Board on specific service improvement proposals prior to formal consultation; and
- Feedback to the Health Board on the impact of its operations with regard to the communities it serves.

The Stakeholder Reference Group 2019/20 Annual Report specifically comments on the key issues considered by the Group in terms of stakeholder feedback and engagement with

specific service improvement proposals, and the impact of HDdUHB's operations with regard to the communities it serves.

Asesiad / Assessment

Governance

The SRG has been established under Board delegation, with the Health Board initially approving ToR for the Group at the Board meeting held 25th March 2010. ToR have since been regularly reviewed, with the latest version being approved by the Board at its meeting held 26th September 2019.

At its meeting held 5th February 2019, the Group considered its ToR and agreed to amend these to reflect additions to the Membership (to include representatives from Citizens Advice and the HDdUHB Equality Group). Members were advised at the meeting held 17th July 2019 that the ToR would be further reviewed to reflect an extended remit for Members to advise the Regional Partnership Board (RPB) in addition to HDdUHB, particularly on matters relating to integration and seamless health and social care. It was agreed that the SRG would review forthcoming Board and RPB agendas in order to provide opportunity for Members' views to be voiced directly at Board and RPB meetings. These revisions were approved by the Board at its meeting held 26th September 2019.

As the Group is directly accountable to the Board for its performance, it provides an assurance to Board Members through a formal written update report which is received at the subsequent Board meeting. The Stakeholder Reference Group Annual Report 2019/20 had been due to be presented at the SRG meeting scheduled for 3rd April 2020, to be agreed for onward approval to the Board; however this meeting was stood down in line with the contingency Corporate Governance arrangements drawn up in response to the COVID-19 pandemic. The Stakeholder Reference Group Annual Report 2019/20 has therefore received approval via Chair's Action.

Constitution

The membership of the Group is drawn from within the area served by HDdUHB, and is determined by the requirement to involve a range of bodies and groups operating within the communities serviced by the Health Board. It is the role of SRG Members to represent fairly and fully the interests and views of these bodies and groups.

The membership of the SRG will also serve as the membership of the RPB Reference Group to advise the Regional Partnership Board, particularly on matters of integration and seamless health and social care.

Membership of the SRG comprises representatives from the following sectors, with the number of representatives shown in brackets ():

Sector/ Organisation

- Armed Forces Covenant Representative(s) (1)
- Carer Representative(s) (3)
- Chair/ Vice Chair of Equality Group (1)
- Citizens Advice Representative(s) (1)
- Dyfed Powys Police Representative(s) (1)

- Fire & Rescue Service Representative(s) (1)
- Hywel Dda Community Health Council Representative(s) (1)
- HDdUHB Independent Board Member (1)
- HDdUHB Public Health Representative(s) (1)
- HDdUHB Director of Partnerships and Corporate Services (1)
- Housing Associations Representative(s) (1)
- Hywel Dda Community Health Council Representative(s) (1)
- Independent Sector Representative(s) (1)
- Mental Health Representative(s) (1)
- Natural Resources Wales Representative(s) (1)
- Patient Representative(s) (3)
- Public Service Boards Representative(s) (1)
- Representatives of Senior Officers and Directors in Social Care/ Social Service Carmarthenshire, Ceredigion and Pembrokeshire Local Authorities (3)
- Siarad Iechyd/ Talking Health Member Representative(s) (3)
- Third Sector: Ceredigion Association of Voluntary Organisations (CAVO), Carmarthen Association of Voluntary Services (CAVS) and Pembrokeshire Association of Voluntary Services (PAVS) Representative(s) (1)
- Town and Community Councils Representative(s) (3)
- West Wales Care Partnership/ Regional Partnership Board Representative(s) (1)
- Welsh Ambulance Services NHS Trust Representative(s) (WAST) (1)

Additional organisational representation may be co-opted as appropriate, to provide specialised input and informed comment with regard to the following areas of business:

- Clinical Services Strategy
- Equality and Diversity
- HDdUHB County Directors
- Planning
- Public and Patient Engagement
- Transformation
- Welsh Language

This membership is reviewed by the Chair and Lead Director on an annual basis.

Meetings

During 2019/20, SRG meetings were held on a quarterly basis. The Group met on four occasions and was quorate at all meetings, as follows:

- 2nd April 2019
- 17th July 2019
- 22nd October 2019
- 10th January 2020

Areas of Responsibility

In respect of its provision of advice to the Health Board, the SRG:

- Provides a forum to facilitate full engagement and activate debate amongst stakeholders from across the communities served by HDdUHB, with the aim of reaching and presenting, wherever possible, a cohesive and balanced stakeholder perspective to inform the Health Board's decision-making.

- Represents those stakeholders who have an interest in, and whose own role and activities may be impacted by the decisions of the Health Board, and vice versa.

The SRG also has responsibilities under the Equalities Act 2010.

The SRG has undertaken work during 2019/20 against the following areas of responsibility in relation to its agenda:

Items Discussed:

Young Carers Services

Representatives from the West Wales Care Partnership Regional Young Carers Group provided a presentation to SRG Members at the meeting held 2nd April 2019, highlighting their work with young carers across the region.

SRG Members noted higher-than-expected numbers of young people providing care, and expressed concerns in respect of safety, child protection and education issues and the need to identify young carers in order to provide the required support. Members commended the exceptional work undertaken with young carers within the 3 Counties, and highlighted the following points to be brought to the Board's attention:

- Inconsistencies in the delivery of Social Care services across the HDdUHB area;
- The need to establish a support team around the family to provide a holistic approach and seamless services;
- The increase in a younger age group among children identified as carers, supporting a recommendation to reduce the lower age limit to 4 years old, enabling younger children to access services;
- The need to raise awareness of young carers among professional groups.

Supporting Unpaid Carers

SRG Members were provided with assurance that HDdUHB recognises the value of unpaid carers and is committed to driving forward the agenda in this area.

At the SRG meeting held 22nd October 2019, Members received updates relating to successful funding bids and accreditation for local Carer groups, and HDdUHB participation in Carers UK's 'Employers for Carers' scheme, with the appointment of the Health Board Vice-Chair as Carers Champion.

SRG Members expressed their support for the work undertaken by HDdUHB and its partners to strengthen services and initiatives for unpaid carers within the Health Board area, and highlighted the following observations:

- Raising awareness is key; providing information at the right time can make a difference;
- Early intervention is critical, reaching individuals before a crisis occurs;
- Housing Associations have a significant part to play in identifying carers. An approach will be taken forward by the Strategic Partnership, Inclusion and Diversity Team;
- The positive direction taken by HDdUHB in supporting its staff, many of whom balance working and caring responsibilities.

Trauma Services Engagement

Members were informed of the development of Trauma Services within HDdUHB, and provided with the rationale underlying the need to establish a Major Trauma Network in South and West

Wales. Members agreed the case for the designation of Glangwili General Hospital (GGH) as a Trauma Unit for HDdUHB area, pending establishment of the proposed new hospital.

Members highlighted and discussed the following considerations:

- Resources required to bring GGH up to required Trauma Unit standards;
- Patient pathways for major trauma patients within the proposed network;
- Risks associated with travelling times, particularly for patients in more remote locations;
- The siting of the Major Trauma Unit in Cardiff (rather than Morriston), given the high-risk industries within Pembrokeshire and Port Talbot;
- The need to clarify terms within the public discussion document in order to provide a clear explanation of what constitutes trauma;
- Future funding for the Air Ambulance, currently supported through public funding.

Winter Planning

SRG Members were advised at their meeting held 22nd October 2019 of discussions between the Regional Partnership Board (RPB) and Health and Social Care colleagues regarding Winter plans. Members recognised the unprecedented pressure which would impact on both Health and Social Care over the Winter period, and were informed that a single regional approach to planning would be agreed. A further update was received by Members at their meeting held 10th January 2020 regarding Welsh Government (WG) Winter pressures funding to support integrated and community-based solutions. Members were informed that a RPB plan has been developed with local partners, and weekly meetings held between HDdUHB Executive Directors and Directors of Social Services of the three partner Local Authorities. Members were assured that Winter plans are being reviewed on a weekly basis with daily actions implemented to relieve system pressures. While acknowledging and expressing support for this partnership working approach, Members remained mindful of the need for advance planning to mitigate Winter pressures, and emphasised the following points:

- Winter plans should be set by September/October of each year, with a more proactive approach required from WG;
- The Third Sector can play an important supporting role in mitigating winter pressures; further investment within the Third Sector should therefore be considered, with adequate time allocated for planning and staff mobilisation.

Members emphasised their awareness of the challenging circumstances in which front line staff are working, and expressed their thanks to them for their hard work and commitment.

Transformation Programme

At the SRG meeting held 2nd April 2019, Members were provided with an update regarding the outcome of the Transformation Fund application. Members were informed that WG had approved £12 million of the original bid of £18 million to support delivery of 3 programmes, with plans relating to the remaining £6 million being reworked for resubmission to WG. A further update was provided at the SRG meeting held 17th July 2019, outlining work to progress the allocation of Transformation funding.

At the SRG meetings held 22nd October 2019 and 10th January 2020, Members were provided with further updates regarding progress of the Transformation Programmes, and requested that the Group continues to be kept informed of further developments and outcomes. Whilst fully supportive of the work required, Members raised concerns in terms of challenges to the development of Transformation programmes, highlighting the following requirements for successful implementation:

- Parity of services across the three counties, and an increased engagement between Community Connectors and Town and Community Councils in certain areas;
- Asset mapping across the three counties to provide a comprehensive picture of community services and available networks within each county;
- Service directories (eg. Dewis and Infoengine) to be made user-friendly and easier to navigate, with organisations encouraged to maintain up-to-date information;
- Accessibility of computer and mobile technology and communications for local populations in order to access information;
- Confirmation of funding allocations following the initial two-year period to support the continuation of programmes and enable effective evaluation of outcomes to inform budget realignment discussions;
- Development of project management skills among staff to deliver programmes, and robust monitoring tools for evaluation;
- Sensible investment; and
- Effective joint working between partners, with the involvement of Welsh Ambulance Services NHS Trust (WAST) in the transformation workstreams welcomed.

Supporting Vulnerable Groups

The Strategic Partnerships, Diversity and Inclusion Team provided SRG Members with an overview of its work, providing assurance that HDdUHB is committed to developing an accessible and inclusive organisation, culture and environment for patients and employees. Members were informed of current work to support vulnerable groups, including those who are homeless, asylum seekers, refugees, travellers, substance misusers, armed forces veterans, and EU migrants who are homeless or living in circumstances of insecurity. Members commended the excellent work being undertaken to support vulnerable community members.

Education Programme for Patients (EPP Cymru)

Members received a presentation providing details of the Education Programme for Patients (EPP), which includes health and wellbeing self-management courses and workshops available to those with chronic conditions in West Wales, providing them with opportunities to learn new coping skills to improve the quality of their daily life.

SRG Members noted the financial savings resulting from the programme - £452 per patient each year – together with a reduction in the need for patients to access A&E services, and the benefits provided by supporting patients' participation in their care. SRG Members acknowledged the excellent service provided, given the limited resources involved, and recommended to the Board that the EPP be included as an integral part of all care pathways, with courses forming an element of social prescribing. Members also recommended the development of new programmes, including mental health programmes, with the aim of further supporting young people and young carers.

Regional Engagement

SRG Members were provided with regular updates relating to regional engagement initiatives and outcomes during 2019/20.

At the meeting held 2nd April 2019, Members were informed of opportunities provided for residents of local communities to learn of the progress of plans for future local service provision and to provide input in shaping future services within their areas.

Members were also provided with an update following the Regional Engagement Workshop held 6th March 2019, which had been facilitated by the Consultation Institute. The workshop brought together public and Third Sector partners to consider the development of a regional engagement infrastructure, including the development of an integrated digital platform to support collaborative engagement activity.

At the SRG meeting held 22nd October 2019, Members were informed of joint work undertaken by HDdUHB and digital platform providers to identify suitable software platforms and stakeholder management tools to support continuous engagement and reach additional audiences, with the intention of commissioning systems by the end of the 2019/20 financial year.

SRG Members were informed that the HDdUHB Engagement Team had met with Youth Forums in Carmarthenshire, Ceredigion and Pembrokeshire to establish preferred methods of engagement with SRG stakeholder groups.

Development of a Children's Board

At the meeting held 22nd October 2019, SRG Members were advised of HDdUHB plans to work with partners to explore how best to establish a Children's Board for the HDdUHB area, which would assist in embedding the Rights of the Child within the organisation. Preliminary scoping and benchmarking research had been undertaken, and Members were informed that work is at a very early stage.

A Healthier Mid and West Wales

A representative of the '*A Healthier Mid and West Wales'* project team attended the SRG meeting held 17th July 2019 to provide an update on developments relating to the transformation of HDdUHB services. Members expressed satisfaction at the opportunity afforded to them to influence discussion, and requested further regular updates on developments.

Members considered in particular the potential impact of transformation in the delivery of care for Primary Care services, which would as a result require enhanced support and targeted action to address identified areas of weakness:

Members also noted the business case in support of the new proposed hospital, and discussed issues relating to the funding, siting and timescales connected with the new build.

Patient Experience Charter

SRG Members were advised at their meeting held 17th July 2019 that the Health Board's current Patient Experience Strategy would be replaced by a Patients Charter, setting out standards of health care services for HDdUHB patients, families and carers, and outlining patients' responsibilities whilst accessing these services.

Members were provided with detail regarding the stakeholder engagement which has fed in to the development of the Charter, and discussed all aspects relating to promotion and communication, publication format, ability of patients to challenge staff where appropriate, enforcement of responsibilities, and range of application of Charter principles. SRG Members commended the work, highlighting overall benefits for patients, while expressing some reservations regarding the ease with which patients could raise issues and concerns under the terms of the Charter.

At the meeting held 10th January 2020, Members were advised of work currently being progressed by the Patient Experience Team, including:

- Rollout of an electronic feedback system;
- A mandatory customer care training programme to be undertaken by all staff;
- Consolidation of all Patient Experience feedback under a new Listening and Learning Sub-Committee;
- Development of an Assurance Framework, to be shared with SRG Members;
- Participation in the Apprenticeship Scheme to increase capacity for patient liaison;
- Development of the Patient Advice and Liaison Service (PALS);
- Ongoing work to review appointment letters.

SRG Members submitted their comments on the draft Charter, which were incorporated within a revision to the document prior to its submission to the Board for approval.

Key Risks and Issues/ Matters of Concern:
Key risks and issues/matters of concern raised by the SRG during 2019/20 included:

- Concern regarding continuity and sustainability of Transformation projects due to time limitations on Transformation funding;
- Recognition of unprecedented Winter pressure (2019/20) on both Health and Social care;
- Possible reduction in WG funding for 2020/21 to support work with unpaid carers, and the safety of young carers.

Matters Requiring Board Level Consideration or Approval:

- In view of potential links between the Education Programme for Patients (EPP Cymru) and elements of Transformation work, SRG Members recommended that the EPP Cymru Team be provided with funding to strengthen their team and embed EPP courses within Health and Social care services. In addition, the SRG supported the development of new carer programmes and Mental Health EPP programmes to help support young people and young carers.

- Given the possibility of a reduction in WG funding to support work with unpaid carers for the next financial year, Members noted it as imperative that funding is sustainable. Concerns were raised regarding inconsistency in funding available to partner organisations, and lack of clarity regarding alternative funding sources once current funding streams reach the end of their term.

- A recommendation that consideration to be given to setting Winter plans by September/October of each year, with a more proactive approach required from Welsh Government;

- In acknowledgement of the important role the Third Sector can play in supporting winter pressures, more investment within the Third Sector should be considered, with adequate time for planning and mobilisation of staff.

Argymhelliad / Recommendation

The Board is asked to endorse the Stakeholder Reference Group Annual Report 2019/20.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Agendas, papers and minutes of the Stakeholder Reference Group's meetings 2019/20
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	SRG Chair and Lead Executive

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: **Financial / Service:**	A sound system of internal control, as evidenced in the Stakeholder Reference Group's Annual Report, will assist with ensuring financial control, and the safeguard of public funds.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	SBAR template in use for all relevant papers and reports.
Gweithlu: **Workforce:**	SBAR template in use for all relevant papers and reports.
Risg: **Risk:**	SBAR template in use for all relevant papers and reports.
Cyfreithiol: **Legal:**	A sound system of internal control, as evidenced in the Stakeholder Reference Group's Annual Report, ensures that any risks to the achievement of the Health

	Board's objectives are identified, assessed and managed. Compliance with the Health Board's Standing Orders, and Terms of Reference, requires the submission of an Annual Report.
Enw Da: **Reputational:**	Not applicable
Gyfrinachedd: **Privacy:**	Not applicable
Cydraddoldeb: **Equality:**	SBAR template in use for all relevant papers and reports

CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	23 June 2020
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Annual Assessment of Board Effectiveness 2019/20
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Steve Moore, Chief Executive
SWYDDOG ADRODD: **REPORTING OFFICER:**	Joanne Wilson, Board Secretary

Pwrpas yr Adroddiad (dewiswch fel yn addas)
Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The Board is required to undertake an annual self-assessment of its effectiveness. The purpose of this report is to bring together the sources of assurance that support this assessment process.

For 2019/20, Hywel Dda University Health Board identified itself as one of two NHS Wales organisations to pilot a new approach to the annual assessment of Board effectiveness. This was developed through the all Wales NHS Deputy Board Secretaries' Forum, whose work is directed by the all Wales NHS Board Secretaries Network.

As part of this work, it was envisaged that there would be a focused session at the April 2020 Board Seminar Session to reflect upon and discuss the internal and external assurances collated by the Health Board during 2019/20 and to agree, for the first time as a Board, a maturity level in respect of its effectiveness, together with areas of improvement.

As a result of COVID-19, the Board Seminar was cancelled and replaced with a formal Board meeting to discuss the Board's arrangements and decision-making in response to the pandemic. Therefore, to ensure that the annual review of the Board's effectiveness was completed for the year end process, the Chair and Chief Executive considered the evidence set out in this SBAR and attached appendices, and agreed on the Board's behalf, the overall level of maturity for the Health Board in respect of governance and Board effectiveness for 2019/20.

Cefndir / Background

During 2019/20, the Health Board has undertaken or engaged in a number of assessments that would provide internal and external sources of assurances to support the Board in undertaking its annual effectiveness assessment, and these are outlined below:

Internal Sources of Assurance:

- The Health Board has completed the Welsh Government "All Wales Self-Assessment of Current Quality Governance Arrangements", an assessment against the recommendations within the Healthcare Inspectorate Wales (HIW) and Audit Wales (AW)

Review into Cwm Taf Morgannwg University Health Board (CTMUHB) at the request of the Minister for Health and Social Services. This was included in the Chair's Report to the Board in January 2020. The Self-Assessment is attached at Appendix 1 and was presented to Board in January 2020.

- The Health Board completed a self-assessment against the Corporate Governance in Central Governance Departments: Code of Good Practice 2017. The Health Board used the "Comply" or "Explain" approach in relation to the Code of Good Practice. The Self-Assessment is attached at Appendix 2 and was presented to ARAC in May 2020.

- Annual Assessment against Health and Care Standard 1 – Governance, Accountability and Leadership. This assessment is attached at Appendix 3 and was presented to ARAC in May 2020.

- Board Committee Effectiveness – There is a programme in place to ensure the Committees delegated by the Board review or undertake the following activity on an annual basis:

    - Governance Review undertaken by the Chair
    - Terms of Reference and Operating Arrangements
    - Committee Self-Assessment of Effectiveness Exercise
    - Committee Cycle of Business/Work Plan
    - Annual Committee Report on Activity to the Board

External Sources of Assurance:

- Joint Executive Team (JET) - at the most recent JET meeting in November 2019, WG recognised that the Health Board is an organisation trying to improve and mature in a challenging environment. Acknowledgement was made that the Health Board had a good public health 'umbrella' and was showing greater confidence in terms of quality. There were areas that still required improvement, such as aligning primary care objectives with health prevention, and unscheduled care in respect of emergency departments and ambulance handovers. The Health Board's financial position remained a significant concern and it must demonstrate that it can manage within its resources which will enable the organisation to have an approvable Integrated Medium Term Plan.

- Joint Escalation and Intervention Arrangements status – the Health Board has remained in 'targeted intervention' during 2019/20. Whilst WG de-escalated monitoring of performance activity in September 2019, the Health Board remained in heightened escalation for the areas of finance and planning. At the latest Targeted Intervention meeting on 18th December 2019, pressures from increased demand across unscheduled care were acknowledged, as was a slight dip in performance to meet the referral to treatment time target (RTT). On the more positive side, there was an improvement in reducing waiting times for diagnostics and therapies, and the improvement in complaints performance was welcomed. WG expressed disappointment that the Health Board was not in the financial position it had hoped it would be at this point in the financial year, and asked for assurance on the actions it was planning to take to meet the Control Total for 2019/20 and planning for 2020/21. In respect of planning, WG requested assurance from the Health Board that it had a financial strategy working alongside its planning process to provide confidence that the strategic objectives would be delivered in 2020/21. Progress reports from these meetings have been reported to the Audit and Risk Assurance Committee (ARAC).

- Wales Audit Office Structured Assessment – this was undertaken during 2019 and the full report and management response is attached at Appendix 4 (presented to Board in January 2020). The overall conclusion from the 2019 structured assessment work was that 'the Health Board continues to strengthen governance and management arrangements. It has a clear strategic direction and is developing the infrastructure to support delivery of strategic plans. There are improvements in performance but challenges in relation to finance and unscheduled care remain. Finally, oversight and scrutiny of planning needs clarifying'. The recommendations are monitored via ARAC through to completion.

- Internal Audit of Health and Care Standards (HCS) – Internal Audit reviewed the Health Board's self-assessment against the HCS and awarded a 'reasonable' assurance rating and confirmed that the Health Board had fully developed its processes to assess the utilisation of HCS to improve the quality and safety of services through the use of the assurance and scrutiny framework, and added that the HCS were fully embedded into day-to-day practices, with the HCS assurance matrices providing a consistent approach for capturing evidence of the HCS being embedded across service area. The report is at Appendix 5 and was presented to ARAC in April 2020.

Asesiad / Assessment

Following the cancellation of the April 2020 Board Seminar, the Chair and Chief Executive considered the evidence set out in the SBAR (above) and appendices attached, and agreed, for the first time, the overall level of maturity for the Health Board in respect of governance and Board effectiveness for 2019/20 as Level 3, based on the following criteria:

Assessment Matrix level Tick the matrix box that most accurately reflects how your service is doing with this standard	Level 1 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.	Level 2 We are aware of the improvements that need to be made and have prioritised them, but are not yet able to demonstrate meaningful action.	Level 3 We are developing plans and processes and can demonstrate progress with some of our key areas for improvement.	Level 4 We have well developed plans and processes and can demonstrate sustainable improvement throughout the service.	Level 5 We can demonstrate sustained good practice and innovation that is shared throughout the organisation and which others can learn from
			X		

This is the first year the Health Board has awarded itself a maturity level and the intention will be for the Board to develop a plan that will enable it to develop and evidence its maturity going forward. It is recognised that this process has not been as inclusive as intended or desired, as current circumstances have precluded full Board involvement.

This assessment and process was also reported to Audit and Risk Assurance Committee on 5th May 2020, where the Committee was assured by the process that had been undertaken this year to review the Board's effectiveness and agreed that it was reasonable under the current circumstances. Whilst agreeing that the assessment level was appropriate, the Committee suggested that the Health Board was a 'strong 3', and agreed that to achieve level 4, the Health Board would need to evidence more stability in its services.

The above assessment is included in the Health Board's Accountability Report 2019/20.

In concluding this process and in demonstrating continued self-reflection and an appetite for continuous improvement, the table below identifies what we are doing well, what we could improve and suggested Board training requirements.

IN THE BOARD'S OPINION WHAT ARE WE DOING WELL?	• Corporate governance and management arrangements • Strategic planning • Financial management arrangements • Workforce performance against key metrics • Organisational development
IN THE BOARD'S OPINION WHAT COULD WE DOING BETTER?	• Improve quality and safety governance arrangements • Strengthen the Regional Partnership Board governance arrangements • Clarify arrangements for monitoring delivery against the Plan • Engage wider workforce in the change agenda • Review capacity in corporate functions to enable business partnering model • Managing the challenges in unscheduled care to improve performance • Introduce performance management for corporate functions • Financial planning to demonstrate management within resources and to attain an approvable plan. • Align the Board Assurance Framework to support implementation of the Health Board's strategy. • Embed the new board and committee structure.
ARE THERE ANY BOARD TRAINING/ DEVELOPMENT NEEDS?	• Continue Independent Member (IM) development, Executive Director (ED) development and joint IM/ED development in 2020/21 • Tailored local induction and attendance at national induction for new independent members in 2020/21. • Review board training requirements in light of COVID-19.

Argymhelliad / Recommendation

Whilst the process has not been as inclusive as planned due to COVID-19, the Board is asked to take an assurance from the process that has been undertaken this year to review the its effectiveness, noting that this has been approved by the Chair, Chief Executive and Chair of the ARAC Committee who recommend this to Board.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	N/A
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	All Strategic Objectives are applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Statement	Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Internal and External sources of assurance listed in report
Rhestr Termau: Glossary of Terms:	Contained in the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Chair Chief Executive Chair of Audit and Risk Assurance Committee Audit and Risk Assurance Committee

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: **Financial / Service:**	No direct impacts.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	No direct impacts.
Gweithlu: **Workforce:**	No direct impacts.
Risg: **Risk:**	No direct impacts.
Cyfreithiol: **Legal:**	No direct impacts.
Enw Da: **Reputational:**	Board effectiveness is a core component of good corporate governance and it is essential that the Board addresses any areas of weakness.
Gyfrinachedd: **Privacy:**	No direct impacts.
Cydraddoldeb: **Equality:**	No direct impacts.

All-Wales Self-Assessments of Current Quality Governance Arrangements

Following publication of the Healthcare Inspectorate Wales and the Wales Audit Office report titled '*A review of quality governance arrangements at Cwm Taf Morgannwg University Health Board*', the Minister for Health and Social Services has requested that all health boards and NHS Trusts in Wales assess themselves against the recommendations of the review and provide plans for future review of their arrangements and/or the necessary action to be undertaken. The self-assessment should include a narrative of current arrangements and the current level of assurance: ***high***, ***medium*** *or* ***low***. Whilst reference is made to specific documents in the main report and in the recommendations listed below, each organisation should demonstrate how they are discharging the requirements rather than adhering rigidly to the need to have documentation with the same titles.

Completed pro forms should be submitted to Janet Davies no later than **7 January 2020**. If you have queries do get in touch.

Recommendations	***Self-Assessment***	***Plan for future action/review***
Strategic focus on quality, patient safety and risk		
1. *Organisational quality priorities and outcomes to support quality and patient safety are agreed and reflected within an updated version of the Health Board's Quality Strategy/Plan.*	1.1 The Health Board has a number of frameworks/policies to support quality and patient safety agenda.	1a) The Health Board is developing a quality management system which will be supported by frameworks/policies e.g. quality improvement and quality assurance frameworks.
	1.2 A draft patient experience charter has been developed in consultation with staff and local communities and will be taken to the Board for approval.	1b) The patient experience charter will be taken to the Board for approval at end of January 2020. This will be supported by a patient experience programme including a range of initiatives to improve the level of feedback obtained from service users.

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	1.3 The Health Board has an agreed Quality Improvement Framework (QIF) supported by an Ensuring Quality Improvement Programme. (EQIiP). 1.4 The EQIiP is a collaborative training programme for front line staff designed to increase improvement capacity and capability across the Health Board through training, education and coaching support for teams working on a real work problem. 1.5 Eleven teams have participated in the first programme which is currently being independently evaluated by Swansea University through funding from Improvement Cymru. Examples of the eleven projects include: • NEWS is the community • Reduction in unwarranted pathology tests • Transient Ischaemic Attack • Surgical skills training • Shared Care Model • Delirium in ICU 1.6 The Transient Ischaemic Attack Project which focused on reducing the waiting time for patients referred as an outpatient with suspected TIA, earlier diagnosis, prevention	1c) The Health Board has committed to running a two further EQIiPs in 2020/21. Twenty submissions have been received for a ten team programme.

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	advice and treatment won an award for their poster at the Improvement Cymru National Conference in December. 1.4 The electronic service user feedback system – (Envoy System/Friends and Family Test has been implemented in the Emergency Department and Women and Child Health Directorate. *Current level of assurance: medium*	1d) There is a roll out programme for the Friends and Family Test to all services of the Health Board throughout 2020. The Health Board is supporting the commissioning process for the all Wales Once for Wales System.
2. *The Board has a strategic and planned approach to improve risk management across the breadth of its services. This must ensure that all key strategies and frameworks are reviewed, updated and aligned to reflect the latest governance arrangements, specifically:* *i. The Board Assurance Framework (BAF) reflects the objectives set out in the current Integrated Medium Term Plan (IMTP)/annual plan and the organisation's quality priorities.*	2.1 The Health Board has had a BAF in place since September 2016 which has reflected the organisation's objectives set out in the Annual Plan. The BAF has continued to evolve and is reported to the Board every 6 months and each risk aligned to a Board level Committee who is responsible for overseeing the management of these risks.	2a) The Health Board's BAF will be updated to align to organisational objectives which represent the first stages of strategy implementation.

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	2.2 In the Structured Assessment 2019[2], WAO provided positive feedback on our BAF and advised that that they have consistently reported that the Health Board has a well-developed BAF. In respect of managing risks to achieving strategic priorities, WAO reported that 'the Health Board continues to have a well-developed BAF and is examining how it can be updated to support the implementation of its strategy' that 'the inclusion of risk appetite in the BAF and alignment of the Corporate Risk Register (CRR) to the Board and its committees has strengthened the corporate focus on risk. The Corporate Risk Register is considered each month by the Executive Team and corporate and directorate level risks are considered as part of Executive Performance Reviews.	
ii. The Risk Management Strategy reflects the oversight arrangements for the BAF, the Quality and Patient Safety (Clinical) Governance Framework and any changes to the management of risk within the organisation.	2.3 The Health Board has a Risk Management Strategy in place however this will be reviewed in the financial year to ensure that risk management supports delivery of the organisation's objectives over the next 3 years. The Health Board is also undertaking a risk maturity matrix which will provide a baseline of the level to which risk management is embedded within the organisation and will help determine the	2b) A review of Health Board's Risk Management Strategy (including tolerance and appetite)will be undertaken during the 2020/21 financial year. This will include ensuring that sub committees, groups and directorates meet their remit for review and scrutiny of risks and risk registers.

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	areas of improvement required to support the organisation to meet its objectives. The Health Board has a Risk Appetite and Tolerance Statement which will also be reviewed in line with the agreed organisational objectives. 2.4 All Committee and Sub-Committees have in their Terms of Reference, that they are responsible for gaining assurance on the management of risks and using it to inform their agendas.	
iii. The Quality and Patient Safety Governance Framework supports the priorities set out in the Quality Strategy/Plan and align to the Values and Behaviours Framework.		2c) The Health Board is developing a quality management system which will be supported by frameworks/policies e.g. quality improvement and quality assurance frameworks. It is also considering the areas within the Quality and Engagement Bill including the updating of policies such as the Concerns Management Policy and Being Open/Duty of Candour Policy and the learning from events process.
iv. *Terms of reference for the relevant Board committees, including those for Audit, Quality and Safety and Risk, and at divisional /group levels, reflect the latest governance*	2.5 Terms of Reference for all Board level Committees including Audit & Risk Assurance Committee (ARAC) and Quality, Safety & Experience Assurance Committee (QSEAC) reflect the latest governance arrangements	2d) Hywel Dda UHB will be implementing the recommendations made by WAO[1] review of

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arrangements cited within the relevant strategies and frameworks.	cited within the relevant strategies and frameworks. These Terms of Reference are reviewed annually and whenever new relevant legislation is introduced e.g. Duty of Candour. In addition, bespoke Committee Handbooks have been produced, aligned to best practice. 2.6 All Board level Committees undertake an annual self-assessment exercise to identify any areas for improvement for 2019/20 this exercise was undertaken via Survey Monkey to preserve Members anonymity enabling them to be as candid as possible in their feedback. 2.7 In their review of operational quality and safety arrangements[1] within the Health Board, the WAO concluded that the Health Board now has some good quality & safety arrangements at Directorate level, supported by developing corporate arrangements but these are not yet consistent, and the flow of assurance from the Directorates to the Board is not as effective as it could be. 2.8 All recommendations from the WAO review of operational quality and safety arrangements[1] in the Health Board will be tracked through the ARAC with the report and management response made publicly	operational quality and safety arrangements[1] within the Hywel Dda UHB. These recommendations will be implemented within the next 12 months and will also support the revised Board level governance and assurance arrangements which are currently under review

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	available from both the Health Board's and WAO's website. *Current level of assurance: medium*	
Leadership of quality and patient safety		
3. *There is collective responsibility for quality and patient safety across the executive team and clearly defined roles for professional leads:* ***i.*** *The role of Executive Clinical Directors and divisional/group Clinical Directors in relation to quality and patient safety is clearly defined*	3.1 The Executive Director of Therapies and Health Science, Executive Medical Director and Executive Director of Nursing, Quality and Patient Experience are all jointly accountable for quality and safety, and jointly provide this assurance through QSEAC and directly to Board. The Quality and Safety, Experience and Improvement teams are line managed by the Executive Director of Nursing, Quality and Patient Experience; however the deployment of this resource supports the organisation multi-professionally in matters relating to quality and safety. The job descriptions of senior clinical leadership positions all include responsibility for quality and safety, and it is therefore made clear that this is a core part of their role. The Clinical Executives meet on a weekly basis to review	

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	any significant issues relating to quality and safety over the previous 7 days, and in addition formal quality panels are triggered to be held to review specific services as determined by the Clinical Executives. 3.2 In year, the Health Board has strengthened the quality and safety arrangements with the appointment of a Head of Quality and Governance (with a clinical background), an Associate Medical Director for Quality and Safety, a Deputy Medical Director for Primary Care (with responsibility for quality and safety), a Clinical Director for Therapies and a Head of Clinical Engineering. 3.3 The Deputy Medical Director and Associate Medical Director posts aims to strengthen medical leadership particularly in relation to quality and patient safety. 3.4 The Associate Medical Director for Quality and Safety attends QSEAC. Further recruitment to medical leadership appointments will support the Associate Medical Director for Quality and Safety role including quality improvement leads on each hospital site. The Associate Medical Director for Quality and Safety works closely with equivalent roles in Executive Director of	

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ii. *The roles, responsibilities, accountability and governance in relation to quality and patient safety within the divisions/groups/directorates is clear* ***iii.*** *There is sufficient capacity and support, at corporate and directorate level, dedicated to quality and patient safety.*	Nursing, Quality and Patient Safety and Executive Director of Therapies and Health Science teams. 3.5 Each directorate/locality has a Triumvirate Team with joint responsibility for quality and patient safety. The Head of Nursing and Clinical Director work closely to ensure that the quality and patient safety agenda is considered at the directorate level. 3.6 The Health Board has an existing Assurance, Safety and Improvement Team.. A review of the patient experience and legal and redress team and the quality improvement team has recently been undertaken and the resource within the patient experience and legal and redress team and the quality improvement team has been increased. *Current level of assurance: medium*	3a) The WAO review of operational quality and safety[1] identified that there were some good arrangements for quality and safety at a directorate level. In response to this finding work is underway to strengthen arrangements across all directorates. 3b) The Assurance, Safety and Improvement Team are developing a business partner model which will be implemented early 2020.
Organisational scrutiny of quality and patient safety		
4. *The roles and function of the Quality and Safety Committee is fit for purpose and reflects the Quality Strategy, Quality and Patient Safety Governance Framework and key corporate risks for quality and*	4.1 The terms of reference for the Quality, Safety and Experience Assurance Committee Terms of Reference for the Quality, Safety & Experience Assurance Committee (QSEAC) are reviewed annually to ensure they are fit	

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patient safety. This should include assessment of ensuring sub-groups/committees have sufficient support to function effectively; the content, analysis, clarity and transparency of information presented to the committee and the quality framework in place is used to improve oversight of quality and patient safety across the whole organisation.	for purpose reflecting relevant strategies and frameworks. 4.2 Corporate risks relating quality and safety are aligned to the Quality, Safety and Experience Assurance Committee who receive a corporate risk report thrice a year which will include principal risks to achieving our objectives and significant operational risks. Where the Committee does not receive assurance from the corporate risk report, the Committee will ask for a more focused report at the subsequent meeting to gain the assurance they need in relation to the management of the risk. WAO Structured Assessment 2019[2] reported 'across all of the Board's committees, the current chairs are effective in their roles and there are good flows of assurance, issues and risks between committees and up to Board'. 4.3 Furthermore, within their review, WAO acknowledged that the Chair has more recently focused attention on the Committees and Sub-Committees of the Board starting with QSEAC, with plans in place to streamline a number of the QSEAC Sub-Committees, and increasing the focus on patient safety, while a new Listening and Learning Group will be established. This was discussed and	

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	agreed at the Board Seminar session held in December 2019 4.4 To improve oversight of operational quality and patient safety across the organisation, support will be put in place to manage their agendas, their work plans and their reporting arrangements. 4.5 An assurance report is presented to each QSEAC meeting. The report provides an overview of quality and safety across the Health Board, incorporating two domains of assurance and improvement. The quality assurance information within the report includes a summary of data, intelligence and actions to provide high quality care against the core quality assurance process that exist within the Health Board and the core quality and safety indicators. *Current level of assurance: medium*	4a) A review is currently being undertaken to consider local governance arrangements to ensure a standardised approach within the operational directorates. This will align to the recommendations from WAO in the review which was undertaken of operational quality and safety governance arrangements.
5. *Independent/Non-Executive Members are appropriately supported to meet their responsibilities through the provision of an adequate induction programme and ongoing development so they can effectively scrutinise the information presented to them.*	5.1 The Health Board has a comprehensive Board Development Programme designed to provide ongoing developmental support. The programme has involved separate sessions held initially for Independent Members and Executive Directors based on facilitated	

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	discussions to provide a foundation for continued learning and development. 5.2 A comprehensive programme of development for Independent Members is in place, making good use of both internal and external resources, and there are effective arrangements to support handover for Independent Members. This programme develops the Independent Members personally, as well as strengthening the Board as a whole and is supported by regular six-monthly reviews on an individual basis. In addition, on an individual basis, Independent Members have been able to access the All Wales Governance and Board Leadership Programme of events delivered by Academi Wales, selecting those sessions that best meet their requirements. 5.3 Throughout 2019/20, the Independent Members and Executive Directors took part in both separate and Joint Board Organisational Development Programmes. The programme is delivered in-house with specific external expertise commissioned as appropriate. It focuses on key development areas that provide members with the enhanced knowledge, skills and behaviours required to improve individual and collective performance.	

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	5.4 In addition to the Board development, all the Board level committees have undertaken a review of their effectiveness within the year with the outputs and improvement plans of these reported back to the Committees and Board. 5.5 WAO in the 2019 Structured Assessment[2] report, stated "across all of the Board's committees, the current chairs are effective in their roles and there are good flows of assurance, issues and risks between committees and up to Board. The ongoing use of self-assessments has been helpful in identifying areas for improvement and a self-reflection at the end of each meeting is now included on all committee agendas. IMs are able to contribute their expertise and to receive assurance about the work of the Health Board through membership of key committees." 5.6 The WAO Structured Assessment[2] further stated "Despite a period of change, the Board continues to be generally well-run and the quality of scrutiny and challenge remains high. The Board has largely maintained a full complement of IMs who demonstrate a very good range of knowledge and skills collectively. There is an effective Board	

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	development programme in place which is delivered through the use of internal and external resources. This has helped to develop a positive and cohesive relationship between IMs, and with the Executive team. The approach to development for IMs is also comprehensive and flexible, supported by regular six-monthly reviews. During the year, an interactive handbook has been developed for new IMs which enables a wide range of information relevant to their role to be explored. Early feedback from IMs on the handbook is very positive, and other NHS bodies are now looking to learn from the work that the Health Board has done in this area." *Current level of assurance: Medium*	
6. *There is sufficient focus and resources given to gathering, analysing, monitoring and learning from user/patient experience across the organisation. This must include use of real-time user/ patient feedback.*	6.1 A review of the patient experience function has been undertaken and resource increased. A development plan is in place for the next 3 years. 6.2 A patient experience charter has been developed with the stakeholders and staff, and will be formally launched in April as part of patient experience week, following consideration by the Board at end of January 2020. This Charter will affirm what patients can expect when using services and	6a) A Listening and Learning Sub Committee has been agreed and is in the process of being established. This Committee will be chaired by the Health Board Chair. Any concern, external report, or review that has significant learning attached will be reviewed by the Committee for assurance around lessons learnt, and identification of key themes/ areas for improvement/ sharing of good practice.

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	encourage feedback. This will be incorporated into staff training and induction and outcomes reported as part of the performance management and assurance framework. 6.3 This will be supported by a patient experience programme for the year, which will enhance the ways in which feedback is received. 6.4 The electronic service user feedback system (Friends and Family Test) has been implemented in the Emergency Department and Women and Child Health Directorate and a roll out programme is currently being undertaken to expand this service to all areas of the Health Board. Arrangements are in place within each service to receive and view the feedback and provide assurance on actions taken as a result of the feedback. 6.5 The chair of the Health Board has initiated a work programme, led by the Executive Director of Nursing Quality and Patient Experience to enhance the freedom to speak up initiative. The first meeting of the speaking up safely group has been held and this included the Chair, CEO, Executive Director of Nursing, Quality and Patient Experience, Independent Member and	

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	Assistant Director of Legal Services/Patient Experience. This work programme is based on the learning from the second Francis report on Mid Staffordshire, the safety valve and speaking up safely established in Cardiff and Vale UHB, independent guardians in Swansea Bay UHB and England and we will be advised by Dr Aled Jones of Swansea University. This is a key quality and safety improvement. This will be supported by a programme of training for staff on being open/duty of candour and customer care. *Current level of assurance: medium*	
7. *There is visibility and oversight of clinical audit and improvement activities across divisions/groups/directorates and at corporate level. This includes identification of outliers and maximising opportunities for sharing good practice and learning.*	7.1 The Effective Clinical Practice Sub Committee (ECPS) has reviewed its terms of reference in year. The purpose of ECPS is to provide assurance to the QSEAC that robust arrangements are in place for the delivery of safe, effective standards and evidence based clinical practice across all Health Board activities as part of core business. 7.2 A Clinical Audit Scrutiny Panel (CASP) is a sub-group of the ECPS. The CASP	

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	provides assurance that a robust clinical audit function is in place, supporting the Health Board's strategic direction, priorities and identified risks as well as national priorities. The responsibilities of the CASP include overseeing the development of a Clinical Audit Programme across the Health Board and providing a forum for audit leads and service representatives to discuss the Clinical Audit Programme and offer assurance on audit progress and outcomes as well as programme content. 7.3 Findings from clinical audits are presented at the Whole Hospital Audit. The Clinical Audit Annual Report for 2018-19 demonstrates the amount of clinical audit activity across Hywel Dda in all specialties is extensive, and the results of this activity, in the form of recommendations for action, show that clinical colleagues are committed to service improvement. 7.4 In 2018-19 the Health Board participated in 32 of the 34 applicable mandatory national audits. A total of 25 improvement plans were submitted to Welsh Government detailing plans for meeting audit recommendations across a wide variety of audit and outcome review topics.	7a) The dates Whole Hospital Audit Meetings for 2020 have been agreed. The meetings will be held on the same day across all sites to enable cross site presentations through IT and VC. 7b) Effectiveness of the agreed mechanism to monitor the National Clinical Audit and Outcome Review Plan action plans and feedback through relevant governance groups and through Executive Team Performance will be monitored through 2020.

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	Current level of assurance: Low	
Arrangements for quality and patient safety at directorate level		
8. *The organisation has clear lines of accountability and responsibility for quality and patient safety within divisions/groups/directorates.*	8.1 Each directorate/locality has a Triumvirate Team with defined responsibility for quality and patient safety. 8.2 The Health Board's Scheme of Delegation was approved by the Board at its meeting on 29th November 2018. This detailed electronic scheme of delegation encompasses all delegations including Standing Orders, Standing Financial Instructions, financial delegations, legislative compliance, other delegations and responsibilities, both at delegated lead and operational responsibility level. It has been further expanded through Directorate delegations and is kept under regular review. It can be accessed via the Health Board's website or here. 8.3 The Health Board's Scheme of Delegation clearly sets out the accountability and responsibility for quality and patient safety at the senior level of delegation within the Health Board, and should be used in conjunction with the system of control and other established procedures within the Health Board.	

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	Current level of assurance: medium	
9. *The form and function of the divisional/group/directorate quality and safety and governance groups and Board committees have:* ***i.*** *Clear remits, appropriate membership and are held at appropriate frequently.* ***ii.*** *Sufficient focus, analysis and scrutiny of information in relation to quality and patient safety issues and actions.* ***iii.*** *Clarity of the role and decision making powers of the committees.*	9.1 The directorates/localities each have arrangements for quality and patient safety meetings. The WAO review of operational quality and safety[1] found that governance arrangements are generally sound with further improvements underway. 9.2 Terms of Reference are in place for all Board Committees and for divisional/group/ directorate quality and safety and governance groups, however the WAO review concluded that whilst the Health Board has some good quality & safety arrangements at Directorate level supported by developing corporate arrangements, these are not yet consistent, and the flow of assurance from the Directorates to the Board is not as effective as it could be. 9.3 A review is being undertaken to consider local governance arrangements to ensure a standardised approach within the operational directorates. This standardisation will apply to structures, core membership, frequency of meetings, and core agenda items for discussion.	9a) It was recognised following the recent WAO review of operational quality and safety[1] that work is required to standardising the reporting arrangements including directorate committee structure, agenda and terms of reference templates, and templates for reporting to OQSESC.

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	Current level of assurance: medium	
	Identification and management of risk	
10. *The organisation has clear and comprehensive risk management systems at divisional/group/directorate and corporate level, including the review and population of risk registers. This should include clarity around the escalation of risks and responsibilities at directorate and corporate level for risk registers and the management of those risks. This must be reflected in the risk strategy.*	10.1 Whilst the Health Board has a risk management framework that outlines the foundation and organisational arrangements for supporting risk management processes in Hywel Dda. The Health Board follows the three lines of defence model which sets out the principles for the roles, responsibilities and accountabilities for risk management. In the "Three Lines of Defence" model, 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. All three lines need to work interdependently to be effective. Within the Health Board, directorates and services are responsible for identifying, assessing and managing risks. These risks will include threats to achievement of objectives, day to day business risks (e.g. safety, business continuity, financial, etc.) as well as relating to compliance with standards or legislation. Most directorates have good	10a) The Health Board is currently developing a 3 year plan for 2020-23, therefore the BAF will need to reviewed and updated to reflect threats and opportunities to the Board's agreed objectives within the plan. The Health Board will also migrate to the new All Wales risk management electronic solution.

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	governance arrangements in place and risk is included on agendas (WAO review of operational quality and safety review[1]) however further is required in 2020 to ensure consistency. 10.2 Risks are entered onto the Datix risk module by services and directorates where they can be extracted for risk reporting. All risks within operational services/directorates are submitted to the Executive Performance Reviews where they are scrutinised and discussed. Each operational risk is aligned to the Board's sub-committee structure. Directorate level risks that exceed the Health Board's agreed risk tolerance level are extracted from Datix and reported to the relevant sub-committee. 10.3 The Health Board's Risk Scoring Matrix guides staff to review their risks on a regular basis: Extreme risks - monthly High risks - bi-monthly Moderate risks - 6 monthly Low risks – Annually 10.4 Services will receive routine reminders from the assurance and risk team. The management of risk is also guided by the Health Board's Risk Appetite and Tolerance	

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	Statement, which provides managers with clear guidance on the level of risk which the Board will accept. 10.5 Operational risks are generally identified in a bottom up approach as outlined above. Where these can cause significant impact, i.e. loss, damage or harm, these are sponsored by the lead Executive for discussion at the Executive Team formal meeting as to whether they should be entered on to the Corporate Risk Register. 10.6 Risks are also identified in a top down approach. These are called principal risks and relate to the achievement of the organisation's objectives. These are also sponsored by an Executive Lead who is the risk owner and presented to the Executive a Team for discussion and approval for entry onto the Corporate Risk Register. These principal risks are also reported on the UHB's Board Assurance Framework. These are discussed and reviewed regularly by Executive Team and are presented to the Board twice a year. Each corporate/principal risk is aligned to a Board level Committee who is responsible for scrutinising each risk to gain assurance on behalf of the Board that these risks are being managed effectively. The WAO reports in the structured	

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	assessment[2] that the Health Board has a well-developed BAF. *Current level of assurance: Medium*	
Management of incidents, concerns and complaints		
11. *The oversight and governance of DATIX and other risk management systems ensures they are used as an effective management and learning tool. This should also include triangulation of information in relation to concerns, at a divisional/group/ directorate or corporate level, and formal mechanisms to identify and share learning.*	11.1 An assurance report is presented to each QSEAC meeting. The report provides an overview of quality and safety across the Health Board, incorporating two domains of assurance and improvement. The quality assurance information within the report includes a summary of data, intelligence and actions to provide high quality care against the core quality assurance process that exist within the Health Board and the core quality and safety indicators. 11.2 Reports using data from Datix are provided to a number of forums including the Medication Error Review Group, Medical Devices Group, Pressure Damage Scrutiny Panels, Falls Scrutiny meeting, and Directorate governance meetings. 11.3 The Health Board has agreed the establishment of a Listening and Learning Sub Committee which will scrutinise the reviews and the learning and improvement	11a) During 2020/21 consideration will be given to the further analysis of the data held in Datix and in the new DatixCloudIQ and how information is shared with directorates/localities. 11b) The first meeting of the Listening and Learning Sub Committee is in the process of being established. This Committee will be chaired by the Health Board Chair.

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	action plans following serious incidents, serious complaints, claims, and external inspections. This will also inform QSEAC of themes/trends and risks regarding quality and patient experience. 11.4 Formal Quality Panels are held monthly by the Executive Director of Nursing, Quality and Patient Experience, Executive Medical Director and Executive Director Of Therapies and Health Science. Specific directorates or services are asked to attend the panel to discuss and provide assurance of actions with regards to quality and safety including incidents, complaints, claims, staff concerns, and external inspections. 11.5 The Assurance, Safety and Improvement Team, using data from Datix and incident reviews, produce newsletters and posters which share areas for wider learning *Current level of assurance: medium*	11c) Work is underway to review the mechanism for development of newsletters and posters and to ensure that there is a programme for the forthcoming year. 11d) Arrangements for the review of existing written control documentation or the initiation of a new written control document as part of the incident reporting process will be strengthened, in order to help ensure standardisation of practice and the spread of lessons learned across the organisation.

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12. *The organisation ensures staff receive appropriate training in the investigation and management of concerns (including incidents). In addition, staff are empowered to take ownership of concerns and take forward improvement actions and learning.*	12.1 A Concerns Management (Putting Things Right) Policy has been developed and is currently under consultation. A number of supporting written control documents have been identified (some are currently in existence and some will be new documents) 12.2 All Assurance, Safety and Improvement Officers are trained in RCA (delivered by external agencies). This training was also delivered to members of the concerns team (in the post at the time of the training). 12.3 The Concerns Team, Assurance Safety and Improvement Team and members of staff across the directorate completed the certificate in Complaint Handling (Bond Solon) 12.4 In year, members of the Mental Health and Learning Disabilities Directorate received RCA training from Bond Solon. 12.5 Directorates/localities receive the final RCA report and are responsible for developing an improvement and learning plan to address the areas identified. This is empowering ownership at a service level.	12a) An implementation plan for the Concerns Management (Putting Things Right) Policy will be developed as part of the approval assurance process for the policy. An intranet page will be developed to ensure that the policy, supporting written control documents, guidance and templates can be easily found by staff and managers. 12b) A RCA[2] training programme for operational teams, led by the Assurance, Safety and Improvement Team, is in development for 2020/21.

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	12.6 To support the duty of candour /being open discussions, a formal letter is sent to the patient or next of kin following a serious incident informing them that a review of the incident is being undertaken and inviting them to share any questions that they may wish to be explored during the review. The letter is sent by the most appropriate member of the Triumvirate Team. On conclusion of the RCA review a further letter is sent providing the findings of the RCA and the improvement and learning actions. 12.6 All concerns responses following investigation by the service involved are approved by the governance/clinical lead within the service/directorate. The responses are then reviewed by the Assistant Director (Legal Services/Patient Experience) to ensure consistency and compliance with the PTR regulations and final approval is provided by the Chief Executive. *Current level of assurance: medium*	12c) A revised complaint management handbook has been produced and will be implemented during 2020 as part of the PTR Policy referred to above, this will include strengthening the way in which complaints raising allegations of harm are investigated and looking at ADR/mediation as one of the resolution methods
Organisational culture and learning		
13. *The organisation has an agreed Values and Behaviours Framework that is*	13.1 The Health Board has a co-produced Values and Behaviour Framework. The	13a) The Health Board is considering the areas within the Quality and Engagement Bill

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regularly reviewed, has been developed with staff and has a clear engagement programme for its implementation.	Health Board has a values based interview process. 13.2 Since its introduction, our values framework is discussed with all new employees at every Corporate Induction session. 13.3 Teams across the organisation are supported to put the values framework into action and to live by our values through bespoke workshops held within work places. 13.4 Compassionate Leadership has featured in our Board Development Programme and is a learning theme running through our Managers Passport and Managers Passport plus Development Programme. 13.5 The first meeting of the speaking up safely group has been held and this included the Chair, CEO, Executive Director of Nursing, Quality and Patient Experience, Independent Member and Assistant Director of Legal Services/Patient Experience. The aim of this working group is to consider the all Wales Raising Concerns procedure and develop a mechanism for strengthening the arrangements within the Health Board to allow staff to feel empowered and supporting when they raise concerns. This work	including the updating of policies such as the Concerns Management Policy and Being Open/Duty of Candour Policy, as well as the development of new written control documentation.

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	programme is based on the learning from the second Francis report on Mid Staffordshire, the safety valve and speaking up safely established in Cardiff and Vale UHB, independent guardians in Swansea Bay UHB and England and we will be advised by Dr Aled Jones of Swansea University. This is a key quality and safety improvement. *Current level of assurance: medium*	
14. *The organisation has a strong approach to organisational learning which takes account of all opportunities presented through concerns, clinical audit, patient and staff feedback, external reviews and learning from work undertaken within the organisation and across the NHS.*	14.1 The Health Board has a number of initiatives which have been implemented over time to improve organisational learning with pockets of good work. These include safety posters and newsletters, pressure damage and falls scrutiny panels, whole hospital audit group and EQLiP. However further work is required to strengthen the approach to organisational learning. 14.2 The Friends and Family Test has been implemented in the Emergency Department and Women and Child Health Directorate. 14.3 The assurance report presented to each QSEAC meeting includes the reports received following external inspections and the areas	14a) The first meeting of the Listening and Learning Sub Committee is in the process of being established. This Committee will be chaired by the Health Board Chair. 14b) The Health Board is in the process of agreeing the EQLiP projects for 2020/21. These will be taken forward as part of the programme. 14c) There is a roll out programme for patient experience initiatives throughout 2020. This includes the roll out of the Friends and Family Test. This will be supported by an enhanced patient experience programme. 14d) Work is underway to review the mechanism for development of newsletters and posters and to ensure that there is a

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	identified through these reviews which are considered areas for organisational learning and improvement. *Current level of assurance: medium/low*	programme for the forthcoming year. Future newsletters will include learning from external inspections. 14e) Arrangements to ensure that any lessons learned are reflected in existing written control documentation or triggers the development of a new written control document need to be strengthened.

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2019/20 HYWEL DDA UNIVERSITY HEALTH BOARD SELF ASSESSMENT AGAINST THE CORPORATE GOVERNANCE – CODE OF PRACTICE 2017

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
CGC 1	Each organisation should have an effective board, which provides leadership for the business, helping it to operate in a business-like manner. The board should operate collectively, concentrating on advising on strategic and operational issues affecting the department's performance, as well as scrutinising and challenging departmental policies and performance, with a view to the long-term health and success of the Trust. (2.1 and 2.2)	Board meets every alternate month. There is a Board Cycle of Business in place developed on an annual basis and updated throughout the year. The Board routinely receives information on strategic activity, risk and performance matters as standing agenda items. The Annual Plan is scrutinised by the Board. Joint Executive Team meetings are held with Welsh Government colleagues. The Board collaborates with partners and key stakeholders as described in the Annual Plan.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94.	Comply	Board and Committee Minutes – demonstrate scrutiny and support. Board Papers. Board Work Plan 2019/20. Joint Executive Letters. WAO Structured Assessment report 2019.
CGC 2	The Board does not decide policy or exercise the powers of the ministers. The department's policy is decided by ministers alone on advice from officials. The Board advises on the operational implications and effectiveness of policy proposals. The Board will operate according to recognised precepts of good corporate governance in business: • Leadership – articulating a clear vision for the department and giving clarity about how policy activities contribute to achieving this vision, including setting risk appetite and managing risk • Effectiveness – bringing a wide range of relevant experience to bear, including through offering rigorous challenge and scrutinising performance • Accountability – promoting transparency through clear and fair reporting. • Sustainability – taking a long-term view about what the department is trying to achieve and what it is doing to get there. (2.3)	At its meeting in March 2019, the Board agreed to submit a 'draft interim' Annual Plan for 2019/20, which concentrated on finance, performance, service change and quality, noting WG's expectation that the Health Board should submit an annual plan for 2019/20 as opposed to a 3 year Integrated Medium Term Plan for 2019/22. The status of 'draft interim' was used as the 2019/20 annual plan did not fulfil the statutory duty to demonstrate financial balance, therefore the Board could not formally approve the Plan prior to submission to WG. To this end, a formal accountability letter to WG was submitted that supported this understanding. The Health Board adopted its revised Standing Orders in November 2019. The Standing Orders and Standing Financial Instructions (SFIs) are designed to translate the statutory requirements set out in the National Health Service Trusts (Membership and Procedure) Regulations 1990 (S.I.1990/2024) into day to day operating practice, and, together with the adoption of a Schedule of Decisions reserved to the Board of Directors; a Scheme of Decisions to Officers and Others, they provide the regulatory framework for the business conduct of the Health Board. These documents form the basis upon which the Health Board's governance and accountability framework is developed and, together with the adoption of its Values and Behaviour Framework and Standards of Behaviour framework, is designed to ensure the achievement of the standards of good governance set for the NHS in Wales. The Annual Plan outlines how the Health Board engages and ensures that it considers the principles of citizen engagement, the Wellbeing of Future Generations Act and also the Health Boards Wellbeing Statement.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94.	Comply	Standing Orders and Standing Financial Instructions. WAO Structured Assessment report 2019. Annual Plan 2019/20. Well-being Statement.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
CGC 4	The Board should meet on at least a quarterly basis; however, best practice is that boards should meet more frequently. The Board advises on five main areas: • Strategic Clarity • Commercial Sense • Talented People • Results focus • Management information (2.4 and 3.10)	The Board meets every alternate month. There is a Board Cycle of Business in place, developed on an annual basis and updated throughout the year. Board agendas are divided into strategic issues, and delivering the 'here and now'. The Board routinely receives information on strategic activity, risk and performance, workforce planning matters as standing agenda items. The Annual Plan is scrutinised by the Board.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94.	Comply	Standing Orders and Standing Financial Instructions. WAO Structured Assessment report 2019. Annual Plan 2019/20.
CGC 5	The Board also supports the accounting officer in the discharge of obligations set out in *Managing Public Money1* for the proper conduct of business and maintenance of ethical standards**.** (2.7)	The Board approves the Accountability Report on an annual basis which includes the Statement by the Accountable Officer assuring the Board on the System of Internal Control.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94.	Comply	Accountability Report. WAO Structured Assessment report 2019. Annual Plan 2019/20.
CGC 6	Where Board members have concerns, which cannot be resolved, about the running of the department or a proposed action, they should ensure that their concerns are recorded in the minutes. (2.12)	Any concerns raised at Board and Committee meetings will be formally recorded in the minutes. The role of the Board Secretary is to be responsible for ensuring these matters are effectively managed, recorded and resolved where possible.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94.	Comply	Role of the Board Secretary WAO Structured Assessment report 2019. Board and Committee Minutes – available on the Health Board Internet site.
CGC 7	The Board should have a balance of skills and experience appropriate to fulfilling its responsibilities. The membership of the board should be balanced, diverse and manageable in size. (3.1, 3.11, 3.12 and 3.13)	Constitution is set out in the Organisation's Establishment Orders and the Health Board abides by this composition. Standing Orders also capture the composition of the Board. Executive Director skill mix is considered prior to recruitment to align with organisational objectives and required Executive Portfolios, and this is considered prior to new appointments. Recruitment process includes internal and external stakeholder panels. The Independent Member (IM) roles are appointed in areas of expertise to ensure appropriate skill mix. Public Bodies Unit support the process – set criteria within an IM Role. Maximum of 2 tenures of up to 8 years. IM membership on Board Committees is rotated at appropriate times to ensure there is a mix and balance of experience across all meetings.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94.	Comply	Establishment Orders. Standing Orders. WAO Structured Assessment report 2019.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
CGC 8	The roles and responsibilities of all board members should be defined clearly in the department's board operating framework. (3.2)	Constitution is set out in the Organisation's Establishment Orders and the Health Board abides by this composition. Standing Orders also outline the composition of the Board.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94.	Comply	Establishment Orders. Standing Orders. WAO Structured Assessment report 2019.
CGC 9	The Finance Director should be professionally qualified. (3.3)	Executive Director of Finance is professionally qualified.		Comply	
CGC 10	Independent Members will exercise their role through influence and advice, supporting as well as challenging the executive. (3.5)	Annual Committee Self-Assessment – addresses the effectiveness of how Committees operate and conduct meetings, allowing debate and constructive challenge. Meeting principles adopted that support this constructive challenge. The WG IM training captures effective challenge and scrutiny role on the Board. Standing Orders outline the role of the Board Members.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94	Comply	WAO Structured Assessment report 2019. Standing Orders. Cross – reference to 2.4.
CGC 11	The board should agree and document in its board operating framework a *de minimis* threshold and mechanism for board advice on the operation and delivery of policy proposals.	Standing Orders detail how the Board regulates its proceedings and business. There is a Board Cycle of Business in place developed on an annual basis and updated throughout the year. The Terms of Reference Operating Arrangements for the Board Committees articulate their remit and the information that should be received. The Scheme of Delegation outlines the information that should flow through to Board and its Committees as appropriate. Interactive Scheme of Delegation for Officers details 'top level' delegations and responsibilities within the Health Board.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94	Comply	WAO Structured Assessment report 2019. Committee Terms of Reference and Operating Arrangements Board and Committee Cycles of Business. Standing Orders and Scheme of delegation. Interactive Scheme of Delegation for Officers.
CGC 12	The Board Should ensure that arrangements are in place to enable it to discharge its responsibilities effectively, including: 1. formal procedures for the appointment of new board members, tenure and succession planning for both board members and senior officials 2. allowing sufficient time for the board to discharge its collective responsibilities effectively	IMs Terms of Office are monitored by the Board Secretary to ensure succession planning is timely and managed in conjunction with the Public Bodies Unit in Welsh Government. Agenda planning is managed by the Board Secretary in conjunction with the Chair and CEO to ensure adequate time is spent on the appropriate matters at Board meetings. The Health Board has a robust induction programme for Independent Members. This programme consists of the	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94	Comply	WAO Structured Assessment report 2019. Terms of Reference and Operating Arrangements Board and Committee Cycles of Business. Standing Orders and Scheme of delegation.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	3. induction on joining the board, supplemented by regular updates to keep board members' skills and knowledge up-to-date 4. timely provision of information in a form and of a quality that enables the board to discharge its duties effectively 5. a mechanism for learning from past successes and failures within the departmental family and relevant external organisations 6. a formal and rigorous annual evaluation of the board's performance and that of its committees, and of individual board members 7. a dedicated secretariat with appropriate skills and experience (4.1)	following areas to ensure that a robust and supportive induction plan is in place for all new Board appointments: ○ Attendance at the Mandatory Welsh Government Induction Training. ○ Provision of a detailed induction Pack/manual which includes information about the role of each Board Committee, their role as a Trustee as well an Independent Member ○ Core Induction Programme – planned within the first month, three months and six months. This includes meeting with Executive Directors, Directors and site visits ○ A buddy / shadow arrangement with an existing/experienced Independent Member. ○ To further support IMs ongoing development, the Chair undertakes regular and robust Personal Appraisal and Development reviews in accordance with WG guidance. ○ The Health Board has a schedule of Board Development Sessions throughout the year to discuss topical issues. Committee Terms of Reference direct that agenda and papers are circulated to members at least 7 days prior to meeting. The Standard Operating Procedure for the Management of Board and Committees provides guidance in relation to Board and Committee arrangements and management of papers. Report templates are continually reviewed to ensure they support effective reports being received at the Board. Report writing skills for officers is included on Managers Passport Plus Programme. Dedicated Committee Services Officers support the Board and Committee business to ensure high quality and consistency of papers. Annual Board effectiveness assessment and annual Committee Self-Assessment of Effectiveness process ensures Board and Committees remains fit-for-purpose and identifies areas of improvement.			Committee Terms of Reference. Standing Operating Procedure for the Management of Board and Committees. Board Effectiveness Assessment. Committee Self-Assessment Reports.
CGC 13	The terms of reference for the nominations committee will include at least the following three central elements: • scrutinising systems for identifying and developing leadership and high potential • scrutinising plans for orderly succession of appointments to the board and of senior management, in order to maintain an appropriate balance of skills and experience	Remuneration and Terms of Service (RTSC) Committee Terms of Reference.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94	Comply	WAO Structured Assessment report 2019. RATS Terms of Reference and Operating Arrangements Board and Committee Cycles of Business. Standing Orders and Scheme of delegation.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	• scrutinising incentives and rewards for executive board members and senior officials, and advising on the extent to which these arrangements are effective at improving performance (4.5)				
CGC 14	The attendance record of individual board members should be disclosed in the governance statement and cover meetings of the board and its committees held in the period to which the resource accounts relate. (4.6)	Board Members attendance record for Board and Committees is captured in the Accountability Report on annual basis.		Comply	Accountability Report.
CGC 15	Where necessary, board members should seek clarification or amplification on board issues or board papers through the board secretary. The board secretary will consider how officials can best support the work of board members; this may include providing board members with direct access to officials where appropriate. (4.10)	This is the relationship between the Board Secretary and the Board Members. The role of the Board Secretary is to act as principal advisor to the Board and the organisation as a whole on all aspects of governance....and ensure that it meets the standards of good governance set for the NHS in Wales. Executive Director and IM buddying system in place.		Comply	Board Secretary role description. Standing Orders.
CGC 16	An effective board secretary is essential for an effective board. Under the direction of the permanent secretary, the board secretary's responsibilities should include: • developing and agreeing the agenda for board meetings with the chair and lead non-executive board member, ensuring all relevant items are brought to the board's attention • ensuring good information flows within the board and its committees and between senior management and non-executive board members, including: • challenging and ensuring the quality of board papers and board information • ensuring board papers are received by board members according to a timetable agreed by the board • providing advice and support on governance matters and helping to implement improvements in the governance structure and arrangements • ensuring the board follows due process • providing assurance to the board that the department complies with	Board Secretary works closely with the Chair and Chief Executive to agree Board agenda. Board Secretary attends Health Board Chairs and Vice-Chairs meeting prior to Board to discuss agenda and papers. All Board papers are reviewed by Board Secretary and constructive feedback is provided to Executive Directors. Board Secretary ensures that all Board papers are issued in accordance with Standing Orders. Board Secretary ensures decision log is maintained. Board Secretary led on the development of interactive handbook for IMs.		Comply	Board Secretary role description Standing Orders. Interactive IM Handbook.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
	government policy, as set out in the code • adheres to the code's principles and supporting provisions on a comply or explain basis (which should form part of the report accompanying the resource accounts) • acting as the focal point for interaction between non-executive board members and the department, including arranging detailed briefing for non-executive board members and meetings between non-executive board members and officials, as requested or appropriate • recording board decisions accurately and ensuring action points are followed up • arranging induction and professional development of board members (including ministers) 4.11				
CGC 17	Evaluations of the performance of individual board members should show whether each continues to contribute effectively and corporately and demonstrates commitment to the role (including commitment of time for board and committee meetings and other duties). 4.14	Board Member Appraisal process in place. Committee Effectiveness Exercises. Attendance record reported in Accountability Report.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 88-94	Comply	WAO Structured Assessment report 2019. Accountability Report Appraisal Documentation and Process.
CGC 18	All potential conflicts of interest for non-executive board members should be considered on a case by case basis. Where necessary, measures should be put in place to manage or resolve potential conflicts. The board should agree and document an appropriate system to record and manage conflicts and potential conflicts of interest of board members. The board should publish, in its governance statement, all relevant interests of individual board members and how any identified conflicts, and potential conflicts, of interest of board members have been managed. 4.15	The Health Board has an agreed process in place for managing Declarations of Interest. All Board Members are asked to formally declare on an annual basis and advised of their responsibility to notify of any changes in year. Declarations of interest are captured on a register which is available for public inspection, a link to which is included in the Accountability Report. A report on Declarations of Interest is received by the Audit and Risk Assurance Committee on an annual basis. Declarations of Interest are captured at the start of each Board and Committee meeting. The Standards of Behaviour Policy details the responsibility under Declarations of Interest. Standing Orders also outlines the responsibilities for Declarations of Interest.	Internal Audit report on Declarations of Interest undertaken in 2019/20. Assurance Rating: TBC	Comply	Standards of Behaviour Framework Policy. Accountability Report. Standing Orders. Declarations of Interest Process and Register.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
		The Declarations of Interest form includes how declarations and potential conflicts are managed and these are recorded on the register.			
CGC 19	The board should ensure that there are effective arrangements for governance, risk management and internal control for the whole departmental family. Advice about and scrutiny of key risks is a matter for the board, not a committee. The board should be supported by: • an audit and risk assurance committee, chaired by a suitably experienced non-executive board member • an internal audit service operating to *Public Sector Internal Audit Standards*1 • sponsor teams of the department's key ALBs (5.1 and 5.8)	The Audit and Risk Assurance Committee is chaired by the Independent Member with a legal background. NWSSP Internal Audit Services are appointed as the Health Board's Internal Auditors.		Comply	Terms of Reference & Operating Arrangements for the Audit and risk Assurance Committee. Accountability Report. Internal Audit Annual Plan.
CGC 20	The board should take the lead on, and oversee the preparation of, the department's governance statement for publication with its resource accounts each year. The annual governance statement (which includes areas formerly covered by the statement on internal control) is published with the resource accounts each year. In preparing it, the board should assess the risks facing the department and ensure that the department's risk management and internal control systems are effective. The audit and risk assurance committee should normally lead this assessment for the board (5.2 and 5.13)	The Annual Governance Statement is included within the Accountability Report which is received by the Audit and Risk Assurance Committee to endorse prior to approval formally by the Board in May of each year.	Wales Audit Office and Internal Audit receive and review the Accountability Report.	Comply	Accountability Report. Board and Committee Minutes. Annual Report Timetable.
CGC 21	The board's regular agenda should include scrutinising and advising on risk management (5.3 and 5.10)	• The Board Assurance Framework/Corporate Risk Register is received at least twice a year by the Board. • Risk Management Strategy and Risk Appetite are defined and approved by the Board. • The Audit and Risk Assurance Committee provide assurance to the Board on the Risk and Assurance Framework.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 95-97	Comply	Board Cycle of Business. WAO Structured Assessment.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
CGC 22	The key responsibilities of non-executive board members include forming an audit and risk assurance committee. The board and accounting officer should be supported by an audit and risk assurance committee, comprising at least three members. An audit and risk assurance committee should not have any executive responsibilities or be charged with making or endorsing any decisions. It should take care to maintain its independence. The audit and risk assurance committee should be established and function in accordance with the *Audit and risk assurance committee handbook.* The board should ensure that there is adequate support for the audit and risk assurance committee, including a secretariat function. The terms of reference of the audit and risk assurance committee, including its role and the authority delegated to it by the board, should be made available publicly. The department should report annually on the work of the committee in discharging those responsibilities Boards should ensure the scrutiny of governance arrangements, whether at the board or at one of its subcommittees (such as the audit and risk assurance committee or a nominations committee). This will include advising on, and scrutinising the department's implementation of, corporate governance policy. (5.4 and 5.9, 5.11, 5.12 and 5.14 and 5.15)	• Standing Orders are explicit that the Health Board as a minimum must establish Committees that cover certain aspects, one of which is Audit. • Audit and Risk Assurance Committee established in 2010. • The Terms of Reference and Operating Arrangements in respect of the Audit and Risk Assurance Committee are clear in relation to its authority and delegated responsibilities. • Board Secretary is the lead officer for the Audit and Risk Assurance Committee, however only IMs are 'members'. Officer members are invited to attend for individual agenda items. • Full secretariat function in place supporting the Audit and Risk Assurance Committee. • The Audit and Risk Assurance Committee Terms of Reference are published as an appendix to the Standing Orders on the Health Board's website. • The Audit and Risk Assurance Committee also has its own webpage which publishes the Terms of Reference and papers for each meeting. • Audit and Risk Assurance Committee Annual Report produced and presented to Board.		Comply	Standing Orders. Terms of Reference for the Audit and Risk Assurance Committee. Internet Site: Board Papers, Standing Orders and Statutory Committees of the Board webpages. Audit and Risk Assurance Annual Report.
CGC 22	The head of internal audit (HIA) should periodically be invited to attend board meetings, where key issues are discussed relating to governance, risk management processes or controls across the department and its ALBs (5.5)	The role of the HIA is clearly set out in Standing Orders. The HIA attends all Audit and Risk Assurance Committee meetings which report to Board. Audit and Risk Assurance Committee Terms of Reference state that the HIA has access to the Committee Chair. The HIA has a private meeting with members of the Audit and Risk Assurance Committee at least once a year.		Comply	Standing Orders. Terms of Reference for the Audit and Risk Assurance Committee. Internet Site: Audit and Risk Assurance Committee webpage.

REF	Corporate Governance Code Principles	Evidence of Internal Assurance / Supporting Narrative	External Assurance	Comply or Explain	Supporting documentation
		If there was anything specifically escalated to the Board then the HIA would be invited to attend.			
CGC 23	The board should assure itself of the effectiveness of the department's risk management system and procedures and its internal controls. The board should give a clear steer on the desired risk appetite for the department and ensure that: • there is a proper framework of prudent and effective controls, so that risks can be assessed, managed and taken prudently • there is clear accountability for managing risks • Departmental officials are equipped with the relevant skills and guidance to perform their assigned roles effectively and efficiently. The board should also ensure that the department's ALBs have appropriate and effective risk management processes through the department's sponsor teams Advising on key risks is a role for the board. The audit and risk assurance committee should support the board in this role. (5.6, 5.7 and 5.10)	The Health Board has a documented Risk Management Framework in place setting out the foundation and organisational arrangements for supporting the risk management process in Hywel Dda. The Risk Management Framework is based on the 3 lines of Defence model whereby management control is the first line of defence in managing risk, the various specialist functions such as Finance, Workforce, Quality, etc are the second line of defence, with the third line provided by independent assurance on effectiveness of the risk management framework. The Health Board has agreed and implemented its Risk Appetite and Tolerance levels. Managers take a lead on risk management and are responsible for role modelling a risk aware culture within their area. Managers receive training through Managers Passport Plus Programme and 121 training on the Health Board's Risk Information Management System. Tools, procedures and guides are available on the staff intranet site. Services are challenged on their risk management through the Executive Performance Reviews. The Board receives the Board Assurance Framework and Corporate Risk Register twice a year. Each principal risk is aligned to the Board's Committees who ensure that risks are being effectively managed on behalf of the Board. Each Committee provides an annual assurance report to the Audit and Risk Assurance Committee which includes providing assurance that risks are being managed. The Health Board's current Risk Management Strategy was written for the period 2015-2018 and is currently under further review. This was commenced in 2019 but not yet completed. This will be considered by the Audit and Risk Assurance Committee prior to approval by the Board.	**Title:** WAO Structured Assessment **Reference Point:** Conducting Business Effectively – Paragraph 95-97	Comply	Risk Management Framework. Staff intranet: risk management webpage Terms of Reference for the Audit and Risk Assurance Committee.

GOVERNANCE LEADERSHIP AND ACCOUNTABILITY STANDARD

As part of the Annual Governance Statement, the Health Board is required to provide a summary of the steps it has taken to demonstrate that it operates in accordance with this governance standard and the wider standards framework.

Effective governance, leadership and accountability in keeping with the size and complexity of the health service is essential for the sustainable delivery of safe, effective person centred care.

Criteria 1: There are some excellent examples of how the Health Board demonstrates effective leadership by setting direction, igniting passion, pace and drive and developing people.

- In November 2018, the Board approved its *Health and Care Strategy – A Healthier Mid and West Wales: Our future generations living well*, which was developed based on the 11 clinical recommendations that emerged from the University Health Board's (UHB) public consultation 'Our Big NHS Change' The strategy describes the UHB's:
  - 20 year vision for the population health outcome for current and future generations; and
  - 10 year health and care strategy.

- Whilst the Health Board intended to submit a three year plan for 2019/22, following Welsh Government advice, the Health Board submitted an 'interim draft' annual plan for 2019/20 which set out delivery for year 1 of the Health Board's Strategy. WAO Structured Assessment 2019 (SA19) reported that the Health Board has set a clear strategic direction although there remains weaknesses in the governance of the Regional Partnership Board.

- The Health Board strives to be an employer of choice and the health and well-being of its staff is paramount. Hywel Dda's Values and Behaviours Framework has now been in place for more than two years. The Values Framework underpins leadership and effective management at all levels and a suite of leadership and management development programmes has been developed to support the delivery of a values based, compassionate leadership culture. The programmes aim to develop leaders who engage staff and encourage innovation, and support the ongoing development of skilled effective leaders and managers who drive continual improvement through engagement.

- The Executive Team has continued to work with the organisational development team to strengthen collective leadership. Executive objectives were revisited in 2019/20 to reflect the new strategy and overall there is a general sense that joint working is continuing to improve. The Executive Team is now much more visible through the Executive Team Performance Reviews (ETPR) and the Transformation Programme, although executive visibility in front-line operational services could be further strengthened. (WAO SA19)

- The Health Board has renewed its commitment to Board development during 2019/20 under the leadership of the new Chair. The Health Board has a

comprehensive Board Development Programme designed to provide ongoing developmental support. The programme involves separate sessions held for Independent Members and Executive Directors and provides a foundation for continued learning and development. The programme is delivered in-house with support from external providers and subject matter experts as required.

- The new Chair has instigated a revised streamlined structure for the Board and Committee working arrangements, with revised leadership of key committees to match individual areas of expertise and experience. The Chair and CEO are keen to encourage more Board visibility throughout the organisation and to ensure that the Board continues to listen to and learn from front line staff experience. The introduction of Reverse Mentoring for all Board members is an example of this being applied in practice.

- A new Executive Director Performance Framework was introduced in 2018/19 to provide clarity on performance expectations and role requirements, and Year 2 implementation of this framework has continued in 2019/20. This year performance has centred round a 'Team Goal' with each Executive having specific deliverable contributions towards attainment of that goal.

- A bespoke development programme is also in place to work through issues of executive team cohesion, effectiveness and performance. Each Executive also has access to Executive coaching support.

- A medical leadership organisational development programme is now established and the number of medical staff putting themselves forward for leadership roles is starting to increase. (SA19).

- The Band 7 Nurse Leadership Programme was launched in November 2019.

- The Health Board continues to implement a substantive programme of organisational development work at all levels of staff (WAO SA19) The Health Board's Organisational Development programme in 2019/20 included Board and Executive Programmes; Senior Operational Leaders within Triumvirates (SLLIP); the Aspiring Medical Leaders Programme (AMLP); Medical Leadership Forum (MLF) and the Together We Care Framework.

- The Health Board adopted the revised model Standing Orders in November 2019. These Standing Orders are designed to 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 LHB. SFIs were reviewed by the Board in May 2019.

- The Board has a Committee structure in place to provide assurance to the Board. WAO reported in SA19 that positive changes were being made to

enhance the Board and committee effectiveness with the streamlining of Board agendas, and focusing on issues that genuinely required Board attention.

- The Health Board's interactive Scheme of Delegation was reviewed by the Board in November 2019. This details and encompasses all delegations including Standing Orders, Standing Financial Instructions, financial delegations, legislative compliance, other delegations and responsibilities, both at delegated lead and operational responsibility level. It has been further expanded through Directorate delegations and is kept under regular review.

- The Health Board continues to have a well-developed Board Assurance Framework (BAF) and is examining how it can be updated to support the implementation of its strategy. The inclusion of risk appetite in the BAF and alignment of the Corporate Risk Register to the Board and its committees has strengthened the corporate focus on risk (WAO SA2019).

- Partnerships that the UHB actively participates in have been mapped and the Partnership Governance Framework and Toolkit was approved in September 2017. The partnerships, which vary in size and purpose, with representation from across sectors and at a national, regional and local level, have been registered by UHB partnership leads. This information populates a partnership register, through completion of a partnership registration form, the purpose of which is to record key details of partnerships, particularly those which meet the UHB's 'significant' definition i.e:

    - How strongly the partnership supports delivery of the UHB's key/strategic objectives, priorities or statutory obligations;
    - The amount of resources the UHB contributes to the partnership; and
    - The levels of liability consequent on any serious failures within the partnership, particularly from a delivery or liability perspective.

  This enables the UHB to demonstrate an awareness of its key commitments, and evidence the performance and risk management arrangements it has in place for each partnership.

Criteria 2: There are some excellent examples of how the Board sets strategy with a focus on outcomes, and choices based on evidence and people insight. The approach is through collaboration building on common purpose.

- The UHB's health and care strategy was approved by board in November 2018. It sets out for the first time a strategic vision for services that are safe, sustainable, accessible and kind for current and future generations across Hywel Dda. The strategy is based on the implementation of an integrated social model of health. It signals a shift from our current focus on hospital-based care and treatment, toward a focus on prevention and building the resilience of people and communities, as described above, and establishes a parity of esteem between physical health, mental health and learning disabilities across the age span.

- The aim of the Annual Plan 2019/20 was to demonstrate how the Health Board intended to start delivery of the Health Board's strategy.

- The Regional Partnership Board (RPB) is a key vehicle for the delivery of the strategy and the WAO reported in SA19 that key partners are clearly on board with the strategic direction. This is reflected by the successful approval of its bid for Transformation Funding, totalling £11.9 million, which will enable strategy delivery in its early years. A new Integrated Executive Group (IEG) has been established underneath the RPB, which aims to bring together key officers from the statutory organisations. This amendment to the RPB structure is a positive step to ensuring that the strategic vision is embedded into routine decision-making and operational leadership of health and social care across Mid and West Wales, however membership does not include the Directors of planning and finance.

- The Health Board has maintained strong partnership working with its neighbouring health boards through the joint regional planning arrangements with Swansea Bay University Health Board, and its leadership of the Mid Wales Health and Care Committee with Powys Teaching and Betsi Cadwaladr University Health Boards.

- Strong partnership working with its Public Services Boards continues. WAO found that the Health Board is increasingly working with partners to take a sustainable whole-system approach to service provision in line with the Wellbeing of Future Generations (Wales) Act 2015. (SA19)

- The Health Board has approved a clinical strategy for Bronglais General Hospital (BGH): Delivering Excellent Rural Acute Care in November 2019 which sets out a vision for future services at BGH, as part of the whole system plan for health and care in Ceredigion and surrounding areas. The development of this strategy was clinically led as part of Hywel Dda's strategic development programme and addresses the challenges of providing high quality care to remote urban and rural populations.

- The Health Board has developed an Organisational Development Innovation Hub to bring people with different expertise together, to develop and drive new ways of thinking and reflect 'prudent' ideas. It aims to identify research and development opportunities locally and regionally, and where appropriate internationally to maximise health impact and critically contribute to service sustainability. The Hwyl Hub consists of a physical and virtual hub (designed to encourage learning, creativity, fun, innovation and service improvement).

- In November 2019, the UPB agreed revised governance arrangements under the auspices of a University Partnership Group (UPG), to meet on a bi-annual basis with each University and Pembrokeshire College to scope areas of mutually beneficial activities, building on their unique strengths to improve services to the population of Hywel Dda. These areas of work will culminate in an annual meeting or workshop event bringing together the products of the joint work taken place throughout the year.

Criteria 3: There are some excellent examples of how the Board is innovative and improves delivery, plan resources and prioritises, develops clear roles,

responsibilities and delivery models and manages performance and value for money.

- Transformation Programmes, namely Transforming our Communities, Transforming our Hospitals and Transforming Mental Health and Learning Disabilities, are in place to deliver the Health Board's Health and Care Strategy 'A Healthier Mid and West Wales: Our Future Generations Living Well.

- The Health Board launched its Healthcare Apprentice Programme on 24th May 2019 which is aimed at developing a future nursing workforce from the local population. In 2019/20, 40 individuals commenced on the programme and will develop from entry level through to registration in 2027. Funding for a further 50 places will be launched in 2020/21.

- Check and Challenge process to ensure projects and programmes of work fulfils the objectives of the Transforming Communities, Mental Health and Learning Disabilities and Hospitals.

- The Colleague Experience Group, which meets bi-monthly, provides leadership and support in facilitating the health and well-being of staff as an integral part of corporate objectives. (SA19)

- The Health Board has an agreed Quality Improvement Framework (QIF) supported by an Ensuring Quality Improvement Programme (EQIiP). The EQIiP is a collaborative training programme for front line staff designed to increase improvement capacity and capability across the Health Board through training, education and coaching support for teams working on a real work problem. Eleven teams have participated in the first programme which has been independently evaluated by Swansea University through funding from Improvement Cymru.

- Making Every Contact Count (MECC) is an approach that uses the millions of day-to-day interactions that people in organisations have with people in communities, to support them in making positive changes to their health and wellbeing.

- Introduction of the Cataract Referral Refinement Scheme and Glaucoma Data Capture Programme that commenced in September 2019. Both schemes are designed to improve access for patients and release capacity within the Hospital Eye Service to enable improvements towards the Referral to Treatment (RTT) waiting times target in addition to reducing waiting times for those patients prioritised as Risk Factor 1 ('R1) and allow timely access to see a Consultant.

- An Opportunities Framework has been developed which is intended to operate alongside existing processes on a 'Business as Usual' basis. The Opportunities Framework offers a useful tool for the robust scrutiny of ideas within the Health Board, ensuring rigorous testing is undertaken to promote confidence and provide assurance to the Board.

Criteria 4: There are some excellent examples of how the Board fosters a culture of learning and self-awareness, and personal and professional integrity.

Learning and Self Awareness:

- WG Self-Assessment of Current Governance Arrangements - following the publication of the Healthcare Inspectorate Wales and the Wales Audit Office report titled 'A review of quality governance arrangements at Cwm Taf Morgannwg University Health Board', the Health Board undertook a review of the report in detail.

- The Board has also completed the Welsh Government "All Wales Self-Assessment of Current Quality Governance Arrangements" (an assessment against the recommendations within the review) at the request of the Minister for Health and Social Services. Any areas for improvement identified following the review and self-assessment process have been captured in an action plan that will be monitored through to completion by the Quality, Safety and Experience Assurance Committee.

- Welsh Government commissioned an external governance review in 2019/20 to validate the financial baseline and identify drivers of the underlying financial deficit; the current financial plan for 2019/20 and ability to deliver the £25m control total; the opportunities to improve the deficit for 2019/20 and to achieve financial sustainability; and the financial governance and structure of Health Board.

- The Health Board established a 2 year Turnaround Programme to provide a robust process for the delivery of savings to support it in meeting its statutory duty to break-even over a three-year rolling basis.

- The Health Board has a Joint Framework for Continuous Engagement and Consultation with the CHC which was signed off at Board in January 2019. This was designed to ensure a coherent, consistent approach towards co-production and service change around health (and in the future social care, or any other integrated service with other public sector partners) that is fit for the future and takes into account the duties of both the CHC and the Health Board.

- A programme of Patient Safety Board to Floor Walk Around visits to connect senior leaders with people working on the front line is in place. It supports Board visibility and approachability at frontline service level (clinical and indirect service provision), educating senior leaders about safety issues and to signal to the front line workers that senior leaders are committed to and see it as part of their role in the development of the organisational safety culture.

- The All Wales Raising a Concern (whistleblowing) policy outlines how the Health Board engages with staff and volunteers on how to raise a concern.

- The Charter for Improving Patient Experience, co-produced with patients and communities, clearly sets out what patients, families and cares can expect when receiving services from the Health Board. The Charter will inform the Health Board's patient experience programme, individual service plans for patient experience, and integration of patient experience feedback into service planning and improvement.

- There will be an increased number Board to Floor walkabouts as well as the introduction of the 'Speak up Safely' initiative, to encourage staff to raise concerns and to feel safe and supported when doing so.

Personal and Professional Integrity:

- The Board's Standards of Behaviour Policy was reviewed in 2019 and approved by the Business Planning and Performance Assurance Committee in August 2019. This policy outlines how the Board is committed to ensuring that its employees and Independent Members practice the highest standards of conduct and behaviour.

- The Health Board's Standing Orders supported by the Standards of Behaviour Policy aims to ensure that arrangements are in place to support the workforce to act in a manner that upholds the code of conduct for the NHS. Part of this process is obtaining declarations in respect of Gifts, Hospitality, Honoraria, and Sponsorship etc. The Register and Declaration of Interests is the method by which the Board safeguards against conflict or potential conflict of interest where private interests and public duties of members of staff do not concur. The Board must be impartial and honest in the conduct of its business. An annual report is received by the Audit and Risk Assurance Committee in respect of declarations.

Recommendations

1. To continue to work towards development and approval of a 3 year Integrated Medium Term Plan.
2. To establish a 'Speaking Up Safely' process to encourage reporting of staff concerns.
3. To implement the new Board and Committee Structure from 1st April 2020, and implement the findings of the WAO Review of Quality and Safety Arrangements in Hywel Dda in 2020/21.
4. To review the Risk Management Strategy in 2020/21 and update the Risk Management Framework to reflect new risk reporting arrangements in the Health Board following implementation of point 4.
5. To expand the membership of the Integrated Executive Group (IEG) to include the Directors of Planning and Finance.
6. To establish the planned new Regional Leadership Group to provide overall strategic direction comprising the Chief Executives, the Health Board Chair and local authority cabinet members.
7. To establish a new Listening and Learning Sub-Committee, chaired by the Health Board Chair.
8. To establish a Listening and Learning from Events Sub-Committee, chaired by the Health Board Chair, to bring together learning from across the organisation (not only within the concerns and claims area), to triangulate information from a patient and staff perspective, informing the Health Board's clinical risk profile.

WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Structured Assessment 2019 – **Hywel Dda University Health Board**

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The team who delivered the work comprised Anne Beegan, Leanne Malough and Philip Jones, under the direction of Dave Thomas.

Contents

Summary report

About this report

1 This report sets out the findings from the Auditor General's 2019 structured assessment work at Hywel Dda University Health Board (the Health Board). The work has been undertaken to help discharge the Auditor General's statutory requirement, under section 61 of the Public Audit (Wales) Act 2014, to be satisfied that NHS bodies have made proper arrangements to secure economy, efficiency and effectiveness in their use of resources.

2 Our 2019 structured assessment work has included interviews with officers and Independent Members (IMs), observations at Board, committee and management meetings and reviews of relevant documents, performance and financial data.

3 The key focus of structured assessment is on the corporate arrangements for ensuring that resources are used efficiently, effectively and economically. This year, auditors paid critical attention to the progress made to address recommendations and opportunities for improvement identified in 2018 and previous years. The report groups our findings under five themes:

- Strategic planning;
- Transformation and organisational structure;
- Performance and turnaround;
- Governance arrangements; and
- Managing the workforce.

Background

4 The Health Board remains in targeted intervention under the NHS Wales Escalation and Intervention Framework. The key reasons for intervention remain the Health Board's financial position and its ability to meet the requirements of an approvable Integrated Medium-Term Plan (IMTP).

5 At the end of 2018-19, the Health Board reported an in-year financial deficit of £35.4 million. This was within an agreed deficit total following an additional recurring £27 million from Welsh Government in recognition of the Health Board's demographic and rurality challenges. The cumulative three-year deficit stood at £154.4 million at the end of March 2019.

6 In November 2018, the Health Board approved its 10-year Health and Care Strategy 'A Healthier Mid and West Wales: Our Future Generations Living Well' (the strategy), underpinned by its 20-year population health vision. Despite initial intentions to submit a three-year plan for 2019-22, overly ambitious timescales and advice from the Welsh Government resulted in the Health Board subsequently submitting an approvable annual plan for 2019-20.

7 By the end of 2018-19, the Health Board did not meet key waiting time targets for A&E and ambulance handovers, although performance was comparable with the

rest of Wales. It did achieve waiting time targets for therapy and diagnostic services (the best performance in Wales), and referral to treatment targets for 36-week breaches. It fell short of the target for 26-week waits but performance was significantly improved compared to previous years. Cancer and stroke performance continued to be amongst the best in Wales, except for waiting times for urgent suspected cancer. Healthcare acquired infection targets were still not being met but there were signs of improvement.

8 During the last twelve months, there has been some changes at Board level both in respect of executive directors and Independent Members (IMs):

- In February 2019, the Health Board's Chair stood down. Interim arrangements were put in place until the newly appointed Chair took up post in August 2019.
- The interim Executive Director of Finance was appointed into the role in December 2018 for a fixed-term period of two years,
- One IM stood down in July 2019 leaving a gap in trade union representation which is yet to be filled. The term of two further IMs were extended for a year as was the term of the Associate Board Member appointed to chair the Finance Committee.
- In December 2019, the Turnaround Director took up post as the new Executive Director of Operations following the departure of the previous postholder.

9 Our 2018 work acknowledged that *the Health Board was continuing to strengthen governance and management arrangements, but there was recognition that there remained some weaknesses in quality and safety governance arrangements. It also acknowledged that more needed to be done to streamline the organisational structure to support implementation of the new strategy, and the efficiency of both resources and assets in the short to medium-term.*

10 As this report provides a commentary on key aspects of progress and issues arising since our last structured assessment, it should be read with consideration to our Structured Assessment 2018 report.

Main conclusions

11 Our overall conclusion from 2019 structured assessment work is that **the Health Board continues to strengthen governance and management arrangements. It has a clear strategic direction and is developing the infrastructure to support delivery of strategic plans. There are improvements in performance but challenges in relation to finance and unscheduled care remain. Finally, oversight and scrutiny of planning needs clarifying.**

12 The Health Board has set a clear strategic direction and is on track to develop its first three-year plan. Arrangements for monitoring delivery of the strategic plan have improved but reporting lines to the Board pose a risk of duplication.

13 The Health Board has established robust arrangements to deliver its strategy, and recent changes are helping to simplify the operational structure. More needs to be done to engage staff in the change agenda, and capacity in some corporate functions remains a challenge.

14 The Health Board has strengthened financial management arrangements and improved performance overall, but a number of financial, service and quality challenges remain, and opportunities to extend performance management exist.

15 Governance arrangements are generally sound with further improvements underway.

16 The Health Board compares well against a number of workforce metrics, is putting new initiatives in place to develop the workforce and support staff well-being, and is increasing the focus at Board and Committee level.

17 We consider our findings in more detail in the following sections.

Recommendations

18 Exhibit 1 details recommendations arising from this work. The Health Board's management response to these recommendations and our final report will be available on our website once considered by the relevant committee. The Health Board will also need to address the outstanding recommendations made in previous years.

Exhibit 1: 2019 recommendations

Recommendations
Monitoring delivery of plans
R1 We found scope to reduce potential duplication of assurance between the Business Planning and Performance Assurance Committee (BPPAC) with the Health and Care Strategy Delivery Group (HCSDG). The Health Board should clarify the reporting lines of the Health and Care Strategy Delivery Group to ensure that the risk of duplication of assurance is mitigated.
Performance management reviews
R2 We found that the Executive Performance Reviews (EPRs) do not apply to corporate directorates, with the exception of Estates. The Health Board should apply EPRs to corporate directorates not already covered within the process.
Staff engagement
R3 We found that there is scope to empower the wider workforce to contribute to the transformational change agenda. The Health Board should implement practical solutions to engage the wider workforce in the change programme, for example by identifying change champions within individual services.

Detailed report

Strategic planning

19 We considered how the Health Board sets strategic objectives and how well it plans to achieve and monitor these. We also reviewed progress made in addressing our previous recommendations in relation to strategic planning.

20 We found that **the Health Board has set a clear strategic direction and is on track to develop its first three-year plan. Arrangements for monitoring delivery of the strategic plan have improved but reporting lines to the Board pose a risk of duplication**.

Setting the strategic direction

The Health Board has set a clear and ambitious strategic direction, which is fully supported by key partners but there remain weaknesses in the Regional Partnership Board

21 In our 2018 structured assessment work, we commended the Health Board for its engagement and ambitious approach to longer-term strategic planning. The approval of its strategy in November 2018 was the culmination of work over 18-months through the Transforming Clinical Services programme.

22 The strategy establishes a 10-year clinical strategy for the Health Board and a 20-year vision for population health. In March 2019, the Board approved a 'Scoping, Governance and Delivery Document'. This document signalled the end of the development phase and enabled the Transformation Programme to develop the detail underpinning the strategy and to move to the 'Delivery' phase[1].

23 The Regional Partnership Board (RPB) is a key vehicle for the delivery of the strategy and our work would indicate key partners are clearly on board with the strategic direction. This is reflected by the successful approval of its bid for Transformation Funding, totalling £11.9 million, which will enable strategy delivery in its early years. Our 2018-19 work on the Integrated Care Fund however identified weaknesses in governance arrangements surrounding RPBs, including the West Wales RPB[2], which need to be addressed. Since our previous work, a new Integrated Executive Group (IEG) has been established underneath the RPB, which aims to bring together key officers from the statutory organisations. This amendment to the RPB structure is a positive step to ensuring that the strategic vision is embedded into routine decision-making and operational leadership of health and social care across Mid and West Wales, however membership does not include the directors of planning and finance. A new Regional Leadership Group (RLG) to provide overall strategic direction, comprising the chief executives, the Health Board Chair and local authority cabinet members was also due to be established but this has not yet been set up.

24 The Health Board has maintained strong partnership working with its neighbouring health boards through the joint regional planning arrangements with Swansea Bay University Health Board, and its leadership of the Mid Wales Health and Social Care Committee with Powys Teaching and Betsi Cadwaladr University Health Boards.

[1] In 2017, the Health Board commenced its 'Transforming Clinical Services' programme. The programme is based on three distinct phases – Discover, Design and Deliver.

[2] The West Wales RPB is referred to as the West Wales Care Partnership Board

25 Strong partnership working with its Public Service Boards continues. Our recent local work on the Wellbeing of Future Generations (Wales) Act 2015 identified that the Health Board is increasingly working with partners to take a sustainable whole-system approach to service provision in line with the Act. The Health Board's major strategic shift towards an approach based around population health has clearly been developed with reference to the Act.

Developing strategic plans

The Health Board has a robust planning process and is on track to develop its first three-year plan

26 Following the Board's approval of the strategy, the Health Board had ambitions to submit a three-year plan for 2019-22. A series of check and challenge meetings with directorates were put in place to develop the first three-years of the 10-year clinical strategy within the context of the 20-year population health vision.

27 Our 2018 work recognised the robust process that the Health Board was putting in place but identified a need to develop joined-up planning arrangements to ensure individual directorate plans were co-ordinated. Given time pressures, and recognition that the three-year plan would not include a balanced financial plan, a key requirement of IMTP approval, the Welsh Government subsequently advised the Health Board to submit an annual plan.

28 In undertaking the check and challenge process, the Health Board has developed a comprehensive set of underpinning plans. The Welsh Government regarded plans for the county directorates in particular as good, recognising that the ability of the Health Board to deliver its strategy will be reliant on an increased emphasis on primary and community services.

29 The basis of these plans has subsequently been absorbed into the Transformation Programme. The work programmes supporting the Transformation Programme (discussed later in this report) will, and have already started to, develop the detailed plans that need to underpin the strategy. The Health Board now has a clear ambition to develop a three-year plan for the period 2020-23 using the work of the Transformation Programme, and broader operational plans. The three-year plan will follow the principles of the recently issued NHS guidance. As it is unlikely to include a balanced financial plan, the first year of the three-year plan will be used to form the annual plan required by the Welsh Government.

30 The Chief Executive is currently considering the suggestions by Welsh Government to establish an external advisory group to support the delivery of the strategy. The objectivity that could be provided by such a group could be highly beneficial, particularly given the ground-breaking nature of the strategy.

31 Alongside the Transformation Programme, the Health Board has developed a regional clinical services plan with Swansea Bay University Health Board. It has also contributed to the development of the plans supporting the Mid Wales Health and Social Care Committee. These plans all align with the Health Board's strategy.

32 The central planning team support the development of all of the Health Board plans, but capacity of this team is limited. The team have identified that they are unable to support the directorates as much as they would like but do provide high-level support through the continued check and challenge meetings. Overall, the planning process is robust, but it is reliant on an early start to be effective. To operationalise the strategy, the Chief Executive recently set personal objectives for every director.

These include ‘must do’s’ and contribution to team goals for the period 2020-23. Awareness of these objectives has delayed the planning process slightly as these objectives provide the framework for the plan. Overall the Health Board is on track to meet the Welsh Government timescales.

Monitoring delivery of the strategic plan

The Health Board has further developed its arrangements for monitoring delivery against plan but the reporting arrangement for the new Health and Care Strategy Delivery Group has the potential to duplicate assurance for 2020 onwards

33 Last year we identified that the arrangements for monitoring delivery against plan could be strengthened. At the time, the Integrated Planning Assurance Report (IPLAR) was being developed to provide the Board with greater awareness of progress.

34 The IPLAR is now in use and is focusing attention on monitoring plan development for the following year. The IPLAR provides a detailed breakdown of the work done to date to get the underpinning plans in place and provides assurance to the BPPAC and the Board on its ability to meet the Welsh Government timescales.

35 The Business Planning and Performance Assurance Committee (BPPAC) monitors delivery of the Health Board’s current plan, through the Planning Sub-Committee, which was established in 2017. A quarterly update report, using RAG ratings, highlights progress on each of the supporting action plans. Since our previous work, progress against plan is now included in the directorates’ quarterly EPRs using a RAG rating system to assess progress against actions. Feedback from the Health Board has identified that this has been a useful addition to the EPRs.

36 Following the approval of the strategy, the HCSDG was established. Chaired by the Chief Executive, this group meeting replaces the Executive Team meetings on an eight-week cycle. Membership consists of the Executive Team, the Strategic Programme Director, Directors of Social Services and the Chief Executive of Ceredigion Association of Voluntary Services. Its principle duties include monitoring strategy delivery and providing assurance to Board on overall progress, and progress against individual implementation plans. It also monitors and manages actions and is responsible for ensuring that the work of the Transformation Programme is delivered.

37 The HCSDG reports formally to the Board, which has the potential to duplicate assurances provided by BPPAC and the Planning Sub-Committee with regard to monitoring delivering of the strategy, noting the HCSDG focus in on delivery rather than assurance. The HCSDG has been established to maintain the focus and momentum needed to deliver the strategy. It is an operational group with no IMs included within the membership, although IMs do attend some of its working groups. Given the ambition set out in the strategy, it is understandable that the Board needs to be fully sighted of progress but reporting lines need to be considered within the context of its committee structures, and in particular BPPAC. It also needs to be considered alongside how and where the three-year plan for 2020 onwards will be monitored given that the detail of the three-year plan should also focus on delivering the strategy (see paragraph 92).

Transformation and organisational structure

38 We considered the Health Board's arrangements to achieve transformational change and whether supportive organisational structures are in place. We also reviewed progress made in addressing previous recommendations in relation to change management and structures.

39 In 2019, we found that **the Health Board has established robust arrangements to deliver its strategy, and recent changes are helping to simplify the operational structure. More needs to be done to engage staff in the change agenda and capacity in some corporate functions remains a challenge**.

Transformation

The Health Board has established comprehensive programme management arrangements to deliver transformation, but more needs to be done to engage the wider workforce in the change agenda

40 Last year we reported that the Health Board's capacity to deliver significant change was a challenge. At that time, the Health Board was awaiting a decision from the Welsh Government on a funding request to support additional change management capacity.

41 The funding request was based on mapping work to understand the resource implications of the change programmes needed to deliver the strategy. It covered all programmes and project plans categorising them as 'business as usual' activity; productivity and turnaround-related activity; or strategic implementation activity. This enabled the executive team to define the capacity and capability needed for the required work. The Health Board's request for additional resources was partly granted in December 2018, with the receipt of £1.5 million to cover costs incurred during 2018-19. Recurring funding for 2019-20 onwards has not yet been agreed.

42 Following Board approval to move to the 'Deliver' phase in March 2019, comprehensive programme management arrangements were established to deliver three change programmes. Reporting to the HCSDG, the three change programmes, each with a supporting transformation group, are:

- Transforming Communities;
- Transforming Hospitals; and
- Transforming Mental Health and Learning Disabilities.

43 The Executive Medical Director and Director of Health and Care Strategy is the Senior Responsible Office for the Transformation Programme. There is a nominated director for each of the transformation groups with membership including other directors, representatives from relevant directorate teams, including clinical directors and leads, and other staff co-opted as appropriate. The Health Board worked hard to achieve effective clinical engagement during the 'Develop' phase of its strategy, which we reflected in our 2018 structured assessment work. This engagement helped ensure successful development of a strategic approach supported by staff, the community, and other stakeholders. It is positive to see that clinical engagement, particularly with medical staff, is continuing into the delivery phase, as well as ongoing focused engagement with local communities directly impacted by service changes. Using the additional funds available, the TPO has recruited a lead nurse and therapist to support the overall programme, further helping to ensure that clinical engagement continues to be led by clinicians.

44 A Strategic Enabling Group (SEG) has also been established to provide direction, co-ordination and oversight in relation to a range of enabler functions. This includes workforce and organisational development, capital and estates, finance and procurement, modelling and informatics, partnerships and commissioning, value-based health care, and digital. Members of the SEG are also represented on the three transformation groups.

45 The TPO has a role to play in working with other corporate directorates to drive forward the delivery of the strategy as part of mainstream operational activities. As well as the clinical leads, the TPO has also been recruiting additional staff to ensure that it has the capacity and capability to provide the necessary programme management support. It is also seeking to work as a virtual team with the West Wales Regional Collaboration Unit (RCU) that supports the RPB, recognising the key role that the RPB has to play in supporting implementation, and the resources available to the RCU.

46 The scale of transformational change that the Health Board needs to deliver is immense. It is positive to see the progress made to establish the infrastructure to enable this change to happen. A considerable proportion of the Health Board's middle and senior management are involved in the Transformation Programme. The risk however is that the wider workforce sees the transformation agenda as being remote from their day-to-day work. The Health Board has recognised that while the infrastructure has been put in place, communication to key stakeholders (particularly staff) has not been as frequent as previously. To maintain the momentum built up over the last two years, it is important that communication continues albeit that at times, it may be no more than a general progress update. This would be helpful in engaging staff, in particular, with the strategic direction. The Health Board could also benefit from looking at ways that it could empower the wider workforce to feel that they can also contribute to the transformation agenda.

Ensuring organisational design supports delivery

Recent changes are helping to simplify the operational structure, although capacity in some corporate functions continues to be a barrier to adopting a business partnering model

47 The executive team has continued to work with the organisational development team to strengthen collective leadership. Executive objectives have been revisited to reflect the new strategy and overall there is a general sense that joint working is continuing to improve. The executive team are now much more visible through the EPRs and the Transformation Programme, although executive visibility in front-line operational services could be further strengthened as meetings continue to be held at headquarters.

48 Since our previous work, there have been a number of changes to the operational structure. County Directors are now in place on a permanent basis in two counties, and lines of accountability have been clarified. The Ceredigion County Director continues to hold the lead director role for Bronglais Hospital, but continued weaknesses in clinical leadership for Bronglais Hospital has resulted in additional clinical support being provided, on a temporary basis, by the Assistant Director of Nursing. This support has recently come to an end.

49 The County and Hospital directorate teams are increasingly working together, and to take this a step further, plans are in place to combine the directorate arrangements for the two Carmarthenshire hospitals to mirror the county footprint. As part of the refreshed Executive Medical Director structure, a Deputy Medical Director for Acute Hospital Services has been appointed to oversee the four hospitals, and will report to the Executive Director of Operations. This will help streamline reporting

arrangements for the hospital teams and will reflect the already well-established reporting lines for the county teams, which is now also supported by a Deputy Medical Director of Primary Care.

50 The General Manager for Women and Children's and Cancer Services has also been taking a more corporate role on scheduled care and has recently been appointed to the Assistant Director of Operations on a temporarily basis. The Director of Mental Health and Learning Disabilities post has been filled.

51 The Therapies Directorate has now been organised to bring together therapy services, which had been fragmented across the organisational structure. There is also the potential to bring in other services into the directorate over time. This directorate is currently reporting to the Executive Director of Therapies and Health Sciences as a temporary measure while it becomes embedded.

52 The changes that have been made to the operational structure are helpful steps in simplifying what is essentially quite a wide management structure. Over the last few years, in the region of 17 directorates have been reporting directly to the Executive Director of Operations. The Executive Director of Operations is now the lead director for two of the transformation groups and continuing to manage this number of directorates would have been unsustainable. The new Executive Director of Operations may want to take the opportunity as he takes up post to further refine the operational structure.

53 Corporate structures remain largely unchanged, although the business partnering model has now been fully embedded into the finance function. Other corporate functions are considering adopting a similar model subject to finance and appropriate approval processes but capacity to do so continues to be challenging. All of the corporate functions are represented on the SEG and within each of the transformation groups. This is positive but will place additional demands on their time, reducing their ability to be work more closely with the operational teams.

Previous recommendations

54 In 2017 and 2018 we made the following recommendations in relation to change management and the organisational structure. Exhibit 2 describes the progress made.

Exhibit 2: progress on previous structured assessment recommendations

Previous recommendations		Description of Progress
R4	To ensure the delivery of its strategy, the Health Board should seek to resolve the outstanding request for funding from the Welsh Government to support the capacity needed to implement the strategy within the intended timescales. (2018)	Funding relating to costs incurred in 2018-19 was agreed by Welsh Government in December 2018 and allocation received in January 2019. Recurring funding for 2019-20 has not yet been confirmed. **Not yet complete**

Previous recommendations		Description of Progress
R6	Following the implementation of the proposed planned changes to the finance department, the Health Board needs to ensure that the structures of the other corporate functions appropriately support and challenge the operational directorates. (2017)	Capacity in a number of corporate teams is limiting their ability to adopt a business partnering model. However, through other arrangements, such as the Transformation Programme, corporate teams are providing support and challenge. **Complete**
R7	The Health Board needs to revisit its operational structure, and the position of primary care and community services in particular, to ensure that it fully supports integrated working and effective management of operational issues. (2017)	Primary and community services now form part of the county director portfolio overseen by the Director of Primary Care, Community and Long-Term Care. County and hospital directorates are increasingly working together to consider the whole system. **Complete**
R8	To show leadership, visibility of the executive directors across the Health Board needs to extend to all directors and consideration needs to be made to holding meetings with operational teams away from the headquarters wherever possible. (2017)	Refer to paragraph 47. **Not yet complete**

Performance and turnaround

55 We considered the Health Board's current performance. We also considered arrangements for managing performance, including financial grip and control, and progress made against previous recommendations in relation to performance and financial management.

56 We found that **the Health Board has strengthened financial management arrangements and improved performance overall, but a number of financial, service and quality challenges remain, and opportunities to extend performance management exist.**

Managing the finances

57 Financial performance – **The Health Board's in-year deficit position is reducing year-on-year, partly due to additional Welsh Government funding, but the financial position for 2019-20 still remains challenging**.

58 The Health Board continues to spend beyond its means resulting in a cumulative deficit of £193.1 million for the last five years (Exhibit 3). Consequently, the Health Board has continued to fail its first financial duty of the NHS Finance (Wales) Act 2014. Improvements in financial control, alongside the financial recognition of the Health Board's demographic challenges in 2018-19 however has started to see the in-year deficit position improve year-on-year with plans to reduce this further in 2019-20.

Exhibit 3: financial deficit over the last five financial years

	2014-15 £m	2015-16 £m	2016-17 £m	2017-18 £m	2018-19 £m	Cumulative deficit 2014-19 £m
Financial performance	7.5	31.2	49.6	69.4	35.4	193.1

Source: Wales Audit Office analysis

59 The Annual Plan for 2019-20 approved by the Board in March 2019 outlined an initial deficit control total of £29.8 million, including the recurring £27 million. The Welsh Government subsequently set a reduced deficit control total of £25 million, with the potential for the Health Board to receive a further £10 million if it achieves its control total.

60 The Health Board has a range of schemes in place to enable it to deliver against its savings target, but these only equate to £18.7 million[3] leaving a shortfall of £6.5 million (including £1.5 million slippage) still to find. At month six, the Health Board has delivered £7 million of its planned savings. However, it is reporting a negative variance against planned expenditure of £3.8 million and an overall deficit position of £12.6 million for the year-to-date. Unscheduled care staffing pressures, particularly in Withybush and Glangwili hospitals along with primary care prescribing costs (Category M drugs) account for a significant amount of the variance.

61 To meet its deficit control total by the year-end, the Health Board needs to significantly accelerate the delivery of savings and reduce cost pressures, particularly in relation to unscheduled care. A number of its savings plans are set to overachieve, but the Health Board is now forecasting that it will not meet its deficit control total of £25 million.

62 Financial management and controls – **The turnaround process and the new business partnering model are strengthening the Health Board's ability to manage its finances, but a greater understanding of, and response to, underlying cost drivers as well as increased accountability and ownership is needed if it is to move to a break-even position**.

63 Our annual accounts work has identified the Health Board has adequate financial control arrangements in place. With the new finance business partnering model and the continued turnaround process, there are clearer lines of delegated budgetary responsibility through accountability agreements, more accurate operational financial reporting, and improved compliance with financial standards and legislation. The business partnering model is also helping to provide a more collaborative and supportive approach to managing budgets at directorate level.

64 Since the turnaround process began, the Health Board's ability to achieve financial savings has significantly improved. Clearer savings plans are in place, and the fortnightly Holding to Account meetings with directorates and the escalation process with the Chief Executive are maintaining a focus on finances. The 60-day cycle meetings are also maintaining a focus on identifying opportunities for service efficiencies.

[3] Made up of £16.6 million assured savings schemes (green) and £2.1 million classed as marginal risk (amber).

65 The Health Board has adopted the All-Wales 'No Pay Order No Pay' policy which is helping to control non-pay expenditure. The number of breaches is decreasing with targeted work actioned when non-compliance is identified. Similarly, the Health Board is controlling its single tender agreements and since 2018 has reduced both the value and number being used. Local procurement still forms part of the turnaround process and is regularly monitored by the Director of Finance as the accountable officer.

66 If the Health Board is to move to a break-even position, understanding of cost drivers and responses to them, as well as financial accountability and ownership still needs to be strengthened. During the year, the Welsh Government commissioned KPMG to complete a detailed review of the Health Board's finances, including cost drivers. KPMG has identified that some of the cost drivers are due to inefficiencies in service provision, which are known to the Health Board. KPMG has also identified that the significant driver for the underlying deficit however is due to increased demand for services from the Health Board's population.

67 Financial scrutiny – **There is improving scrutiny through the Finance Committee with an increasing focus on the longer-term**.

68 The Finance Committee is key to providing the Board with the assurances it requires over the Health Board's financial performance. Over the last 12 months, there is a better sense of more structured forward planning and control, and the quality of the scrutiny provided by its members is improving. Working well together, both the Finance and Turnaround Directors are the main lead officers responsible for providing the Committee with regular, quality information not only around financial performance and savings delivery but also development of the financial plan.

69 The challenge in balancing the focus of financial planning between the short and longer-term remains. Strategic decisions are starting to take shape and are giving the Finance Committee more focus. However, the Health Board still has significant challenges to overcome in terms of delivering the longer-term vision within the financial resources available.

Improving performance

70 Performance against targets - **Despite an overall backdrop of improvements, performance has declined in a number of areas during the year with unscheduled care remaining a particular challenge**.

71 Despite achieving a position of no 36-week breaches at the end of 2018-19, the numbers waiting more than 36-weeks for planned care has steadily increased since April 2019. This is against a backdrop of increased demand on planned services with an overall increase in numbers on elective waiting lists. Waiting times performance, however, compares significantly better than when the Health Board moved into 'targeted intervention' and compares favourably to the rest of Wales. Plans are also in place to recover the position by the end of March 2020.

72 Similarly, the improvements in diagnostic and therapy waits in 2018-19 have not been sustained into 2019-20 with an increasing number of patients waiting for cardiology and radiology tests beyond the 8-week target, and physiotherapy services beyond the 14-week target. The breaches in physiotherapy currently means that the Health Board has the worse therapy performance across Wales, although other diagnostic waiting times are amongst the best. Recovery plans are in place to reduce physiotherapy, cardiology and radiology waits back in line with the target.

73 Since April 2019, the number of patients delayed on the follow-up outpatients waiting list increased by 25% to 44,000 patients by September, with two-thirds delayed at least twice as long as they should be. The Health Board is also not achieving the new eye care measures, which came into effect from 1st April 2019.

74 Across the unscheduled care pathway, performance against a number of measures indicate that the Health Board is struggling to meet demand and get patients through the system efficiently:

- The number of ambulance handovers over one hour is increasing, The percentage of red calls responded to within 8 minutes is just above the target, with the exception of Ceredigion;
- The percentage of patients seen within 4, and 12 hours is declining. The numbers waiting more than 12 hours is the second highest in Wales, with long delays most problematic in Withybush hospital;
- The average length of stay for medical emergency inpatients is deteriorating; and
- The number of delayed transfers of care are increasing.

75 More positively, the Health Board continues to perform well across a number of the stroke care measures with timely access to specialist staff above the Welsh Government target and improving. Timely access to the stroke unit has deteriorated recently but for the majority of the year to date, performance has been above target. Cancer performance has however deteriorated. Having previously performed well in relation to the Non-Urgent Suspected Cancer target, both cancer targets are not being met.

76 Performance management – **Performance management reviews continue to evolve but there is scope to apply the review process to corporate directorates**.

77 The approach to performance reviews within the operational directorates continues to develop. All executive directors are invited to attend, and each review is now supported by an interactive dashboard, which covers performance against targets, workforce, quality and safety, audit and inspection, risk and finance. Progress against agreed actions to support delivery of the annual plan is also included. However, medical representation at these meetings is still lacking. The newly appointed Deputy Medical Director for Acute Hospital Services is taking a lead identifying and streamlining which meetings require clinical directors and realigning job plans to allow them to attend meetings, such as the EPRs, which should improve medical attendance over time.

78 As reported previously, separate Holding to Account meetings are held with the Turnaround Director. Additional Holding to Account meetings are held with the Chief Executive and a number of Executive Directors where directorates are escalated. Separate check and challenge meetings (see paragraph 32) are also taking place. The number of meetings that directorates have to attend, including the transformation groups, place considerable time pressures on directorate teams and the executives. The Health Board has recognised the opportunity to bring the Holding to Account meetings into the EPRs, particularly with the recent appointment of the Turnaround Director into the Executive Director of Operations role.

79 The Health Board has increased the frequency of EPRs for directorates which are underperforming, although this is not yet reflected in the performance management framework. With the exception of Estates, the EPRs do not currently apply to corporate directorates and scrutiny of performance of these services is not as robust and transparent. To deliver the efficiencies needed in the short-term the Health Board could look to apply the EPRs to corporate directorates.

Quality performance

There are early signs of improvement but there remains a considerable amount of work still to do to improve quality performance

80 Last year, we identified that performance against a number of quality and safety indicators were below Welsh Government targets, with an increasing need for the Health Board to more explicitly focus its attention on the quality and safety of its services.

81 In March 2019, the Health Board launched its Quality Improvement Strategic Framework with the overall aim of increasing the emphasis on quality improvement across the organisation, and in particular, shared learning. In addition, the Medical Director has appointed a new Associate Medical Director (AMD) for Quality and Safety as part of his new structure.

82 A number of performance measures are now showing positive signs of improvement with the number of concerns responded to within 30 working days above the target, and the level of zero never events maintained since October 2018. Crude mortality rates have also consistently improved since September 2018.

83 Healthcare acquired infection rates however remain a significant concern with C. difficile, MSSA and E. coli cases per 100,000 head of population some of the highest in Wales. Hospital acquired pressure sores is also increasing, and sepsis-six bundle compliance is deteriorating. The percentage of serious incidents assured within the recommended 60-day timescale is well below the target. The percentage of mortality reviews undertaken within 28 days is not yet at target level, although it is improving.

84 Our recent work on the Health Board's operational quality and safety arrangements identified a number of areas where quality governance arrangements need to improve. A more detailed examination of the elements underpinning the Health Board's quality governance arrangements will be undertaken in early 2020.

Previous recommendations

85 In 2017 and 2018, we made the following recommendations in relation to performance and financial management, including financial scrutiny. Exhibit 4 describes the progress made.

Exhibit 4: progress on previous structured assessment recommendations

Previous recommendations	Description of progress
R1 The Health Board needs to improve the identification and design of saving schemes through: a. increasing the use of data and intelligence to identify opportunities for efficiency improvements reflecting them in more meaningful and realistic savings targets for different areas of the business;	The Health Board is improving its use of data to identify opportunities for efficiencies through benchmarking. The business partnering model is also starting to embed itself and is encouraging greater intelligence to identify opportunities for efficiency and realistic targets. The recent KPMG work will further assist with taking this recommendation forward.

Previous recommendations		Description of progress
		Complete.
	b. avoiding over-reliance on in-year cost control, accountancy gains and non-recurrent savings; and	At month six 2019-20, there is still some reliance on non-recurrent savings, but this is getting less each year. **Complete.**
	c. embedding the 60-day cycle process to identify where longer term and sustainable efficiencies can be achieved through service modernisation, and approaches such as value-based healthcare and productivity improvements. (2017)	The 60-day cycle continues to form part of the turnaround process. It is also embedded in to the new Transformation programme as a way of supporting longer-term sustainability. The Director of Turnaround is due to take up post as the new Executive Director of Operations at the end of November 2019. He will take over as chair of two of the three change programmes, through which he will maintain a focus on efficiencies through service modernisation. Value-based healthcare is still in its early stages but is being embedded following approval of the joint business case with Swansea Bay University Health Board at the end of 2018 **Complete.**
R3	The Health Board needs to adopt a more proactive approach to learning and sharing good practice about savings and wider financial planning. This should include making more use of initiatives such as the Welsh Government's 'Invest to Save' schemes. (2017)	The Health Board is becoming more focused on benchmarking and learning from others to increase efficiencies. Learning and sharing is made available through the turnaround meetings and the business partnering model, and there are a number of 'Invest to Save' schemes in place. **Complete**
R3	To free up capacity for both executive and operational teams, and to enable a more joined up focus on the use of resources, the Health Board should streamline the number of holding to account or performance review meetings with operational teams by: a. reviewing the frequency and timing of these meetings; b. reviewing the location of these meetings, to improve visibility of the executive team; and c. aligning these meetings with management sessions contained within job plans for clinical directors to enable them to participate fully. (2018)	Refer to paragraphs 47, and 77 to 78. **Not yet complete.**

Previous recommendations		Description of progress
R5	To support its longer-term financial position, the Health Board should ensure that the Finance Committee continues to develop its role and to provide increasing scrutiny and challenge on the plans to achieve efficiency savings in the medium to long-term. (2018)	The Finance Committee is increasingly undertaking detailed scrutiny of the Health Board's plans to achieve efficiency savings with a focus on both the medium and long-term. **Complete**
R10	The Health Board needs to strengthen its performance management framework at an operational level by: a. ensuring sufficient time is allowed within the bi-monthly performance management reviews to consider all elements of performance, including finance, workforce and delivery against plan; b. ensuring that the process includes wider representation from across the directors; c. ensuring that governance approaches at operational and service level are standardised and include a comprehensive review of performance; d. expanding the range of performance metrics that are considered at an operational level, particularly in relation to quality and safety; e. exposing the operational directorate teams to scrutiny at both the BPPAC and Quality, Safety and Experience Assurance Committee (QSEAC) on areas of underperformance. (2017)	Refer to paragraph 77. In addition, operational directorates are more exposed to the scrutiny process in both BPPAC and QSEAC, with directorates being called in to account for underperformance. The only element of this recommendation outstanding is in relation to standardised governance approaches, which is now being addressed as part of Recommendation 1 of our separate work on quality and safety arrangements, reported in August 2019. **Complete**

Governance

86 We considered the Health Board's governance arrangements. We looked at the way in which the Board and its committees conduct their business, and the extent to which Board structures are supporting good governance. We also reviewed the progress made in addressing our previous recommendations relating to the Board.

87 In 2019, we found that **governance arrangements are generally sound with further improvements underway.**

Conducting business effectively

Positive changes are being made to enhance Board and committee effectiveness

88 Despite a period of change, the Board continues to be generally well-run and the quality of scrutiny and challenge remains high. The Board has largely maintained a full complement of IMs who demonstrate a very good range of knowledge and skills collectively. There is an effective Board development programme in place which is delivered through the use of internal and external resources. This has helped to develop a positive and cohesive relationship between IMs, and with the Executive team. The approach to development for IMs is also comprehensive and flexible, supported by regular six-monthly reviews. During the year, an interactive handbook has been developed for new IMs which enables a wide range of information relevant to their role to be explored. Early feedback from IMs on the handbook is very positive, and other NHS bodies are now looking to learn from the work that the Health Board has done in this area.

89 Board meetings remain open and transparent, with ongoing use of webcasting. They are rotated around the three counties and members of the public continue to be invited to submit questions prior to the meeting taking place. In 2018, we highlighted that Board agendas could be long and lacked a routine focus on the quality and safety of services provided. Since her appointment, the new Chair has been focusing attention on streamlining the Board agenda. The format of the Board meeting in September 2019 focused more specifically on issues that genuinely required Board attention. This included escalating new issues up to Board and de-escalating other issues down to committees. This focus reduced the meeting duration. From November onwards, the Chair is looking to strengthen patient stories and have a more thematic feel to the agenda. Discussions that take place during the private sessions continue to be limited only to those that are of a sensitive nature.

90 As well as the Board, the Chair has focused attention on the committees and sub-committees, starting with the QSEAC. Plans are in place to streamline a number of the QSEAC sub-committees, and increasing the focus on patient safety, while a new Listening and Learning Group will be established. Our planned work on quality governance (referred to in paragraph 84) will explore these arrangements further.

91 In relation to the Board's other committees, this year we have focused on the BPPAC. The main focus of the BPPAC is now on performance following the previous disaggregation of finance and planning into a dedicated committee and sub-committee respectively. The BPPAC is supported by the performance reporting tool, which allows users to look at specific areas and to drill down into data as appropriate. Although the tool does not report in real-time, it provides easy access to the most up-to-date information available covering all aspects of service provision, and it has been positively received by both the Board and BPPAC.

92 In light of the new strategy, there is scope to revisit the level of focus given to planning by BPPAC. The Planning Sub-Committee does provide assurance to BPPAC, but this is predominantly through the minutes of the meeting and is not a key focus of the BPPAC agenda. The Sub-Committee is largely an operational group although there are a number of important areas considered which need independent scrutiny. The Health Board has recognised the need to revisit the Planning Sub-Committee and is proposing subsuming the sub-committee back into BPPAC. The establishment of the HCSDG and its direct reporting line to the Board however poses questions over the role of BPPAC in providing assurance on delivery of the strategy and the underpinning plans. The Board needs to consider the role of BPPAC in providing board assurance on strategic planning (see paragraphs 36 to 37). The

Health Board has already recognised that there is also opportunity for BPPAC to take assurance on workforce and organisational development as part of the wider consideration of use of resources. The Workforce and Organisational Development Sub-Committee currently reports to the QSEAC and is discussed later in this report (see paragraph 116).

93 Across all of the Board's committees, the current chairs are effective in their roles and there are good flows of assurance, issues and risks between committees and up to Board. The ongoing use of self-assessments has been helpful in identifying areas for improvement and a self-reflection at the end of each meeting is now included on all committee agendas. IMs are able to contribute their expertise and to receive assurance about the work of the Health Board through membership of key committees. Some IMs are members of sub-committees and groups which provide assurance to those committees. This places additional pressure on their time. The new Chair has already recognised this as an issue and is seeking to address membership as part of her wider consideration of the committees and their supporting structures.

94 Over the last twelve months, IMs have continued to undertake walkabouts to clinical areas to develop their knowledge and to triangulate the assurances being provided to them through Board and committees. Frequency of these visits has however been an issue with a number of walkabouts cancelled due to director workload pressures. IM capacity to meet the demands on their time has also had an impact. The Chair's review of committee membership, along with contingency plans being put in place to minimise cancellations, should enable the walkabouts to happen more frequently.

Managing risks to achieving strategic priorities

The Health Board continues to have a well-developed Board Assurance Framework and is examining how it can be updated to support the implementation of its strategy

95 We have consistently reported that the Health Board has a well-developed Board Assurance Framework (BAF). It clearly sets out the controls in place, the sources of assurance, where gaps in assurance exist and a set of performance indicators which are used to measure progress. It is underpinned by a comprehensive Regulatory and Review Body Assurance Framework which focuses on high-risk areas, both in terms of likelihood and the impact of non-compliance with regulations and legislation.

96 The Health Board is currently exploring ways in which the BAF can be updated to support the implementation of the strategy from 2020 onwards. Work is underway to evolve the framework by mapping governance assurance areas and how they link to committees. This includes mapping director objectives for next year, as well as those set for the next three-years. Some risks have been identified which are not linked to specific director objectives. These are being examined to see whether they can be linked, or whether the risks need to be updated. Director objectives for 2018-19 are available online as an interactive tool and a revised scheme of delegation will be submitted to the Board in November 2019 to bring the objectives up to date.

97 The inclusion of risk appetite in the BAF and alignment of the Corporate Risk Register to the Board and its committees has strengthened the corporate focus on risk. The Corporate Risk Register is considered each month by the Executive Team and directorate level risks are considered as part of EPRs.

Embedding a sound system of assurance

Many aspects of governance remain robust with plans in place to improve identified areas of weakness

98 Our work has identified that updated Standing Orders were recently approved at the Audit and Risk Assurance Committee (ARAC) meeting and will go to the November Board meeting for ratification. There are well-established arrangements for declaring, registering and handling interests, gifts, hospitality, honoraria and sponsorship, which are reviewed annually by ARAC. These arrangements are supported by an online system to capture declarations. All Board member declarations are available via the Health Board's website, and members are also asked to declare interests at the start of every Board and committee meeting. Last year we reported that work was taking place to improve awareness and completion of the register of interests through a range of annual communication campaigns. This work is ongoing.

99 The National Fraud Initiative (NFI) is a biennial data-matching exercise that helps detect fraud and overpayments. In January 2019, the Health Board received 5,103 data-matches through the NFI web application, of which 504 were higher risk and recommended for review. As at October 2019, the Health Board had made good progress in reviewing most of the high-risk payroll and procurement matches with enquiries ongoing in a small number of cases. Creditor payment matches had not been reviewed. The Health Board is now working with NHS Shared Services to make sure these matches are reviewed. The Auditor General is undertaking further work to examine the effectiveness of counter fraud arrangements across the public sector in Wales, with a view to publishing his findings in summer 2020. His work will be informed by local fieldwork commencing in late 2019.

100 The Health Board has a comprehensive Internal Audit programme of work in place, with sufficient resources for delivery, and effective approaches for reporting assurances or concerns. The new Head of Internal Audit has settled in well and following a briefing session with ARAC members in February 2019, previous concerns around the application of assurance ratings have been resolved.

101 ARAC has previously raised concerns regarding non-participation in clinical audits. A recent Welsh Health Circular (WHC)[4] clearly stated that 'Health boards and trusts in Wales are required to fully participate in all national clinical audits and outcome reviews listed in the annual National Clinical Audit and Outcome Review Annual Plan'. The Clinical Audit Department has adopted a clear process for compiling the audit programme, which challenges non-participation by directorates to improve the number of national audits in which the Health Board participates. The strengthening of the QSEAC arrangements, as outlined in paragraph 90, an increased focus on clinical audit by the new AMD for Quality and Safety, and the need to adopt the WHC should help to improve national audit participation.

102 The Information Governance Committee (IGC) is now more focussed. This year our local follow-up work on clinical coding arrangements found that significant shortcomings remain. The IGC has helped to raise awareness of the issues and risks associated with clinical coding, although prioritising resources to this area is a problem. Last year, the Health Board's external cybersecurity assessment identified several improvement actions that were dependent on additional resources being made available. At the time of our work in 2019, Welsh Government funding was expected for two cyber

[4] WHC/2019/006 – NHS Wales National Clinical Audit and Outcome Review Plan Annual Rolling Programme for 2019-20.

security posts, which has since been approved. When in place these posts will provide additional assurance regarding information security, and further ensure that the Health Board fulfils the requirements of the General Data Protection Regulations.

103 There continues to be a robust process for tracking recommendations by all regulators and holding officers to account where outstanding recommendations remain. Other NHS bodies are looking at the Health Board's tracking arrangements as good practice.

Previous recommendations

104 In 2018, we made the following recommendations in relation to board effectiveness. Exhibit 5 describes the progress made.

Exhibit 5: progress on previous structured assessment recommendations

Previous recommendations		Description of progress
R1	To enable Board members to make well-informed decisions and to effectively scrutinise, the Board should agree the level and quality of information that it expects to receive, using the findings from the Board member survey to inform where improvements need to be made. (2018)	Along with the findings of recent self-assessments, the responses from our previous Board member survey have been considered to address areas of improvement. This has included the development of the interactive handbook. **Complete**
R2	To improve the effectiveness of committees, the Health Board should consider including time on committee agendas to reflect on the administration and conduct of the meeting, and the quality of information provided for scrutiny and assurance. (2018)	Refer to paragraph 93 **Complete**

Managing workforce

105 We considered the action that the Health Board is taking to ensure that its workforce is well managed. We also reviewed progress against previous recommendations in relation to organisational development.

106 We found that **the Health Board compares well against a number of workforce metrics, is putting new initiatives in place to develop the workforce and support staff well-being, and is increasing the focus at Board and Committee level.**

107 Last year, we reported that the Health Board was managing its workforce effectively, but vacancies presented challenges and there was a need to put in place a learning and development plan.

108 Exhibit 6 shows the Health Board's performance on some key measures compared with the Wales average for 2019. The Health Board's performance compares better across all five measures, and all measures are continuing to improve with the exception of vacancies, which have risen slightly.

Exhibit 6: performance against key workforce measures, July 2018 and July 2019[5]

Workforce measures (%)	Health Board July 2018	Health Board July 2019	Health Board July 2018 compared to 2019	Wales average July 2019
Sickness absence	5.1%	4.9%	↓	5.4%
Turnover	8.6%	7.9%	↓	7.1%
Vacancies	2.1%	2.6%	↑	2.9%
Appraisals	70.0%	79.7%	↑	69.5%
Statutory and mandatory training	72.0%	83.0%	↑	79.3%

Source: NHS Wales Workforce Dashboard, Health Education and Improvement Wales

109 Sickness absence rates are some of the lowest in Wales, with good scrutiny of sickness and the associated costs at the Workforce and Organisational Development Sub-Committee. Turnover and vacancy rates are the second lowest in Wales, reflecting the positive work that has been done by the Health Board in relation to its recruitment campaigns. Medical vacancies are however an outlier, although the Health Board still has a number of difficult to recruit specialties. Appraisal rates are the highest in Wales, and compliance with statutory and mandatory training is the second highest in Wales. The appraisal rate for medical staff is significantly high at 97%. However, workload pressures arising from medical staff vacancies is resulting in statutory and mandatory training compliance falling below the Wales average at just 34%.

110 Gaps in staffing levels has meant a continued reliance on the use of temporary staff. The percentage spend on agency pay is running at just below the Wales average which is positive, although there have been increases in agency spend for Allied Healthcare Professionals and Healthcare Scientists. Medical agency spend has reduced slightly. Bank and agency usage continue to be monitored on a weekly basis and presented to the Workforce Control Panel. Bank usage has increased but not enough to eradicate agency use. Although a slight decline in the percentage spend on agency for Nursing and Midwifery staff, performance remains the highest in Wales.

111 Despite overall positive workforce performance, learning and development remains a challenge. The Learning and Development team has been under-resourced and working without a manager for an extended period of time. The Executive Director of Workforce and Organisational Development recognises that they have achieved a lot despite these challenging circumstances and is providing

[5] Sickness: rolling 12-month average at July; Turnover: 12-month period up to 1 July; Vacancy: based on advertised vacancies during July; Appraisal: preceding 12 months at July; Statutory and mandatory training: at July.

management oversight and guidance, and supporting the team to review what they do. To assist in that process, Swansea University has been invited to look at the ways in which the team is linked to academia.

112 In 2018 we reported that there was no systematic training plan and that remains unchanged in 2019. The current approach is not holistic with learning and development plans developed at directorate level. The intention is to establish what the training 'offer' should be and what capacity is available to provide it. The situation has become much more pressing now that the strategy is being implemented.

113 During the year, the Health and Wellbeing Group and the Anti-Bullying Group have been merged to become the Colleague Experience Group, which meets bi-monthly. It provides leadership and support in facilitating the health and well-being of staff as an integral part of corporate objectives. The new Chair has a strong interest in engaging and supporting staff, particularly to raise the trust necessary for them to feel confident about reporting concerns about services and other staff members. She intends to establish a 'speaking up safely' process at the Health Board. This is particularly timely given the findings of the review into maternity services at Cwm Taf University Health Board, which found that a culture of fear had led to under-reporting of incidents and concerns. Alongside the staff guardian approach, the programme of walkabouts for executives and IMs continues to provide them with an opportunity to hear staff concerns.

114 The Health Board continues to implement a substantive programme of organisational development work at all levels of staff. Initially delayed, the medical leadership organisational development programme has now been established and is starting to increase the number of medical staff putting themselves forward for leadership roles. The refreshed Medical Director structure has been implemented, with some very strong appointments in place.

115 A modernised workforce will be a key aspect of delivering the strategy successfully. The Transformation Programme's SEG will provide the necessary focus on skills and expertise through workforce planning and redesign, organisational development and transformation. A strong example of workforce modernisation is the recently launched Health and Care Apprentice Programme scheme, which has been well-received and is unique in Wales. The approach is based on investing in the development of the population within local communities to develop individuals from entry level to registration within their chosen profession in just over eight years. This type of approach embodies the five ways of working set out by the Wellbeing of Future Generations (Wales) Act 2015.

116 Apart from high-level performance against a number of workforce measures, workforce is not a key feature of Board and committees. Scrutiny of workforce and organisational development is currently the responsibility of QSEAC through the reporting sub-committee. This sub-committee has a wide coverage of workforce aspects but only the key quality and safety aspects get escalated up to the QSEAC and Board. The broader workforce and organisational development issues have not received the breadth of focus and scrutiny that they need. The Health Board has already recognised this and is in the process of subsuming the sub-committee into BPPAC to ensure that workforce and organisational development is given the board level attention needed to prepare the way for change and enable the strategy to be delivered.

Previous recommendations

117 In 2017, we made the following recommendations in relation to organisational development. Exhibit 7 describes the progress made.

Exhibit 7: progress against previous structured assessment recommendations

Previous recommendations		Description of progress
R5	The Health Board needs to progress its work to develop its clinical directors at pace and provide the necessary support to its wider triumvirate teams to develop their management capabilities. (2017)	Refer to paragraph 114. Organisational development work has also been put in place to support the wider directorate teams. **Complete**

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Hywel Dda University Health Board

Health and Care Standards

Final Internal Audit Report

May 2020

Private and Confidential

NHS Wales Shared Services Partnership

Audit and Assurance Services

Contents **Page**

Review reference:	HDUHB-1920-01
Report status:	Final Internal Audit Report
Fieldwork commencement:	28th February 2020
Fieldwork completion:	25th March 2020
Draft report issued:	30th March 2020
Management response received:	18th May 2020
Final report issued:	19th May 2020
Auditor/s:	Sian Bevan
Executive sign off:	Mandy Rayani (Director of Nursing, Quality and Patient Experience)
Distribution:	Sian Passey (Assistant Director of Nursing Assurance & Safeguarding) Cathie Steele (Head of Quality & Goverance)
Committee:	Audit & Risk Committee

Audit and Assurance Services conform with all Public Sector Internal Audit Standards as validated through the external quality assessment undertaken by the Institute of Internal Auditors.

ACKNOWLEDGEMENT
NHS Wales Audit & Assurance Services would like to acknowledge the time and co-operation given by management and staff during the course of this review.

Disclaimer notice - Please note:

This audit report has been prepared for internal use only. Audit & Assurance Services reports are prepared, in accordance with the Service Strategy and Terms of Reference, approved by the Audit & Risk Committee.

Audit reports are prepared by the staff of the NHS Wales Shared Services Partnership – Audit & Risk Assurance Services, and addressed to Independent Members or officers including those designated as Accountable Officer. They are prepared for the sole use of the Hywel Dda University Health Board and no responsibility is taken by the Audit and Assurance Services Internal Auditors to any director or officer in their individual capacity, or to any third party.

1. Introduction and Background

The review of the Health and Care Standards was completed in line with the Internal Audit Plan 2019/20. The relevant lead Executive for the assignment was the Director of Nursing, Quality and Patient Experience.

The new standards provide a consistent framework that enables health services to look across the range of their services in an integrated way to ensure that all that they do is of the highest quality and that they are doing the right thing, in the right way, in the right place at the right time and with the right staff.

2. Scope and Objectives

The objective of the audit was to evaluate and determine the adequacy of the systems and controls in place for the Health & Care Standards, in order to provide assurance to the Audit & Risk Assurance Committee that risks material to the achievement of system objectives are managed appropriately.

The purpose of the review was to establish if the Health Board has adequate procedures in place to monitor the effective utilisation of the standards to improve clinical quality and patient experience.

The main areas that the review sought to provide assurance on were:

- An appropriate process is in place to assess the current utilisation of the Health & Care Standards to ensure they are being utilised to improve the quality and safety of services; and
- The Health Board has appropriate processes in place to oversee, monitor and report the utilisation of the standards.

3. Associated Risks

The potential risk considered in the review were as follows:

- The standards are not effectively utilised across the Health Board; and
- The Health Board is not aware of how the standards are used to improve quality.

OPINION AND KEY FINDINGS

4. Overall Assurance Opinion

We are required to provide an opinion as to the adequacy and effectiveness of the system of internal control under review. The opinion is based on the work performed as set out in the scope and objectives within this report. An overall assurance rating is provided describing the effectiveness of the system of internal control in place to manage the identified risks associated with the objectives covered in this review.

The overall level of assurance that can be assigned to a review is dependent on the severity of the findings as applied against the specific review objectives and should therefore be considered in that context.
The level of assurance given as to the effectiveness of the system of internal control in place to manage the risks associated with Health and Care Standards is **Reasonable** assurance.

RATING	INDICATOR	DEFINITION
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.

Our fieldwork highlighted that positive progress has been made since our previous review. We can confirm that the Health Board has further developed its process to assess the utilisation of Health and Care Standards (HCS) to improve the quality and safety of services through the use of the assurance and scrutiny framework. We noted that HCS are fully embedded into day-to-day practices, which was evident from our review of several papers submitted to statutory committees of the Board in 2019/20.

The HCS assurance matrices provide a consistent approach for capturing evidence of the HCS being embedded across service areas. However, we noted a number of individual HCS criteria listed in the assurance matrices continue to either reference a group/committee not listed within the organisation's reporting hierarchical structure or no reference was made to a group/committee. This issue was highlighted in the previous Internal Audit report (HDUHB-1819-04).

5. Assurance Summary

The summary of assurance given against the individual objectives is described in the table below:

		Assurance Summary*			
Audit Objective					
1	An appropriate process is in place to utilise the Health & Care Standards to improve the quality and safety of services				✓
2	The Health Board has appropriate processes in place to oversee, monitor and report the utilisation of the standards			✓	

** The above ratings are not necessarily given equal weighting when generating the audit opinion.*

Design of Systems/Controls

The findings from the review have highlighted **one** issue that is classified as weakness in the system control/design for Health and Care Standards. This is identified in the Management Action Plan as (D).

Operation of System/Controls

The findings from the review have highlighted no issues that are classified as weaknesses in the operation of the designed system/control for Health and Care Standards.

6. Summary of Audit Findings

The key findings are reported in the Management Action Plan at Appendix A.

OBJECTIVE 1: An appropriate process is in place to assess the current utilisation of the Health & Care Standards to ensure they are being utilised to improve the quality and safety of services.

The Health and Care Standards (HCS) assurance matrix was developed in 2018/19 to capture information against each of the standards, such as the Executive Directors and lead officers and linking each standard to the appropriate reporting committees.

A review of this process was undertaken in 2019/20 and an enhancement was made to include corporate self-assessments against the standard statements. A paper documenting this new approach was submitted to the Operational Quality, Safety & Experience Assurance Committee (QSEAC) meeting in March 2020.

The utilisation of HCS within key reporting documents to the Health Board and statutory committees allows for the monitoring of quality and safety of services. That HCS are embedded within the following documents:

- Quality Dashboard reported quarterly under HCS domains
- All SBAR reports are linked to HCS
- Integrated Performance Assurance Report (IPAR) reported on alternative month to either Board or Business Planning Performance Assurance Committee (BPPAC) under HCS domains
- Annual Quality Statement reported the organisation's annual performance for each HCS domain
- Fundamental of Care Audits

We reviewed a sample of standards for each of the above documents with the exception of Quality Dashboard (due to the COVID-19 situation). We can confirm that all of the above documents are routinely submitted to the appropriate committees and the Board.

No matters arising.

OBJECTIVE 2: The Health Board has appropriate processes in place to oversee, monitor and report the utilisation of the standards.

The Health and Care Standards assurance matrix confirmed that each standard had been linked with assigned groups and committees in addition to an identified Executive Director or lead officer.

In our previous Internal Audit report (HDUHB-1819-04), testing was undertaken to ensure supporting committees listed against each HCS was evident in the Health Board's reporting structure. We noted 24 HCS criteria had either referenced a group/committee not listed on the reporting hierarchical structure or no reference was made to a group/committee. Whilst this year's fieldwork has highlighted some progress five HCS criteria continue to reference a group/committee not listed or no reference made as below:

Standard	Criteria	Supporting Committee
Standard 1.1 *Staying Healthy*	Carers of individuals who are unable to manage their own health and wellbeing are supported.	West Wales Carers Transitional Action Plan Group
Standard 3.2 *Effective Care*	Support is given for carers and advocates who in turn are supporting the needs of people with communication needs.	West Wales Carers Transitional Action Plan Group Sensory Loss Standards Implementation Group
Standard 6.2 *Individual Care*	Strategic equality plans are published setting out equality priorities in accordance with legislation.	None
Standard 6.3 *Individual Care*	Patients, service users and their carers are offered support including advocacy and where appropriate redress	None
	Health services are open and honest with people when something goes wrong with their care and treatment.	None

Testing was undertaken for Standards *2.2 Preventing Pressure and Tissue Damage, 4.1 Dignified Care* and *5.1 Timely Care* to ensure an assessment had been completed and returned. We can confirm that corporate assessment has been undertaken for these standards and returned to the Quality & Governance Team complete with supporting evidence.

We also reviewed the statutory committees of the Board and confirm that all standards had been embedded into day-to-day practices and was evident in the SBAR section of papers submitted during 2019/20.

See Finding 1 at Appendix A.

7. Summary of Recommendations

The audit findings and recommendations are detailed in Appendix A together with the management action plan and implementation timetable.

A summary of these recommendations by priority is outlined below.

Priority	H	M	L	Total
Number of recommendations	**0**	**1**	**0**	**1**

Finding 1 – Mapped Reporting of Standards (D)	Risk
A review of the assurance matrices confirmed that the majority of the standards and their criteria were aligned to a sub-committee/group with reporting arrangements through to the Board via a statutory committee, advisory or partnership group. However, we noted that some criteria within the standards continue to reference a group/committee not listed on the reporting hierarchical structure or no reference was made to a group/committee.	The Health Board is not aware of how the standards are used to improve quality.
Recommendation 1	**Priority level**
Management should ensure that all Health & Care Standards criteria listed in the assurance matrix is accurately mapped to an appropriate group or committee with reporting arrangements to the Board.	**MEDIUM**
Management Response	**Responsible Officer/ Deadline**
Accepted. The Assurance, Safety and Improvement Team will work with the Board Secretary and Corporate Governance Team to ensure that the mapping is revised to reflect the committee and sub-committee arrangements that have recently been reviewed.	Head of Quality and Governance & Head of Corporate & Partnership Governance. 30th June 2020

Appendix B - Assurance Opinion and Action Plan Risk Rating

2019/20 Audit Assurance Ratings


Substantial Assurance - The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.


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.


Limited Assurance - The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.


No Assurance - The Board has **no assurance** arrangements in place to secure governance, risk management and internal control, within those areas under review, which are suitably designed and applied effectively. Action is required to address the whole control framework in this area with **high impact on residual risk** exposure until resolved.

Prioritisation of Recommendations

In order to assist management in using our reports, we categorise our recommendations according to their level of priority as follows.

Priority Level	Explanation	Management action
High	Poor key control design OR widespread non-compliance with key controls. PLUS Significant risk to achievement of a system objective OR evidence present of material loss, error or misstatement.	Immediate*
Medium	Minor weakness in control design OR limited non-compliance with established controls. PLUS Some risk to achievement of a system objective.	Within One Month*
Low	Potential to enhance system design to improve efficiency or effectiveness of controls. These are generally issues of good practice for management consideration.	Within Three Months*

* Unless a more appropriate timescale is identified/agreed at the assignment.

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Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD
UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: **DATE OF MEETING:**	23 June 2020
TEITL YR ADRODDIAD: **TITLE OF REPORT:**	Hywel Dda University Health Board Annual Report 2019/20
CYFARWYDDWR ARWEINIOL: **LEAD DIRECTOR:**	Steve Moore, Chief Executive Officer
SWYDDOG ADRODD: **REPORTING OFFICER:**	Huw Thomas, Executive Director of Finance Joanne Wilson, Board Secretary Karen Miles, Executive Director of Planning, Performance, Informatics and Commissioning

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

The Board is asked, in the first instance, to approve the individual components of the Hywel Dda University Health Board (HDdUHB) Annual Report 2019/20, ensuring that it reflects, in line with guidance in the NHS Wales Manual for Accounts 2019/20, an analysis of the main business, performance and accountabilities, key achievements and successes of the organisation between April 2019 and March 2020.

These components have been considered and approved by the Board's Committees prior to the Board and have been brought together for the Board's approval in a combined HDdUHB Annual Report and Accounts 2019/20 for presentation at the Annual General Meeting on 30th July 2020 and submission of the final accounts, Annual Governance Statement, Statement of Directors Responsibilities and Remuneration Report to WG by 30th June 2020.

Cefndir / Background

All NHS bodies are required to publish, as a single document, the Annual Report and Accounts following strict guidance set out by Welsh Government in the NHS Wales Manual for Accounts 2017-18 (Chapter 3). The Annual Report and Accounts is a suite of reports and includes:

- A **Performance Report** which must include an overview of performance in 2019/20 and a more detailed performance analysis against a number of balanced scorecard indicators within seven domains – Staying Healthy, Safe Care, Dignified Care, Effective Care, Timely Care, Individual Care and Our Staff and Resources;
- An **Accountability Report** which must include a Corporate Governance Report, Annual Governance Statement, a Remuneration and Staff Report and a National Assembly for Wales Accountability and Audit Report;
- A full set of **audited accounts** to include the primary financial statements and notes.

In addition, an Annual Quality Statement must be produced separately from the main Annual Report and Accounts as a public-facing document. The above suite of documents are ratified independently through the University Health Board and its Committees. The final publication comprises the entire suite of documents and must be made available for distribution at the UHB's Annual General Meeting to be held on 30th July 2020.

Asesiad / Assessment

In early 2020, the emerging threat from the coronavirus started to become evident and planning to prepare the UK for the likely impact commenced. A pandemic was declared by the World Health Organisation on 11th March 2020. This coincided with the finalising of Chapter 3 which was issued on 13th March 2020 to NHS organisations in Wales.

The timing of the response to the pandemic has coincided with the end of the financial year and has impacted on the usual arrangements for end of year reporting, especially, for example, where items have traditionally been finalised towards the end of March/in early April. As a result, the end of year reporting timelines for NHS Wales bodies have been revised and are as follows:

- Draft accounts, Annual Governance Statement, Statement of Directors Responsibilities and Remuneration Report – 22nd May 2020 – *completed on time*.
- Final accounts, Annual Governance Statement, Statement of Directors Responsibilities and Remuneration Report – 30th June 2020
- All other sections of the Annual Report, includes Performance Report and the Accountability Report (excluding the Annual Governance Statement and the Remuneration Report) – 31st August 2020
- Annual Quality Statement – 30th September 2020

Prior to Board, each of the components of the Annual Report were reviewed and agreed by the Board Committees, as follows:

- Performance Report – due to coronavirus, there was no PPPAC meeting in April 2020. In lieu of this, the Performance Report was reviewed virtually and approved the week commencing 11th May 2020 by the previous Chair of BPPAC and current Chair of PPPAC. Welsh Government (WG) have confirmed they do not need sight of the Performance Report prior to Board approval.
- Audited Annual Accounts and Accountability Report for 2019/20 (including Annual Governance Statement, Directors Report and Staff and Remuneration Report – Draft Annual Accounts and Accountability Report were reviewed at ARAC on 5th May 2020, and the final documentation presented for approval at ARAC on 23rd June 2020.

The above components of the full Annual Report and Accounts have been compiled and require ratification from the Board, ahead of the planned Annual General Meeting on 30th July 2020.

The Annual Report (including the Performance Report, Accountability Report and Financial Statements (Accounts)) are required to be completed and submitted to WG by 31st August 2020.

Argymhelliad / Recommendation

The Board is asked to approve the following, recognising that these have been reviewed and agreed by relevant Board Committees:

- Performance Report for 2019/20;
- Accountability Report for 2019/20;
- Audited Annual Accounts for 2019/20.

The Board is also asked to approve the combined HDdUHB Annual Report and Accounts 2019/20 (incorporating the annual accounts and accountability report) for presentation at the Annual General Meeting on 30th July 2020 and submission to WG by 30th June 2020.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not Applicable
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	NHS Wales 2019/20 Manual for Accounts
Rhestr Termau: Glossary of Terms:	PPPAC – People, Planning & Performance Assurance Committee BPPAC – Business Planning & Performance Assurance Committee ARAC – Audit & Risk Assurance Committee
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	The draft Annual Accounts and Accountability Report were received at ARAC on 5th May 2019 and were submitted to WG and Audit Wales for review by 22nd May 2020. Due to coronavirus, there was no PPPAC meeting in April 2020. In lieu of this, the Performance Report was reviewed virtually and cleared the week commencing 11th May 2020 by the previous Chair of BPPAC and current Chair of PPPAC. Welsh Government have confirmed they do not need sight of the Performance Report prior to Board approval.

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: **Financial / Service:**	Not applicable Due to a reduced workload for our Translation Team in light of coronavirus, it is expected the Annual Report will be translated in-house this year.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	Not applicable
Gweithlu: **Workforce:**	Not applicable

Risg: **Risk:**	Associated risk is non-compliance due to unforeseen circumstances and tight deadlines. The process has been actively managed to minimise risks.
Cyfreithiol: **Legal:**	Associated legal impact is non-compliance with statutory duty to produce Annual Report and Accounts in time for the Annual General Meeting due to unforeseen circumstances and tight deadlines. The process is being actively managed to minimise risks.
Enw Da: **Reputational:**	Potential for media interest once the Annual Report is published.
Gyfrinachedd: **Privacy:**	Not applicable – statutory requirement.
Cydraddoldeb: **Equality:**	Not applicable – statutory requirement.

Hywel Dda University Health Board

Annual Report and Accounts 2019/2020

DIOGEL | CYNALIADWY | HYGYRCH | CAREDIG
SAFE | SUSTAINABLE | ACCESSIBLE | KIND

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

What will this Annual Report tell you?

Our Annual Report is part of a suite of documents that tell you about our organisation, the care we provide and what we do to plan, deliver and improve healthcare for you, in order to meet changing demands and future challenges. It provides information about our performance, what we have achieved in 2019/20 and how we will improve next year. It also explains how important it is to work with you and listen to you to help you to take the best care of yourselves and to deliver better services that meet your needs and are provided as close to you as possible.

Our priorities were shaped by the 2019/20 Annual Plan, which sets out our objectives and plans. You can read this and find out more about us at https://hduhb.nhs.wales/.

Our Annual Report for 2019/20 includes:

- Our **Performance Report** which details how we have performed against our targets and actions planned to maintain or improve our performance.
- Our **Accountability Report** which details our key accountability requirements under the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008; including our Annual Governance Statement (AGS) which provides information about how we manage and control our resources and risks, and comply with governance arrangements.

Our summarised **Financial Statements** which detail how we have spent our money and met our obligations under The National Health Service Finance (Wales) Act 2014.

Our Annual Quality Statement

Published at the same time as the Annual Report, our Annual Quality Statement (AQS) provides details on actions we have taken to improve the quality of our services, see: www.wales.nhs.uk/sitesplus/862/page/75118

Our Public Health Report

In October 2019 our Director of Public Health published her first Annual Report. The report focuses on the Health Board's commitment to a change in direction towards prevention and a social model of health. The Director of Public Health Annual Report 2018/2019 can be accessed: www.wales.nhs.uk/sitesplus/862/page/62040

COVID-19

At the time of writing a COVID-19 pandemic has been declared by the World Health Organisation (see page 7 for details). As a result, this report is not as comprehensive as we had planned and our March 2020 performance data is not available. However, it is important to recognise the real progress we made before the COVID-19 pandemic and the challenges we now face.

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Contents

Chapter 1 – Performance Report

Chapter 1

Performance Report

Welcome from our Chair and Chief Executive

Our Annual Report for 2019/20 has been prepared at a time that all of us are contending with the impact of the COVID-19 pandemic. It has already had a massive impact on our staff and services and we expect that this will continue well into 2020/21. As an organisation we are rising to the challenge of COVID-19 and we will to do so for as long as is needed. Based on guidance from Welsh Government, our response to the COVID-19 pandemic can be summarised into seven key areas:

- Suspension of all non-urgent elective activity across the Health Board.
- From Board level down, many internal processes for assurance, performance management and financial turnaround have been scaled down or suspended.
- External performance review processes, reviews by inspectorates/regulators and external audits have similarly been scaled back or suspended.
- A number of workforce procedures have been changed, suspended or significantly scaled back to rapidly recruit the staff needed to support our response.
- Reconfiguring each of our hospitals to respond to COVID-19. Each has divided itself into COVID and non-COVID areas with separate Emergency Department entrances.
- Establishing field hospital provision in nine locations (two co-located) across the three counties to accommodate the 900+ additional beds that may be required based on planning assumptions.
- All staff have been categorised according to their roles into front line (including front line support functions) and those who can work from home to avoid unnecessary travel wherever possible.

However, through 2019/20 we have continued to make significant progress in delivering our health and care strategy (A Healthier Mid and West Wales), our vision for services that are safe, sustainable, accessible and kind.

In the next year, and as described in our Annual Plan for 2020/21, we have committed to make a shift from a system focused almost exclusively on treatment and diagnosis to one where preventing ill health is a core activity and that embraces consideration of people's wellbeing. We believe we should see and treat you in the context of your lives and ask what matters to you rather than 'what's the matter with you'.

Beyond this, we have recognised our important role in partnership working with neighbouring health boards, our three local authorities – Carmarthenshire, Ceredigion and Pembrokeshire, public service partners, the third sector and local community organisations, local businesses and local communities to improve, not only the services we deliver, but the conditions we grow up in, live in, work, play and age within. Indeed, this has only been strengthened during the current health crisis we face, and we will learn from the situation to improve our services and their provision as we move forward.

Maria Battle
Chair

Steve Moore
Chief Executive

About us

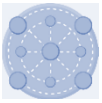
Hywel Dda University Health Board plans and provides NHS healthcare services for Carmarthenshire, Ceredigion, Pembrokeshire and its bordering counties. Our 11,200 members of staff provide primary, community, in-hospital, mental health and learning disabilities services for a quarter of the landmass of Wales. We do this in partnership with our three local authorities and public, private and third sector colleagues, including our volunteers, through:

- **Four** main hospitals: Bronglais General in Aberystwyth, Glangwili General in Carmarthen, Prince Philip in Llanelli and Withybush General in Haverfordwest;
- **Five** community hospitals: Amman Valley and Llandovery in Carmarthenshire; Tregaron in Ceredigion; and Tenby and South Pembrokeshire Hospital Health and Social Care Resource Centre in Pembrokeshire;
- **Two** integrated care centres, Aberaeron and Cardigan in Ceredigion;
- **48** general practices (**four** of which are Health Board managed practices), **49** dental practices (including **three** orthodontic), **99** community pharmacies, **44** general ophthalmic practices (**44** providing Eye Health Examination Wales and **23** low vision services), domiciliary only providers and health centres;
- Numerous locations providing mental health and learning disabilities services;
- Highly specialised services commissioned by Welsh Health Specialised Services Committee.

The population we serve

Population growth: The total population of Hywel Dda is estimated at 385,600 and is predicted to rise to 425,000 by 2033.

Ageing population: The average age of people in Hywel Dda is increasing steadily. The current number of over 65 year olds is predicted to increase from 88,200 (2013) to 127,700 in 2033. Currently, 3.2% are aged 85+ (second highest in Wales). The number of people providing unpaid care for family members is also increasing.



Changing patterns of disease: As our population ages there are an increasing number of people in our area with diabetes and dementia. The number of people with more than one long-term illness is also increasing. Cancer, cardiovascular disease, musculoskeletal conditions, mental health and substance misuse are the main causes of death in Wales.

Tobacco: Almost one in 5 adults (18.7%) in our area smoke. While this number continues to fall, tobacco use remains a significant risk factor for many diseases, including cardiovascular disease and lung cancer, and early death.

Food: Two in every three people in our area do not eat enough fruit and vegetables, and more than 3 in 5 people are overweight or obese.

Physical activity: Over 40% of adults in our area do not take enough regular physical activity to benefit their health. Almost one third of our population are inactive.

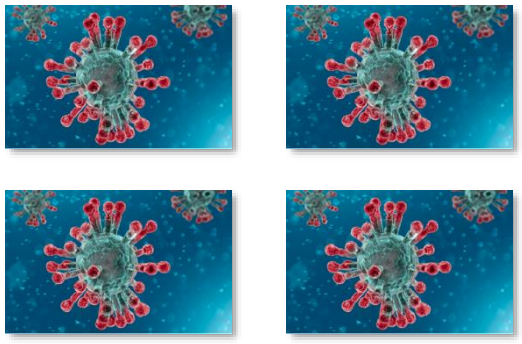
Social isolation and loneliness: 16.2% of our population report feeling lonely.

Welsh language: The proportion of Hywel Dda residents of all ages who can speak Welsh is 46.6%.

Health inequalities: Variation in healthy behaviours leads to variation in health outcomes, this is also influenced by levels of deprivation. For example, whilst smoking prevalence in Hywel Dda has declined, there are some deprived communities where smoking rates have not changed.

COVID-19

The COVID-19 pandemic has already had a massive impact on our staff and services which will continue well into 2020/21, and as such fundamentally impacts what was set out in our 2020/21 Annual Plan. As an organisation we are rising to the challenge and will to do so for as long as is needed.



Rapid recruitment

At the end of March we, along with other NHS organisations, launched an extensive recruitment campaign to hire more nurses, porters, health care support workers, cleaners, semi-skilled technicians and catering assistants. Our aim was to employ more than 1,000 staff members in 2 weeks to help care for the additional patients expected over the coming weeks and months. We achieved this.

Reorganising our services

A huge amount of planning has taken place across the health board to rapidly reorganise our existing sites and to create additional beds for Coronavirus patients.

- Our hospitals have blocked off wards to create designated areas for coronavirus patients whilst keeping other wards separate for patients who are free of the virus but need hospital care for other conditions e.g. heart attack, stroke, diabetes.
- Across Carmarthenshire, Ceredigion and Pembrokeshire we have worked with our local authorities and other partners to identify buildings that can be converted into temporary coronavirus wards to collectively provide more than 1,000 extra beds for our patients.

Our staff

Despite being worried and anxious, our staff members have shown extreme commitment, flexibility, compassion and kindness to work together to serve our population, reconfigure services, employ new staff and provide training. Our priority is to ensure staff and patients stay as protected and safe as possible during this pandemic.

Learning from others

We have been fortunate to have time to prepare. Every time the virus has hit a new country or healthcare system, health professionals have been sharing their learning via emails, video links and phone calls. We have acted upon this and will continue to do so to help us provide the best care we can for patients across Hywel Dda.

Leading the way

Hywel Dda staff have been working with academia, industry and Government agencies to rapidly develop novel medical devices and initiate research aimed at gaining important scientific insights into COVID-19. Two of the most advanced examples of this work are the on-going clinical trial of a new MHRA approved CPAP machine in COVID-19 patients across south and west Wales and a collaboration between Hywel Dda and government scientists to better understand the immune response to COVID-19.

Moving forward

The impact COVID-19 will have on our services and patients into 2020/21 is unknown. However, we are committed to working together across the organisation and with our partners to provide the best care we can whilst planning how we will reconfigure services to support and treat patients when the pandemic has subsided.

Our Mission Statement

Our objectives remain at our core and drive what we do and, at a time when the NHS faces significant challenges related to workforce, demographic change and tight financial settlements our mission through 2019/20 remained as:

- Prevention and early years intervention is the key to our long term mission to provide the best healthcare to our population;
- We will be proactive in our support for our local population, particularly those living with health issues, and carers who support them;
- If you think you have a health problem, rapid diagnosis will be in place so that you can get the treatment you need, if you need it or move on with your day-to-day life;
- We will be an efficient organisation that does not expect you to travel unduly or wait unreasonably; is consistent, safe and of high quality, and, has a culture of transparency and learning when things go wrong.

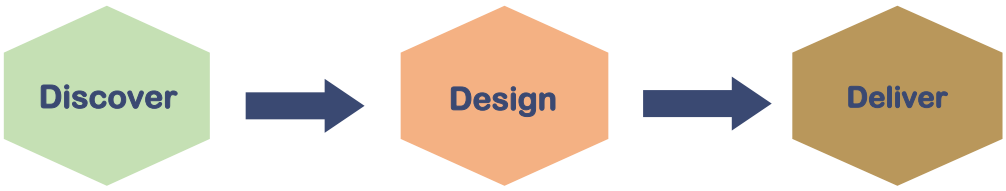
For further details see our 2020/23 Three Year Plan 2020/21 (incorporating the Annual Plan 2020/21; which is currently paused due to the COVID19 pandemic.

How we will do this

The 2020/23 Three Year Plan 2020/21 (incorporating the Annual Plan 2020/21 describes the next three years of our strategic transformation journey. It describes our key operational actions and performance targets for the year ahead, setting out expectations in line with the Welsh Government bespoke Annual Plan guidance. As noted previously, what as a Health Board we had articulated within our 2020/21 Annual Plan will be significantly impacted by the COVID-19 pandemic. However, we will still use the 2020/21 Plan as a baseline for the development of our future plans; and will also ensure we learn the lessons from the pandemic and understand / capture the scale, scope and nature of changes happening across the Health Board as a result of it.

It is important not to lose sight of what the Three Year Plan set out with regards to our clear strategic vision for the delivery of our strategy as the longer term solution to the long standing sustainability challenges, particularly relating to workforce and financial sustainability, irrespective of the impact of COVID-19. This does however mean that for the immediate future the very challenging operational context for our finances, workforce sustainability, and, performance remain. This is set out in more detail in our annual plan which sits within the Three Year Plan and satisfies the requirements of our bespoke guidance with Welsh Government. The financial plan for the year ahead projects a year-end deficit of £25m and a significant cost improvement programme will need to be delivered to achieve this target.

Variable, or expensive premium pay for locum and agency staff is running at £55m, and demonstrates the continued workforce sustainability pressures, and, there are plans to invest in our infrastructure to deliver significant improvements to this over the next 3 years. Workforce pressures impact directly on our service performance and particularly unscheduled care where the plan describes the key challenges and the integrated way in which improvements are being planned. 2020/21 will see further clinical discussions relating to the on-going pressures on urgent emergency care services and the planning of any interim operational measures to ensure the delivery of safe and sustainable patient care. The plan does not assume funding is available to maintain waiting times at 2019/20 levels.



As part of the wider unscheduled care pathway redesign we will re-design our Emergency Department model. This will be achieved using the 'Discover, Design and Deliver' approach adopted during our Transforming Clinical Services programme work. It is recognised that there are significant pressures in unscheduled care, which impacts on our elective services, and causes unacceptable cancellations for our patients. We will examine what service changes are required in the shorter term, whilst we plan for our longer-term reconfiguration of our unscheduled care services.

A Healthier Mid and West Wales: Our Future Generations Living Well

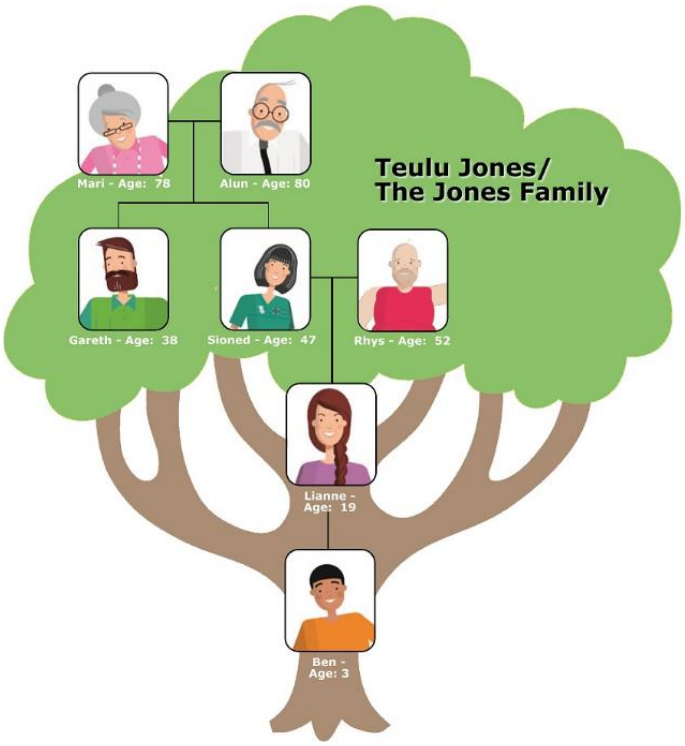
Our strategic design assumptions

The future model of care set out in our 10-year clinical strategy, A Healthier Mid and West Wales: Our Generations Living Well, is underpinned by the following strategic design assumptions:

Population Impact of increase in the population over 7 years (to 2024/25)	**Site changes** Flow of patients to nearest site providing required service*	**Admission avoidance** 40% Reduction to existing levels of emergency admissions for ACS conditions	**Bed discharge** Reduction in lengths of stay to the median of the peer group	**Outpatient change** 25% Reduction in follow-up outpatient appointments
A&E/MIU change 4.3% Reduction in overall level of A&E & MIU attendance (net 0% change against demographic growth over 7 years)	**A&E/MIU proportions** 30% Attendances currently presenting at A&E will present at MIUs instead	**Acute to community step-down – beds** 50% Patients in an acute bed will step down to a community bed within 72 hours of admission	**Acute to community step-down – outpatients** 90% New and follow-up appointments will take place in a community setting	**Daycase community hub shift** 50% Daycases for medical specialties will take place in a community setting

Re-introducing Teulu Jones

Teulu Jones, the Jones Family, is our mid and west Wales family that we created during an early stage of our work on the strategy to test and challenge our ideas and models of health and care. It is not a real family, but we had real people living in our communities in mind when they were created. They have been designed using information about health and well-being across the Hywel Dda area and they are typical of many people in our population. In a way, we are all Teulu Jones. There are seven family members, spanning each of the key life phases. We developed Teulu Jones to test what different changes to our health and care system could mean for families living in our area.



Considerable progress has been made in 2019/20 to make improvements for Teulu Jones (see below).

Progress in Transforming our Communities for Teulu Jones

Roll-out the Choose Pharmacy platform as part of the national campaign to promote and inform people what community pharmacy can offer

Extend the Community Resource Team in Ceredigion to prevent unnecessary admissions and support timely discharge

WE SAID
WE WOULD…….

Develop plans for health and well-being centres in South Pembrokeshire; a coastal community network in North Pembrokeshire and same day & urgent care in East Pembrokeshire

Develop and offer a range of preventative services in Carmarthenshire including Carmarthenshire's United Support Project

WE DID……

- Community Triage and Treat in 25 practices with 111 staff trained
- Created a series of videos demonstrating the services and support offered by community pharmacies
- Multi-disciplinary working in 11 out of 13 GP practices in Pembrokeshire to provide an integrated approach to care
- Community Resources Team in South Ceredigion extended to North Ceredigion
- Development of a joint prevention strategy for Carmarthenshire focused on early intervention & independence
- Successful recruitment of community connectors from the Transformation Fund to support moving from 5 to 6 Integrated Community Networks
- NOSDA (No One Should Die Alone) project successfully piloted in 3 care homes, Withybush Hospital, Sunderland Ward and Cleddau River Day Unit - 114 hours of emotional support provided to 39 people
- Delta Well-being expansion to deliver CONNECT prevention programme Health Board wide
- Successful amalgamation of Goodwick and Fishguard surgeries to provide a health & well-being centre

Progress in Transforming Mental Health & Learning Disabilities for Teulu Jones

Provide accessible services 24 hours a day to enable people and their supporters to "walk-in" to a community mental health centre to discuss their needs

WE SAID
WE WOULD…….

Move away from hospital admission and treatment to hospitality and "time-out" in a supportive environment

Support older people with a mental health presentation and co-existing acute medical issues in a joined up was in our general hospital environments

Redesign our model for Learning Disability care and support responding what matters most to people with a learning disability, including community, hospital and residential experiences

WE DID……

- 24/7 drop-in service commenced at the Gorwelion Community Mental Health Centre in Aberystwyth including a designated Section 136 place of safety
- Opening of the Llanelli Twilight Sanctuary providing a safe and supportive environment for support and advice. Opening hours are 6pm till 2am Thursday to Sunday. We have continued to operate during COVID, providing a phone and Facebook/Messenger service as opposed to a drop in.
- Launch of a collaborative care pilot model in Bronglais Hospital to bring together the acute and mental health teams for older people with a mental health and acute medical presentation
- Development of a mental health practitioner for 2 GP practices in Pembrokeshire to improve earlier access to assessment
- Intensive Learning Disability support team pilot underway as part of the Bevan Exemplar programme to test the provision of increased level of support for at risk individuals in the community

Progress in Transforming our Hospitals for Teulu Jones

Work with staff and partners to develop a vision for the future of Bronglais General Hospital as a centre of excellence for rural acute care

Invest in our Cancer care, Coronary Care and Ambulatory care services in Withybush General Hospital to improve facilitates and patient experience

WE SAID
WE WOULD…….

Facilitate rapid assessment at our emergency departments to prevent inappropriate admission for our frail, older patients

Progress our whole-system stroke pathway redesign considering short, medium and long term opportunities to improve stroke care

WE DID……

- £3 million refurbishment of Wards 9 and 10 in Withybush Hospital for cancer care and frailty
- Improvements to the coronary care unit and Ward 3 (surgical) completed in Withybush Hospital including development of an ambulatory care unit
- New MRI scanner provided for Bronglais Hospital to improve access to diagnostics
- Health Board sign off of the Bronglais Strategy and delivery planning started
- Implementation of frailty support workers on Cadog, Clinical Decision Unit and Teifi wards in Glangwili Hospital to ensure mobilisation
- Evidence based stroke pathway designed for check and challenge, and signed off by the Health Board
- Provision of Same Day Emergency Care model in Glangwili Hospital as an initial pilot for evaluation
- Provision of ring-fenced “treat and repatriation” cardiology beds (Acute Coronary Syndrome Unit) to improve patient pathway with Swansea Bay UHB

Key achievements and developments

My Health Passport

In January 2020 we launched the 'My Health Passport'. This is a new way for children and young people with learning disabilities or complex health needs to share important information about themselves when accessing care in our Health Board. My Health Passport is a simple but important document that empowers children and young people and their families to communicate their needs, wishes and values to those caring for them.

Sunday pharmacy support for Out of Hours Service

Three pharmacies in Llandeilo and Cross Hands opened their doors to the public on Sundays to support the Out of Hours Service. The pharmacies involved already offered a triage and treat programme for common and minor ailments.

Day case hip replacement surgery

In December 2019, a Pembrokeshire resident became the first patient in Hywel Dda University Health Board to undergo day case hip replacement surgery. This was followed by a second and third patient in February 2020. With the introduction of day case hip replacement surgeries, it means eligible patients are able to return home much sooner and begin recovery with the support of the Acute Response Team.

Your well-being matters

A trial survey of 'Your Well-being Matters' was launched in January 2020 for all our nurses, midwives and healthcare support workers to take part in, with the intension of rolling this out to other staff groups.

Off duty Porter and Infection Control Nurse saved neighbour's life

In December 2019 Arfon Rees a Porter in Glangwili Hospital and Rachel Baxter an Intensive Care Nurse saved the life of their neighbour by using CPR and a community based defibrillator in Cwmdwyfran.

"Midwife calling"

We received a special delivery of new standardised homebirth bags. We were the only Health Board in Wales taking part in a trial of these standardised equipment bags for homebirths thanks to charity Baby Lifeline.

Senior doctors praise medical leadership approach

Senior doctors at the Health Board commended the approach to medical leadership within the organisation, highlighting its commitment to developing the leadership capability of medics across Carmarthenshire, Ceredigion and Pembrokeshire. The Health Board's approach is focused on engaging and enabling the workforce to improve the quality of its services. Using a whole system approach to quality improvement the collaborative programme features activities that give staff knowledge, skills and confidence to recognise and make changes which add value to the care received by patients, service users, their families and their carers.

Nyrsys - New S4C series celebrating nursing

A new S4C six part series, featuring some of our wonderful nurses was broadcast in January 2020. The series celebrates the profession, following nursing staff and the next generation of students in a variety of specialisms, dealing with every level of healthcare in hospitals, clinics and patients' homes across Wales.

Nursing apprentices

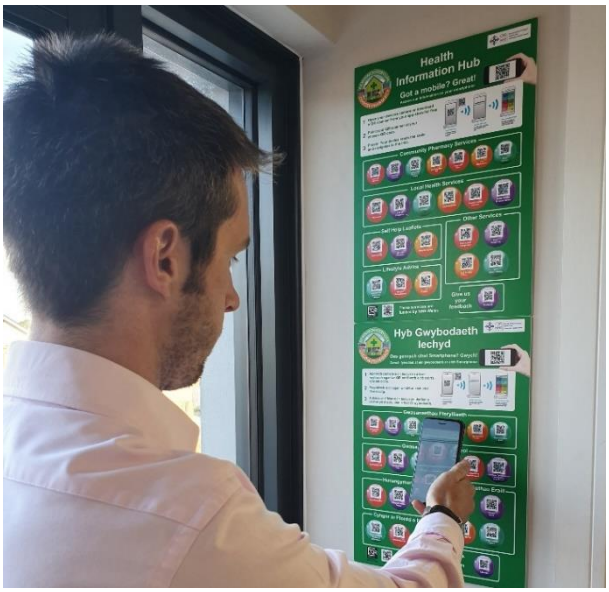
Hywel Dda's first healthcare apprentices began their journey into becoming fully qualified nurses. As at 31st March 2020 there were 45 apprentices in Hywel Dda.

Two new Integrated Care Centres opened

In October 2019, Aberaeron's flagship new Integrated Care Centre opened to the public, bringing joined-up health and social care to local communities for the first time. The project was funded with the support of over £3m of capital funding from the Welsh Government as part of the first phase of projects included in the Primary Care Pipeline, launched by the Health & Social Services Minister in December 2017. Following on from this, in December a new Integrated Care Centre in Cardigan was opened providing a modern, fit for purpose healthcare service including a GP practice, dental service and pharmacy that host a range of other clinics and services.

Health information QR code hubs

Community pharmacies across Carmarthenshire, Ceredigion and Pembrokeshire are using QR codes on 'Health Information Hubs' to share the most up to date health advice and information with their patients. The hubs allow patients with smart phones to download information leaflets directly to their devices using QR code technology and view health related information such as the Common Ailments Scheme as well as links to self-help leaflets for chronic diseases.



Dyma Fi/This Is Me conference

We co-hosted our first Dyma Fi/This Is Me conference in partnership with Swansea Bay UHB to celebrate and raise awareness of diversity and inclusion within the NHS workforce.

Mental Health Twilight Sanctuary launched in Llanelli

The Twilight Sanctuary, the first of its kind in Wales, was launched in Llanelli in October 2019. This is an out of hours service open Thursday to Sunday from 6pm to 2am, to offer a place of sanctuary for adults at risk of deteriorating mental health when other support based services are closed.

Outpatients direct booking system

We adopted a new direct booking process as part of our quality improvement work. This new approach will help ensure outpatient clinics are efficiently utilised by patients.

Sore throat 'Test and Treat' scheme

A new service to determine if a patient requires antibiotics for sore throat symptoms was made available at 18 of our pharmacies. The Sore Throat Test and Treat scheme allows patients to call into their local pharmacy and be tested by a trained pharmacist using a quick and pain free test. Following a consultation and assessment, antibiotics are supplied where required.

Nurses go digital to improve patient experience

Withybush Hospital's Ward 11 has been chosen to pilot the first phase of a national project established to transform nursing documentation and create a digital way of working.

Our award winning staff and services

Research Impact Awards 2019

There was nationally recognised success for our Research team at the Support and Delivery Service Research Impact Awards 2019. The team were joint winners of the public award which acknowledges the valuable research delivery achievements made by teams and individuals to increase opportunities for patients and the public to participate in and benefit from, safe ethical research, regardless of geographical locations.

BEST Awards for Education

General Practitioner (GP), Dr Jenny Boyce was declared joint winner at the BEST Awards for Education, Supervision and Training ceremony.

Health Board staff receive a Royal invitation

Lee Waters AM nominated Sister Marlene Thomas and Dr Helen Fielding from Ty Bryngwyn to attend a Royal Garden Party at Buckingham Palace in recognition of their work at the hospice. Welsh Language Services Manager, Enfys Williams was also invited to attend in honour of her contribution to Welsh Language.

Patient Safety Awards 2019

The Health Board's patient safety team attended the Health Service Journal – Patient Safety Awards 2019 as finalists in Patient Safety Team of the Year category.

Iolanthe Midwifery Trust award

Lisa-Jayne Rose, Midwife at Bronglais General Hospital won an Iolanthe Midwifery Trust award in September 2019. Her award will be used to fund an 'Appropriate Skills and Appropriate Places' workshop to improve home birth services for herself and colleagues working in the North Ceredigion Community Midwifery Team.

Advancing Healthcare Awards 2019

Primary Care Antibiotic Pharmacist, Meryl Davies was awarded Pharmacist of the Year award sponsored by the Welsh Pharmaceutical Committee.

Investors in Carers Awards - Mental Health

- South Pembrokeshire Community Mental Health Team were awarded a Gold Investors in Carers Award – our first Gold Award
- Cwm Seren/PICU achieved their Silver Investors in Carers Award
- Community Mental Health Team Swn Y Gwynt received their Bronze Award
- Our Electroconvulsive Therapy (ECT) team achieved their Bronze Award.

NHS Wales Awards 2019

We won three NHS Wales Awards in 2019:

- Delivering higher value health and care - Implementing Healthy Footsteps a Partnership Approach with Podiatry and the Education Programme for Patients (EPP) in Hywel Dda
- Empowering people to co-produce their care - The Learning Disabilities Dream Team
- Working seamlessly across the public and third sector - Working Collaboratively to Improve Vocational Outcomes for Individuals Accessing The Early Intervention in Psychosis Service (with MIND Cymru and the Department of Work and Pensions)

New Year's honours

Nigel Miller, Head of Therapies and Learning Disabilities was honoured with an MBE in the Queen's New Year's honour for services to people with learning disabilities.

Shortlisting for RCM awards

Jane Whalley and Cate Langley have been shortlisted in Excellence in Perinatal Mental Health Award category. Becky Westbury has been shortlisted in the RCM Leadership Award category. Winners will be announced in May 2020.

Involving local people, partners and communities

Siarad Iechyd/Talking Health involvement and engagement scheme

We continue to provide members with up-to-date information and opportunities to shape health services through this scheme. We have almost 1,100 members and are keen to recruit more. For further information, or to join us, please visit www.siaradiechyd.wales.nhs.uk, telephone 01554 899056 or write to FREEPOST Hywel Dda Health Board.

Continuous engagement

The Health Board has continued its continuous engagement across the Hywel Dda area, on a range of different themes and services including engagement around Major Trauma, and the patient experience charter in addition to ongoing support on capital projects such as Cross Hands, Bronglais CDU and Ward 10 and the Patient Experience Charter. A regional community of practice for continuous engagement, including all the public sector partners and third sector will agree a strategic approach to continuous engagement so we engage smartly with existing resources and avoid duplication has been developed. The community of practice identified the need for a digital tools to improve stakeholder management and online engagement and these have been commissioned to support our traditional methods of engagement. We have been seeking to improve how we hear and act on the voice of children and young people and this work has included working with our partners to make sure we do this effectively. We have been working closely with the Office of Police and Crime Commissioner for Dyfed Powys Police and Hafan Cymru to gather the views of a cross section of young people including the quieter voices around the themes of crime, health and wellbeing to inform and influence our future work.

Our strategic partnerships

We are committed to developing strong partnerships with our patients, public, stakeholders and partner organisations from the statutory, voluntary and independent sector. Partnership working, whether internally amongst our own directorates and teams or externally with other agencies, can play a vital role in maximising health and well-being outcomes for our population.

Our strategic partnership focus is to facilitate and support collaboration and integration of services, both internally and externally, by:

- Nurturing relationships with key strategic partnerships to drive needs-led, outcome focussed planning, activity and participation.
- Ensuring alignment between well-being plans and strategies between the health board and partners.
- Leading corporate planning and commissioning of information, advice and assistance for unpaid Carers to meet their needs in an equitable way across our area.
- Leading and supporting and contributing to a range of multi-agency projects for vulnerable groups in order to create a pace of change and support service improvement.
- Delivering publication of the UHBs Well-being Objectives and Annual Report
- Providing a range of awareness raising opportunities and targeted training to increase staff knowledge, understanding and competency in key legislative responsibilities and how to provide equitable services and inclusive working environment.

Our key strategic partnerships which drive joint working and integration of services include:

The West Wales Regional Partnership Board (RPB)
The RPB was established to implement the Social Services and Well-being (Wales) Act 2014. Its membership includes the Health Board, Carmarthenshire, Ceredigion and Pembrokeshire County Councils as well as third sector care providers, carers and people with care needs. The RPB has strategic responsibility for delivering health and social care integration across the region. Partners have been working together to establish an ambitious programme for transformation of health and care in West Wales in response to A Healthier Wales. This work compliments a range of initiatives across the region that are supported from sources including Integrated Care Fund (ICF), Cluster Funding, Mental Health Transformation funding, Supporting People, Carers' funding, Dementia funding, Children and Communities Grant, Families First and Flying Start, alongside core budgets of partner agencies.

Key achievements over the past year have included:

- Launch of three strategic change programmes under the banner of 'A Healthier West Wales', supported through £12m from the Welsh Government's Transformation Fund:
  - The national flagship Connect programme, delivered in partnership with Llesiant Delta Wellbeing, which provides a proactive call service to some of our most vulnerable residents and a rapid response to any problems before they need a more acute intervention.
  - Crisis response provision across the region providing medical and social support to people with short-term medical needs within their own homes.
  - The Connecting People, Kind Communities programme promoting active citizenship and delivering a 'Connecting to Kindness' initiative approach across West Wales which encourages and supports communities to look after each other.
- Continued delivery of a wide range of initiatives through the Integrated Care Fund including front of hospital services helping avoid unnecessary admissions to hospital, third-sector led schemes aimed at helping people leave hospital sooner and return to their homes with intermediate support and the roll-out of the ground-breaking Learning Disability Charter, developed by people with learning disabilities and setting out what people want in relation to their rights, community, relationships, social life, support, health, independence and communication.
- Agreement of a professional development framework and programme of learning for commissioners across partner agencies.

Public Services Boards (PSBs)
The Well-being of Future Generations (Wales) Act 2015 establishes a statutory board, known as a Public Services Board (PSB), in each local authority area in Wales. The PSB is a collection of public bodies working together to improve the well-being of our county. We are a statutory member of each of PSB within Carmarthenshire, Ceredigion and Pembrokeshire, working with PSB partners to improve the economic, social, environmental and cultural well-being of our area. The health board has worked collaboratively on a range of projects including:

- The development of a digital information system project, working across all three PSBs in the Hywel Dda area, together with the Regional Partnership Board. The work commissioned will support the development of local well-being assessments, project plans and annual reports enhancing data sharing and providing live data and information;
- The Foundational Economy Challenge Fund which seeks to take forward the Carmarthenshire Public Sector Food Procurement project work. The project was formally launched on 7th November 2019 and part of this work there will include a new procurement methodology focused on supporting local and community wealth from public sector spending;
- A regional Strategic Asset Review was undertaken to inform collaboration and partnership working in the use of public sector estates, promoting integration and partnership working;

- Several projects which address the green health agenda. For example, a regional Social and Green Solutions for Health Summit lead by the Health Board's Director of Public Health on behalf of the three PSBs and the Regional Partnership Board took place in January 2020 involving over 100 participants across public sector, third sector, community and not-for-profit organisations. This work builds on the Health Board's Framework for Well-being and move towards a population health and well-being approach. With PSB partners in Pembrokeshire, the Health Board supported NHS Sustainability Day 2020 which included the launch of 10 Sustainable Parenting Actions by the Maternity Service, and the planting of 1,200 trees (representing a tree for each Pembrokeshire child born during the year).

University Partnership Board (UPB)
Comprises membership from the Health Board, Aberystwyth University, Swansea University and the University of Wales Trinity St David. The UPB has been pooling resources and ideas in areas of mutual benefit to achieve the highest possible standards of care, innovation, education and training. In November 2019 the UPB agreed revised governance arrangements under the auspices of a University Partnership Group (UPG) to meet on a bi-annual basis with each University and Pembrokeshire College to scope areas of mutually beneficial activities, building on their unique strengths to improve services for our population. These areas of work will culminate in an annual meeting bringing together the products of the joint work throughout the year.

Mid Wales Healthcare Collaborative
Formed to implement the 12 recommendations of the Mid Wales Healthcare Study and deliver high quality and sustainable services for people in mid Wales. Membership includes our health board, Betsi Cadwaladr University Health Board, Powys Teaching Health Board and the Welsh Ambulance Services NHS Trust. In 2018/19, the Collaborative transitioned into the Mid Wales Joint Committee for Health and Care, the vision of which is to ensure our population 'is provided with equitable access to high level, safe, sustainable, bilingual and high quality integrated health and care services'.

Rural Health and Care Wales
Established by the Mid Wales Healthcare Collaborative, the Rural Health and Care Wales (previously Centre for Excellence in Rural Health and Social Care) is a focal point for the development and collation of high quality research into rural health and well-being; improving the training, recruitment and retention of professional workforces in rural communities and being an exemplar in rural health and well-being on an international stage.

NHS Wales Health Collaborative
Hosted by Public Health Wales and aims to improve joint working between NHS Wales bodies, NHS Wales and its stakeholders and manage defined clinical networks operating across NHS Wales. Its governance group is the NHS Wales Collaborative Leadership Forum comprising the chairs and chief executives from all NHS Wales organisations. We are working, with partners where appropriate, to implement the priorities of the NHS Wales Collaborative including the trauma network; participating in the national endoscopy programme; and working towards the Sexual Assault Referral Centre for south-west Wales.

A Regional Collaboration for Health (ARCH)
Health, education and science working together to improve the health, wealth, skills and well-being of the people of south west Wales. It is a partnership with Swansea Bay University Health Board and Swansea University covering six local authority areas and working with social care, voluntary and other public bodies. There have been significant developments and progress relating to regional research and innovation endeavours, including the UHB's active involvement with the multi-million Accelerate Programme, overseen by the Life Science Hub, which is translating innovative ideas into new technology, products, and service for the health

and care sector quickly. Local companies and the health board are benefitting. COVID-19 has also resulted in a significant increase in research and innovation activity within the region, including the rapid development and testing of breathing devices, participation in drug trials that have led to international breakthroughs, and complex and unique studies looking at the immune response to the disease. Finally, several steps forward have been made in developing new research and innovation capabilities, aligned to the regional partnership board agenda and transformation fund projects.

We aim to improve healthcare through research, innovation and skills and have so far achieved:

- Cardiology work programme signed off by Regional Cardiology Working group;
- Repatriation of routine Bradycardia to HDdUHB implementation plan and timeline agreed;
- Functional Neurological Disorder (FND) Business Case development is underway;
- Work is underway to develop an Interventional Radiology (IR) Regional Services model;
- We are developing a case for a Regional Hyper Acute Stroke Unit (HASU);
- We have submitted to Welsh Government a Strategic Outline Case for a Regional Pathology Centre;
- Assessment of the regional footprint for informatics services and the alignment of work programmes.

Joint Regional Planning and Delivery Committee (JRPDC),
To build on the good relationships and foundations of joint working already agreed through the ARCH programme, the JRPDC is a partnership with Swansea Bay University Health Board to ensure there is alignment with the longer term transformational plans being progressed through the ARCH Service Transformation programme and short term deliverables, with a specific aim to drive forward a rolling programme of work to support planning, delivery and service improvement. Progress has been made in the development of work programmes in the following clinical areas: orthopaedics, cardiac catheterisation, endoscopy, vascular, pathology and dermatology.

Hywel Dda Community Health Council (CHC)
Through our Executive team we contribute to the CHC Strategy and Planning Committee.

Hywel Dda Health Charities

Hywel Dda Health Charities is the official charity of Hywel Dda University Health Board. Our charity's aim is to make a positive difference to our local NHS services across Carmarthenshire, Ceredigion and Pembrokeshire. The continued generosity of our patients, their families and our local communities enables us to support a wide range of services and activities, above and beyond what NHS funding allows, for the benefit of our local population. Examples of expenditure include purchasing the latest medical equipment or items for additional patient comforts, creating more welcoming surroundings and investing in our staff through learning and development opportunities.

Elusennau Iechyd
HYWEL DDA
Health Charities

Full details of the charity's activities during 2019/20 will be available in the Hywel Dda Health Charities Annual Report and Accounts for 2019/20, following audit during autumn 2020. The report will be published at www.hywelddahealthcharities.org.uk/publications. Details of the donations received in response to the COVID pandemic can be accessed https://hduhb.nhs.wales/about-us/your-health-board/board-meetings-2020/board-agenda-and-papers-23rd-june-2020/ (item 4.1).

Equality, diversity and human rights

During 2019/20, we have continued to work collaboratively with our staff, service users, their carers and families, and other key stakeholders, aiming to ensure that no-one may be disadvantaged when accessing our services or in our employment.

Ensuring that our population has equitable access to services and information to improve health and well-being has remained one of our main priorities. Our work towards changing the way we deliver our services illustrates where the voices of our communities have influenced the way in which service models are developing

We established a collaborative multi-agency approach to engaging on the review of our Strategic Objectives 2020-2024. Our Strategic Equality Plan, Objectives and Annual Report can be found at: http://www.wales.nhs.uk/sitesplus/862/page/61233.

Research and Development (R&D)

The R&D department has undergone an organisational change in 2019/20 which has resulted in a better established Delivery Team at all four hospitals in the Health Board, with new leadership and a better skill mix of different grades of staff at each site. Despite the changes, the Delivery Team have maintained a good level of recruitment of patients into research studies, but not quite meeting the targets set by Health and Care Research Wales (HCRW). Commercial research has increased the number of studies open on the portfolio and has met the target number. The teams have different staff responsible for teaching nursing students at Trinity St David's in Carmarthen, sitting on the Wales REC 7 Ethics Committee and teaching health professionals participating in the research internship. The Delivery Team lead research within the Health Board and continually strive to engage with new clinical teams, thereby increasing the diversity of the research portfolio and encouraging new Principal Investigators to participate in research. The Delivery Team has been at the top of the recruitment leader board for an inflammatory bowel disease study for a large part of the year. The teams at each site have engaged with the public during global celebrations, such as International Clinical Trials Day and other Cancer Research UK public events to raise the profile of research.

Research Management

Nationally, research management has developed in a number of ways in which Hywel Dda is actively involved. Key developments include:

- The implementation of a new national R&D information system to facilitate the management of research studies and to ensure accurate data.
- The implementation of a new research approvals process ensuring parity throughout the UK.
- Increased financial scrutiny and oversight of investigators' research accounts.

Researcher Development

To help develop a culture of research both within the Health Board and with external partners, key achievements are listed below:

- The West Wales Academic Health Collaborative (WWAHC) has continued to support researchers and academics and is actively promoting Value Based Health Care
- The team helps staff to develop their research skills and facilitates external research grant applications, with over £3,500,000 of grants applied for in 2019/20.
- An introduction to research course has been run across the Health Board to promote research and provide training on research methods. In addition 50 licences for BMJ Research to Publication course have been awarded to support researchers to develop high quality publications.

- New secondments have been arranged with AgorIP to promote Intellectual Property and patenting and the team have been working with Bevan Commission to facilitate ‘Adopt and Spread’ Programme
- The team have been working with patients and public to develop new research and innovations and are ensuring patients are involved in the development of new studies

Research Quality Assurance

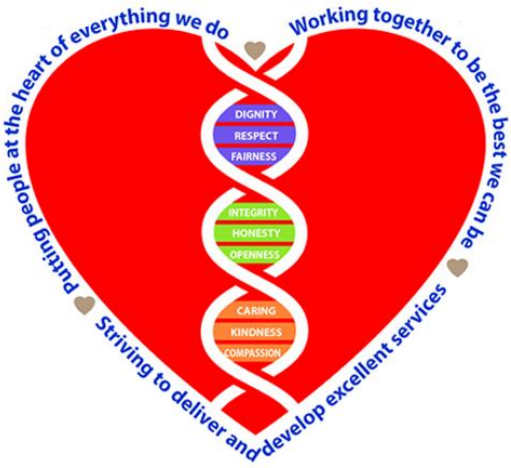
The Health Board has a responsibility to ensure all research is conducted in accordance with the relevant legislation and guidelines. Oversight of research activities is achieved by the Research Quality Management System, which includes the following:

- The Quality Assurance Officer (Research) has oversight of staff training on Good Clinical Practice (GCP), the international ethical, scientific and practical standard to which all clinical research is conducted;
- The Quality Assurance (QA) team is producing and updating a suite of R&D Standard Operating Procedures (SOPs), Guidelines and Templates to help govern key research activities;
- The QA team conducts routine and triggered audits and monitors research studies to ensure GCP compliance, provides oversight of study progress and facilitates appropriate reporting e.g. safety reporting;
- The new Research Quality Management Group, chaired by the Deputy R&D Director, provides an independent process for reviewing and addressing research quality assurance issues.

Valuing our staff

Our Values Framework has been in place for over 3 years. It sets out our organisational values and provides the design principles for all that we do:

- Putting people at the heart of everything we do;
- Working together to be the best we can be;
- Striving to deliver and develop excellent service.



Our values are the driving change of organisational culture and bring a consistent level of leadership to the Health Board. This shift in cultural change and leadership capabilities has impacted positively in employee experience and increased staff engagement. It is recognised that higher levels of staff engagement impacts positively on quality, financial, performance and patients' outcomes. In 2019/20 we continued to concentrate efforts in developing a culture that is compassionate and aligned to these values.

Leadership programmes

The behaviour of leaders is integral to the values. Our leaders should not only be ensuring team members are behaving to expectations but should be role models within the organisation. The need for further skills regarding effective appropriate leadership styles have led to our Organisation Development (OD) team designing and facilitating modules on Living the Values; Effective Communication; Conflict Management; Hubris; Psychological Safety; and Compassionate Leadership. The feedback from the new programmes has been excellent and will further enhance the excellence standards of behaviours outlined in the values framework and build compassionate leaders throughout the Health Board.

Empowering our clinicians

Our clinical strategy commits us not only to continuous engagement with the public, but also that the organisation is clinically-led. The best functioning organisations have the most empowered clinicians working for them and with them. We are starting to take steps to empower our clinicians as follows:

- Information about practice of clinicians routinely shared at specialty/Directorate Level (e.g. Length of Stay, new/follow-up rates and volumes). Clinicians utilising performance related outcome measures (PROMs), and, benchmarked information about their own practice, to change practice in line with improved performance/patient outcome and activity data;
- To further develop and build on the successes of leadership programmes and scale to all clinical disciplines;
- Established and tested clinical leadership structures. Local ownership and decision making to improve patient and service outcomes;
- A review of working arrangements for clinicians that allow for staff attendance and involvement within the core work-streams of our clinical strategy in 2020/21.
- Clinical leadership of quality improvement (QI) projects to improve outcomes for patients and staff. To promote a 'spread & scale' culture for our clinicians and to work closely with QI colleagues to ensure ownership and potential benefits of service improvement are enabled. This includes alignment with the Enabling Quality Improvement in Practice/Value Based HealthCare programmes and supporting change projects.

Volunteering

Volunteering for Health is the Health Board's volunteer service which has continued to help improve the health care experience of our patients through recruiting and supporting local people to volunteer in all of our acute and community hospitals.

The majority of our volunteers act as Volunteer Patient Befrienders on our wards bringing a social aspect to the patients stay. However, there is a suite of other volunteer roles local people can get involved in including; Meet and Greet at hospital receptions, Children Ward Volunteers, Maternity volunteers, A&E, Pharmacy volunteers, Shop Trolley Volunteers, Library Trolley Volunteers and Volunteer Gardeners.

At the end of March 2020, due to COVID-19 pandemic, we suspended all of our volunteers who were active. At that point, we were preparing to process 567 offers from the community and were working on new COVID-19 volunteer roles for them. However, before we suspended our volunteers we had 302 active and 80 going through induction

In October 2019, NHS volunteers past and present attended a special event to celebrate a decade of volunteering in Hywel Dda. Our Chair, Maria Battle, thanked every volunteer for their dedication and commitment: "Volunteers bring so much to our NHS and make a real difference to the experience of our patients and visitors. It has been truly wonderful to celebrate those who have given their time freely to Volunteering for Health over the last decade and hope our volunteers continue to receive an enriching, rewarding and inspiring experience at Hywel Dda".

The future role of our volunteers is very much focused on helping wards and departments across our hospitals to support our patients. This may involve continuing to recruit for areas where volunteers are established or developing new roles if appropriate. We are also very keen to see our volunteers develop personally and/or professionally through their involvement and to ensure that they have a rewarding time with us; so our work in addition to improving patient experience will continue to be to improve the experiences for our volunteers.

Investing in our estates and services

Our capital investment plans will prioritise both capital developments and backlog maintenance. This investment strategy covers projects that address both business continuity, risk and service development drivers. A summary of these projects are included within this Estate plan and where in many cases aligned with our Transforming Clinical Service themes.

Business continuity needs (risk driven)

Whilst we are currently developing many longer term strategic investments in our estate, the current challenges we face will require action at differing levels of urgency in order to maintain business continuity. In order to facilitate this, the Health Board is working to structure investment plans into short, medium and long term needs. This approach is as follows:

- Short term investment needs to relate to a focused in house maintenance approach where possible with low level discretionary capital. This may be simply making the situation safe or undertaking some targeted work to enable clinical services to continue in the short term.
- Medium term investments will require investment in capital/resources which is beyond that possible by our in house teams. This will involve predominately bids to the Discretionary Capital Programme which will be supported by operational services priorities. If the required investment is in excess of that possible from discretionary capital funding, the work will need to move to the long term plan. Mitigating plans will be put in place to manage any residual risk.
- Long term plans will be linked to the Transforming Clinical Service plans and Major Infrastructure/Ward Refurbishment Plan referred to below.

Discretionary Capital Programme

We continued to invest in our estate, with a total capital investment in 2019/20 of £40.942 million. Key investments from Welsh Government central funding included:

- Completion of building the new Cardigan Integrated Care Centre (£23.8 million);
- Completion of refurbishment work to Aberaeron Integrated Care Centre (£3.0m);
- Completion of refurbishment to Wards 9 & 10 at Withybush General Hospital (£3.5m);
- Continuation of the Women & Children Phase 2 Project at GGH (£25.3m);
- Completion of the project to replace the MRI scanner at BGH (£4.9m);
- Commencement of Replacement Radiology Equipment at Glangwili General Hospital, Prince Philip Hospital and Withybush General Hospital (£4.5m);
- Investment in Information and Communications Technology to improve areas including Wi-Fi provision and cyber security projects (£1.3 million);
- Additional funding for Statutory Compliance and Medical Equipment Replacement £2.8m.

The key elements of the expenditure from our Discretionary Capital Programme are set out below:

Carmarthenshire	
GGH: Replacement Autoclaves	£900,000
PPH: Replacement Orthopaedic Theatre Instruments	£95,000
GGH: Endoscopy Equipment	£156,00

Ceredigion	
BGH: Replacement Orthopaedic Theatre instruments	£78,000

Pembrokeshire	
WGH: Replacement Ventilators ICU	£212,600
WGH: Replacement Orthopaedic Theatre Instruments	£152,000

Capital Projects

Community and Primary Care Pipeline Developments

There are significant infrastructure issues and concerns around the current community and primary care estate in terms of providing modern, fit for purpose accommodation with the capacity to serve as an enabler to the provision of future health needs outlined in the Health Board's Three Year Plan and Clinical Strategy. The condition and functional suitability of many existing premises to meet a growing population with changing clinical needs is hampering service developments across primary, community and secondary care.

In addition to issues relating to the existing infrastructure, sustainability concerns around the future of a number of GP practices within the Health Board. To address the significant shortfalls in the community and primary care sectors the Welsh Government have allocated a pipeline of funding to address the much needed investment in refurbishment, redevelopment and new build schemes across Wales. Work continues to be progressed within the health board to secure funding to develop the community and primary care estate with the development of a prioritised list of schemes to address the current shortfalls. The primary care investments to date include:

Cardigan Integrated Care Centre, Cardigan

The completion of a new integrated care centre, located in Cardigan, provides a modern, fit for purpose healthcare service for the local population, bringing care closer to home and in the community. A wide range of integrated health and social care services are now being delivered by the Health Board, GPs, the third sector, local authority and partner organisations. The new facility replaces the former Cardigan Hospital and Cardigan Health Centre and became operational in December 2019.

Aberaeron Integrated Care Centre – Refurbishment

Now fully operational the Aberaeron Integrated Care Centre provides community, social and primary care services within a modern environment and has replaced the former Aberaeron Hospital.

Fishguard Health Centre/Integrated Care Centre – Refurbishment (Phase I) and New Build (Phase II)

The project has addressed immediate pressures around service sustainability and the merger of two GP practices. A two room extension has been completed along with minor refurbishment works to the existing premises to accommodate the needs of the population served.

Cross Hands Integrated Care Centre – New Build
An outline business case has been submitted to Welsh Government for scrutiny as part of the All Wales Pipeline for community and primary care projects. The project offers the opportunity to develop true integration and co-location of community and primary care services in Cross Hands and the surrounding area. A multi-agency, partnership approach to the project is being developed led by the Health Board including GPs, Carmarthenshire County Council, Dyfed Powys Police and third sector organisations. The project provides the opportunity to provide a range of services to improve the health and well-being of the locality. The new facility will replace Cross hands Health Centre and two GP surgeries and is due for completion in 2022/23.

Cylch Caron Integrated Resource Centre, Tregaron
The full business case is in progress. The project is a joint project between Ceredigion County Council (project lead), the Health Board and Mid and West Wales Housing Association. It brings together primary and community health care services, social care and housing services in a very rural part of Ceredigion. The new facility will replace Tregaron Hospital and the Tregaron GP surgery.

Pond Street Clinic and Penlan Redevelopment Carmarthen
Planning is ongoing to relocate services from the Pond Street clinic due to immediate concerns relating to the existing poor physical condition, functionality and the sustainability of community services. The property has been identified for disposal and plans are being progressed to relocate services to Penlan, a freehold Health Board facility located near the existing facility. As part of the redevelopment of the Penlan site to improve service delivery for Community Services, phase I of the project to address deficiencies in the external envelope of the building has now been completed. The second phase of works will enable the internal reconfiguration of the existing premises to provide improved Learning & Disabilities accommodation as well as the development of suitable accommodation for Sexual Health, Podiatry and Community Dental Services.

Acute and other Project Developments

Major Infrastructure and Ward Refurbishment Programme Business Case

The development of the Healthier Mid and West Wales process and the emergence of a clear direction for the future of our Estate has allowed the Health Board to develop a structured Programme Business Case to set out the investment necessary to align with future estate changes particularly at Glangwili General Hospital and Withybush General Hospital.

The Programme Business Case will be submitted to Welsh Government to seek endorsement. This will allow the Health Board to draw down the necessary resources to support the technical work needed to develop a portfolio of more detailed Business Cases to support prioritised investment plans.

Withybush Hospital Wards 9 & 10

Completion of the Ward 9 & 10 refurbishments which included a 14 bedded decant ward and Specialist Palliative Care, Haematology and Oncology Ward comprising of 16 inpatient beds and a Discharge Lounge opening in April 2020.

MRI Unit at Bronglais General Hospital

Completion of the Magnetic Resonance Imaging (MRI) Scanner New Build Development at Bronglais General Hospital which was fully operational in January 2020.

Other planned/proposed projects include:

- MRI Scanner at Withybush;
- Fire Code Improvement Works at Withybush;
- Pathology Services Refurbishment at Glangwili:
- Proposed Fluoroscopy Room at Glangwili;
- HSDU Refurbishment at Prince Philip;
- Refurbishment & Alteration Works at South Pembrokeshire Hospital;
- Chemotherapy Day Unit at Bronglais.

Mental Health and Learning Disabilities (MHLD)

The Transforming Mental Health (TMH) Programme is now firmly established in the implementation stage. Following Board approval in January 2018 a Mental Health Implementation Group (MHIG) has been set up. The estate requirements to support in the delivery of the programme are as follows:

- A Central Assessment Unit to be built on existing Morlais site (Carmarthen);
- A Central Treatment Unit in Llanelli to be developed on Bryngofal site (Llanelli);
- A 24/7 Pembrokeshire Community Mental Health Centre (CMHC) to be developed on Bro Cerwyn site, with hospitality beds;
- A 24/7 Ceredigion CMHC to be developed in Aberystwyth town, with hospitality beds;
- A 24/7 Llanelli CMHC to be developed in Llanelli town, with hospitality beds;
- A 12 hr CMHC to be developed in Carmarthen town, with no beds;
- Alignment with Transforming Clinical Services Programme e.g. potential of CMHC in Glangwili hub, the co-located assessment and treatment unit on site of new hospital.

The Health Board will be discussing the programme and funding envelope with Welsh Government. A Programme Business Case (PBC) has been developed and submitted to Welsh Government for scrutiny to support the delivery of each project in line with the service brief requirements.

The Learning Disability (LD) service is currently reviewing a number of strategic plans across the Health Board that will require estate development. As part of this review the service are developing plans to develop a south Pembrokeshire base for LD services. Llanion House located in Pembroke Dock will become the new base for an integrated wellbeing centre for people with learning disabilities. This will be led by people who use services in terms of unmet need around, health, socialising, housing, training and work opportunities etc. It is an innovative project that meets strategy aims and puts people with Learning Disabilities and carers at the centre of shaping future services. It will provide a unique provision in Pembrokeshire that provides an integrated hub for the existing range of services and allows opportunities to develop new facilities and services.

Llanelli – Wellness Village

The proposal is that Health and Care Services delivered within the Llanelli Wellness and Life Science Village will form part of the integrated service network both in Carmarthenshire and more widely through neighbouring counties and Health Boards and with national networks. The ethos will be to change life chances by improving health at as early an age as possible. The clinical services to be delivered on site are those which are evidenced to provide best outcomes when delivered in a community setting through a multidisciplinary team approach. It is envisaged that the clinical services will include links across health, social care, business and the third sector as appropriate. The option to develop Community Mental Health Centre (CMHC) in the Wellness Centre is also being explored as part of the Transforming Mental Health Programme.

Endoscopy, Prince Philip Hospital

A review of endoscopy services across the Health Board as part of Joint Advisory Group Accreditation (JAG) has identified a requirement for improved facilities at Prince Philip Hospital. The business case is currently being developed.

Aseptic & Radio Therapy Suite
An informal Strategic Outline Case (SOC) has been submitted to Welsh Government to develop a new Aseptic Unit costing in the region of £10m for the preparation of key medicines for Hywel Dda University Health Board patients. The SOC aligns with the Transforming Access to Medicines (TRAM's) review of Specialist Aseptics Services across Wales. An option appraisal has been undertaken which generated a preferred option of a new build on the Withybush Hospital site. Initial timelines have been prepared which estimate just over 2 years is required from formal SOC submission to build completion/operational opening.

Other Discretionary capital projects

- Refurbishment Works at Gorwelion, Aberystwyth – MHLD Project
- Enlli Ward Alterations & Refurbishment Work at Bronglais
- Junior Doctors Residential Refurbishment at Glangwili
- X-Ray Replacement Projects at Prince Philip & Withybush
- Remedial Works at Llanion House – MHLD Project
- Post Graduate Alteration Works at Prince Philip
- Pharmacy Improvement Works at Withybush
- Aseptic Unit Refurbishment at Bronglais
- Radiology Department Improvement Works at Bronglais
- Pathology Services Upgrade at Prince Philip
- HSDU Refurbishment at Glangwili
- Improvement Works at Amman Valley Hospital

Infrastructure/statutory projects

- Fire Review & Advanced Improvement Works at Withybush
- Fire Code Improvement, Phase 2 at Withybush
- Heavy Oil Infrastructure Project at Glangwili

Charitable funded schemes

- Planned Project: Mynydd Mawr Garden Project at Prince Philip Hospital.

Health Board Estate Performance

Our estate

Our Health Board estate continues to evolve and adapt to the changes in healthcare requirements ensuring that we keep pace with the changing face of current healthcare needs. As it stands the current estate covers circa 52 hectares across Carmarthenshire, Ceredigion and Pembrokeshire, equating to a land mass of approximately a quarter of Wales. Healthcare services at present are provided via 57 freehold and leasehold properties with a total gross internal floor area equivalent to 187,977m^2.

Key facts

- Current backlog within the estate is £59.4 million (high & significant backlog totals £40.2 million)
- 57% of our estate is over 35 years old
- Average running cost for facilities management services is circa £173/m^2 per annum

Estate acquisitions and disposals

To ensure the evolution of our estate continues to adapt and evolve to meet current healthcare requirements, a proactive approach has been adopted to develop the estate accordingly. This approach also attempts to address some of the concerns highlighted as a consequence of the overall age profile of the estate.

Future Disposals

As a consequence of considerable investment within community type facilities as well as the impact of the Transforming Clinical Services agenda it is likely that further disposals/acquisitions will be necessary over the intermediate years. This investment programme will result in the disposal of some of the Health Boards older estate and will provide a significant reduction in the Health Boards overall backlog total.

The premises identified for disposal include:

- Tregaron Hospital - linked to the development of the Cylch Caron scheme
- Pond Street Clinic - linked to the re-development of Penlan
- Cross Hands Health Centre - linked to the proposed Cross Hands Integrated Care Resource Centre

Pending Disposals (April 2020)

- Cardigan Memorial Hospital
- Cardigan Health Centre
- Neyland Health Centre

Completed Disposal

- Aberaeron Hospital – Linked to the development of the Minaeron site.

Acquisitions

Leasehold Acquisitions – 2019/20:

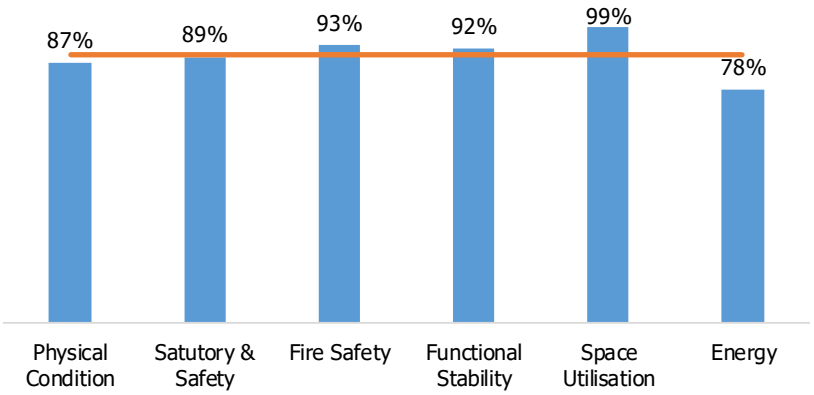
- Blk.01 St David's Park Carmarthen - procured to accommodate the Integrated Autism Service.
- Llanion House, Pembroke Dock - procured to accommodate the Pembrokeshire Adult Mental Health & Learning Disabilities team.

Planned Leasehold Acquisitions – 2020/21:

- Blk.08 St David's Park Carmarthen - accommodation required for the Healthier Mid & West Wales team

Estate performance indicators

Estates performance is measured against the All Wales average on six national performance indicators, as reported via the Estates, Facilities and Performance Measurement System. Overall, the Health Board is closely aligned to the All Wales average position, although as noted previously, energy performance and fire safety remains a challenge (see graph).



Estate operating costs

Comprehensive and accurate information is vital for an organisation to monitor and manage the performance of its estate. Cleaning, catering and energy management represent the most significant spend. The overall facilities average premise running cost across the estate translates to £173/m^2 (£171/m^2 in 2017/18, £159/m^2 in 2016/17, £151/m^2 in 2015/16, £153m^2 in 2014/15, £156m^2 in 2013/14) although costs per location will vary depending on occupancy and activity.

Operational facilities management and compliance

The current approach to estate and facilities management is locally based operational teams at each acute hospital supported by centrally based corporate teams that deliver on wider strategic aims such as property and environmental management, capital project delivery and Compliance. The Health Board recognises its legal obligations in the provision of effective soft and hard FM services and adheres to best practice guidance in the form of:

- Health Technical Memoranda – guidance for the design, management and maintenance of healthcare engineering systems e.g. decontamination, medical gases, heating, electrical, fire safety, asbestos;
- Health Building Notes – design guidance on healthcare environments including best practice design principles for all functions, resilience planning, Estatecode, infection control etc;
- Soft facilities management (Hotel Services) documents linked to cleaning standards, waste management, security, nutrition and catering etc.

In summary this framework of support will ensure compliance with statutory requirements and standards for better health, compliance with the Health Act 2006, provision of a safe and appropriate patient environment, reduction of hospital acquired infection and an effective operational service to support frontline delivery.

The duty of care necessary in operational performance contributes to the overall efficiency and safety of a healthcare organisation. These requirements are managed through a network of standards and audits and are most effective when working collaboratively with key stakeholders within the patient environment. In order to demonstrate that investment is prioritised to areas of greatest risk a well-developed risk register/prioritisation process in line with corporate processes and a comprehensive backlog database has been developed to manage risk and support bids from the discretionary capital programme and central funded capital.

Work continues to enhance the working partnership between soft and hard Facilities Management teams to continue to improve the patient experience by:

- Continuing our efforts to ensure the built environment is fit for purpose;
- Continually improving the standards of cleanliness monitoring and scoring across the Health Board in line with the national Standards for cleaning in NHS Wales;

The service continues to develop a number of initiatives to support nursing teams to deliver an improved patient experience. The Credits for cleaning (C4C) software is continually utilised to establish scores for the stakeholders. The system provides accurate and timely information regarding the cleanliness of the environments in all in patient areas.

The facilities managers continue to be represented on the national framework group for C4C and are also part of the group looking at the National Standards of cleanliness for Wales. This will ensure the Health Board continues to work to best practice guidelines.

The integration of operational staff on both hard and soft Facilities Management functions is proving to be successful in enhancing the standard of ward cleanliness. The facilities teams work closely with the senior ward staff to ensure access is granted at the most suitable time for the wards. Rapid response teams continue to ensure bed turnaround is kept to a minimum; to assist in ensuring patient flow is maintained.

The facilities function will continue to focus attention in the very high risk and high risk clinical and patient areas to ensure that standards of environmental cleanliness are maintained in order to minimise the risk of health care acquired infections.

Specialist services

Food Hygiene Inspections ratings
All of the Health Board's main premises have been awarded the highest score rating of 5 except two which were awarded a 4. Pembrokeshire County Council remains the Unitary Authority for the Health Board providing support and advice to the Health Board

All Wales Menu Framework (AWMF)
Compliance in relation to the AWMF has continued to progress incrementally with three out of the four acute hospital sites being fully compliant with the in-house patient menus. Withybush Hospital still remains not fully compliant due to ongoing recruitment issues

Catering Services
The Health Board continues to produce in excess of 23,000 patient meals per week and over 1million patient meals per annum Health Board wide. Catering services are responsible for meeting the diverse needs of patients, staff and visitors while meeting a range of national standards. Operationally catering services continue to work towards the All Wales Nutrition and Catering Standards for Food and Fluid Provision for Hospital Inpatients and the All Wales Menu Framework, the latter underpinning ongoing improvement in catering across NHS Wales, while supporting best value. The patient experience and quality of meals in Hywel Dda are usually rated highly. Recent patient feedback was 95% either good/very good or excellent

Laundry Services
The 'In House' Laundry based on the Glangwili Site provides a comprehensive linen service across the whole of the Health Board and to external Health organisations. In the financial year 2019- 2020 in excess of 4.4 million pieces were processed including 45,000 items to the private sector. In addition to this the Laundry department provides a staff uniform and curtain manufacturing service within the 'Carmarthenshire' locality and free ad hoc deliveries across the Health Board of large and bulky items.

Security Management

Prevent strategy

In relation to the Government's strategy on Counter Terrorism the Health Board's Security Manager continues to represent the Health Board at the three Local Authority CONTEST and Channel Panel meetings. In addition to the Local Authority Governance arrangements, a Regional CONTEST Board has been established since 2017 of which the Health Board is an active member and is represented by the Director of Public Health. The Board is also represented at the NHS Wales Prevent Forum Chaired by WG/NHS by our Security Manager Reporting internal concerns and potential formal referrals to the Local Authority Channel Panels are now embedded within the Health Boards existing safeguarding arrangements and the Safeguarding Team continue to contribute to the Channel Panel meetings throughout 2019/20. Both the Local and Regional CONTEST Board discusses serious and organised crime matters. As part of this extended agenda, the Health Board has been requested to provide data linked to Serious Organised Crime topics including, gangs or drug networks, child sexual exploitation, child criminal exploitation and human trafficking or modern slavery. The data sharing will aid and improve Serious Organised Crime Profiles held for each county.

Manual handling training

During 2019/20, the Manual Handling Team continued with the Workplace Assessor model to improve training compliance rates and to provide improved support and supervision to the workplace assessors and clinical staff. The compliance in level 1 manual handling training across the Health Board has risen to 80%, level 2 manual handling training compliance reached 60% in March 2020. The team are working closely with senior nurses and ward managers to ensure that access to workplace assessments for substantive staff is increased. The annual work plan for 2020/21 identifies the areas to be targeted to improve compliance to achieve the 85% compliance in both level 1 and level 2 training.

Health & Safety Executive (HSE) Inspection Report

Manual handling was identified as one of the key themes in the HSE report, the team have been part of the working groups who are in the process of developing evidence to assure the Health Board and the HSE that action is being taken to resolve the matters identified including:

- Trolleys to Transport Medical Records;
- Bespoke training for patient handling in theatres;
- Specific risk assessments

Key achievements 2019/2020

- Increase in numbers of active workplace assessors;
- Provision of three, one day courses in care of the bariatric patient for Health Board staff;
- Delivered training model at national IOSH conference;
- Improved working relationships with Social Care colleagues to share knowledge and experience when working with patients with complex handling needs;
- Delivering bespoke training for community staff;
- Provision of advice and guidance in the development of the business case to support the purchase of low beds across the HB to reduce severity of injury from falls from bed in conjunction with the falls policy.

Emergency preparedness/civil contingencies

We have a well-established Major Incident Plan which is reviewed and ratified by our Board on an annual basis. The Major Incident Plan meets the requirements of all relevant guidance and has been consulted upon by partner agencies and assurance reviewed by the WG's Health Emergency Planning Unit. This plan, together with our other associated emergency plans, detail our response to a variety of situations and how we meet the statutory duties and compliance with the Civil Contingencies Act 2004. Within the Act, the Health Board is classified as a Category One responder to emergencies. This means that in partnership with the Local Authorities, Emergency Services, Natural Resources Wales and other NHS bodies, including Public Health Wales, we are the first line of response in any emergency affecting our population. In order to prepare for such events, local risks are assessed and used to inform emergency planning.

We continue to ensure that our Executive Directors are appropriately skilled to lead the strategic level response to any major incident via Gold Command Training with additional senior managers/nurses trained in tactical and operational major incident response.

The Health Board is also represented on the multi-agency Dyfed Powys Local Resilience Forum, (LRF) which sits at the apex of Dyfed Powys's local civil protection arrangements. Its overall purpose is to ensure that there is an appropriate level of preparedness to enable an effective multi-agency response to emergencies which may have a significant impact on the communities of Dyfed Powys. A number of working groups and standing sub groups have been formed to assist the LRF to meet its requirements under the Civil Contingencies Act.

The Risk is one such example, which has undertaken a robust risk assessment process based on the UK National Risk & Threat Assessment which identifies risks and threats across our community and rates them according to a number of factors to give a risk score (low, medium, high, very high) and a preparedness rating.

The Severe Weather Group focuses on responses to Flooding, Severe Winter Weather, Heat Wave and Drought events and the effects of climate change underpins this work. The Dyfed Powys LRF Severe Weather Arrangements Plan was first developed in 2011 and is now reviewed on a biennial basis.

The LRF also publishes a Community Risk Register (http://bitly.ws/8uIc) which highlights the effects of climate change and informs the public about the potential risks we face such as pandemic influenza, transport & industrial incidents and flooding/severe weather events and encourages them to be better prepared. As part of the LRF we also work as a core partner to train and exercise staff to ensure preparedness for emergency situations.

During 2019/20, key achievements include:

- Annual review of our Major Incident response arrangements, referencing the Mass Casualty Incident Arrangements for NHS Wales;
- Ongoing progress on Business Continuity development and review across the HB, including significant planning for the consequences of no-deal Brexit;
- Preparations for COVID-19 pandemic.

Members also noted the approach taken by the organisation in terms of the use of business continuity planning for all contingency arrangements in the event of a no-deal Brexit scenario.

COVID-19

Towards the end of the reporting period, we started to work with local, regional and national partners to prepare for the COVID-19 pandemic. The welfare and well-being of our patients and staff are our top priority and all resources are being targeted towards dealing with this pandemic challenge. Based on Welsh Government guidance, our response to the COVID-19 pandemic can be summarised:

1. Suspension of all non-urgent elective activity across the Health Board.
2. From Board level down, many internal processes for assurance, performance management and financial turnaround have been scaled down or suspended.
3. External performance review processes, reviews by inspectorates/regulators and external audits have similarly been scaled back or suspended.
4. A number of workforce procedures have been changed, suspended or significantly scaled back to rapidly recruit the staff needed to support our response.
5. Establishing field hospital provision in 9 locations (2 co-located) across the 3 counties to accommodate the additional beds that may be required based on planning assumptions.
6. Each of the existing hospitals has undertaken significant work over the last month to reconfigure themselves in order to respond to COVID-19. Each has divided itself into COVID and non-COVID areas with separate Emergency Department entrances.
7. Staff have been categorised according to their roles into Front Line (including front line support functions) and those who can work from home to avoid unnecessary travel wherever possible.

Although decisions on the clinical model will in practice need to be made rapidly by the newly established command and control structure, there are decisions that cannot be formally delegated. Therefore, the Board will need to be kept informed of changes that are being made and either approve these, or ratify them, and therefore will meet on a monthly basis during the pandemic to aid this process. The command and control structure must at all times continue to work within the Board approved Standing Orders and Standing Financial Instructions and refer appropriate decisions to the Board for approval and ratification.

Brexit

In 2019/20, there was a high level of uncertainty about the future of the relationship between the UK and the European Union (EU). We spent much of the year continuing to prepare for a no-deal Brexit situation with the UK and Welsh Governments, the LRFs and other health and social care organisations across Wales, to ensure patients and services would not be affected. Whilst the UK formally left the EU on 31 January 2020, there remains uncertainty about what the future relationship will look like, which will need to be worked out during the transition period that comes to an end on 31 December 2020. Therefore planning and continuity arrangements will continue through the Health Board's Brexit Steering Group, to ensure services are protected, as much as possible, from any disruption. Areas of work will include medicines management, procurement and workforce, amongst others. Prior to COVID-19, the Health Board planned to undertake a review of the political situation, including trade deals, and whether the implementation period will be extended beyond 31 December 2020, to ensure the highest level of preparedness.

Tuberculosis (TB) Outbreak

During 2019/20, the Health Board also continued to manage a localised outbreak of Tuberculosis in the community. This involved a screening programme to identify any current active TB and latent TB cases in the local population in order that affected individuals could be treated. The Health Board's response plan included dedicated TB clinics being held for patients that required further investigation and the treatment of patients identified with latent TB, a BCG vaccination programme for individuals under the age of 35 with negative results, and a phase 2 targeted screening exercise. The Health Board established an operational group, chaired by the Executive Director of Public Health, engaged with the Outbreak Control Team, to direct and manage the delivery of the management programme and use of resources.

Performance review

The NHS Finance (Wales) Act 2014 requires us to prepare a plan which sets out our strategy for complying with the three year financial duty to breakeven. Our Annual Plan 2019/20 was unable to evidence financial balance and should therefore be considered as strategic direction for the Health Board. Further work has continued locally and with Welsh Government to bridge the financial gap through our Turnaround programme and our health and care strategy – *A Healthier Mid and West Wales* - to ensure sustainable high quality services. This work is core to our Three Year Plan 2020/23, incorporating the Annual Plan for 2020/21. Our plan for 2019/20 represented the continuation of our transformation journey to becoming a population health organisation focused on keeping people well, developing services in local communities and ensuring our hospital services are safe, of high quality and efficient in their running. We also remained committed to our mission (see page 8 for details).

Key areas for improvement

Some of the key things we concentrated on in 2019/20 included:

- Pursuing in-year improvements in waiting times for treatment experienced by our residents.
  - We aimed to ensure no patient waited over 36 weeks from referral to treatment, over 8 weeks for a diagnostic test or more than 14 weeks for a therapy. We were on track to achieve these improvements by 31st March 2020. However, due to the COVID-19 pandemic, in March 2020 this priority had to be put on hold to free up beds and services to treat people affected by the Coronavirus.
  - We also made a commitment to reduce the number of delayed follow up outpatient appointments and made considerable progress with the total number of delayed appointments reducing from 37,403 in April 2019 to 33,402 in February 2020 (more than a 10% reduction).
- Turning around our financial position through a comprehensive Turnaround programme.
- Reducing healthcare acquired infections.
  - The number of patients acquiring healthcare related clostridium difficile infection reduced from 19 in April 2019 to 12 in February 2020.
  - Similarly, the number of healthcare acquired cases of S.aureus infections reduced from 13 in April 2019 to 9 in February 2020.
  - However, the number of cases of healthcare acquired E.coli infections increased from 23 in April 2019 to 28 in February 2020.
- Looking forward, securing clinical services in the medium to longer term that are safe, sustainable, accessible and kind.

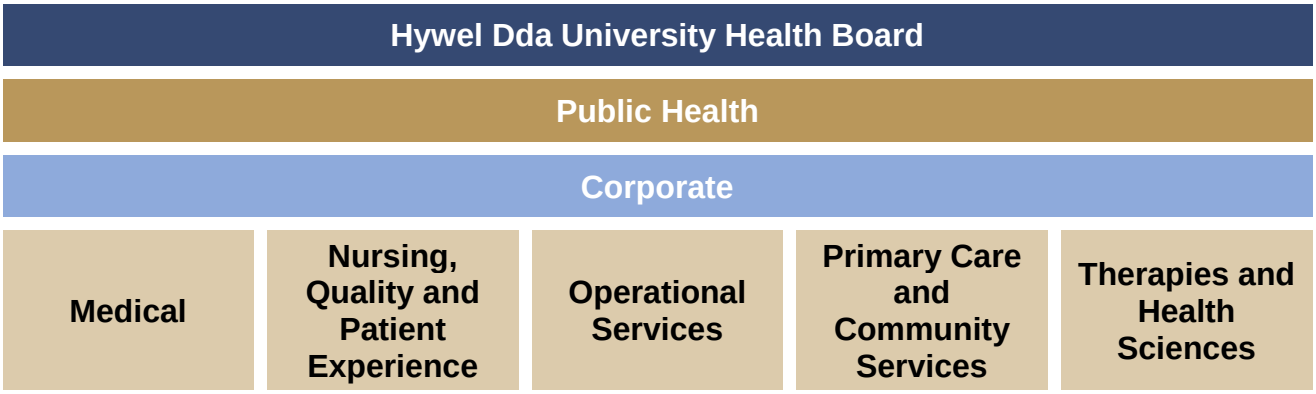
Joint working

Regional working with partner organisations and Health Boards is of increasing importance in the planning and delivery of our services and this has been strengthened through the year and reflected in work programmes and joint statements in both Integrated Medium Term Plans and Annual Plans.

Our continued focus during 2019/20 has been to work jointly with our staff, service users, carers and other key stakeholders, ensuring a process of continuous engagement, appropriate consultation and monitoring. We aim to ensure that no-one is disadvantaged when accessing our services or in our employment and one of our main priorities is to ensure that our population has equitable access to services and information to improve their health and wellbeing. Our Transforming Mental Health Services and Transforming Clinical Services programmes illustrate where the voices of our communities have influenced the way in which service model options have been developed, and will continue to influence the path of future developments.

How we operate our business

The diagram below illustrates the key components of our structure. Our aim is to be an organisation that is clinically led and that ensures our services always aspire to be safe, sustainable, accessible and kind.



Our Board's role and responsibilities

All our 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, which comprises individuals from a range of backgrounds, disciplines and areas of expertise, has during the year provided leadership and direction, ensuring that sound governance arrangements are in place. The principal role of the Board is described in more details in our Annual Governance Statement (see chapter 2).

Capacity to handle risk

Delivering healthcare through our current clinical model in a large, rural geographical area presents significant challenges to the Health Board. The majority of the Health Board's risks relate to fragile services, poor patient flows, poor environments and aging equipment mainly as a result of staffing and funding (capital and revenue) challenges. The effective management of our risks helps to ensure our healthcare services provide safe, quality care for patients.

The achievement of our strategy 'A Healthier Mid and West Wales' will help the Health Board to address these risks, and therefore we need to ensure we manage the risks that impact on the achievement of our objectives and take action to increase our likelihood of success.

More information on how we manage risk is available in our Annual Governance Statement within the Accountability Report (see chapter 2).

Our delivery against finance and workforce plans

The Health Board ended the 2019/20 financial year with a deficit of £34.9million (2018/19 – deficit £35.4m). This excludes the costs for COVID-19 that were incurred in March 2020 which totalled £2.6m that was fully funded by Welsh Government (WG).

At its meeting in March 2019, the Board agreed to submit a 'draft interim' Annual Plan for 2019/20, which concentrated on finance, performance, service change and quality, noting the WG expectation that the UHB should submit an annual plan for 2019/20 as opposed to a 3 year Integrated Medium Term Plan (IMTP) for 2019/22. The Annual Plan for 2019/20 outlined an initial forecast deficit of £29.8m. However, WG subsequently provided some conditional additional funding of £10 million and set a control total of £15m. The control total was not met with a revised end of year forecast deficit of £25m, £10m higher than the control total requirement. Consequently the £10m contingent funding was withdrawn resulting in the Health Board's outturn position of £34.9m. The deterioration in the position was due to operational cost pressures mainly within unscheduled care, especially in the latter part of the year; primary care prescribing also caused significant pressures common with the rest of Wales and failure to deliver the savings required of £25.2m to meet the control total, the actual savings delivery in year being £18.3m.

During the year the turnaround programme continued with 'Holding to Account' meetings chaired by the Chief Executive for directorates at an escalated status due to the assessed risk of them delivering their financial plans with Turnaround Director Holding to Account meetings for those directorates assessed as being on track with delivery. Executive Director led delivery programmes were also established.

WG commissioned KPMG to undertake an external review of finances during the year. The work looked at 4 areas within the Health Board namely – Financial grip & control; Review of the 2019/20 Financial Plan; Validation and identification of the drivers of the underlying deficit; and Opportunities to improve the deficit and achieve financial stability. The UHB has progressed outputs from the KPMG review, which have placed it in a better position to enter the planning round for 2020/21 and strengthen the governance and oversight arrangements.
The Annual Accounts for 2019/20 have been qualified as the Health Board did not meet the statutory requirement to achieve break even against its Revenue Resource Limit over the three year period ending 2019/20.

Capital spend totalled £41.7m during the year. The main projects were the Cardigan and Aberaeron Integrated Care Centres, Bronglais MRI and Women and Children Phase II Scheme, Glangwili, which represented 60% of the in-year total. Other significant areas were information technology and medical equipment. Some schemes were unable to be delivered due to COVID-19 with capital of £1.0m handed back to WG which will be re-provided in 2020/21. Additionally, £0.4m of capital costs were incurred on COVID-19 that were funded by WG.

During 2019/20, the Health Board acknowledged that whilst it would not be in a position to submit an IMTP for 2020/23 given the current financial position and three year forecast, it still intended to submit a 3 year plan for 2020/23, which outlined the first 3 years of the Health and Care strategy, incorporating a robust and detailed Annual Plan focusing on 2020/21 actions.

In March 2020, the WG took the decision to pause the IMTP and annual plan process to enable NHS Wales' organisations to focus their attention on the immediate planning and preparations to deal with the COVID-19 pandemic. However, the Health Board Three Year Plan for 2020/23 incorporating the Annual Plan 2020/21 was approved for submission at the Public Board on 26th March 2020. It was recognised that the Annual Plan was developed prior to the pandemic and that in light of COVID-19, the plan will change and will be resubmitted once WG planning guidance is reissued.

Performance summary

The NHS Wales Delivery Framework aims to ensure the health and well-being of people living in Wales is improved, as part of the Well-being of Future Generations (Wales) Act 2015. The framework provides an annual view of the impact health services are having on improving population outcomes and is supported by a delivery framework. Detailed performance reports are reported routinely to every Board meeting and are available on the Board's website (https://hduhb.nhs.wales/about-us/your-health-board/board-meetings-2020) or our monitoring performance web page (http://www.wales.nhs.uk/sitesplus/862/page/99899).

Complete performance data for the organisation has been presented for the first three quarters of 2019/20 only. The remaining quarter (January 2020 to March 2020) was impacted by the pandemic and the suspension of performance monitoring mid-March. Performance trends have been assessed using the April 2019 to December 2019 period. Only those measures which have an absolute monthly / quarterly target for December 2019 or quarter 3 2019/20 have been included in the 'Targets achieved' column on the scorecard below. It can be seen that during the first 9 months of 2019/20, performance overall has declined with three of the seven domains demonstrating an upward trend. Of the 64 measures, the Health Board has improved performance in 24 measures. However, before the COVID pandemic we were on target to make improvements by 31st March 2020 in additional measures including referral to treatment, diagnostics and therapies.

↑ improved performance ↓ decline in performance ↔ sustained performance

	Improved performance	Sustained performance	Decline in performance	Target summary
Staying healthy I am well informed & supported to manage my own physical & mental health	3 measures	0 measures	2 measures	↑
Safe care I am protected from harm & protect myself from harm	10 measures	0 measures	5 measures	↑
Dignified care I am treated with dignity & respect & treat others the same	1 measures	0 measures	1 measures	→
Effective care I receive the right care & support as locally as possible & I contribute to making that care successful	3 measures	0 measures	5 measures	↓
Timely care I have timely access to services based on clinical need & am actively involved in decisions about my care	3 measures	1 measures	20 measures	↓
Individual care I am treated as an individual, with my own needs & responsibilities	2 measures	1 measures	2 measures	→
Our staff & resources I can find information about how the NHS is open & transparent on use of resources & I make careful use of them	2 measures	0 measures	3 measures	↓
Summary	24 measures	2 measures	38 measures	↓

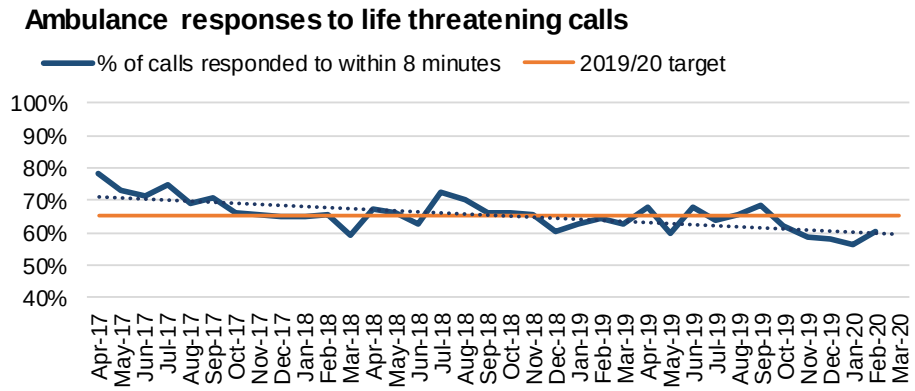
Performance analysis

The need to plan and respond to the COVID-19 pandemic has had a significant impact on the organisation, wider NHS and society as a whole. It has required a dynamic response which has presented a number of opportunities in addition to risks. The need to respond and recover from the pandemic will continue both for the organisation and wider society throughout 2020/21 and beyond.

The charts below show performance for some of our key deliverable indicators. Please note, due to the COVID-19 pandemic, we have provided local management information and narrative on the delivery and achievements throughout the final quarter of 2019/20 in the absence of official performance data.

Ambulance responses to life threatening calls

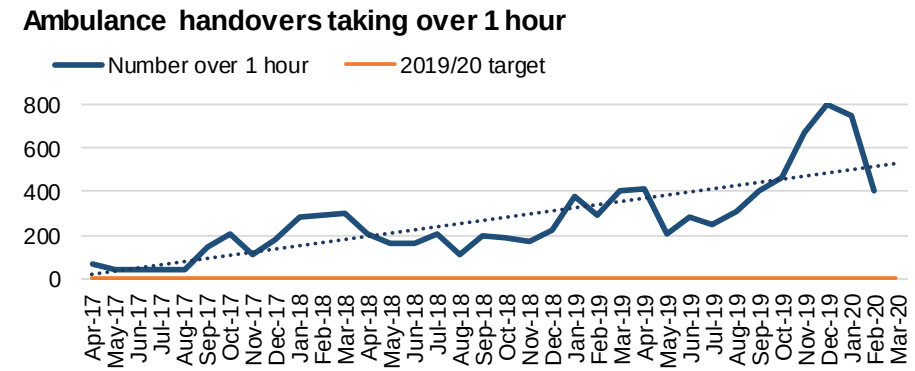
A faster response time to a patient suffering an immediate life threatening condition can reduce the risk of death and increase the potential for a positive health outcome.



We commission the Welsh Ambulance Service Trust (WAST) to provide high quality ambulance services for our patients. Performance is usually around the 65% national target but this did deteriorate towards the latter end of 2019/20. A plan is in place to improve performance in 2020/21, once the COVID-19 pandemic has subsided, and includes improving patient pathways in the community to reduce the number of patients needing to go into hospital and recruiting additional paramedics.

Ambulance handovers

When ambulances take patients to hospital, it is essential patients are moved promptly into the hospital so that they can receive the best care in the right environment. This also ensures the ambulance crew is released to provide a safe and efficient service to the local community. Delays in ambulance patient handover are often linked with patient flow blockages across the health and social care pathway.

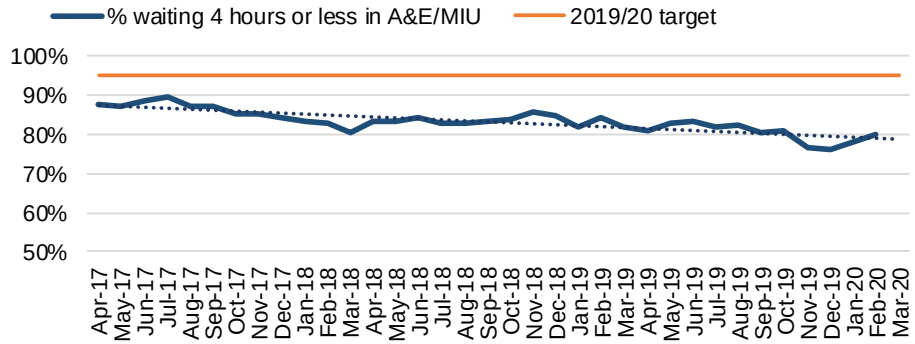


The number of delayed ambulance handovers has increased considerably over the past 3 years. However, performance improvements were started to be made in January/February 2020 and these have continued during the COVID period. This focus will be resumed after the COVID-19 pandemic has subsided in 2020/21. To assist with this we will be developing a same day emergency care pathway as an alternative to enable some patients to bypass Accident and Emergency (A&E) departments.

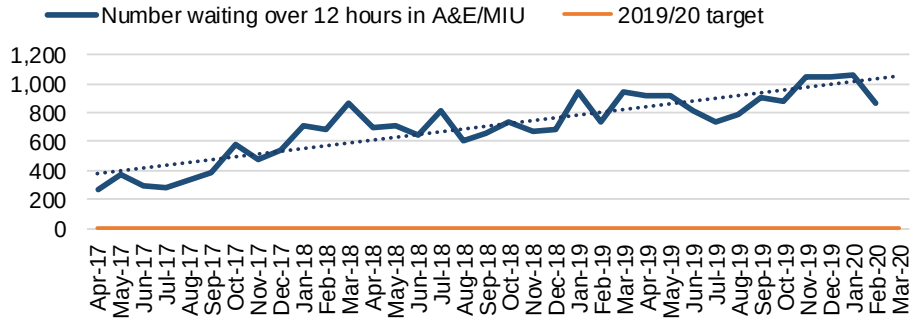
Accident and emergency (A&E) and minor injury unit (MIU) waiting times

Patients attending our emergency departments (A&E and MIU) should be seen and treated, admitted, transferred or discharged in a timely manner. To enable this to happen we need to provide efficient and effective services, whilst educating patients to make the best use of alternative NHS services. Patients waiting over 12 hours is an indicator of patient experience and the health board is required to implement actions to continuously improve the flow of patients through A&E/MIU whilst maintaining services that are effective and safe.

Patients spending 4 hours or less in an emergency department



Patients spending over 12 hours in an emergency department

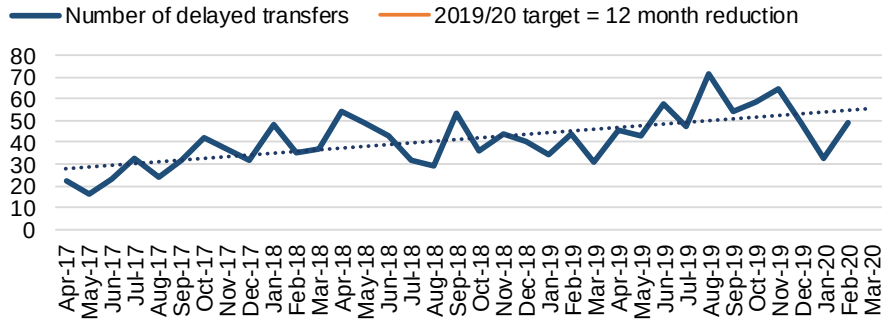


Over the last 3 years patients have gradually spent longer than 4 hours in A&E/MIU and the national target of 95% has not been met. The number of patients waiting over 12 hours has increased, however, improvements were made in January/February 2020. To improve performance and patient experience, we will prioritise the development of a sustainable GP out of hours service and implementation of SAFER NHS improvement bundles to improve patient flow and patient discharge to recovery and assess pathways agreed with our partners.

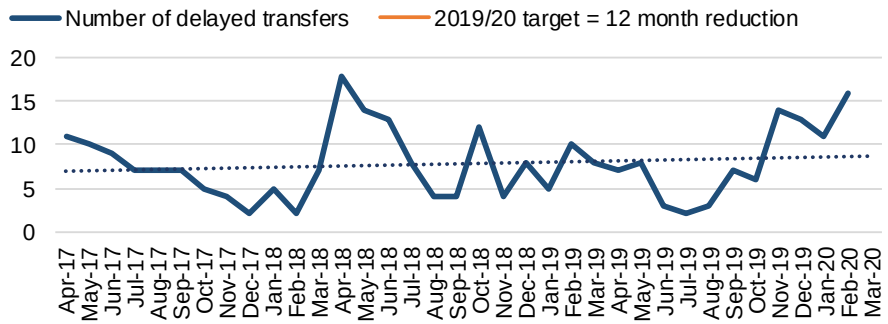
Delayed transfers of care

A delayed transfer of care occurs when a patient is safe to be discharged to a suitable aftercare setting but is still occupying a hospital bed. Delays can be minimised through effective discharge planning and joint working between health and care services to avoid the negative impact upon scheduled and unscheduled care services.

Delayed transfer of care: non-mental health



Delayed transfer of care: mental health

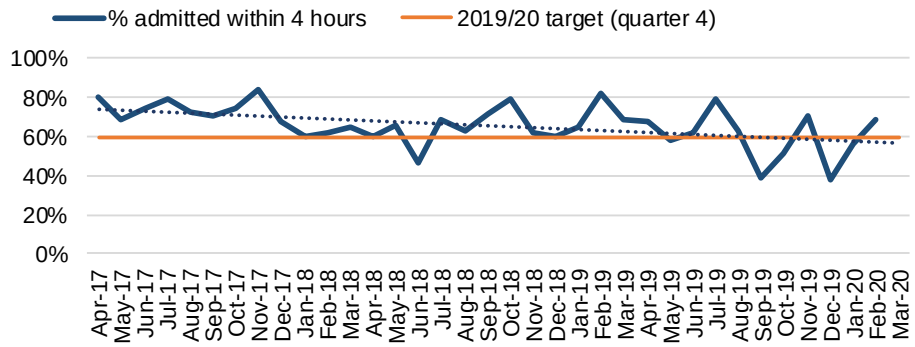


Delayed transfers have increased across both non-mental health and mental health hospitals and the national reduction targets have not been met. Improvement was seen during the winter at non-mental health hospitals but February 2020 was challenging due to depleted nursing home/community hospital beds and long waits for reablement and long term care packages. Mental Health patient delays have increased since the summer and have faced similar challenges to non-mental health delays. We are agreeing discharge to recover and assess pathways with our partners to supporting early discharge planning. Communicating these pathways to the patient/family with an estimated date of discharge, a clinical criteria for discharge and a recovery plan. Reducing waits for longer-term packages of care and providing more timely access to home care & reablement packages.

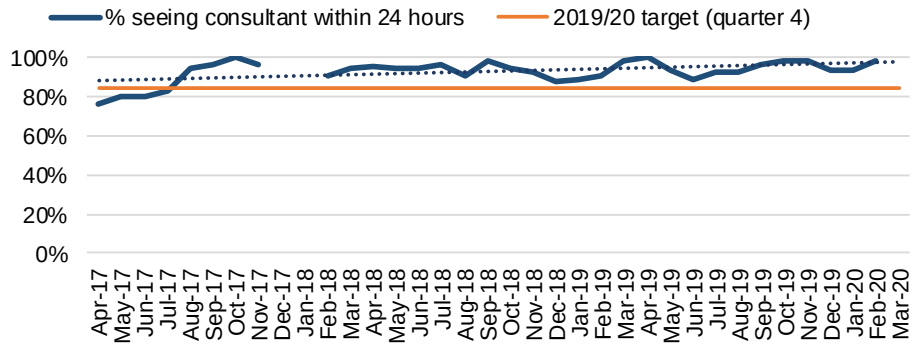
Stroke

To prevent complications, all patients who have had a stroke should be directly admitted to a stroke unit within 4 hours of arrival at A&E and receive an assessment within 24 hours by a stroke specialist consultant. Communication and swallowing problems are common after a stroke. To minimise the impact of these difficulties and to improve the patient's well-being, speech and language therapy is a key part of the patient's recovery programme.

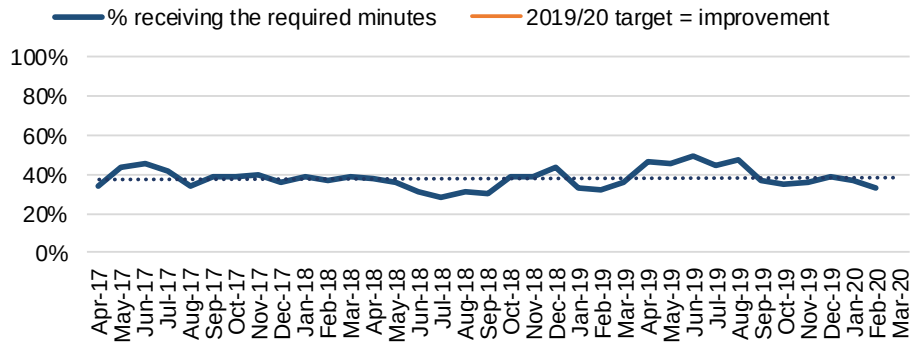
Stroke patients admitted to a stroke unit within 4 hours



Stroke patients assessed by a stroke specialist within 24 hours



Stroke patients receiving speech and language therapy

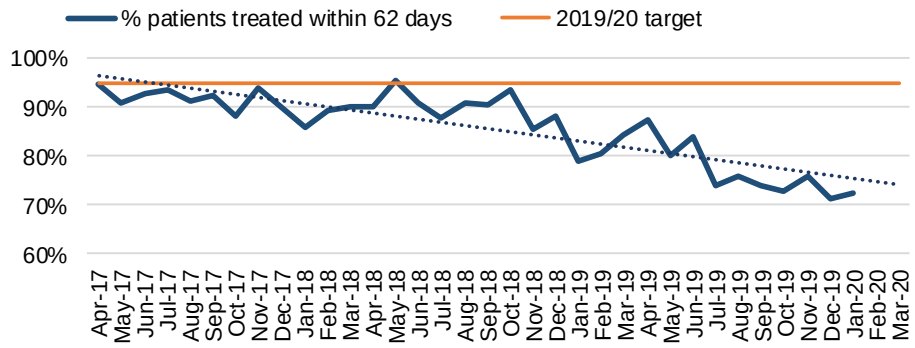


The percentage of patients admitted to a stroke unit within 4 hours has fluctuated during the year and has not always met the national target of 59.8%. This has been due to lack of suitable care packages and therefore discharge delays and lack of inpatient beds. Of those patients admitted an increased percentage were seen by a specialist consultant within 24 hours and performance has been above the 84.2% national target. Speech and language therapy remains generally consistent at 30%- 40%, but is not achieving an annual improvement trend. In 2020/21 we will complete the proposed redesign of our stroke services and gain approval from the Board to implement. The stroke services review will include an early supported discharge/community neuro-rehabilitation service and a review of inpatient stroke beds.

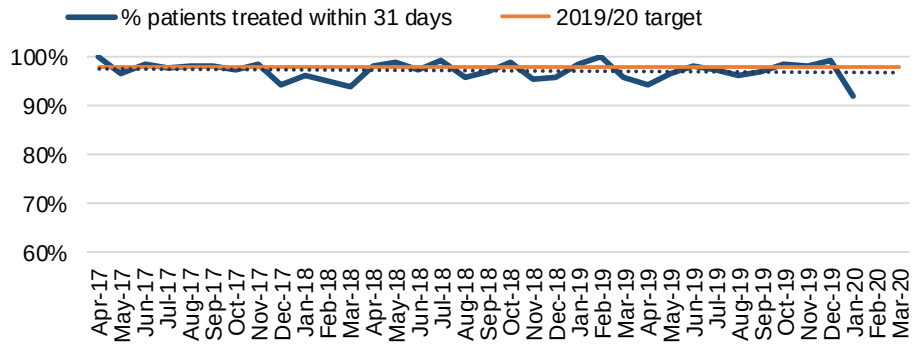
Cancer

Early diagnosis and treatment of cancer increases a patient's chance of survival and reduce harm to the patient's health and quality of life. Therefore, we aim to treat patients who are diagnosed with cancer as promptly as possible.

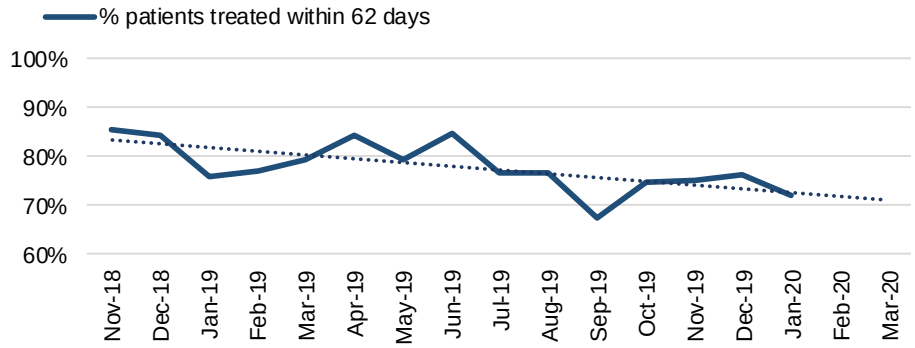
Urgent suspected cancer



Non-urgent suspected cancer



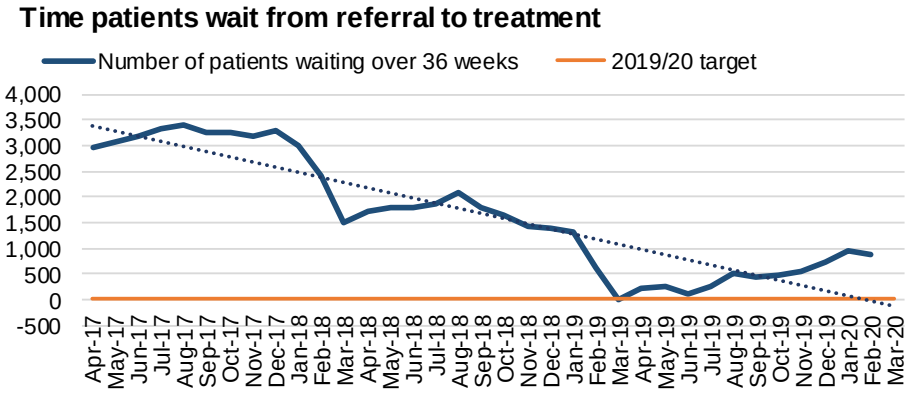
Single cancer pathway (with clinical suspensions)



The percentage of patients treated within 62 days for urgent suspected cancer has declined since Winter 2018/19 , although the rate of deterioration has slowed in the last 6 months. Performance for patients treated within 31 days for non-urgent suspected cancer has remained relatively stable over the same period.. Data in respect of the Single Cancer Pathway is illustrative as reported monthly performance has been subject to changes in data definitions over the period. Performance in respect of the various cancer pathways is compromised due to complex cancer pathway delays, tertiary centre capacity at Swansea Bay Health Board (SBUHB) and capacity pressures within our diagnostic centres. Plans to improve performance in these areas include refining processes to ensure that all cancer referrals are reviewed and prioritised within 24 hours. To address tertiary capacity issues SBUHB have appointed additional oncologists and a gynaecology cancer surgeon. We have secured recurrent investment from Welsh Government to invest in key diagnostic capacity and cancer tracking.

Referral to treatment

Referral to Treatment (RTT) targets ensure patients have timely access to services.

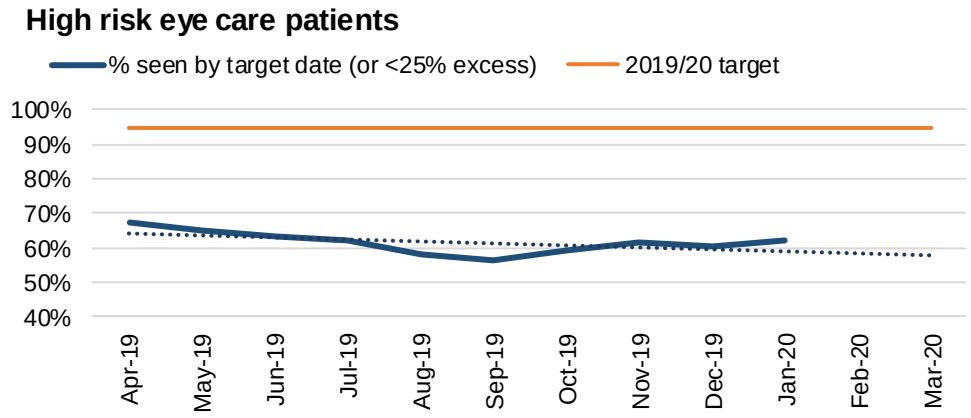


RTT within 36 weeks has improved from 2,965 in April 2017 to 883 in February 2020 and the percentage being treated within 26 weeks has shown an upward trend since April 2017. Both improvements are as a result of: improved booking processes, reviewing unfilled slots and cancellation reasons, focusing on community integrated services to prevent illness and improve wellbeing, improving our innovation and transforming the way we deliver care, standardising best practice across all care pathways, and progressing delivery plans across all specialties.

Throughout 19/20 RTT delivery has been impacted cancellations due to unscheduled care pressures and vacancies in key specialties. Notwithstanding these pressures, the Health Board did expect to achieve zero breaches waiting greater than 36 weeks by 31st March 2020. However, the unprecedented impact of the Coronavirus pandemic on elective planned care procedures since March 2020 has severely affected reported performance and this is expected to continue during the remainder of 2020/21. Additionally, the annual plan does not assume funding is available to maintain RTT performance and is subject of further discussions with Welsh Government.

Eye care

For certain eye conditions, patients need regular treatment and reviews to ensure that their sight is improved and the risk of avoidable blindness is minimised. This measure was introduced to reduce the number of high risk (R1) patients waiting in excess of 25% of their agreed date for a clinical appointment.



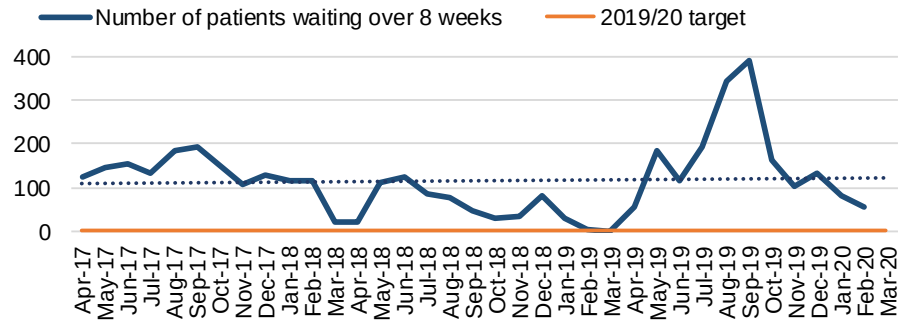
Since September 2019, performance for R1 ophthalmology patients waiting no more than 25% over their clinical appointment target date was steadily improving. However, the combined impact of capacity issues, (a shortage of Ophthalmology Consultants and cover is required for emergency eye care services) and the impact of the coronavirus outbreak in March 2020 has limited further progress towards the 95% target. Our eye care service is improving the cataract referral pathway to enable a direct surgery listing process as well as increasing the number of glaucoma patients who can be reviewed by a community optometrist.

Diagnostics and therapies

Diagnostics

Diagnostic tests and investigations provide vital information to ensure the right clinical decisions can be made. Early detection can enable pain reduction/prevention and decrease the scale and cost of treatment.

Diagnostic test waits

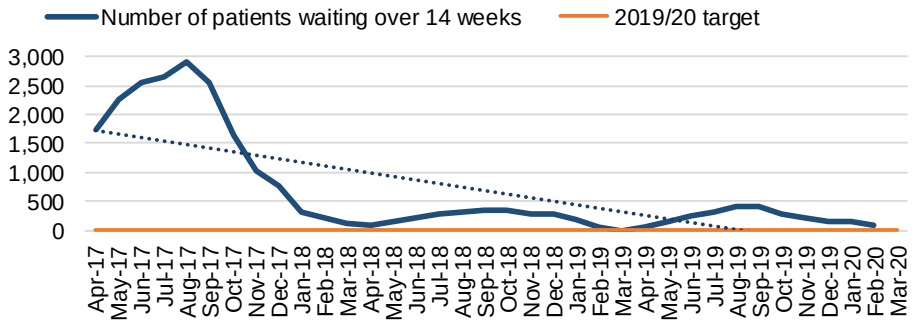


In September 2019 we saw a sharp rise in the number of patients (391) waiting in excess of 8 weeks for a diagnostic service. These breeches were primarily due to sonographer and physiologist capacity issues, increasing demand, the need for additional acute cross cover and staff shortages. Breaches reduced to 54 in February 2020 and further planned improvement activities were underway to reduce breaches to zero by 31st March 2020, including revised booking processes, regular review of unfilled appointments, outsourcing, clinical validation, recruitment and revising pathways. However, Coronavirus will have a negative impact on breaches with our resources being required to focus on COVID-19 and emergency patients.

Therapies

Patients who receive timely access to a specified therapy should experience improved outcomes. Reducing the time that patients wait for their therapy service reduces the risk of their condition deteriorating and alleviates symptoms sooner.

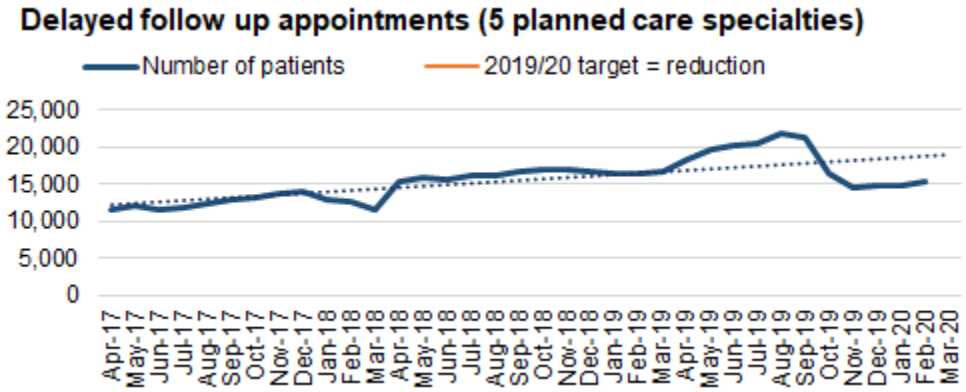
Therapy waits



The majority of patients waiting over 14 weeks were for physiotherapy and podiatry services. Significant work was undertaken to reduce breaches including weekly validation of patients waiting, redeployment of staff from existing teams, and utilising agency. Prior to the COVID-19 pandemic we were on track to reach the target of 0 patient breeches by March 2020. Further actions to maintain performance during 2020/21 include use of a demand and capacity tool across all therapy services, development of integrated community based education and rehabilitation programs, plan to over-recruit against annual graduate cohort to 'front load' clinical workforce and to optimise the use of digital technology to deliver care closer to home e.g. review by telephone, email, video call.

Delayed follow-ups outpatient appointments

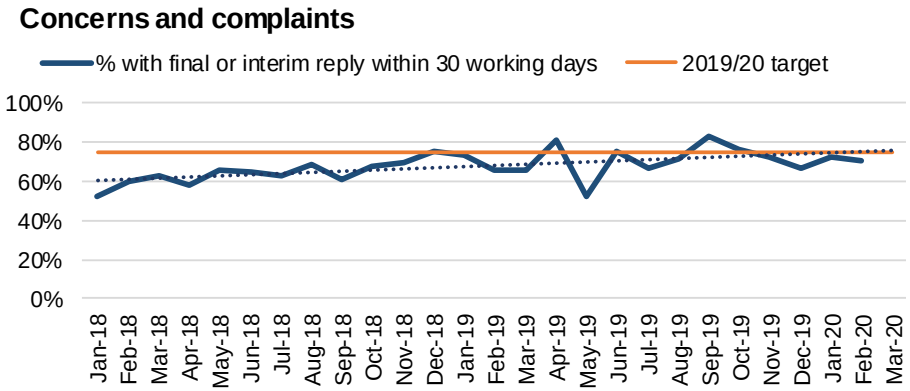
Throughout the NHS, capacity has been unable to meet demand as the number of patients waiting for a follow-up outpatient appointment increases year on year. We need to improve service planning and clinical pathways to reduce waiting lists to a manageable level.



The number of outpatient delayed follow ups outpatient appointments delayed past their target date for Trauma & Orthopaedics, Ear, Nose & Throat, Urology, Dermatology and Ophthalmology improved from 18,199 in April 2019 to 15,299 in February 2020. The longest waiting (100% past target date) also reduced from 12,665 in April 2019 to 9,007 in February 2020. The volume of reported delayed follow-up appointments is inflated by data accuracy challenges, the prioritisation of outpatient clinic capacity for new appointments and limited administrative capacity to validate follow-up waiting lists to accurately reflect the changing circumstances of patients. The continuing impact of the coronavirus outbreak is expected to significantly affect improvement trajectories during 2020/21. Improvement plans continue to focus on improvements to administrative validation, clinical validation, removal of duplicate records and modernisation of clinical practice.

Concerns and complaints

We aim to provide the best care and treatment, however sometimes things can go wrong. When a concern is raised we need to investigate and make necessary improvements to prevent recurrence. We try to resolve concerns immediately and aim to respond within 30 working days. Where concerns are more complex an interim reply should be provided detailing when a final response should be expected.

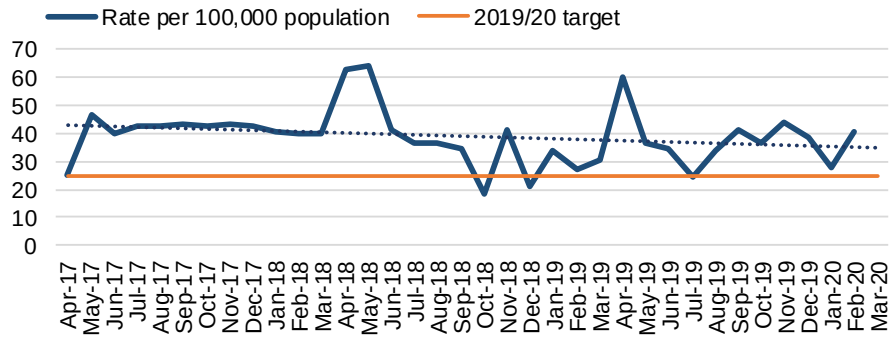


The percentage of complaints that have received a final or interim reply within 30 working days has been improving over the past 3 years. Although the target was not met in recent months, February 2020 saw an increase in cases managed via Early Resolution. Prior to the Covid-19 pandemic, workshops were being arranged to train staff members how to manage and respond to a complaint and to raise awareness of putting things right (PTR) regulations. Additionally, all cases involving significant learning are now reviewed by the Listening and Learning Sub-Committee to ensure appropriate actions are taken, to prevent repeated incidents occurring.

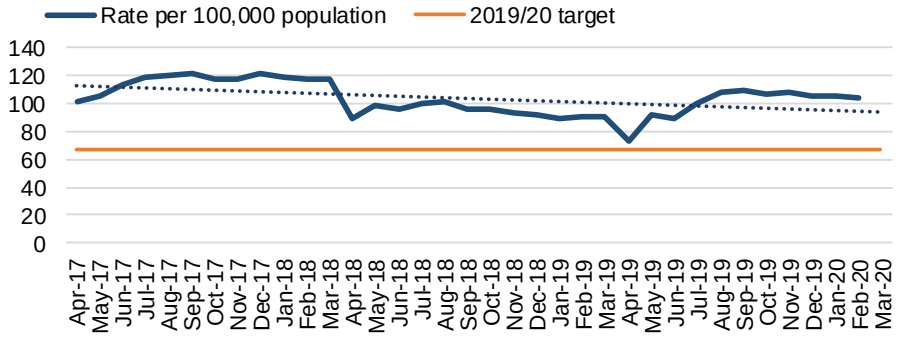
Healthcare associated infections

Patients who acquire a healthcare associated infection will develop additional complications that require further treatment and in some cases may cause death. The Health Board will have responsibility for the financial costs of diagnosing, treating the infection and implementing preventative measures. It is impossible to eliminate healthcare associated infections completely, however, through better application of existing knowledge and improved practices some can be prevented. Whilst we did not meet the national reduction rate target for the number of cases, the rate per 100,000 population has reduced,

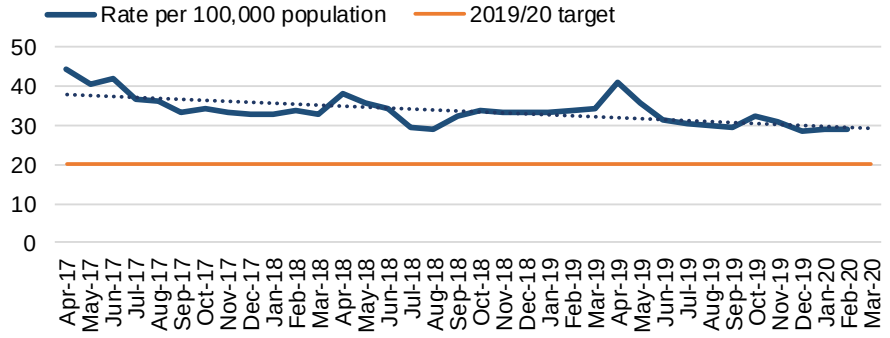
Clostridioides difficile (C.diff) infections



Escherichia coli (E.coli) infections



Staphylococcus aureus (S.aureus) infections

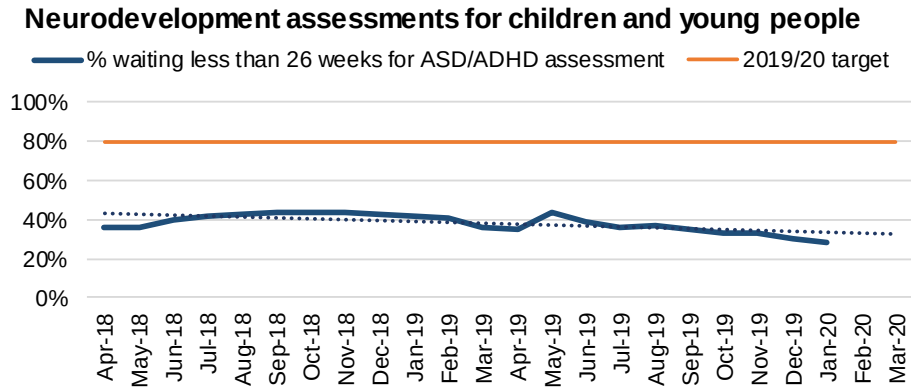


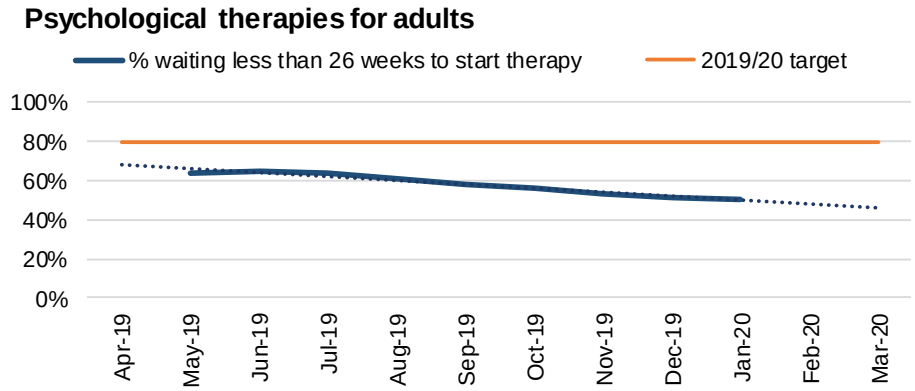
Over the last 3 years, population infection rates have been decreasing up to February 2020. Infection Prevention colleagues are focussing on COVID-19 at this time, this has led to reduced scrutiny of these infections which is now being resumed. This will be done through a strengthened infection prevention improvement plan concentrating on health promotion and infection prevention, population infections rates are expected to improve during 2020/21.

Mental health

Performance measures for children, young people and adults were introduced to ensure improvement in the timely delivery of emotional and mental health services in Wales, with timely access to assessment and treatment to support their continued social and personal development.

80% of children and young people should wait no longer than 26 weeks for neurodevelopment assessments and 80% of adults should wait no longer than 26 weeks to start physiological therapy.

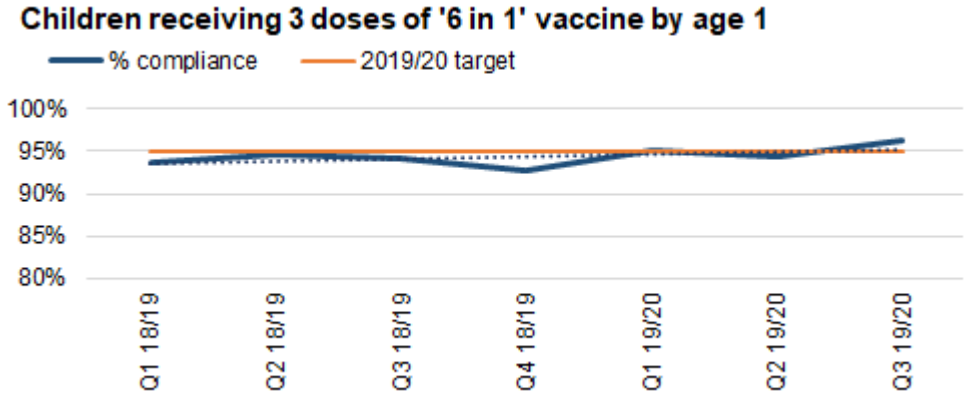


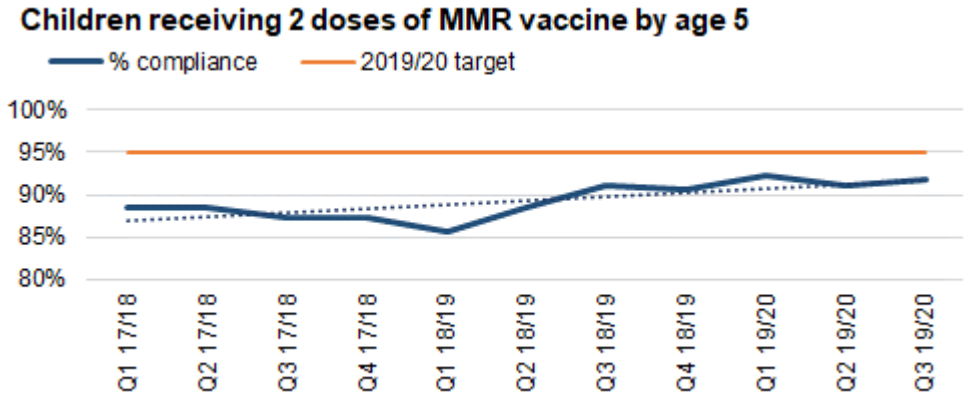


The Health Board has not achieved the 80% target for either of the measures since April 2019. The percentage of patients assessed within 26 weeks for autistic spectrum disorder (ASD) and attention deficit disorder (ADHD) has decreased in recent months and this is the same for psychological therapy. The increase in patient demand for both services and capacity issues are causing increasing delays. A number of improvement plans are underway as part of our Transforming Mental Health Services programme including the development a Single Point of Contact, a central assessment unit and a central treatment unit. For children and young people, our mental health service team is working with the all Wales Performance Delivery Unit to undertake demand and capacity exercises. For adult physiological therapies a new service model is being developed.

Childhood immunisations

Vaccines are responsible for the control of many infectious diseases that were once common: Diphtheria, Hepatitis B, Haemophilus Influenza Type B Tetanus and Whooping Cough. A complete course of 3 doses of the '6 in 1' vaccine and 2 doses of the Measles, Mumps and Rubella vaccine will protect children from these diseases and prevent them from circulating in the community.



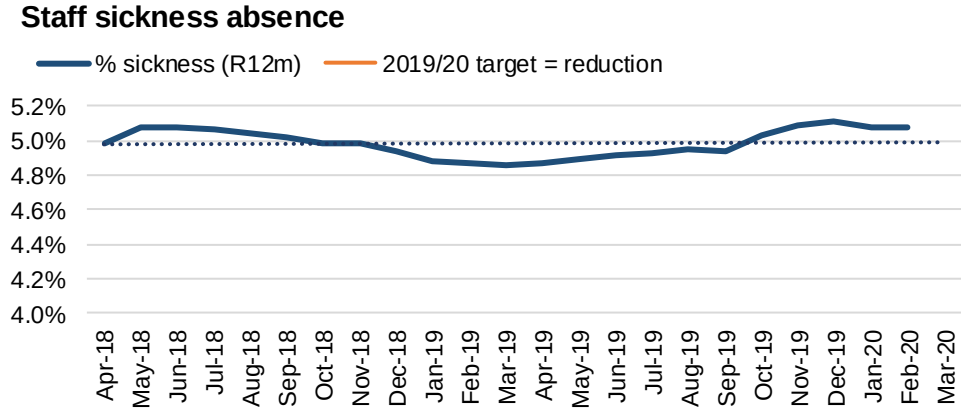


Between July and Sept 2019, 94.5% of children had received 3 doses of the '6 in 1' vaccine by their first birthday, consistent with uptake in the previous quarter (95.1%) and just under the national target of 95%. 91.0% of children received 2 doses of the MMR vaccine by their 5th birthday, compared to 92.2% in the previous quarter, not achieving the national target of 96% however performance has been improving over the last year. The Health Board plans to build capacity and capability within our children's services for transformational change with a focus on prevention and tackling health inequalities to support measures that try to reduce the impact of childhood poverty alongside work regionally, through the Children's Task Force, to develop a plan for change to improve outcomes for children and young people and lay the foundations for change.

Workforce

Staff sickness absence

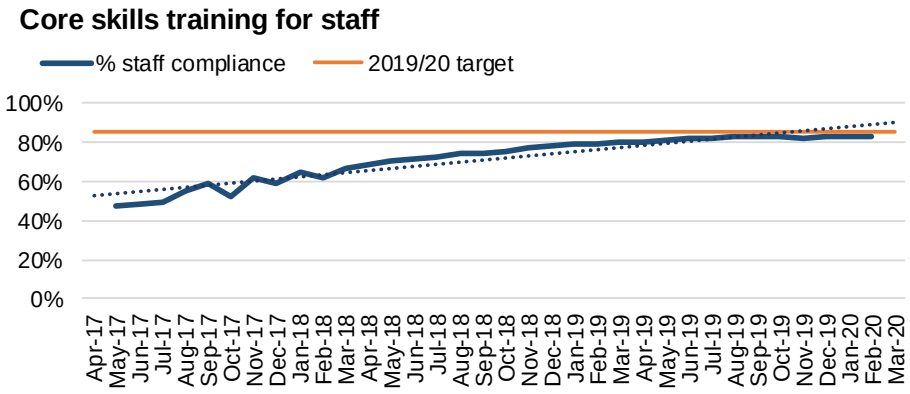
We recognise that by reducing sickness absence rates through effective management processes we can improve the quality of the services and reduce variable pay costs.



The Health Board has continued to perform well in comparison to the rest of Wales in terms of its approach to the management of attendance. During the period the 12 month period March 2019 to February 2020, 5.08% of full time equivalent staff days were lost due to sickness. However, improvement was demonstrated in-month for February 2020 and also in comparison to the corresponding rate for February 2019. The Health Board are continuing to monitor and manage sickness closely throughout the organisation. Sickness auditing and training is targeted to the wards and departments with the highest levels of absence. The specialist Workforce Advisors continue to work alongside Line Managers to help them improve their management of attendance. Improvement strategies also include: further development of a suite of leadership & management programmes spanning the whole organisation and increasing Organisational Development interventions including compassionate leadership, quality improvement programmes and leadership development.

Core Skills

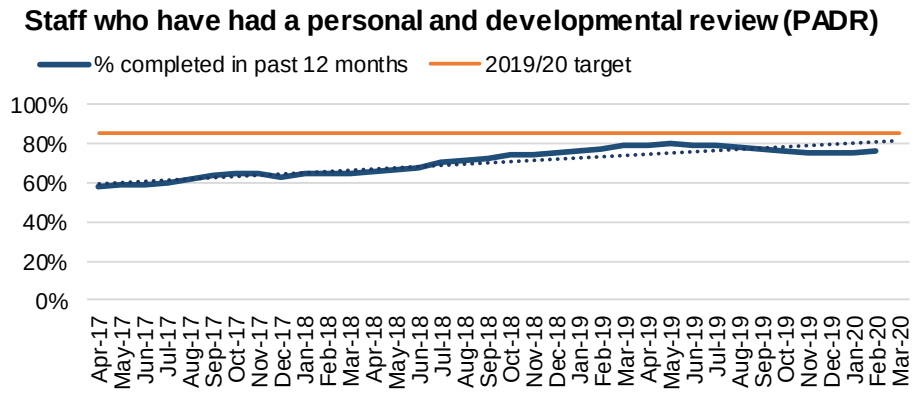
A minimum standard is required to ensure new staff have the appropriate statutory and mandatory training for their role in the Health Board and for existing staff to maintain and develop their skills.



Compliance has significantly improved since April 2017 and we are very close to meeting the target of 85%. 83.2% of our staff have completed their level 1 training which consists of the UK Core skills mandatory training modules such as manual handling, safeguarding and information governance. Classroom based Level 1 face to face Fire Training has been identified as not sufficiently accessible, and a board decision has been made to re-introduce the all wales e-learning module as the level 1 which is expected to improve compliance levels.

Personal and development review

Provision of personal and development reviews (PADR) supports and engages our staff in delivering high quality, person centred and safe services.



The percentage of staff who received a PADR has improved over the last three years with 76% completion rate achieved in February 2020. The implications of the COVID 19 outbreak has seen this percentage fall 5% to 71% for May 2020. Achieving the PADR target requires managers to overcome conflicting demands on their leadership roles and have adequate knowledge and skills to complete the performance review effectively. The shifting dynamics of the COVID9 outbreak are providing challenges in how Organisational Development offer leadership support. The team are sending out communications reminding leaders of the importance of regular performance conversations. The communications highlight the positive impacts that these conversations have on the workforce, reinforcing wellbeing and ensuring colleagues feel valued. This is never more significant than during an unprecedented challenge of rapidly changing priorities and objectives due to the pandemic.

The team are now in the process of reviewing suitable software to design and facilitate virtual classrooms. The team believe with the current IT developments this training should be rolled out across the organisation from August 2020. It is believed that with these actions and new innovations the organisation should start to recover its PADR compliance rate and achieve Welsh Government standards.

↑ improved performance ↓ decline in performance ↔ sustained performance achieved in target compliance not achieved in target compliance

Staying healthy

	3 Quarter Trends			
	Q1 2019/20	Q2 2019/20	Q3 2019/20	Trend
% of children who received 2 doses of the MMR vaccine by age 5	92.2%	91.0%	91.7%	↓
% of children who received 3 doses of the hexavalent '6 in 1' vaccine by age 1	95.1%	94.5%	96.3%	↑
% children 10 days old who accessed 10-14 days health visitor component of Healthy Child Wales Programme	90.7%	93.3%	96.2%	↑
European age standardised rate of alcohol attributed hospital admissions for individuals resident in Wales**	440.1	447.5	423.0	↑
	Annual Trends			
	2018	2019	Trend	
% of pregnant women who gave up smoking during pregnancy (by 36-38 weeks of pregnancy)*	23.3%	22.1%	↓	

* taken from Jan-20 merged data set ** taken from April APC refresh

Safe care

	9 Month Trends									
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Trend
Of the Serious Incidents due for assurance within the month, % which assured in agreed timescales***	25.0%	7.1%	50.0%	36.8%	61.5%	34.6%	38.1%	41.2%	66.7%	↑
Number of new Never Events***	0	0	0	0	0	0	0	1	0	↓
% of in-patients who have received 'Sepsis Six' first hour care bundle within 1 hour of positive screening	92.3%	90.6%	94.1%	91.2%	88.6%	92.6%	97.0%	97.4%	90.0%	↑
% ED patients who have received 'Sepsis Six' first hour care bundle within 1 hour of positive screening	90.7%	82.0%	89.2%	87.4%	88.1%	84.3%	89.8%	88.8%	87.5%	↑

	3 Quarter Trends			
	Q1 2019/20	Q2 2019/20	Q3 2019/20	Trend
Opioid average daily quantities per 1,000 patients	4,991.19	5,028.81	5,031.45	↓
Number of patients aged 65+ prescribed an antipsychotic	1,209	1,244	1232	↓
Total antibacterial items per 1,000 STAR-PUs	274	263	313	↓
Fluoroquinolones, Cephalosporins, Clindamycin & Co-amoxiclav per 1,000 patients	14.3	13.8	13.5	↑
Number of Patient Safety Solutions Wales Alerts & Notices not assured within the agreed timescales	2	1	0	↑
	Annual Trends			
	2018	2019	Trend	
Number of hospital admissions with any mention of self harm for children/young people per 1,000 pop*	3.55	3.13	↑	
	Dec-18 (9mths ending)	Dec-19 (9mths ending)	Trend	
Cumulative rate of C Difficile cases per 100,000 of the population**	39.78	38.66	↑	
Cumulative rate of S.Aureus Bacteraemia cases per 100,000 of the population**	33.21	28.30	↑	
Cumulative rate of E.coli cases per 100,000 of the population**	92.70	105.61	↓	
Cumulative number of Klebsiella sp cases**	65	62	↑	
Cumulative number of Aeruginosa cases**	34	23	↑	

* taken from March APC refresh ** data is provisional *** data as at 29/04/2020

Effective care

	9 Month Trends									
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Trend
Crude hospital mortality (<= 74 years of age) rolling 12 months ending *	0.70%	0.69%	0.69%	0.69%	0.70%	0.70%	0.71%	0.71%	0.71%	↓
% of episodes clinically coded within one reporting month post episode discharge end date	65.7%	72.6%	74.7%	75.7%	82.0%	86.1%	83.5%	84.4%	86.7%	↑
% comp of completed level 1 IG (Wales) training element of Core Skills & Training Framework	79.0%	79.3%	79.8%	81.3%	82.0%	80.8%	80.9%	79.2%	78.5%	↓
Number of health board non mental health DToC	46	43	58	47	72	54	59	65	49	↓
Number of health board mental health DToC	7	8	3	2	3	7	6	14	13	↓
% universal mortality reviews undertaken within 28 days of a death	84.8%	86.4%	89.5%	81.9%	88.7%	94.8%	87.6%	90.6%	85.7%	↑

	3 Quarter Trends			
	Q1 2019/20	Q2 2019/20	Q3 2019/20	Trend
New medicines must be made available no later than 2 months after NICE and AWMSG appraisals	99.5%	99.5%	99.1%	↓

	Annual Trends		
	2018/19	2019/20	Trend
% clinical coding accuracy attained in the NWIS national clinical coding accuracy audit programme	89.7%	90.9%	↑

* Taken from April CHKS refresh

Dignified care

	3 Quarter Trends			
	Q1 2019/20	Q2 2019/20	Q3 2019/20	Trend
% complaints that had final reply (Reg 24)/interim reply (Reg 26) <30 working days of concern received	75.5%	75.1%	72.5%	↓

	Annual Trends		
	Dec-18 (9mths ending)	Dec-19 (9mths ending)	Trend
Number procedures postponed either on the day or day before for specified non-clinical reasons*	1,214	1,087	↑

* Taken from April refresh

Timely care

	9 Month Trends									
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Trend
% survival within 30 days of an emergency admission for a hip fracture***	77.3%	81.3%	79.5%	74.0%	81.0%	74.4%	85.7%	75.0%	74.4%	↓
% of patients waiting less than 26 weeks for treatment	89.4%	89.0%	89.8%	89.3%	87.8%	86.5%	87.5%	87.6%	86.5%	↓
Number of patients waiting more than 36 weeks for treatment	213	246	122	264	506	452	476	564	726	↓
Number of patients waiting more than 8 weeks for a specified diagnostic	56	185	115	192	345	391	164	102	129	↓
Number of patients waiting more than 14 weeks for a specified therapy	41	138	262	297	424	426	277	224	146	↓
Number of patients waiting for a follow-up outpatient appointment	37,403	39,425	40,627	41,742	43,405	84,384	78,718	77,481	77,971	↓
Number of patients waiting for a follow-up outpatient appointment who are delayed by over 100%	24,806	26,683	27,793	28,358	29,379	29,411	20,227	17,322	17,926	↑
% compliance with stroke QIM Direct admission to an acute stroke unit (<4 hrs)*	68.3%	60.0%	59.2%	76.1%	63.6%	42.9%	50.0%	70.4%	37.7%	↓
Assessed by a stroke consultant (<24 hours)**	100.0%	93.5%	89.2%	92.3%	92.9%	96.2%	98.1%	98.3%	93.5%	↑
Patients receiving the required minutes for SALT	46.1%	45.5%	49.6%	44.3%	47.7%	37.2%	35.1%	36.3%	38.4%	↓
% of emergency responses to red calls arriving within 8 mins	67.9%	59.9%	67.8%	63.9%	65.5%	68.5%	61.9%	58.2%	58.0%	↓
Number ambulance handovers over one hour	417	204	284	251	313	406	465	670	799	↓
% of patients spend < 4 hours in emergency care from arrival until admit, transfer or discharge	81.3%	82.8%	83.5%	82.1%	82.2%	80.3%	81.1%	76.8%	76.0%	↓
Number of patients spent >=12 hrs in emergency care from arrival until admit, transfer or discharge	924	920	816	732	793	910	882	1,053	1,054	↓
% newly diagnosed with cancer, not via urgent route, started def treat within 31 days of diagnosis	94.5%	96.8%	98.3%	97.6%	96.4%	97.1%	98.5%	98.3%	99.3%	↑
% newly diagnosed with cancer, via urgent suspect route, started def treat within 62 days of referral	87.5%	80.0%	83.9%	74.0%	75.7%	73.9%	72.8%	75.9%	71.4%	↓
% of patients starting first definitive cancer treatment within 62 days from point of suspicion	84.3%	79.5%	84.7%	76.7%	76.7%	67.2%	74.6%	75.0%	76.2%	↓
% of MH assessments undertaken within 28 days from the date of receipt of referral	93.4%	87.3%	94.3%	85.8%	82.3%	91.3%	93.6%	88.6%	90.3%	↓
% of therapeutic interventions started within 28 days following an assessment by LPMHSS	89.9%	86.3%	88.0%	90.6%	87.0%	83.6%	84.9%	86.0%	85.8%	↓
% of patients waiting less than 26wks to starts a psychological therapy	63.3%	63.6%	64.6%	63.5%	60.5%	57.9%	56.3%	53.3%	51.0%	↓
% of children/young people waiting less than 26 wks to start ADHD or ASD neurodevelopment assessment	35.3%	43.2%	39.1%	35.9%	36.5%	34.6%	33.0%	33.3%	30.2%	↓
% R1 ophthalmology patients waiting within target date or within 25% beyond target date for an OP appointment	67.5%	64.9%	62.4%	62.5%	58.3%	56.1%	59.3%	61.8%	60.6%	↓

	3 Quarter Trends			
	Q1 2019/20	Q2 2019/20	Q3 2019/20	Trend
% of qualifying patients who first had contact with an IMHA within 5 working days of their request	100.0%	100.0%	100.0%	→

	Annual Trends		
	2018	2019	Trend
% GP practices offering appointments between 17:00 and 18:30 on 5 days a week	90.2%	89.6%	↓

* Target used is the SSNAP Oct-19 to Dec-19 UK average of 53.3%

** Target used is the SSNAP Oct-19 to Dec-19 UK average of 84.1%

*** Taken from April CHKS refresh

Individual care

	9 Month Trends									
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Trend
% of HB residents in receipt of secondary MH services (all ages) who have a valid CTP	90.9%	91.0%	91.6%	92.0%	94.5%	92.7%	93.9%	93.0%	94.8%	↑
% of HB residents sent their outcome assessment report within 10 working days after assessment	100.0%	100.0%	100.0%	100.0%	100.0%	64.3%	100.0%	85.7%	80.0%	↓

	3 Quarter Trends			
	Q1 2019/20	Q2 2019/20	Q3 2019/20	Trend
Number of calls to the MH helpline CALL by Welsh residents per 100,000 of population	134.6	117.2	144.4	↑
Number of calls to the Wales dementia helpline by Welsh residents per 100,000 of population (age 40+)	3.6	9.1	3.6	→
Number of calls to the DAN 24/7 helpline by Welsh residents per 100,000 of population	34.0	23.1	19.4	↓

Our staff and resources

	9 Month Trends									
	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Trend
% of headcount who have had a PADR/medical appraisal in previous 12 months	79.6%	80.6%	80.0%	79.7%	78.7%	77.8%	76.9%	76.1%	76.5%	↓
% compliance for all completed Level 1 competencies within Core Skills & Training Framework	80.7%	81.5%	82.1%	83.0%	84.1%	83.3%	83.4%	83.1%	83.1%	↑
% staff sickness absence (rolling 12 months)	4.87%	4.89%	4.92%	4.93%	4.95%	4.94%	5.04%	5.09%	5.11%	↓

	3 Quarter Trends			
	Q1 2019/20	Q2 2019/20	Q3 2019/20	Trend
% adult dental patients in the HB pop re-attending NHS primary dental care between 6 & 9 mths	35.3%	34.7%	34.1%	↑
% of critical care bed days lost to delayed transfer of care (ICNARC definition)	22.3%	18.9%	30.7%	↓

Long term expenditure trend

The Health Board is required to report on long term expenditure trends and detailed below is the expenditure incurred over the last five years from 2015/16 to 2019/20 within the main programme areas of:

- hospital and community health services;
- primary healthcare services;
- healthcare from other providers.

Programme Area	2015/16 £000s	2016/17 £000s	2017/18 £000s	2018/19 £000s	2019/20 £000s
Primary healthcare services	172,740	172,928	183,962	185,316	191,967
Healthcare from other providers	179,320	188,980	197,462	200,169	211,453
Hospital and community health services	457,847	500,923	506,430	534,120	587,107

Where we undertake activities that are not funded directly by the Welsh Government, we receive income to cover our costs which will offset the expenditure reported under the programme areas above. When charging for this activity, we have complied with the cost allocation and charging requirements as set out in HM Treasury guidance. The miscellaneous income received for the last five years is as follows:

	2015/16 £000s	2016/17 £000s	2017/18 £000s	2018/19 £000s	2019/20 £000s
Miscellaneous income	51,698	52,934	54,345	57,187	61,806

Performance against Revenue Resource Limit for the past 5 years has been as follows:

	2015/16 £000s	2016/17 £000s	2017/18 £000s	2018/19 £000s	2019/20 £000s
Under/(Over) performance against Revenue Resource Limit	(31,199)	(49,613)	(69,430)	(35,438)	(34,943)

Anti-corruption and anti-bribery

NHS bodies in Wales must implement anti-fraud, bribery and corruption measures in accordance with Welsh Government directions on counter fraud measures and the service agreement under section 83 of the Government of Wales Act 2006. We have a counter fraud work plan which is devised and agreed with the Director of Finance and Audit and Risk Committee annually. The work plan actions are built around the identified fraud, bribery and corruption risks for the organisation.

We employ two full-time Counter Fraud Specialists to operationally deliver the counter fraud work plan. The Counter Fraud Specialists report to the Director of Finance regularly and to the Audit Committee providing updates on work completed against the agreed work plan and also providing updates on emerging fraud, bribery and corruption risks.

As well as the Welsh Government directions, NHS bodies are also obliged to demonstrate compliance with the NHS Counter Fraud Authority's Counter Fraud Standards for NHS Bodies (Wales). A self-assessment against each of these standards is completed on an annual basis using a RAG rating system. The Health Board's submissions are then tested periodically by the NHS Counter Fraud Authority's Quality Assessment Inspector. The self-assessment for 2019/20 against the NHS counter fraud standards has been completed and the Health Board achieved an overall green rating.

Our website contains information and advice on counter fraud: www.hduhb.nhs.wales.

Responding to complaints and compliments

The Patient Support Contact Centre was expanded in 2019 and has received and handled over 6000 telephone calls. Of the complaints received, 73% were closed within 30 working days of receipt. Work continues to achieve the national target of 75% by improving performance through staff training and regular audits.

Formal compliments recorded on Datix tripled to 980 during 2019/20. It is widely recognised that this is still only a small proportion of the total number of actual compliments that are received by the Health Board. We aim to continue to improve reporting in 2020/21 with the introduction of new systems to capture and report compliments at source in the wards and departments where they are received.

Well-being of Future Generations (Wales) Act 2015

The Well-being of Future Generations (Wales) Act 2015 is multi-layered and requires individual organisation actions as well as collaborative working with Public Services Boards (PSBs) and wider partners. The Act also sets out where change needs to happen within seven corporate functions of an organisation: corporate planning; workforce planning; performance management; financial planning; risk; assets, and, procurement. These are the parts of the organisation that should be seeking to do things differently as they affect the rest of the organisation's services. In order to further embed this work, our Well-being of Future Generations Act Task and Finish group have been reviewing our organisational approach to agree ways of strengthening our governance and reporting arrangements.

We have refreshed our well-being objectives for 2019/20 onwards and recognised that we need to increase the scale and pace of our work to support de-carbonisation and bio-diversity. Our well-being objectives are:

- Plan and deliver services to increase our contribution to low carbon.
- Develop a skilled and flexible workforce to meet the changing needs of the modern NHS
- Promote the natural environment and capacity to adapt to climate change
- Improve population health through prevention and early intervention, supporting people to live happy and healthy lives.
- Offer a diverse range of employment opportunities which support people to fulfil their potential
- Contribute to global well-being through developing international networks and sharing of expertise
- Plan and deliver services to enable people to participate in social and green solutions for health. Encouraging community participation through the medium of Welsh.
- Transform our communities through collaboration with people, communities and partners

In 2020/21 we will be linking our objectives to specific Executive Director Portfolios of work; workforce planning and development; environment and climate change; early intervention and prevention; and collaboration, involvement and integration.

Further information about our Well-being Objectives and our Annual Report can be found at the following link: http://www.wales.nhs.uk/sitesplus/862/page/85517.

Sustainability report

Introduction

Sustainable Development (SD) is a 'central organising principle' of the Welsh Government. Although not directly applicable to devolved governments, the Welsh Government request public bodies in Wales who report under the FReM to produce a Sustainability Report. Accordingly, this section of our annual report covers the environmental performance of the organisation, written in line with public sector requirements set out in the FReM and supplementary HMT Guidance 'Sustainability Reporting in the Public Sector'.

Description of organisation

HDUHB has an estate covering circa 52 hectares containing 57 freehold and leasehold premises totalling circa 187,977m^2. This includes 4 acute hospitals, 7 community hospitals and administration, health centre and clinic, mental health and accommodation facilities.

Environmental Management Governance

Board assurance on environmental and sustainability performance is provided via the Business Planning and Performance Assurance Committee, with work coordinated by the Estates, Capital and IM&T sub-committee. Action is delivered in-line with the environmental management standard 'ISO 14001'. A monitoring system is in place to gather the data required for sustainability reporting. This system is audited annually by the NHS Wales Shared Services Partnership Audit and Assurance Services and periodically as part of ISO 14001 audits.

Summary of Performance

The Health Board has made some significant improvements over the last year in a number of areas including energy efficiency projects, reuse schemes and more focus on the use of fuel efficient pool car fleet.

'Total Waste' produced has decreased this year but due to resource changes in the team reduced the ability to introduce schemes to improve the recycling rate which decreased by 2%. Source segregation projects at Glangwili and Withybush Hospital were not progressed in 19/20 as planned but will be a key objective in 20/21. Resource efficiency through the procurement of goods and services and encouraging the use of 'WARP IT' will continue to be a key objective.

Expenditure on utilities has increased, due mainly to the impact of volatile energy markets and underperformance of the CHP's and Biomass. Electricity and oil consumption has also increased due to the underperformance of the CHP's and Biomass, however, overall consumption and emissions have decreased slightly primarily due to the decrease in gas consumption and the reduction in the emission factor used to calculate electricity emissions. Business mileage and associated costs have decreased primarily due to expansion to the pool car scheme. It is worth noting that due to technical issues with the software collating Business mileage emissions the 'unknown average' emissions factor has been utilised from †use DEFRA 'Greenhouse Gas Emissions for Company Reporting' for calculating carbon emissions for 2019. Although not fully comparable to previous years, the decrease in emissions reflects a decrease in business mileage.

Electric charging points for both staff and the public remains on the agenda of the transport unit although progress made since last year was limited to commencing a review of electric charging point providers and commissioning of surveys for all Health Board owned sites. This has yet to be concluded however will be a priority for 2020/21. The number of points installed will be dependent upon the outcome of these site surveys and wider review with public sector partners.

Water costs have decreased this year primarily due to rates being reduced by 2.5% and a decrease in consumption by 3.6% mainly from measures introduced through the Aquafund scheme. By end of March 2020 the Health Board saved circa £53k, 47,000M3 and 22.5tCo2e.

The Environmental Team has continued to maintain the Environmental Management System in line with the ISO 14001 standard and is well placed to achieve accreditation in 2020/21.

The Health Board is progressing a number of other sustainability initiatives in 2020/21 including various Capital schemes, focusing on the use of green space, improving Biodiversity and developing a 'Decarbonisation Strategy'.

The level of performance data available on the staff intranet has improved but still needs additional work to ensure staff are receiving up to date information. The Environment team had aimed to launch an environmental performance internet page for the public to keep up to date with our contribution to Wales' sustainability aspirations last year but due to other priorities this has not yet been achieved. This will be a priority in 2020/21.

Greenhouse Gas Emissions

Overall CO_2 emissions have decreased by 0.37% from last year due primarily to the reduction in emission factors used for calculating electricity. Due to under performance of the Combined Heat and Power (CHP) units and Biomass there has been an increase in the use of grid electricity and a reduction in Gas consumption as we generated less electricity on our acute hospital sites through CHP's and an increase in Oil consumption due to under performance of the biomass. This is also reflected in the increase in overall energy costs compared to the previous year by 12% as Electricity and Oil per KWh is considerably more expensive than Gas.

The amount of liquid petroleum (LPG) gas used this year is just over double the amount used last year due to the purchase of Minaeron Resource Centre in August which uses LPG as their main source of heating fuel. Renewable electricity generation increased this year, as solar panels that had been disconnected during refurbishment works at Minaeron Resource Centre in 18/19 were reconnected. Renewable Energy Generation will increase further next year following the delivery of the first of a number of proposed schemes the Health Board had planned to deliver by the end of March 2020 to reduce its carbon footprint and contribute to Welsh Government's 2030 net carbon neutral ambition. Phase 1 projects includes the installation of roof mounted Photovoltaic Panels (PV) across three community sites. These sites are;

- Elizabeth Williams Clinic (EWC);
- Amman Valley Hospital (AVH);
- Tenby Cottage Hospital (TCH);

In total the three schemes are estimated to save approximately 77,379 Kwh of electricity and £12.5K per annum. All three projects were intended to be completed by March 2020 but were delayed due to Covid 19. Phase 1 projects are now expected to be commissioned in Summer 2020/21. Carbon savings from these projects are expected to be approx. 76 tCo2e over the life time of the project payback period (8 years).

Business mileage this year has reduced from over 8 million miles per annum in 18/19 to approximately 7.5 million miles per annum. An increase in the number of fuel efficient fleet vehicles has meant fewer journeys are made in staff owned vehicles. Electric charging points for both staff and the public remains on the agenda of the transport unit although progress made since last year was limited to commencing a review of electric charging point providers

and commissioning of surveys for all Health Board owned sites. This has yet to be concluded however. The number of points installed will be dependent upon the outcome of these site surveys. Due to technical issues with the software collating Business mileage emissions the unknown average emissions factor has been utilised from †use DEFRA 'Greenhouse Gas Emissions for Company Reporting' for calculating carbon emissions for 2019. This means that emissions could not be calculated based on the vehicle make, model and fuel type as in previous years, instead an average emissions factor has been used. The emissions are therefore not fully comparable but are an established form of calculating emissions and reflect a decrease in line with a decrease in business mileage.

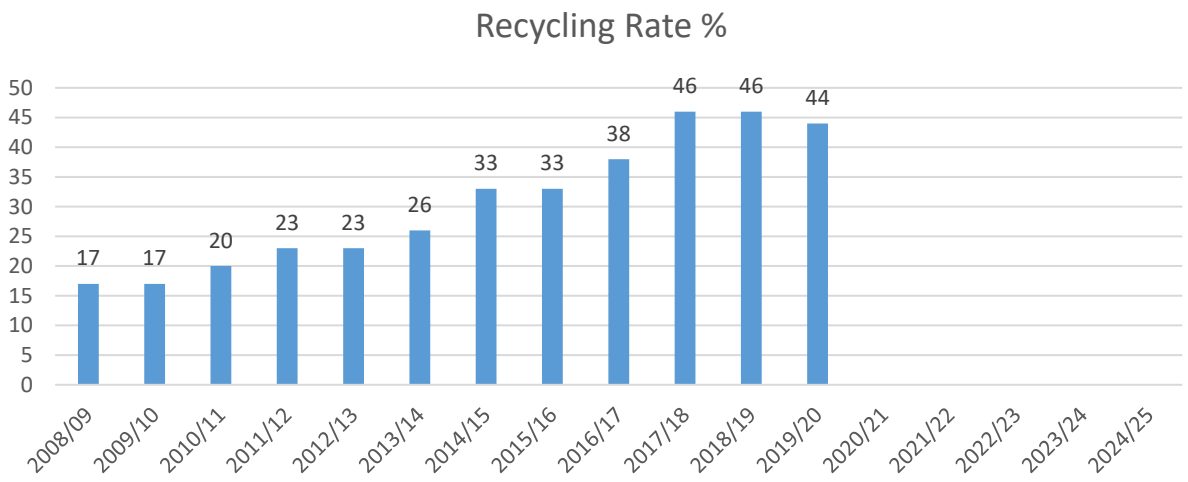
Greenhouse Gas Emissions			
Non-Financial Indicators (1000 tCO_2e)†	**2017-18**	**2018-19**	**2019-20**
Total Gross Emissions	23.621	21.5	21.42
Gross Emissions Scope 1 from Gas and Oil	15.528	14.05	14.08
Gross Emissions Scope 2 & 3 from electricity and business mileage	8.093	7.45	7.34**
Related Energy Consumption (million KWh)	**2017-18**	**2018-19**	**2019-20**
Electricity: Non Renewable	16.04	17.82*	18.81*
Electricity: Renewable	0.033	0.016	0.020*
Gas	60.09	55.98*	53.14*
LPG	0.181	0.171	0.393*
Oil	16.14	13.92	16.47*
Biomass	5.56	5.35	4.31*
Financial Indicators	**2017-18**	**2018-19**	**2019-20**
Expenditure on Energy	£4,498,985	£4,954,845*	£5,603,324*
CRC License Expenditure	£297,265	£206,445	N/A
Expenditure on official business travel	£3,280,784	£3,393,732	£3,360,330.

*estimated data based on end of year meter readings have been used where actual data is not available.
** Due to technical issues with the software collating Business mileage emissions the unknown average emissions factor has been utilised from †use DEFRA 'Greenhouse Gas Emissions for Company Reporting' calculations for carbon emissions for 2019

Waste Management

Recycling has decreased by 2%. This has resulted from changes within in the team and planned source segregation projects at Glangwili and Withybush hospital not being progressed in 19/20 as planned. We aim to roll out source segregation recycling in Glangwilli and Withybush hospitals in 20/21 which we expect to significantly increase recycling rates, on a similar level to the increase seen from introducing source segregated recycling on the other acute sites (Bronglais and Prince Phillip) in 2017/18 and 2018/19

The volume of waste recycled is now circa 650 tonnes bringing the recycling rate to 44%. Waste to landfill has remained approximately the same as last year but clinical waste sent for heat treatment has decreased by 3%. This is reflected in the 'Total waste' produced showing a 2% decrease this year compared to the previous year. There has been a small increase in overall waste costs primarily due to rate increases and landfill charge increases.



Waste			
Non-Financial Indicators (tonnes)	**2017-18**	**2018-19**	**2019-20**
Total Waste	2465	2487	2433
Landfill (Black Bag)	793	833	837
Reused/Recycled	435	452	403
Composted*	250	247	249
Landfill (Hygiene Bag)	322	322	325
Alternative Treatment (Clinical)	517	484	470
Incinerated with energy recovery**	148	149	149
Incinerated without energy recovery	0	0	0
Financial Indicators	**2017-18**	**2018-19**	**2019-20**
Total Disposal Cost	£618,749	£630,237	£645,903
Landfill (Black Bag)	£152,929	£164,434	£175,002
Reused/Recycled	£62,585	£65,132	£73,542
Composted*	£22,301	£28,868	£29,476
Landfill (Hygiene Bag)	£104,549	£103,792	£104,006
Alternative Treatment (Clinical)	£191,936	£182,845	£177,171
Incinerated with energy recovery**	£84,449	£85,166	£86,706
Incinerated without energy recovery	0	0	0

* *includes Anaerobic Digestion*
** *provides steam to a nearby facility*

Use of resources

Water costs have decreased this year primarily due to rates being reduced by 2.5% and a decrease in consumption by 3.6% mainly from measures introduced through the Aquafund scheme. Over the last year the Health Board has appointed a specialist contractor who has being reviewing water consumption, leaks, metering infrastructure and tariffs as well as implementing water efficiency measures such as urinal controls. At the end of March the Health Board confirmed savings of circa £53k, 47,000M3 and 22.5tCo2e. From the revenue returned to the AquaFund Scheme, by saving water, they donate 1% of the value of the saving to Water Aid. Through this initiative the Health Board has helped transform lives in rural Mozambique, by bringing fresh water to 49,072 people.

Finite Resource Consumption			
Non-Financial Indicators (m^3)	**2017-18**	**2018-19**	**2019-20**
Water Consumption (Office)*			
Supplied	271,957	290,317	274,453*
Abstracted	8220	0	0
Per FTE**	33.63	34.45	31.43***
Water Consumption (Non-Office)***			
Supplied	29,213	28,373	29,527*
Abstracted	0	0	0
Financial Indicators	**2017-18**	**2018-19**	**2019-20**
Water Consumption (Office)*			
Water Supply Costs	£354,694	£395,083	£348,733*
Sewerage Costs	£442,286	£476,374	£395,015*
Water Consumption (Non-Office)***			
Water Supply Costs	£26,274	£26,517	£25,937**
Sewerage Costs	£32,436	£31,446	£32,382**

*All estate except the main laundry at Glangwili
** FTE Staff at 31st March 2020.
*** Main laundry at Glangwili

In July 2018 the Health Board signed up to use Warp IT, an online furniture and equipment reuse platform. To date over 955 staff have committed to reusing no longer needed items, avoiding waste disposal of nearly 42 tonnes and preventing 165 tonnes of CO_{2e} emissions.

Environmental Management System (EMS) - Implementation

The Environmental Team has continued to maintain the Environmental Management System in line with the ISO 14001 standard, including the production of annual Objectives and Targets and presenting a Management Review of performance via formal committee.

The Health Board is well placed to achieve the accreditation to the new standard in 2020/21. A gap analysis was completed on 16th & 17th April 2020 (further audits to follow) to identify areas for further improvement. Four minor non-conformances were raised. These along with any identified in future audits will be compiled into an action plan for the Health Board to address pending certification to ISO14001:2015 standard.

Other Sustainability Initiatives

The Health Board is progressing with new developments and is keen to make these as environmentally considerate as possible. Projects planned for delivery in 20/21, but subject to structural surveys and available government funding on existing assets include;

- **Roof mounted PV panels** on 3 community sites – South Pembrokeshire Hospital (SPH)/Bro Cerwyn, Wellfield Road and Llandovery;
- **LED Lighting Projects** on 4 community premises (Elizabeth Williams Clinic, Wellfield Rd, Swn Y Gwynt, and SPH) and Bronglais Hospital site;
- **Ground Mounted Solar Farm Project** at Hafan Derwen site – 440KW;
- **LPG Project** at Glangwili to service one large lead boiler;

There has been a growing focus on the use of green space at our sites via staff led projects to benefit the natural environment and the wellbeing of patients and staff.

The grant funded initiative at Withybush Hospital to renovate the court yard by Costa Coffee is well underway. The Health Board has utilised the valuable skills of volunteers and staff to make this project a success. This is nearing completion. Other projects being progressed in 2020/21 include the ‘Magnificent Meadows project’ which is focusing on a managed approach to leaving areas of grassland on the site grow wild to encourage biodiversity.

As part of a Capital scheme the Dementia garden in Prince Philip Hospital is being re-designed to improve the outdoor space for patients and to encourage biodiversity in 2020/21.

In February this year to comply with the WFGA S6 requirements, the Health Board commissioned an ecology specialist to complete a Biodiversity report covering Health Board owned assets. As part of the Environmental Management System Targets and Objectives the Health Board will be exploring opportunities via planned schemes to deliver site based biodiversity improvements in line with the ecology report recommendations and best practice.

The level of performance data available on the staff intranet has improved but still needs additional work to ensure staff are receiving up to date information. The Environment team had also aimed to launch an environmental performance internet page for the public to keep up to date with our contribution to Wales’ sustainability aspirations last year but due to other priorities this has not yet been achieved. Improving communication of performance data to both staff and the public will be a priority in 2020/21.

Finally, Shared Services are reviewing the HB’s carbon footprint by July 2020 and developing an ‘All Wales Decarbonisation strategy’ with recommendations and targets by summer 2020. Following on from this the Health Board aim to develop their own ‘Decarbonisation Strategy’ in line with any ‘All Wales Decarbonisation Strategy’ targets.

Chapter 2

Accountability Report

CONTENTS

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 2019-20 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 Annual 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.

- **National Assembly for Wales Accountability and Audit Report**: The National Assembly for Wales Accountability and Audit Report provides information on such matters as regularity of expenditure, fees and charges, and the audit certificate and report.

Hywel Dda University Health Board

PART A:

CORPORATE GOVERNANCE REPORT 2019/20

GIG CYMRU NHS WALES

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

INTRODUCTION

The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across Hywel Dda University Health Board during 2019/20. It includes:

- **The Directors' Report**: This provides details of the Board and Executive Team 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, as a whole, is fair, balanced and understandable

- **The Annual 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

Part 2 of The Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 sets out the required membership of the Boards of Local Health Boards, the appointment and eligibility requirements of members, the term of office of independent members and associate members. In line with these Regulations, the Board of Hywel Dda University Health (the Health Board) comprises 20 voting members, with additional 7 non-voting members including:

- a chair;
- a vice-chair;
- officer members;
- independent members; and
- associate members.

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 by holding its meetings in public. As a result of the public health risk linked to the pandemic the UK and Welsh Government (WG) stopped public gatherings of more than two people and it is therefore not possible to allow the public to attend meetings of our board and committees from March 2020. Further information on this can be found on page 22.

The members of the Board are collectively known as "the Board" or "Board members"; the officer and independent members (which includes the Chair) are referred to as Executive Directors and Independent Members respectively. All Independent Members and Executive Director Members have full voting rights.

The Health Board has 11 Independent Members (including Chair and Vice-Chair), all of whom are appointed by the Minister for Health and Social Services. There are 9 Executive Directors.

In addition, Welsh Ministers may appoint up to 3 Associate Members. The Board has appointed a fourth with the consent of the Minister for Health and Social Services. Associate Members have no voting rights. There are also 2 Director posts and the Board Secretary who form part of the Executive Team who also 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: http://www.wales.nhs.uk/governance-emanual/regulations-constitution-membership-and-

VOTING MEMBERS OF THE BOARD DURING 2019/20

During 2019/20, the following individuals were full voting members of the Board of the Health Board:

NAME	ROLE	DATES
INDEPENDENT MEMBERS		
Maria Battle	Chair	From 19 August 2019
Judith Hardisty	Interim Chair	To 18 August 2019
Judith Hardisty	Vice-Chair (Mental Health, Primary Care and Community Services)	Resumed from 19 August 2019
Paul Newman	Interim Vice-Chair (Mental Health, Primary Care and Community Services) (Independent Member (Community)	To 18 August 2019 Resumed from 19 August 2019
Anna Lewis	Independent Member (Community)	Full year
Professor John Gammon	Independent Member (University)	Full year
Owen Burt	Independent Member (Third Sector)	Full year
David Powell	Independent Member (Information Technology)	To 30 November 2019
Maynard Davies	Independent Member (Information Technology)	From 1 December 2019
Simon Hancock	Independent Member (Local Government)	Full year
Adam Morgan	Independent Member (Trade Union)	To 12 July 2019
Ann Murphy	Independent Member (Trade Union)	From 9 January 2020
Delyth Raynsford	Independent Member (Community)	Full year
Mike Lewis	Independent Member (Finance)	Full year

EXECUTIVE MEMBERS		
Steve Moore	Chief Executive Officer	Full year
Joe Teape	Deputy Chief Executive/Executive Director of Operations	To 30 November 2019
Phil Kloer	Executive Medical Director & Director of Clinical Strategy Deputy Chief Executive/Executive Medical Director	To 22 January 2020 From 23 January 2020
Karen Miles	Executive Director of Planning, Performance & Commissioning	Full year
Huw Thomas	Executive Director of Finance	Full year
Mandy Rayani	Executive Director of Nursing, Quality & Patient Experience	Full year

Alison Shakeshaft	Executive Director of Therapies and Health Science	Full year
Lisa Gostling	Executive Director of Workforce & Organisational Development	Full year
Ros Jervis	Executive Director of Public Health	Full year
Andrew Carruthers	Executive Director of Operations	From 1 December 2019

During 2019/20, there were the following vacancies:

INDEPENDENT MEMBERS	EXECUTIVE DIRECTORS
Independent Member (Trade Union) from 13 July 2019 to 8 January 2020	None

Whilst the above role on the Board was vacant, with exception of the trade union element, the other responsibilities were covered by other Board members to ensure continuity of business and effective governance arrangements.

ASSOCIATE MEMBERS/NON-VOTING MEMBERS OF THE BOARD

During 2019/20, there are 4 Associate Members and 5 non-voting officer members of the Board, of which 2 posts (the Turnaround Director and Transformation Director) have been disestablished in-year:

NAME	ROLE	DATES
ASSOCIATE MEMBERS		
Michael Hearty	Associate Member	Full year
Jonathan Griffiths	Associate Member (Pembrokeshire County Council Director of Social Services)	Full year
Hilary Jones	Associate Member (Chair of Stakeholder Reference Group*)	To 29 February 2020
Kerry Donovan	Associate Member (Chair of Health Professionals Forum*)	To 31 January 2020

NON-VOTING MEMBERS		
Joanne Wilson	Board Secretary	Full year
Jill Paterson	Director of Primary Care, Community & Long Term Care	Full year
Sarah Jennings	Director of Partnerships and Corporate Services	Full year
Andrew Carruthers	Turnaround Director	To 30 November 2019 (when commenced role of Executive Director of Operations)
Libby Ryan-Davies	Transformation Director	To 30 April 2019

*Deputising arrangements were in place whilst the Health Board was in the process of recruiting new Chairs for the Stakeholder Reference Group and Chair of Health Professionals Forum (appointments currently awaiting Ministerial approval).

Further details in relation to role and composition of the Board can be found at pages 16 to 38 of the Annual Governance Statement. In addition, short biographies of all our Board members can be found on our website at: https://hduhb.nhs.wales/about-us/your-health-board/board-members/.

The Annual Governance Statement also contains further information in respect of Board and Committee Activity.

AUDIT AND RISK ASSURANCE COMMITTEE

The membership of the Audit and Risk Assurance Committee (ARAC) during 2019/20, providing the required expertise was as follows:

NAME	ROLE	DATES
Paul Newman	Committee Chair	Full year
Mike Lewis	Committee Vice-Chair	Full year
Judith Hardisty	Committee Member	From 19 August 2019 (Resumed position as Health Board Vice-Chair)
Owen Burt	Committee Member	Full year
Simon Hancock	Committee Member	Full year
David Powell	Committee Member	To 30 November 2019
Maynard Davies	Committee Member	From 1 December 2019

DECLARATION 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 by clicking on the following link http://www.wales.nhs.uk/sitesplus/862/page/97881 , or a hard copy can be obtained from the 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 65 of the Annual Governance Statement.

ENVIRONMENTAL, SOCIAL AND COMMUNITY ISSUES

We take pride in running our healthcare services responsibly as part of the wider West Wales community. We work hard to reduce our impact on the environment, to encourage staff to make healthy lifestyle choices, and to strengthen our relationships with local people. Our strategic approach to sustainability ensures that we not only look at ways to reduce fixed costs such as energy, water and waste, but we also embed efficiency principles within our processes for procuring goods and services. In terms of social and community matters, we work hard to:

- Make a positive contribution to the work of Public Services Boards (PSBs) in each of our 3 local authority areas to improve the economic, social,

environmental and cultural wellbeing of local people. This has resulted in Health Board commitment to actions within each of our 3 PSB Wellbeing Plans which by working collaboratively, will seek to achieve improvements in environmental, social and community resilience;

- Develop collaborative arrangements with partner organisations including the police, fire and rescue services, schools and universities, and the voluntary and third sector to support greater integration across the services that people need from us, and in doing so improve efficiency, reduce duplication and enhance the experience of each person;
- Progress our Health and Care Strategy, 'A Healthier Mid & West Wales – Our Future Generations Living Well' and managing a demonstrable "shift left" in population health and community/primary care developments over the transitional years. Over the last year, a number of initiatives have been implemented across Hywel Dda community including:
  - ✓ Community Triage and Treat in 25 practices with a total of 111 staff trained;
  - ✓ A series of videos produced demonstrating the services and support offered by community pharmacies;
  - ✓ Multi-disciplinary working in 11 out of 13 GP practices in Pembrokeshire to provide an integrated approach to care;
  - ✓ Community Resources Team in South Ceredigion extended to North Ceredigion;
  - ✓ Development of a joint prevention strategy for Carmarthenshire focused on early intervention & independence;
  - ✓ Successful recruitment of community connectors from the Transformation Fund to support moving from 5 to 6 Integrated Community Networks;
  - ✓ NOSDA (No One Should Die Alone) project successfully piloted in 3 care homes, Withybush General Hospital (WGH), Sunderland Ward and Cleddau River Day Unit - 114 hours of emotional support provided to 39 people;
  - ✓ Delta Well-being expansion to deliver CONNECT prevention programme Health Board wide;
  - ✓ Successful amalgamation of Goodwick and Fishguard surgeries to provide a health & well-being centre;
  - ✓ The opening of the Aberaeron (Minaeron) and the Cardigan Integrated Care Centres during 2019. These support new ways of working with GP's, Pharmacies and the Local Authority partners. New mobile technology has been introduced to facilitate a more agile and adaptable workforce for the growing and changing needs of our local populations;
  - ✓ 24/7 drop-in service commenced at the Gorwelion Community Mental Health Centre in Aberystwyth including a designated Section 136 place of safety;
  - ✓ Opening of the Llanelli Twilight Sanctuary providing a safe and supportive environment for support and advice;
  - ✓ Development of a mental health practitioner for 2 GP practices in Pembrokeshire to improve earlier access to assessment; and
  - ✓ Intensive Learning Disability support team pilot underway as part of the Bevan Exemplar programme to test the provision of increased level of support for at risk individuals in the community

- Continue to embed local leadership across our acute hospitals and within community settings to ensure that our frontline have the support they need to do the best they can;
- Reinforce our organisational values so that our staff are clear on what is expected of them and have a robust framework to provide them with greater resilience against pressure;
- Promote the excellent work and 'extra mile efforts' of our staff – as well as our friends in the community – through social media and other channels, so that people who go the extra mile are rightly recognised for their contributions;
- Employ cutting-edge, cost-effective technology to help communicate and engage with everyone who interacts with, or has an interest in, our services;
- Help staff to consider different forms of transport to get to work, including more active options and those that reduce congestion as well as local air and noise pollution. An assessment is underway to determine the feasibility of the phased introduction of electric pool fleet vehicles and electric charging points for staff and visitors;
- Reduce, reuse and recycle: We continue to identify ways to reduce the waste we send to landfill, recycle wherever possible and reuse resources to avoid unnecessary purchases. For example the Health Board are signed up to 'Warp it' an online platform for reuse of furniture and equipment and have rolled out source segregation on a number of our acute sites which has boosted our recycling rate. Typically these measures have reduced waste to landfill, encouraged staff to reuse resources and reduced our carbon impact;
- Cut our carbon emissions: In terms of carbon reduction, we have recently installed roof mounted Photovoltaics on 3 community sites – Amman Valley, Elizabeth Williams Clinic and Tenby Cottage hospital. We plan to deliver further roof mounted PV scheme and LED lighting projects on another 4 community sites in 2020/21, along with a ground mounted solar farm project in Hafan Derwen. Key benefits of all these schemes are carbon reduction, improved site resilience and revenue savings;
- Resource Efficiency: Over the last year the Health Board has appointed a specialist contractor who has being reviewing water consumption, leaks, metering infrastructure and tariffs as well as implementing water efficiency measures such as urinal controls. To date this has saved the Health Board circa £53k, 47,000M^3 of water and 22.5tCO_2e (tonnes of carbon dioxide equivalent).; and
- Green Space: There has been a growing focus on the use of green space at our sites via staff led projects to benefit the natural environment and the wellbeing of patients and staff. Examples include a grant funded initiative at WGH to renovate the court yard by Costa Coffee, and a 'Magnificent Meadows project' which is focusing on a managed approach to leaving areas of grassland on the site grow wild to encourage biodiversity, as well as renovation of the Dementia garden in Prince Philip Hospital (PPH) which is being re-designed to improve the outdoor space for patients and to encourage biodiversity.

STATEMENT OF PUBLIC SECTOR INFORMATION HOLDERS

As the Accountable Officer of the Hywel Dda University Health Board, and in line with the disclosure requirements set out by the Welsh Government and HM

Treasury, I confirm that the Health Board has complied with the cost allocation and charging requirements set out in HM Treasury guidance during the year.

Signed by: **Date: 29 May 2020**

Steve Moore
Chief Executive

STATEMENT OF THE CHIEF EXECUTIVE'S RESPONSIBILITIES AS ACCOUNTABLE OFFICER OF HYWEL DDA UNIVERSTITY 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: 29 May 2020**

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:	…… Maria Battle	Date:	……2020
Chief Executive:	…… Steve Moore	Date:	……2020
Executive Director of Finance:	…… Huw Thomas	Date:	……2020

ANNUAL 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.

This Annual Governance Statement details the arrangements in place during 2019/20 to discharge my responsibilities as the Chief Executive Officer of the Health Board, and to manage and control the Health Board's resources. It also details the extent to which the organisation complies with its own governance arrangements, in place to ensure that it fulfils its overall purpose, which is that it is operating effectively and delivering quality and safe care to patients, through sound leadership, strong stewardship, clear accountability, robust scrutiny and challenge, ethical behaviours and adherence to our set values and behaviours. It will set out some of the challenges and risks we encountered and those we will continue to face going forward.

At the time of preparing this Annual Governance Statement the Health Board and the NHS in Wales is facing unprecedented and increasing pressure in planning and providing services to meet the needs of those who are affected by COVID-19, whilst also planning to resume other activity where this has been impacted.

The required response has meant the whole organisation has had to work very differently both internally and with our staff, partners and stakeholders and it has been necessary to revise the way the governance and operational framework is discharged. In recognition of this, Dr Andrew Goodall, Director General Health and Social Services/NHS Wales Chief Executive wrote to all NHS Chief Executives in Wales, with regard to "COVID -19- Decision Making and Financial Guidance". The letter recognised that organisations would be likely to make potentially difficult decisions at pace and without a firm evidence base or the support of key individuals which under normal operating circumstances would be available. Nevertheless, the organisation is still required to demonstrate that decision-making has been efficient and will stand the test of scrutiny with respect to compliance with Managing Welsh Public Money and demonstrating Value for Money after the COVID-19 crisis has abated and the organisation returns to more normal operating conditions.

To demonstrate this the organisation is recording how the effects of COVID-19 have impacted on any changes to normal decision making processes, for example through the use of a register recording any deviations from normal operating procedures. Where relevant these, and other actions taken have been explained within this Annual Governance Statement.

Planning has and will remain fluid and responsive to incoming data, and the Health Board is now adjusting its planning assumptions as it anticipates that it will experience a series of peaks in demand for critical care and bed capacity over the

next 8–12 months, the timing and scale of which is currently unknown. Therefore the Health Board is developing careful plans to restart normal services on a clinically prioritised basis whilst maintaining all essential services, alongside managing increased demand from COVID-19, and understanding the impacts of suspended/scaled back services on delivery, quality and safety, finances and performance.

Targeted Intervention

The Health Board is held to account for its performance by the Welsh Government (WG), who have established arrangements for escalation and intervention to support NHS bodies to address issues effectively and deliver the required improvement.

During 2019/20, the Health Board remained in 'targeted intervention' (TI), which is the third level in the NHS Escalation and Intervention Framework, however significant progress was made throughout the year, with improvements in overall performance leading to the de-escalation of scrutiny in this area in September 2019. There has been an acknowledgement of the work progressed in relation to our Health and Care Strategy, reduction of infection rates, Referral to Treatment Times (RTT) and diagnostic and therapy waits, however our financial planning and delivery have continued to dominate discussions, along with the increasing fragility of unscheduled care and the out of hours service during the second half of the year.

TI scrutiny was scaled back in Quarter 4 to allow NHS Wales organisations to focus their resources on planning and preparation for the COVID-19 pandemic.

OUR GOVERNANCE FRAMEWORK

The Health Board is responsible for the planning and provision of NHS healthcare services for people in Carmarthenshire, Ceredigion, Pembrokeshire and its bordering counties. It employs 11,000 members of staff who provide primary, community, in-hospital, mental health and learning disabilities services for approximately 384,000 people across a quarter of the landmass of Wales. This is done in partnership with three local authorities and public, private and third sector colleagues, including volunteers.

Figure 1 shows the Health Board's governance structure that was in place during 2019/20. In January 2020, the Board agreed for a new governance structure to be implemented from 1 April 2020 which would reduce the number of Committees and their core membership to make governance more enabling, while allowing increased visibility of Board Members across the Health Board. However, in light of COVID-19, the Board agreed in April 2020 to have a more streamlined Board and Committee Structure and that implementation of the new governance structure would be phased and responsive until the Health Board returns to routine business arrangements. The new governance structure can be found in the Corporate Governance Structure/Arrangements paper in the January Board papers via the following link: http://www.wales.nhs.uk/sitesplus/documents/862/Item%203.7%20Revised%20Corporate%20Governance%20Structure%20%26%20Arrangements.pdf.

In March 2020, the Health Board focused on essential business only, and established a Command and Control Governance Structure to facilitate its planning

and preparations for the emerging global COVID-19 pandemic. The Board endorsed this approach in April 2020 – see Board paper http://www.wales.nhs.uk/sitesplus/documents/862/Item%202.2%20Maintaining%20Good%20Governance%20Covid%2019.pdf. The Board reinforced that in a fast moving pandemic such as COVID-19, governance arrangements must be strengthened, in order to receive assurance on key issues such as:

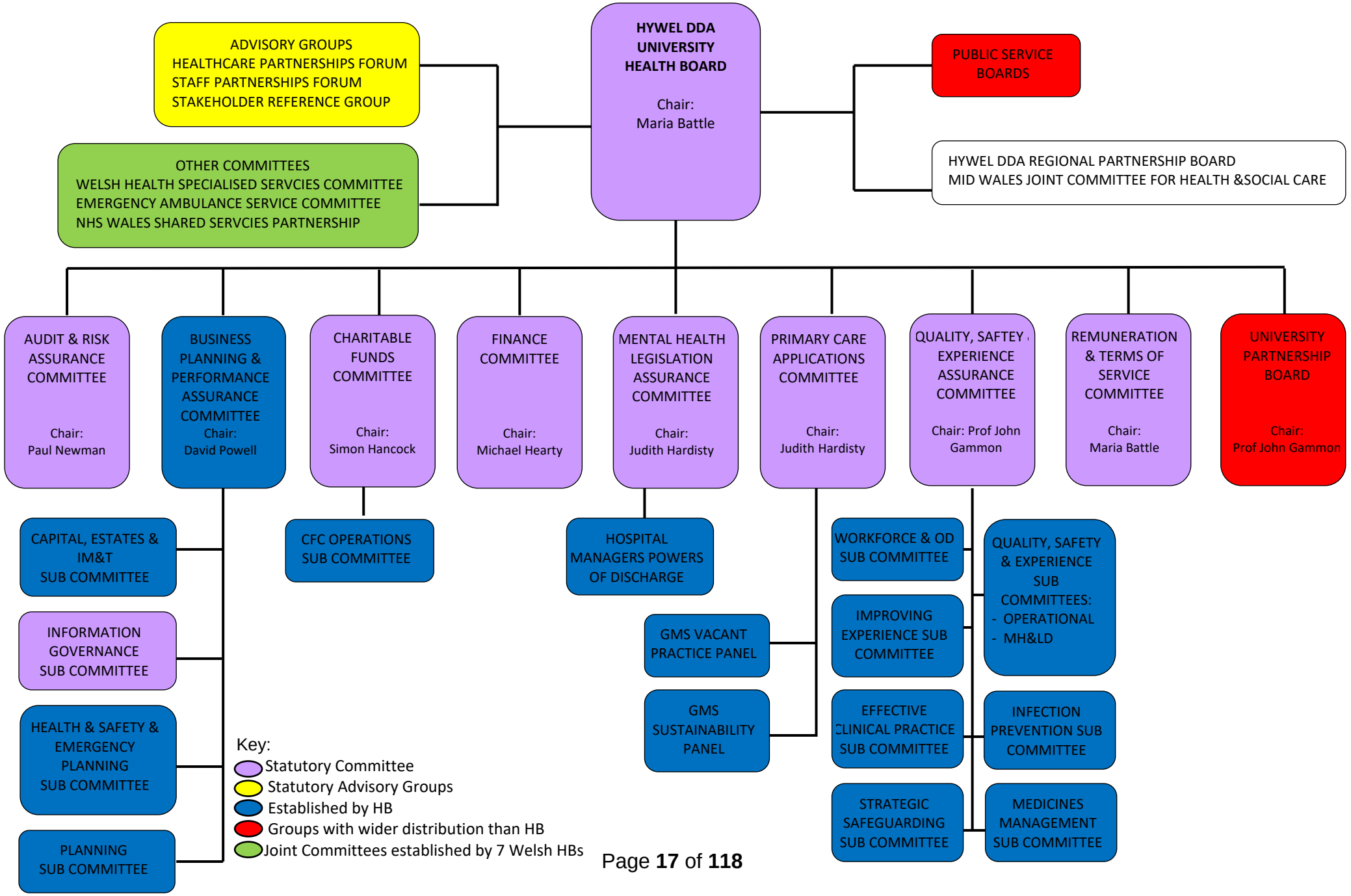
- service preparedness and the response to the pandemic;
- clinical leadership;
- engagement and ownership of developing plans;
- health and wellbeing of staff;
- proactive, meaningful and effective communication with staff at all levels; and
- health and care system preparedness.

The Board considered and agreed new ways of working to ensure the appropriate level of Board oversight and scrutiny to discharge its responsibilities effectively, whilst recognising the reality of Executive focus and time constraints, and its inability to hold meetings in public due to introduction of social distancing measures and restrictions on public gatherings. To facilitate as much transparency and openness as possible, the Health Board agreed to:

- Publish agendas as far in advance as possible – ideally 7 days
- Oral reporting which will be captured in the meeting minutes
- Publish reports as far in advance as possible – recognising that some may be tabled and therefore published after the event. As detailed above there may be the need to increase our use of oral updates to reports based on more concise papers.
- Draft public Board minutes to be available within 1 week of the meeting
- Provision for written questions to be taken from Board Members who are unable to attend at board meeting and response provided immediately following the meeting
- A clear link to our website pages and social media accounts signposting to further information will be published.
- Amend the website (which constitutes our official notice of Board meetings) and explain why the Board is not meeting in public.

As Accountable Officer, this approach will remain under constant review with the Chair and the Board Secretary, and further variations will be brought to the attention of the Board, as we respond to COVID-19 and try to resume and maintain normal business throughout the year. The following paper was presented to the Board in May 2020 detailing the revised Command and Control Structure, the revised schedule of Board and Committee meetings, the continuation of the variation to Standing Orders and the approval of the Transformation Steering Group. http://www.wales.nhs.uk/sitesplus/documents/862/Item%201.6%20Maintaining%20Good%20Governance%20COVID-19.pdf.

Figure 1: BOARD AND COMMITTEE STRUCTURE



The Board

The Board's constitution complies with the Local Health Board (Constitution, Membership and Procedures) (Wales) Regulations 2009. The Board functions as a corporate decision-making body. Executive Directors and Independent Members are full and equal members and share corporate responsibility for all the decisions of the Board. Details of those who sit on the Board are published on our website at: https://hduhb.nhs.wales/about-us/your-health-board/board-members/. Further information is also provided in the Directors' Report.

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.

The Board consists of 20 voting members including the Chair, Vice Chair and Chief Executive. In addition to responsibilities and accountabilities set out in the terms and conditions of appointment, Board members also fulfil a number of Champion roles where they act as ambassadors for these matters such as carers and older people. The Board and Committee Membership and Champion roles during 2019/20 is included as Appendix 1 to this statement.

Following the departure of the previous Chair, Bernardine Rees OBE, due to ill-health, in February 2019, the Vice-Chair, Judith Hardisty assumed the role of Interim Chair. Maria Battle, commenced as Chair permanently in August 2019. Additionally, there was the expected changeover of Independent Members during 2019/20 as tenures come to an end. The Health Board warmly welcomed 2 new Independent Members, Ann Murphy, who replaced Adam Morgan as the Trade Union representative, and Maynard Davies, who replaced David Powell as the Information Technology representative on the Board. The term of three further IMs were extended as was the term of the Associate Board Member appointed to chair the Finance Committee (FC).

There have been changes to the composition of the Executive Team where membership has reduced from 14 to 12. In December 2019, the Turnaround Director, Andrew Carruthers, took up post as the new Executive Director of Operations following the departure of the previous post holder, Joe Teape. The turnaround programme has been incorporated into the portfolio of the Executive Director of Finance. The post of Transformation Director was also disestablished and accountability for the delivery of the Health and Care Strategy and the associated resource (including the Strategic Programme Director and the transformation programme office) was transferred from the Executive Medical Director to the Executive Director of Planning, Performance and Commissioning.

Standing Orders and Scheme of Reservation and Delegation

The Board has approved Standing Orders for the regulation of proceedings and business. They are designed to translate the statutory requirements set out in the LHB (Constitution, Membership and Procedures) (Wales) Regulations 2009 into day to day operating practice, and, together with the adoption of a scheme of matters

reserved to the Board; a scheme of delegation to officers and others; and Standing Financial Instructions, they provide the regulatory framework for the business conduct of the Health Board and define its 'ways of working'. These documents, together with the range of corporate policies set by the Board make up the Governance Framework. These are available on the Health Board's website: https://hduhb.nhs.wales/about-us/governance-arrangements/statutory-committees/

In addition to the annual review of Standing Orders and Standing Financial Instructions that took place in May 2019, the Board approved the WG revised Standing Orders. This included the revised Standing Orders for WHSSC (Welsh Health Specialised Services Committee) and EASC (Emergency Ambulance Services Committee) at its meeting in November 2019.

The Board, subject to any directions that may be made by the Welsh Ministers, is required to make appropriate arrangements for certain functions to be carried out on its behalf so that the day to day business of the Health Board may be carried out effectively, and in a manner that secures the achievement of its aims and objectives. To fulfil this requirement, in alignment with the review of Standing Orders and Committee terms of reference, a detailed review of the Board's Scheme of Reservation and Delegation of Powers was undertaken in November 2019.

As part of its response to COVID-19, the Board agreed in April 2020, its approach to ensuring the appropriate level of Board oversight and scrutiny to discharge its responsibilities effectively, whilst recognising the reality of Executive focus and time constraints. Part of the response is in respect of ways of working, which must adapt continually during such a pandemic; however part of the response required temporary variation from its Standing Orders (SOs) and Reservation and Delegation of Powers. To ensure that the Health Board can facilitate agile decision making and reduce unnecessary bureaucracy, without compromising strong governance, it agreed a temporary variation to parts of the Standing Orders. Further information on these can be accessed in the report to Board http://www.wales.nhs.uk/sitesplus/documents/862/Item%202.2%20Maintaining%20Good%20Governance%20Covid%2019.pdf).

Board and its Committees

In line with Section 2 of the Health Board's Standing Orders which provides that "The Board may and, where directed by the WG, must appoint Committees of the Health Board either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions", the Board has an established committee structure with each Statutory Committee chaired by an Independent Member, with other Committees chaired by an Independent or Associate Member (Finance). On behalf of the Board, they provide scrutiny, development discussions, assessment of current risks and performance monitoring in relation to a wide spectrum of the Health Board's functions and its roles and responsibilities.

The following Board Committees were in place during 2019/20:

- Audit and Risk Assurance Committee (ARAC)
- Business Planning and Performance Assurance Committee (BPPAC)

- Charitable Funds Committee (CFC)
- Quality, Safety and Experience Assurance Committee (QSEAC)
- Finance Committee (FC)
- Mental Health Legislation Assurance Committee MHLAC)
- Primary Care Applications Committee (PCAC)
- Remuneration and Terms of Service Committee (RTSC)
- University Partnership Board (UPB)

The Chair of each Committee reports to the Board on the Committees' activities outlining key risks and highlighting areas which need to be brought to the Board's attention in order to contribute to its assessment of assurance and provide scrutiny against the delivery of objectives. 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. Further, in line with Standing Orders, each Committee has produced an annual report, for 2019/20, setting out a helpful summary of its work.

All Committees have undertaken a review of their Terms of Reference in 2019/20. Copies of Committee papers and minutes, a summary of each Committee's responsibilities and Terms of Reference are available on the Health Board's website: https://hduhb.nhs.wales/about-us/governance-arrangements/statutory-committees/. Each Committee will maintain a Table of Actions that is monitored at meetings.

Each of the main Committees of the Board is supported by an underpinning sub-committee structure reflecting the remit of its roles and responsibilities.

The following table outlines dates of Board and Committee meetings held during 2019/20, with all meetings being quorate:

Meeting										
Month	**Board**	**Audit and& Risk Assurance Committee**	**Business Planning & Performance Assurance Committee**	**Charitable Funds Committee**	**Quality, Safety & Experience Assurance Committee**	**Finance Committee**	**Mental Health Legislation Assurance Committee**	**Primary Care Applications Committee**	**Remuneration & Terms of Service Committee**	**University Partnership Board**
April 2019		23.04.19	30.04.19		04.04.19	25.04.19				
May 2019	29.05.19 30.05.19	07.05.19 29.05.19				20.05.19			20.05.19	29.05.19
June 2019		25.06.19	27.06.19	18.06.19	04.06.19	25.06.19	24.06.19	13.06.19	27.06.19	
July 2019	25.07.19					22.07.19				
August 2019		27.08.19	29.08.19		01.08.19	22.08.19				

September 2019	26.09.19			20.09.19		24.09.19	17.09.19			
October 2019		22.10.19	29.10.19		03.10.19	21.10.19		08.10.19	09.10.19	
November 2019	28.11.19					26.11.19				07.11.19
December 2019		19.12.19	17.12.19	16.12.19	03.12.19	19.12.19	17.12.19			
January 2020	30.01.20					27.01.20		07.01.20	23.01.20	
February 2020		25.02.20	20.02.19		04.02.20					
March 2020	26.03.20			17.03.20		13.03.20				

The Structured Assessment 2019 undertaken by Audit Wales (AW), (known as Wales Audit Office before 1 April 2020), acknowledged that despite a period of change the Board continues to be generally well-run and the quality of scrutiny and challenge remains high. However, at its Board Seminar Session in December 2019, the Board recognised that there are still improvements that need to be made to improve its governance arrangements, and therefore agreed to:

- Strengthen the focus on our core priorities /key issues;
- Improve the focus on delivery;
- Reduce duplication, volume and length of papers whilst improving clarity, focus and quality;
- Reduce the number, length and membership of meetings;
- Improve the visibility of the Executive Team and Independent Members;
- Improve “gatekeeping”/discipline by Committee Chairs and Executive leads; and
- Listen and learn more from patient experience and staff voices.

In January 2020, the Chair proposed a new streamlined Committee structure, which will make governance more enabling and allow increased visibility of Board Members across the Health Board. The new structure will also reduce the number of Committees and moderate membership to a smaller number, with presenters invited to attend for individual items. The Committee structure, approved in January 2020, will be implemented in a phased approach from April 2020 in accordance with new ways of working and agreed variations to Standing Orders as agreed by Board whilst it manages COVID-19 requirements.

Board Activity

As well as meeting in public across the three counties throughout the year, the Board has webcast its meetings (except March 2020) to improve accessibility across a large geographical area. Throughout 2019/20, each meeting held a Public Forum, in which the Chair took questions submitted in advance. However this will be stood down during the COVID-19 pandemic.

It is acknowledged that in these unprecedented times, there are limitations on Boards and Committees being able to physically meet where this is not necessary and can be achieved by other means. In accordance with the Public Bodies (Admissions to Meetings) Act 1960 the organisation is required to meet in public. As

a result of the public health risk linked to the pandemic the UK and WG stopped public gatherings of more than two people and it has therefore not possible to allow the public to attend meetings of our board and committees from March 2020. Recordings of our meetings resumed in May 2020 with the aim to live stream from July 2020. To ensure business was conducted in as open and transparent manner as possible during this time the Board agreed a number of actions at its meetings in April and June 2020 (see above) – the report can be accessed via the following link http://www.wales.nhs.uk/sitesplus/862/page/100005.

An assessment was also made to ensure that decisions were time critical and could not be held over until it is possible to allow members of the public to attend meetings. As the duration of the pandemic and the subsequent measures to be taken to mitigate spread are not yet known it will be necessary to keep this under review.

There is a clear patient and staff centred focus by the Board at the meetings, demonstrated by the presentation of patient and staff stories at the start of each meeting.

Attendance is formally recorded within the minutes, detailing where apologies have been received and deputies have been nominated. The dates, agendas and minutes of all public meetings can be found on our website: http://www.wales.nhs.uk/sitesplus/862/page/40875.

During 2019/20, the Board held:

- 7 meetings in public
- 1 Annual General Meeting
- 6 seminar sessions
- Regular development sessions

All Board meetings held in 2019/20 were quorate. The Board meeting in March 2020 was not held in public, with only a quorum membership to comply with emergency measures for social distancing during the COVID-19 outbreak. Arrangements have now been put in place to hold 'virtual' meetings so that all Board Members can attend, and plans are in place to resume broadcasting live meetings.

The Board has a programme of work which was adapted during the course of the year to respond to emerging events and circumstances. The Board discussed and considered the following items during 2019/20:

ITEMS	Approval	Assurance	Information
Strategic Issues			
Partnership Agreements - Pooled Funding and Ceredigion Community Equipment Services: Section 33 Agreement	✓		
Update provided on virtual pooled funding agreement		✓	

Health and Care Strategy Delivery – update on Establishment of Portfolio of Programmes		✓	
Executive Director of Public Health Annual Report for 2018/19		✓	
Ratify the Single Adult Thoracic Surgery Centre at Morriston Hospital, Swansea	✓		
Development of New Chemotherapy Day Unit at Bronglais General Hospital (BGH)	✓		
Inpatient Malnutrition Business Case	✓		
Implementation and funding requirements of the Major Trauma Network	✓	✓	
Reconfiguration of Sexual Assault Referral Centres (SARCs) across Mid and West Wales	✓		
Health & Care Strategy Update		✓	
BGH: Delivering Excellent Rural Acute Care	✓		
Winter Preparedness 2019/20	✓		
Health & Care Strategy Update		✓	
NHS Delivery Unit (DU) Audit on Primary Mental Health Services for Children and Adolescent Mental Health Services (SCAMHS) report		✓	
Major Trauma Network Update			✓
Three Year Plan including the Financial Plan		✓	
Strategic Equality Plan and Objectives 2020-24	✓		
Delivering the here and now			
The Nurse Staffing Levels (Wales) Act Annual Report 2018/19		✓	
The Evaluation of Unscheduled Care Performance through Winter 2018/19			✓
The Health and Care Standards Fundamentals of Care Annual Report 2018		✓	
Internal Assurance Review of the Quality and Safety of Maternity Services following Recent Independent Review of Maternity Services at the former Cwm Taf University Health Board		✓	
Dental Investment Plan 2019/20 Update		✓	
Healthcare Inspectorate Wales Annual Report 2018/19 Presentation			✓
Primary Care Annual Report 2018/19			✓
Medical Revalidation & Appraisal Annual Report 2018/19			✓
NHS Wales Fighting Fraud Strategy			✓
Implementation of the Quality Improvement Strategic Framework		✓	
Fragility of Mental Health Services		✓	
Influenza Vaccination Improvement Plan 2019/20		✓	
Updated Major Incident Plan 2019/20	✓		
Strategic Equality Plan Annual Report 2018/19		✓	
Healthcare Inspectorate Wales Annual Report 2018/19			✓
Working to Improve the Health of Vulnerable Groups		✓	
Public Service Ombudsman for Wales - Annual Letter 2018/19		✓	
Funded Nursing Care Fees increase 2019/20	✓		
Mid-year Review of the Annual Plan 2019/20		✓	

Health Board's Well-being Objectives Annual Report for 2018/19 and refreshed Well-Being Objectives for 2019/20 and beyond	✓		
Annual Presentation of Nurse Staffing Levels for Wards Covered Under Section 25b of the Nurse Staffing Levels (Wales) Act 2016			✓
Hywel Dda Community Health Council (CHC) Annual Report 2018/19			✓
The Charter for Improving Patient Experience	✓		
Progress against the Winter Plan		✓	
Primary Care Models for Wales Delivery Milestones 2019/20 and 2020/21			✓
Governance			
Committee Annual Reports	✓		
Governance, Leadership and Accountability Standard	✓		
The Annual Quality Statement, Accountability Report, Annual Governance Statement, Annual Accounts, Letter of Representation and AW ISA 260 for submission to WG	✓		
Hywel Dda University Health Board Annual Report for 2018/19	✓		
Standing Orders and Standing Financial Instructions including the revised Standing Orders for WHSSC (Welsh Health Specialised Services Committee) and EASC (Emergency Ambulance Services Committee)	✓		
The Terms of Reference for: o Charitable Funds Committee o Finance Committee o Primary Care Applications Committee o Healthcare Professionals Forum o Health and Care Strategy Delivery Group o Remuneration and Terms of Service Committee	✓		
Amendment of the forecast deficit position from £15m to £25m	✓		
Revised Corporate Scheme of Financial Delegation	✓		
Revised Corporate Governance Structure	✓		
Auditor General for Wales – Annual Audit Report 2019 and Structured Assessment 2019 report		✓	
New governance arrangements relating to the University Partnership Board.	✓		

In addition, the Board regularly undertook the following throughout the year:

- Endorsed the register of sealings, as appropriate;
- Discussed the financial performance and the related risks being managed by the Health Board;
- Received reports on patient experience and feedback, ensuring where concerns were raised that these were escalated to the Board and, where necessary, result in the Board proactively activating agreed multiagency procedures and cooperate fully with partners;
- Discussed the Board's performance in relation to key national and local targets and agreed mitigating actions in response to improve performance where appropriate;

- Received corporate risk reports providing assurance on the management of risks to the achievement of objectives and significant operational risks, and any variances to agreed tolerance levels;
- Received reports from the Chair and Chief Executive;
- Received assurance reports and endorsed any matters arising from the In-Committee Board, Committees, Joint Committees, Advisory Groups and Statutory Partnerships of the Board; and
- Received status reports on consultations that the Health Board has responded to.

Board Development Programme

As the scope of corporate governance has increased in recent years, Boards now play an essential role in implementing high performance organisation principles and practices as part of their corporate governance responsibilities. An effective Board Development Programme is therefore critical in enabling the Board to move towards the wider model of corporate governance which incorporates:

- Monitoring the performance of the organisation and the senior management team;
- Setting organisational goals and developing strategies for their achievement; and
- Being responsive to changing demands, including the prediction and management of risk.

The Health Board has renewed its commitment to Board development during 2019/20 under the leadership of the new Chair. The Health Board has a comprehensive, Board-approved Board Development Programme designed to provide ongoing developmental support. The programme involves separate sessions held for Independent Members and Executive Directors and provides a foundation for continued learning and development. The programme is delivered in-house with support from external providers and subject matter experts.

During 2019/20, there has been limited turnover at Executive and Independent Member level, and transition into roles for new Board Members has been managed through robust induction processes. Independent Members have also taken part in the All Wales induction programme run by Academi Wales.

The revised streamlined structure for the Board and Committee working arrangements, has resulted in revised leadership of key committees to match individual areas of expertise and experience. The Chair and CEO are keen to encourage more Board visibility throughout the organisation and to ensure that the Board continues to listen and learn from front line staff experience. The introduction of Reverse Mentoring for all Board members is an example of how this will be applied in practice, when the Health Board returns to normal business.

A new Executive Director Performance Framework was introduced in 2018/19 to provide clarity on performance expectations and role requirements and Year 2 implementation of this framework has continued in 2019/20. This year performance has centred on a ‘Team Goal’ with each Executive having specific deliverable contributions towards attainment of that goal. Quarterly individual performance

reviews ensure that team progress remains on track. A bespoke development programme is also in place to work through issues of executive team cohesion, effectiveness and performance. Each Executive also has access to Executive coaching support.

The above programme has been supplemented by Board Member participation in the Health Board's Board Seminars which have been held on a regular basis during the year. Board Seminars have provided the Board with an opportunity to receive and discuss subjects/topics which provide additional sources of information and intelligence as part of its assurance framework. This in turn assists with the Board's ability in adequately assessing organisational performance and the quality and safety of services, with sessions held over the year having featured:

- What does the Welsh Health Specialised Services Committee do;
- The Annual Operating Plan 2019/20 Update;
- Healthcare Inspectorate Wales Annual Findings 2018/19;
- Update on the Health Board's Strategy "A Healthier Mid & West Wales";
- Update on the Financial Performance (month 2);
- Public Sector Equality Duty (PSED);
- Communications Update (new Health Board Website);
- Additional Learning Needs and Education Tribunal (Wales) Act 2018;
- The Bevan Commission: driving radical transformation in health and care;
- Adult Thoracic Surgery for South Wales;
- Patient Safety Walkarounds;
- Duty of Candour (Health and Social Care (Quality and Engagement) (Wales) Bill;
- Speaking up Safely;
- Update on Brexit;
- Feedback from AW Structured Assessment 2019;
- Proposed Governance Arrangements;
- Reverse Mentoring;
- Implementation of Community News in Community and Primary Care;
- Transient Ischaemic Attacks (TIA): Our improvement journey;
- Fragility of Services and Winter Planning;
- Update of Integrated Medium Term Plan and Financial Plan;
- Transforming Asthma Care in Hywel Dda: An integrated approach Tywi Taf Respiratory Nurse Role Evaluation Report;
- Emergency Ambulance Services Committee (EASC); and

Board's Self-Assessment of its Effectiveness including the Corporate Governance Code, the Governance, Leadership and Accountability Module

The Board is required to undertake an annual self-assessment of its effectiveness. The Board was presented with the following sources of internal and external assurance and assessments to help it to evaluate its annual effectiveness:

- Feedback from the Joint Executive Team meetings with WG;
- Feedback from the Targetted Intervention meetings with WG;
- Self-assessment against the WG "All Wales Self-Assessment of Current Quality Governance Arrangements" which provided medium assurance. More

information on this can be found in the Quality Governance section of this report;
- AW Structured Assessment;
- Feedback from the Board Committee self-assessment programme. More information on this can be found in the AW Structured Assessment Section of the report; and
- IA Report on the Health and Care Standards. More information on this can be found in the Health and Care Standards section of the report.

In addition to these are the Health Board's assessments of its governance arrangements against the Corporate Governance Codes and the Governance, Leadership and Accountability Standard:

Self-assessment against the Corporate Governance in Central Governance Departments: Code of Good Practice 2017
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 2020 prior to impact of COVID-19 against the main principles as they relate to an NHS public sector organisation in Wales. This assessment was informed by its Quality Governance Assessment, the AW Structured Assessment 2019 and its assessment against Health and Care Standard 1 Governance, Leadership and Accountability Module. The Health Board is satisfied that it is complying with the main principles of, and is conducting its 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, other than those detailed in the 'maintaining Good Governance during COVID-19 paper to Board in April 2020 - http://www.wales.nhs.uk/sitesplus/documents/862/Item%202.2%20Maintaining%20Good%20Governance%20Covid%2019.pdf.

Annual Self-assessment against Health and Care Standard
A self-assessment was undertaken to demonstrate how the Health Board operates in accordance with the following criteria for the standard:
- Health Services demonstrate effective leadership by setting direction, igniting passion, pace and drive, and developing people;
- Strategy is set with a focus on outcomes, and choices based on evidence and people insight. The approach is through collaboration building on common purpose;
- Health services innovate and improve delivery, plan resource and prioritise, develop clear roles, responsibilities and delivery models, and manage performance and value for money; and
- Health Services foster a culture of learning and self-awareness, and personal and professional integrity.

As part of this work, it was envisaged that there would be a focused session at the April 2020 Board Seminar Session to reflect upon and discuss the internal and external assurances collated by the Health Board during 2019/20 and to agree its maturity level as a Board together with the areas of improvement. However, as the Health Board is in unprecedented times due to the current COVID-19 pandemic, the Board Seminar was cancelled and replaced with formal Board meeting to discuss the

Board's arrangements and decision-making in respect of COVID-19. Therefore, discussions were held with Chair and Chief Executive to agree a revised approach to complete this work for the Annual Governance statement 2019/20.

The following maturity level has been proposed, with suggested areas of improvement that will be taken forward when the Health Board returns to normal business.

> *Level 3 - We are developing plans and processes and can demonstrate progress with some of our key areas for improvement.*

Committee Activity

During 2019/20, Board Committees considered and scrutinised a range of reports and issues relevant to the matters delegated to them by the Board. Reports considered by the committees included a range of IA reports, external audit reports and reports from other review and regulatory bodies, such as Healthcare Inspectorate Wales and the Hywel Dda Community Health Council. These reports provided information on the effectiveness of the framework of internal controls and risk management.

The Committees also considered and advised on areas of local and national strategic developments and new policy areas.

Audit and Risk Assurance Committee (ARAC)

The ARAC is an important Committee of the Board in relation to this Annual Governance Statement. On behalf of the Board, it keeps under review the design and adequacy of the Health Board's governance and assurance arrangements and its system of internal control, including risk management. The Committee keeps under review the risk approach of the Health Board and utilises information gathered from the work of the Board, its own work, the work of other Committees and other activity in the organisation in order to advise the Board regarding its conclusions in relation to the effectiveness of the system of governance and control.

In enacting its responsibilities, the ARAC is very clear on its role in seeking assurances, with the assurance function being defined as:

- Reviewing reliable sources of assurance and being satisfied with the course of action; and
- An evaluated opinion, based on evidence gained from review – tends to be based on independent validation, both internal and external.

The Committee is therefore a key source of assurance to the Board that the organisation has effective controls in place to manage the significant risks to achieving its strategic objectives and that controls are operating effectively.

The Committee, through its in-year reporting, has regularly kept the Board informed in respect of the results of its reviews of assurances, together with any exceptional issues. In supporting the Board by critically reviewing governance and assurance processes on which reliance is placed during 2019/20, a summary of the work of,

and key issues considered by, the Committee, on which it has specifically commented in relation to the overall governance of the organisation during the year, is included in the ARAC Annual Report for 2019/20 which can be found in the Statutory Committees section of our website. https://hduhb.nhs.wales/about-us/governance-arrangements/statutory-committees/.

The following issues have been reported to the Board during 2019/20, and the Committee has made recommendations and undertaken further actions in order to seek and provide assurance to Board that issues of concern have been addressed where possible, thus supporting the Health Board's governance and assurance systems:

- Improving compliance of overnight switchboard workers with the European Working Time Directive (EWTD). The introduction of a new switchboard system will resolve this issue.
- Unsatisfactory findings relating to staff morale, clinical engagement and a lack of clarity around ownership identified in the AW Clinical Coding Follow-up Review which the Committee will monitor in 2020/21.
- The pace of progress in respect of the AW NHS Consultant Contract Follow-up Review. Projections of job-planning processes in place up to March 2020 were requested by the Committee and a plan is in place for delivery with regular monitoring. There has been significant improvement in compliance however completion of work has been interrupted by COVID-19.
- The need for increased focus by the Health Board upon findings and actions identified in the AW report: 'What's the Hold Up? Discharging Patients in Wales' and that real change required effective interaction with other bodies to support a whole system/ partnership approach.
- The AW Review of Primary Care Services in Wales and Local Update report was a reminder that there was a requirement for increased focus on primary care at Board level to strengthen services and enable the 'expected shift left' in healthcare services
- The national and local AW Integrated Care Fund (ICF) Reports highlighted to the Board that further work was needed to improve governance in this area.
- The pace of progress against the AW and IA reviews of Operating Theatres specifically in relation to implementing workforce changes to bring the service in line with Agenda for Change rules had led to the Committee agreeing this had moved beyond its remit, with a request that a resolution can be expedited through the Board.
- The pace of delivery against the AW Radiology Review with continued monitoring.
- Reports on progress against outstanding improvement plans relating to the AW Review of Estates 2016 and the IA of Health and Safety 2016 did not provide assurance that outstanding recommendations would be implemented as planned. Further reports were requested with tangible plans.
- Further assurances on the management actions detailed in the IA Water Safety Report and agreed the need for follow-up audits at different sites. Following receipt of a further report on Water Safety – Additional Sampling, the Committee agreed that it would be helpful for the Executive Team to

conduct a full review of the outstanding Estates/IT/Medical Equipment backlog across the Health Board.

- The IA National Standards for Cleaning Follow-up report raised concerns regarding implications for infection control if compliance with cleaning standards was compromised by capital funding and infrastructure restrictions.
- Concerns that the assurance ratings presented in the IA 'Preparedness and Compliance with the Nurse Staffing Act' report did not reflect the position across the whole organisation (while noting substantial work being undertaken within the Health Board to implement the requirements of the Act). Recognising potential risks in terms of the Health Board's ability to recruit sufficient numbers of temporary staff to enable compliance with the Act, the Committee requested that this area be re-audited. The QSEAC to seek assurance where there are shortfalls of staffing.
- Significant shortcomings in priority areas were noted from the findings presented in the IA Consultant and Specialty and Associate Specialist (SAS) Doctors Job Planning Report whilst recognising time pressures linked to achievement of compliance targets (ie. ensuring all Consultants and SAS Doctors have a valid job plan in place by March 2020), Assurances were sought that the delivery approach taken by the Health Board was appropriate, and that there was a Management Action Plan for achievement of 100% compliance for each service area.
- The IA report 'Financial Safeguarding: Maintenance Team Led Work' identified issues that were considered against wider challenges in terms of the Health Board's outstanding Estate and maintenance work, noting the need to expedite maintenance work and revise processes.
- The IA Review of Personal Appraisal Development Review (PADR) Process report identified areas of concern in respect of the PADR compliance and the quality of the documentation, however a follow up review provided a reasonable assurance rating.
- The IA review of the Research and Development (R&D) department provided 'limited' assurance, however the Committee were assured that a number of actions were underway and the department had been subject to an organisational change process which addressed previous structural gaps, together with a number of concerns identified in the report. The Committee requested a further assurance report on the broader R&D position, including recent, current and planned changes, rather than focusing only on the Health Board's response to the findings in the report. This assurance report and a follow up IA review are planned for 2020/21.
- The IA review of the BGH Directorate reported concerns regarding the Directorate's approach to risk targets and tolerance and other issues that the Directorate should have been aware of. A follow up review will be undertaken in 2020/21.
- The number of audit and regulatory reports not completed by agreed dates, as identified in the Central Audit Tracker report led to the ARAC Chair re-issuing his previous letter to Executive Directors regarding late or non-delivery of recommendations from external/internal audit and regulatory reports.
- Concern regarding error rates in Post Payment Verification (PPV), particularly in those GP practices which had received additional training, revisits and support. A further update report was requested and presented to the Committee, leading to a recommendation by Members that PPV issues be

highlighted to Board, given the potential increase in funding allocation within Primary Care and Community sectors with the proposed 'shift to the left' of services.

Other items identified by the Committee as requiring Board attention included:

- The Health Board's recent static performance in terms of meeting WG Response to Concerns times targets, as noted by the Committee in discussion of the Concerns Update report;
- Potential cost to the Health Board associated with invocation of the share agreement applying to the Welsh Risk Pool;
- Findings from the IA Estates Directorate Governance Review, identifying a number of high priority recommendations and issues relating to sickness management, the need for meaningful PADRs and recording of risks on the Risk Register;
- Recognition of the progress and improvements made relating to Clinical Audit;
- The operation of the Primary Care Assurance Committee in accordance with its Terms of Reference and appropriate discharge of its duties.
- Committee assurance regarding the adequacy of current arrangements and proposed steps to improve arrangements relating to declaring, registering and handling interests;
- Committee recommendation to Board of the revised version of Health Board's Standing Orders (SOs) and Standing Financial Instructions, including SOs for Welsh Health Specialised Services Committee (WHSSC) and Emergency Ambulance Services Committee (EASC) (Emergency Ambulance Services Committee);
- All documentation relating to year end was approved by the Board at its meeting held 29th May 2019;
- Committee agreement (subject to Executive Team approval) that outstanding actions highlighted in the Scrutiny of Outstanding Improvement Plans: Royal College of Paediatrics & Child Health report should be included within the Health Board's overall service development, to be monitored by ARAC, rather than being progressed as a discrete workstream.
- Implementation of all recommendations from the 2017 Structured Assessment.

An overview of the other Board Committees is provided below, with the key areas of focus in 2019/20 of these Committees provided in their Annual Reports that can be found on the Statutory Committees section of our website.
https://hduhb.nhs.wales/about-us/governance-arrangements/statutory-committees/

Business Planning and Performance Assurance Committee

The purpose of the BPPAC is to assure the Board that the planning cycle is being taken forward and implemented in accordance with Health Board and WG requirements, guidance and timescales; that all plans put forward for the approval of the Health Board for improving the local population's health and developing and delivering high-quality, safe and sustainable services to patients, and the implementation of change, are consistent with the Board's overall strategic direction and any requirements and standards set for NHS bodies in Wales; and that

wherever possible, Health Board plans are aligned with partnership plans developed with Local Authorities, Universities, Collaboratives, Alliances and other key partners.

In respect it performance role, BPPAC provides assurance that the data on which performance is assessed is reliable and of high quality and that any issues relating to data accuracy are addressed; provides support to the Board in its role of scrutinising performance and assurance on overall performance and delivery against Health Board plans and objectives, including delivery of Tier 1 targets, giving early warning on potential performance issues and making recommendations for action to continuously improve the performance of the organisation and, as required, focus in detail on specific issues where performance is showing deterioration or there are issues of concern; and provides assurance on the management of principle risks within the Board Assurance Framework (BAF) and Corporate Risk Register (CRR) allocated to the Committee and its Sub-Committees, reporting any areas of significant concern and recommending acceptance of risks that cannot be brought within the Health Board's risk appetite/tolerance to the Board through the Committee Update Report.

Charitable Funds Committee (CFC)

The Committee is charged with providing assurance to the Board in its role as corporate trustees of the charitable funds 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.

Finance Committee (FC)

The purpose of the FC is to provide scrutiny and oversight of financial and the revenue consequences of investment planning (both short term and in relation to longer term sustainability), review (and report to the Board) financial performance and any areas of financial concern, conduct detailed scrutiny of all aspects of financial performance, the financial implications of major business cases, projects, and proposed investment decisions on behalf of the Board; regularly review contracts with key delivery partners, and provide assurance on financial performance and delivery against Health Board financial plans and objectives and, on financial control, give early warning on potential performance issues and making recommendations for action to continuously improve the financial position of the organisation, focusing in detail on specific issues where financial performance is showing deterioration or there are areas of concern. AW recognised in Structured Assessment 2019, the improved scrutiny through the FC with an increased focus on the longer term.

Mental Health Legislation Assurance Committee (MHLAC)

The purpose of the MHLAC is to assure 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 Committee will also advise the

Board of any areas of concern in relation to compliance with mental health legislation and agree issues to be escalated to the Board with recommendations for action.

Primary Care Applications Committee (PCAC)

The purpose of this Committee is to determine the Primary Care contractual matters on behalf of the Board, and in accordance with the appropriate NHS regulations. It also discusses matters relating to GP branch closures, opening hours and border change applications, Community Pharmacy opening hours and ownership applications and dental contractual changes and the issuing of remedial and breach notices. Furthermore, it has been a useful forum for discussing primary care estates developments and priorities as well as broader GP sustainability issues.

Quality, Safety and Experience Assurance Committee

The Committee is responsible for providing evidence based and timely advice to the Board to assist it in discharging its functions and meeting its responsibilities with regard to the quality and safety of health care and services provided and secured by the HB. It also has the role of providing assurance to the Board in relation to the HB's arrangements for safeguarding vulnerable people, children & young people and improving the quality and safety of health care to meet the requirement and standards determined for the NHS in Wales. In 2019/20, the Health Board continued to strengthen quality governance arrangements.

University Partnership Board (UPB)

The UBP is a formal partnership arrangement between the Health Board and its University partners. It is a creative hub that drives and monitors developments in the three domains of Research and Innovation, Workforce and Organisational Development and Collaborative Partnerships, and provides assurance to 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 which are:

- The Stakeholder Reference Group (SRG)
- The Staff Partnership Forum (SPF) and
- The Healthcare Professionals' Forum (HPF)

Matters that have been brought to the attention and dealt with by the Board have been outlined in appendix 2, however each Advisory Group has produced an annual report, for 2019/20 setting out a helpful summary of its work.

Stakeholder Reference Group (SRG)

The Group 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. In January 2020, the SRG chair, Hilary Jones, stood down and deputising arrangements are in place whilst a new Chair is being recruited.

The Staff Partnership Forum (SPF)

The Forum is responsible for engaging with staff organisations on key issues facing the Health Board and met regularly during the year. 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.

The Healthcare Professionals' Forum (HPF)

The Forum should comprise 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.

Other Committees of the Board

Matters that have been brought to the attention of the Board for the Committees below can be found on our website within our Board papers via the following link http://www.wales.nhs.uk/sitesplus/862/page/40875.

Welsh Health Specialised Services Committee (WHSSC) & Emergency Ambulance Services Committee (EASC)

The Welsh Health Specialised Services Committee (WHSSC) and the Emergency Ambulance Services Committee (EASC) are statutory joint committees of the seven local health boards. They were established under the Welsh Health Specialised Services Committee (Wales) Directions 2009 (2009/35) and 2014 (2014/9 (w.9)) (the WHSSC Directions) and the Emergency Ambulance Services Committee (Wales) Directions 2014 (2014/8 (W.8)) (the EASC Directions).

The WHSSC was established in April 2010 and is responsible for the joint planning and commissioning of over £500m of specialised and tertiary health care services on an all Wales basis.

The EASC was established in April 2014 and is responsible for the joint planning and commissioning of circa £155m of emergency ambulance services, including Emergency Medical Retrieval & Transfer Service (EMRTS) on an all Wales basis and commissioning Non-Emergency Patient Transport Services (NEPTS).

The Chief Executive represents the Health Board at both these Committees and a summary of key matters and decisions is reported to the Board following each meeting.

NHS Wales Shared Services Partnership Committee

A NHS Wales Shared Services Partnership Committee (NWSSPC) has been established under Velindre NHS Trust which is responsible for exercising shared services functions including the management and provision of Shared Services to the NHS in Wales.

The Executive Director of Finance represents the Health Board at this Committee and a summary of key matters and decisions is reported to the Board following each meeting. More information on the governance and hosting arrangements of the WHSCC, EASC and NWSSPC can be found in the Health Board's Standing Orders in the Statutory Committees section of our website: https://hduhb.nhs.wales/about-us/governance-arrangements/statutory-committees/.

NHS Wales Collaborative Leadership Forum (CLF)

The NHS Wales Collaborative Leadership Forum (CLF) was constituted in December 2016. As the responsible governance group for the NHS Wales Health Collaborative it has been established to agree areas of service delivery where cross-boundary planning and joint solutions are likely to generate system improvement.

The forum also considers the best way to take forward any work directly commissioned by WG from Health Boards and Trusts as a collective; and provides a vehicle for oversight and assurance back to WG as required. Assurance is given to individual Boards by providing full scrutiny of proposals.

Mid Wales Joint Committee for Health and Social Care (MWJC)

In March 2018, the Mid Wales Healthcare Collaborative transitioned to the Mid Wales Joint Committee for Health and Social Care whose role is to have a strengthened approach to planning and delivery of health and care services across Mid Wales and will support organisations in embedding collaborative working within their planning and implementation arrangements.

Joint Regional Planning and Delivery Committee (JRPDC)

The Joint Regional Planning & Delivery Committee (JRPDC) was established as a Joint Committee of Swansea Bay (formally Abertawe Bro Morgannwg) and Hywel Dda University Health Boards and constituted from 24 May 2017 to provide joint leadership for the regional planning, commissioning and delivery of services for Swansea Bay and Hywel Dda University Health Boards.

In January 2020, the Board agreed to disestablish the JRPDC, given the new confidence in the work to date as expressed by Andrew Goodall, Chief Executive, NHS Wales, subject to formal approval from the Minister for Health and Social Services.

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 (the Act) 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 Public Services Boards 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. Papers for each PSB can be accessed via the following links:

Carmarthenshire PSB
Ceredigion PSB

Pembrokeshire PSB

Each PSB has published its well-being assessment and has a well-being plan that can be accessed through the following links:

Carmarthenshire Well-Being Plan
Ceredigion Well-Being Plan
Pembrokeshire Well-Being Plan

West Wales Regional Partnership Board

Regional Partnership Boards (RPB), based on LHB footprints, became a legislative requirement under Part 9 of the Social Services and Wellbeing (Wales) Act 2014 (SSWBWA). Their core remit is to promote and drive the transformation and integration of health and social care within their areas.

In 2019/20, the RPB extended its membership to include housing and education representatives to enable it to respond to the requirements within revised regulations for Part 9 of the SSWBWA.

AW reported in their review of the Integrated Care Fund that there were weaknesses in the governance arrangements surrounding the RPB, these have not yet been fully addressed. Whilst an Integrated Executive Group comprising the Health Board's Executive Director of Operations, Executive Medical Director, Executive Director of Public Health, Director of Primary Care, Community and Long-Term Care and Director of Partnerships and Corporate Services, alongside the three Directors of Social Services and a Chief Officer from the third sector is in now in place, the membership does not include the directors of planning and finance. A new Regional Leadership Group to provide overall strategic direction has not yet been established and will be reviewed in 2020/21.

Throughout 2019/20, progress has been made in relation to each of the Healthier West Wales programmes funded through the WG's Transformation Fund. Regular updates on delivery of the RPB programmes are provided to the Health and Care Strategy Delivery Group and the Transforming Our Communities Programme Group.

Alongside the Transformation Fund programmes, the RPB also oversees delivery of a range of schemes funded through the Integrated Care Fund (ICF) across the region. The revenue programme totals just over £11m and supports a range of initiatives aimed at older people, children with complex needs, children on the edge of care, learning disabilities, dementia and carers. This sits alongside a Main Capital programme which has a three year span to March 2021 and a value of £12m. This is being deployed on a range of schemes addressing identified priorities of reablement, children and families (complex needs and parent and baby support) and learning disabilities/ mental health and will result in local and regional centres supporting a consistent regional service model for each client group.

Several schemes within the ICF Capital programme have been paused and funds totalling £8m have been diverted to meet design, build and restoration costs of the 9 field hospital sites (7 field hospitals) across the region. ICF revenue programmes for 2020-21 are being reviewed to optimise impact of existing programmes on the

COVID-19 response and identify opportunities for diverting funding to specific COVID-19 related schemes where necessary

In January 2020, the Children's Commissioner for Wales attended the meeting to discuss her aspirations for raising the profile of children's issues with Health Boards and defining a clearer role for them in promoting joined up services for children, particularly in respect of mental health and learning disabilities. The Commissioner highlighted effective collaborative working in West Wales although it was acknowledged that achieving consistency of provision across the disparate region remained a challenge, however the active engagement with Dream Team in the regional learning disability programme was commended.

Collaborative Working between the PSBs and RPB

There have also been meetings between the PSBs and RPB to explore opportunities to work together on shared priorities. There are also clear links between the PSBs and various proposals within the regional Transformation Bid - A Healthier West Wales. There are a number of agreed areas for joint working between RPBs and PSBs, as follows:

- Technology-Enabled Care (TEC);
- Continuous engagement;
- Social and green solutions for health; and
- Connecting people, kind communities

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 2020 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. 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 on page 18 of this statement. 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.

The Health Board recognises that scrutiny has a pivotal role in promoting improvement, efficiency and collaboration across the whole range of its activities and in holding those responsible for delivering services to account. The role of scrutiny remains important during the COVID-19 pandemic, when the Health Board is continuing to respond to the challenge of its targeted intervention status whilst also

forging ahead with its long term Health and Care Strategy. The responsibility for maintaining internal control and risk management systems rests with management. The Board reinforced this in April 2020 when it agreed its approach to risk management and the management of recommendations from auditors, inspectors and regulators. These reports can be found in the April Board papers on our website via the following link http://www.wales.nhs.uk/sitesplus/862/page/100799.

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 risks and operational risks within their portfolios.

The Health Board's lead for risk is the Board Secretary, who has responsibility for leading on the design, development and implementation of the Board Assurance Framework (BAF) and Risk Management Framework. The AW have consistently reported through the Structured Assessment process, that the Health Board has a well-developed BAF.

Over the past year, we have continued to embed our approach to risk management to ensure that risk management activities add value and informs decision-making and priorities for the Health Board.

Risk Management Framework

The Health Board's Risk Management Framework 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 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 Health Board. It clarifies roles and responsibilities, communication and reporting lines whilst also outlining the other components, such as the risk strategy and the risk protocols which make up the Health Board's Risk Management Framework.

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.

The Health Board has a Risk Management Strategy in place, however this has not been reviewed since 2015. The Health Board has focussed on strengthening risk management arrangements, culture and attitude to risk however developing a new risk management strategy is a key priority in the year ahead.

The Health Board has developed 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, whose role it is to embed the Health Board's risk management framework and process, and facilitate a risk aware culture across the organisation through new business partnering arrangements which were introduced in 2019/20.

Risk Management Process

The Health Board's Risk Management Framework is built around and supports the 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.

Risks are identified in a bottom-up and top-down approach throughout the Health Board. Each Corporate and Clinical 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.

It is the responsibility of Executive Directors to put forward significant operational risks from their Directorate to be collectively agreed by the Executive Team for entry onto the Corporate Risk Register (CRR). It is also the responsibility of Executive Directors to identify principal risks associated with the delivery of the Health Board's objectives for inclusion onto the BAF and CRR. AW reported in Structured Assessment 2019 that the Health Board's BAF clearly set out the controls in place, the sources of assurance, where gaps in assurance exist and performance indicators which are used to measure progress. Work will continue in 2020/21 to further strengthen the BAF to better support the implementation of our strategy and provide the Board with assurance on the achievement of our objectives.

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.

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.

Management are held to account on the effective and efficient management of risks through the Executive Team Performance Reviews. Risks are also aligned to the Health Board's assurance committee structure whose role it is to provide assurance to the Board that risks are being managed appropriately.

The Board receives the CRR/BAF twice a year, however each risk has been mapped to a Board level committee to ensure that principal risks are being managed appropriately, taking into account the gaps, planned actions and agreed tolerances, and to provide assurance to the Board, through their update report, on the management of these risks. Each risk on the CRR/BAF is presented to the Board and its Committees as a risk on a page, which includes a visual representation of the level of risk over a defined reporting period.

Risk Appetite

The 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 risk appetite 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: http://www.wales.nhs.uk/sitesplus/documents/862/Item%205.4%20Board%20Assurance%20Framework%2C%20Corporate%20Risk%20Register%20and%20Risk%20Appetite.pdf.

In May 2019, the Board, following recommendation from BPPAC agreed to 'accept' the Health Board would only be able to reduce 5 specific risks to the stated target risk score acknowledging that these would remain above the Health Board agreed tolerance level unless there were significant changes in resources or circumstances.

Risk tolerance levels have been added to our risk management system and risks above tolerance are reported and challenged at Executive Performance Reviews and through the assurance committee structure.

The Health Board's risk appetite will be reviewed in quarter 4 of 2020/21, to ensure it remains aligned to the Health Board's objectives and its capacity to manage risk, particularly whilst the Health Board manages the COVID-19 pandemic.

Risk Profile

Delivering healthcare through our current clinical model in a large, rural geographical area presents significant financial, service, workforce and quality challenges to the Health Board. The majority of the Health Board's risks relate to fragile services, poor patient flows, poor environments and aging equipment mainly as a result of staffing and funding (capital and revenue) challenges.

Whilst risk management should be iterative, dynamic and responsive, the Health Board acknowledges that given its financial constraints, it does not have sufficient capacity to manage all its risks to within its agreed tolerance level. Many services have long term risks associated with quality, safety and business continuity that arise from local and national workforce challenges, environment constraints and financial limitations.

The most significant of these risks were included on the CRR, as agreed by the Executive Team, and were presented to the Board twice in 2019/20. As of 31st March 2020, there were 26 principal risks, which were above the Health Board's risk tolerance. The Corporate Risk Report can be viewed via the following link: http://www.wales.nhs.uk/sitesplus/862/page/100557.

The Heat Map below presents the Health Board's principal risks (by their internal reference number) in respect of their likelihood and impact as at the end of March 2020:

HYWEL DDA RISK HEAT MAP					
	LIKELIHOOD →				
IMPACT ↓	RARE 1	UNLIKELY 2	POSSIBLE 3	LIKELY 4	ALMOST CERTAIN 5
CATASTROPHIC 5		634	813 117 129	810 730 245	
MAJOR 4			451 295 44 91 750 646	624 628 371 291 632 686 718 735 684 627	
MODERATE 3			633	733 635	
MINOR 2					
NEGLIGIBLE 1					

Further information on the top principal risks in 2019/20 (those that have risk score of 15 or over) can be found in the March 2020 Board papers http://www.wales.nhs.uk/sitesplus/862/page/100557, or at Appendix 3.

During 2019/20, 14 principal risks were closed or de-escalated from the BAF/CRR. These can be found at Appendix 4.

Approach to Managing Risks during COVID-19

In 2019/20, following a recommendation from BPPAC, the Board accepted that due to the delay of the publication of the Cabinet Office review, the Health Board was unable to update its pandemic influenza response framework and associated plan to be in line with latest government guidance, and therefore accepted that it would not be able to reduce this risk to within its agreed tolerance level. This risk has in effect materialised as the Health Board plans and prepares to deal with the current COVID-19 pandemic is being reviewed.

As previously highlighted the need to plan and respond to the COVID-19 pandemic presented a number of challenges to the organisation. A number of new and emerging risks where identified. Whilst the organisation did have a major incident and business continuity plan in place, as required by the Civil Contingencies Act 2004, the scale and impact of the pandemic has been unprecedented. Significant action has been taken at a national and local level to prepare and respond to the likely impact on the organisation and population. This has also involved working in partnership on the multi-agency response as a key member of the Strategic Co-ordination Group. There does remain a level of uncertainty about the overall impact this will have on the immediate and longer term delivery of services by the organisation, although I am confident that all appropriate action has been taken. The principal risks that have been identified in respect of the emerging COVID-19 pandemic are:

- The Health Board's response to COVID-19 will be insufficient to address peak in demand terms of bed space, workforce and equipment/consumables;
- The Health Board's response proves to be larger than needed for actual demand;
- The Health Board's normal business will not be given sufficient focus; and
- The funding costs to address the Health Board response to COVID-19 may exceed the available funding.

Mitigation is detailed in the attached report to the Board in April 2020 http://www.wales.nhs.uk/sitesplus/documents/862/Item%203.1%20Responding%20to%20the%20COVID-19%20Pandemic.pdf.

In addition to the risks arising as a result of the COVID-19 pandemic there are other risks facing the organisation. Some of these risks will have been exacerbated as a result of the COVID-19 response. In April 2020, the Board also agreed its approach to the management of operational and principal risks during the COVID-19 pandemic, as well as agreeing to review their appetite and tolerance to risk during this period. This is detailed in the following paper http://www.wales.nhs.uk/sitesplus/documents/862/Item%203.4%20Management%20

of%20Operational%20and%20Corporate%20Risks%20during%20the%20Covid-19%20Pandemic.pdf.

THE CONTROL FRAMEWORK

In addition to the Board and Committee arrangements detailed within this document, the key elements of the Control Framework are detailed in this section.

Strategy

In November 2018, the Health Board approved its 10 year Health and Care Strategy 'A Healthier Mid and West Wales: Our Future Generations Living Well' which sets the strategic direction for delivering care that is 'safe, sustainable, accessible and kind'.

Improved health and wellbeing is a cornerstone of the strategy, signalling a move away from a reactive care system that responds to illness and toward a pro-active population health system that promotes staying well. Accordingly, the strategy sets out our 20-year vision for the future, a co-created vision developed from the three Public Services Boards' wellbeing plans, as follows:

> "Our shared vision is a mid and west Wales where individuals, communities and the environments they live, play and work in are adaptive, connected and mutually supportive. This means people are resilient and resourceful and enabled to live joyful, healthy and purposeful lives with a strong sense of belonging."

The Health Board's Strategy was developed following extensive stakeholder consultation 'Our Big NHS Change' and has people and communities at its heart. It will deliver whole system change to realise our population health ambitions, and signals a fundamental shift from our current emphasis on hospitals to a focus on working in partnership with people and communities to keep people well in or close to their own homes.

Our health and care strategy signals transformational change across the whole system and states our commitment to a parity of esteem between physical health, mental health and learning disabilities across the age span. To deliver the strategy, in March 2019, the Board agreed to establish three director led, interconnected, change programmes as follows:

- Transforming our Communities
- Transforming our Hospitals
- Transforming Mental Health and Learning Disabilities

Delivery of these programmes will be detailed through our annual planning process and included in our future annual and 3 year plans.

Integrated Medium Term Plan (IMTP)

The National Health Service Finance (Wales) Act 2014 came into effect on 1 April 2014 and places two financial duties upon Local Health Boards.

These duties are:

- A duty under section 175(1) to ensure that its expenditure does not exceed the aggregate of funding allotted to it over a period of three years; and
- A duty under section 175(2A) to prepare and obtain approval from the Welsh Ministers for a plan which achieves the first duty above, while also improving the health of the people for whom the Health Board is responsible and improving the healthcare provided to them.

At its meeting in March 2019, the Board agreed to submit an 'draft interim' Annual Plan for 2019/20, which concentrated on finance, performance, service change and quality, noting the WG expectation that the Health Board should submit an annual plan for 2019/20 as opposed to a 3 year IMTP for 2019/22. The status of 'draft interim' was used as the 2019/20 annual plan did not fulfil the statutory duty to demonstrate financial balance, therefore the Board could not formally approve the Plan prior to submission to WG. To this end, a formal accountability letter to WG was submitted that supported this understanding.

The Annual Plan for 2019/20 set out our priorities for the year with a particular focus on the following areas:

- Performance improvement through holding waiting time performance for medical and surgical treatments, cancer, stroke, and mental health services, and through improvement service developments in the community and primary care, help us to deliver improvements to unscheduled care, in particular accident and emergency (A&E) waiting times performance, improving discharge and reducing unnecessary hospital admissions and length of stay (LOS);
- Finance through delivery of an agreed and improved financial position, with robust turnaround actions and plans;
- Quality through defined quality and patient pathway improvement plans which progress our 5 quality goals;
- Service Change through the development of our population health, primary and community services in line with 'A Healthier Wales'; and finally,
- Our alignment to the key Cabinet Secretary and WG priorities of the NHS Wales Planning Framework 2019/22.

During 2019/20, the BPPAC received quarterly updates on progress against the 2019/20 Annual Plan. As part of the report each plan was RAG (risk) rated for the quarter, as well as detailing the change from the previous quarter, to provide the BPPAC with a level of assurance that actions were being met and that plans were being delivered. Detailed information can be obtained within the BPPAC papers (for Quarters 1, 3 and 4) and in Board Papers (for Quarter 2) (available on the Health Board's website the link http://www.wales.nhs.uk/sitesplus/documents/862/Item%205.6%20Mid%20Year%20Review%20of%20the%20Annual%20Plan%202019-20.pdf) and in the performance section of the Annual Report. At the end of quarter 3 (quarter 4 monitoring was suspended due to COVID-19), of the of the 34 Action Plans, none were RAG rated as red; 22 were RAG rated as Amber; and 12 were RAG rated as Green.

In addition, WG received quarterly monitoring reports which comprised two sections;

- Specific issues relating to the University Health Board, noted as being areas of risk requiring distinct focus in the short and medium term to meet core expectations of delivery;
- General accountability conditions (applicable to all health boards).

In addition, the Finance Committee received monthly financial performance reports reporting on financial position to date against the Annual Plan and the control total requirements, to assess the key projections and risks for the financial year. These reports are available under the Finance Committee section of the Health Board website http://www.wales.nhs.uk/sitesplus/862/page/97375. The Board, also receives reports on financial performance, at each meeting, as well as, a report from the Finance Committee, whose role is to advise the Board on all aspects of finance and the revenue implications of investment decisions.

The Annual Plan for 2019/20 outlined an initial deficit control total of £29.8m, which included a recurring £27m funding allocation from WG in recognition of its demographic challenges. WG subsequently provided conditional additional funding of £10 million and set a control total of £15m. At month 7, the Health Board forecast that it would not be able to meet this control total, and revised the end of year forecast to a deficit of £25m, which was £10m higher than the control total requirement of £15m. This was due to the cumulative financial position to date and the anticipated continuation of cost pressures, in addition to which the savings requirement for the year was not expected to be fully identified. Operational cost pressures also manifested primarily within unscheduled care, especially in the latter part of the year; alongside other risks such as the closure of the aseptic unit and the management of commissioned solutions. Primary care prescribing also caused significant pressures across Wales.

Therefore for the period 2019/20, the Health Board did not meet its financial duty to not exceed the aggregate of funding allotted to it over a period of three years. The Health Board had a deficit position of £69.4m in 2017/18, £35.4m in 2018/19 and £34.9m in 2019/20. Improvements in financial control, alongside the financial recognition of the Health Board's demographic challenges in 2018/19 have contributed to a reduction year on year in the Health Board's in year deficit position.

The Health Board was also unable to meet its statutory duty to prepare and submit an IMTP that was approved by Welsh Ministers for the financial year 2019/20, as required by the National Health Service Finance (Wales) Act 2014.

During 2019/20, the Health Board acknowledged that whilst it would not be in a position to submit an IMTP for 2020/23 given the current financial position and three year forecast, it still intended to submit a 3 year plan for 2020/23, which outlined the first 3 years of our Health and Care strategy, incorporating a robust and detailed Annual Plan focusing on 2020/21 actions. The accountability letter to WG in December 2019 outlined that the plan would be based on the following objectives, agreed by the Board as essential in addressing all of our current challenges, whilst progressing our Health and Care Strategy:

- Stabilising and improving our unscheduled care system;
- Progressing our Health and Care Strategy ('A Healthier Mid & West Wales – Our Future Generations Living Well') and managing the transitional years - demonstrable "shift left" – population health and community/primary care development;
- Strengthening and developing the organisation and supporting the front line;
- Maintaining performance and improving productivity and efficiency; and the
- Financial and Workforce Plans to support the above, including any impact likely to be on implementation timescales.

However, in March 2020, the WG took the unprecedented decision to pause the IMTP and annual plan process to enable NHS Wales organisations to focus their attention on the immediate planning and preparations to deal with the COVID-19 pandemic, advising that the planning process would be restarted at more appropriate time. Nonetheless the Health Board Three Year Plan for 2020/23 incorporating our Annual Plan 2020/21 was approved for submission at our Public Board on 26th March 2020. However, the Annual Plan was also developed prior to the current situation which we are currently in with regards to COVID-19, and in-light of the WG notification of March 2020, we will use it as the baseline for further planning moving forwards. We will continue to work with WG through our on-going engagement meetings to understand the implications of COVID-19 management on the plan delivery.

External Finance Review

During 2019/20, WG commissioned an external finance review to validate the financial baseline and identify drivers of the underlying financial deficit; the current financial plan for 2019/20 and ability to deliver the £25m control total; the opportunities to improve the deficit for 2019/20 and to achieve financial sustainability; and the financial governance and structure of Health Board. This was a valuable review and the Finance Committee will ensure focus is on the identification of efficiencies, and providing assurance to the Board that the findings in the report are acted on.

Working with partners

The Health Board is committed to developing strong partnerships with our patients, public, stakeholders and partner organisations from the statutory, voluntary and independent sector. Partnership working, whether internally amongst our own directorates and teams or externally with other agencies, can play a vital role in maximising health and well-being outcomes for our population.

Our strategic partnership focus is on facilitating and supporting collaboration and integration of services, both internally and externally, by:

- Nurturing relationships with key strategic partnerships to drive needs-led, outcome focussed planning, activity and participation;
- Ensuring alignment between well-being plans and strategies between the health board and partners;
- Leading corporate planning and commissioning of information, advice and assistance for unpaid carers to meet their needs in an equitable way across our area;

- Leading and supporting and contributing to a range of multi-agency projects for vulnerable groups in order to create a pace of change and support service improvement;
- Delivering publication of the Health Board's Well-being Objectives and Annual Report; and
- Providing a range of awareness raising opportunities and targeted training to increase staff knowledge, understanding and competency in key legislative responsibilities and how to provide equitable services and inclusive working environment.

As an organisation, we recognise that although delivering services through partners can bring significant benefits and innovation there is less direct control than delivering them alone. It is essential that partnership agreements are underpinned by robust governance arrangements including appropriate reporting mechanisms.

The SSWBWA 2014 and the Well-being of Future Generations (Wales) Act 2015 provide complimentary legal frameworks that include arrangements to support partnership working. The West Wales RPB is driving the integration of health and social services to plan and ensure the delivery of integrated, innovative services to best meet the needs of people with needs for care and support. Our three PSBs sitting at local authority area level involve a broader range of partners working strategically at the wider economic, social, environmental and cultural well-being of the area. Aligning governance across statutory organisations including that of the West Wales RPB has been strengthened in order to ensure appropriate accountability and facilitated joint decision making.

As the Health Board continues to work increasingly in partnership to deliver its strategic aims, objectives and priorities, it is essential that arrangements continue to be underpinned by robust governance arrangements, including appropriate reporting mechanisms, in order that the Board has a clear approach to its partnership work. If such arrangements are not in place, governance arrangements can become diluted, and the Board will not receive the assurances it requires regarding the quality, safety and efficacy of services delivered. This is particularly important where partnerships are focused on some of our most vulnerable patient groups, and where there needs to be both a trust and confidence in the arrangements in place.

The Health Board's Partnership Governance Framework, based on a Toolkit approach provides guidance and support to all those involved in partnership working in conjunction with key stakeholders, in adopting a consistent approach for the governance of partnerships. Where possible, all existing partnerships and collaborations of which the Health Board is aware, continue to be mapped to the Health Board's internal governance structure in terms of its assurance, operational and strategic arms. This ensures that any decisions or directions of travel that are being proposed in partnership can be tracked and agreed through the Health Board's existing governance arrangements. Regular review of partnership risks enables an understanding of both the risks to the Partnership objectives, their impact on the Health Board's objectives and its reputation, feeding the partnership risk registers and inclusion on the Health Board's corporate risk register, as appropriate.

Building upon the value of the Partnership Governance Framework, significant progress has been made in the development of an International Partnership Framework, however this was not approved by the Board pending legal advice. This maximises the development of robust governance regarding current and future international health partnerships, and the subsequent engagement in initiatives, demonstrating the Health Board's commitment to the Charter for International Health Partnerships in Wales, and enhancing opportunities and benefits for staff, the wider population and wider organisations, as well as for our international partners and their beneficiaries.

In November 2019, the UPB agreed revised governance arrangements under the auspices of a University Partnership Group (UPG), to meet on a bi-annual basis with each university and Pembrokeshire College to scope areas of mutually beneficial activities, building on their unique strengths to improve services to the population of Hywel Dda. These areas of work will culminate in an annual meeting or workshop event bringing together the products of the joint work taken place throughout the year.

Organisational Structure

The Health Board has organisational arrangements in place to help it deliver its strategy and objectives. For 2019/20, the Chief Executive agreed objectives with members of the Executive Team, which have been monitored throughout the year, as well as undertaking a programme of team development to strengthen and improve cohesion and working together. These objectives were included within the Health Board's schemes of reservation of powers and delegation of powers which also detail key responsibilities and accountabilities of the Executive Team.

During 2019/20, there have been some changes to the Executive Team which has allowed the team to be streamlined from 14 members to 12. The Turnaround Director and Transformation Director posts were disestablished. Dr Phil Kloer took on the Deputy Chief Executive role in addition to his post as Executive Medical Director. The Executive Director of Planning, Performance and Commissioning took on accountability for the delivery of the Health and Care Strategy and the associated resource (including the Strategic Programme Director and the transformation programme office).

Performance Management/New Operating Model

In 2019/20 delivery against the Health Board's annual plan has been managed through the Executive Team Performance Reviews (ETPR), BPPAC and reported to Board. The ETPRs are held fortnightly with service leads who are also scrutinised on performance for other key elements including management of risk, workforce (through sickness, staff appraisals and core skills targets), management of incidents, complaints, locums and agency usage, delivery against local and national targets, compliance with audits and inspections findings and information governance requirements. The ETPRs enhance the Executive Team's understanding, monitoring and assessment of the Health Board's quality and performance, enabling appropriate action to be taken when performance against set targets deteriorates.

The Board and BPPAC are presented at each of their meetings with an Integrated Performance Assurance Report (IPAR) that provides assurance on the most recent

outturn position for key deliverable areas with these reports clearly highlighting where improvements are needed. Exception reports are provided within the IPAR for deteriorating targets to provide additional information on why the situation has occurred, what actions are being taken to improve and when the target is likely to be met. Supporting documents including run charts and a series of performance dashboards are also provided.

As a result of COVID-19, in March 2020, many internal processes for assurance, performance management and financial turnaround were scaled down or suspended. This included internal Holding to Account meetings, regular ETPR of directorates and internal audit activity.

In February 2020, work began to review the Performance Management Assurance Framework (PMAF) with the intention to move into a new operating model that would be structured around the annual plan actions, closely linked to risk and performance management, and which would incorporate AW Structured Assessment 2019 feedback. The COVID-19 pandemic meant the work was put on hold for the latter part of 2019/20. However, when capacity is available, this work will continue in 2020/21.

QUALITY GOVERNANCE ARRANGEMENTS

The Health Board has a structure in place for quality governance lead by the Executive Director of Nursing, Quality and Patient Experience. In line with Standing Orders, the Board has established a Committee to cover the quality and safety business of the Board. This Committee holds Executive Directors to account and seeks assurance, on behalf of the Board, that it is meeting its responsibilities in respect of the quality and safety of healthcare services.

In June 2019, the AW published its review of operational quality and safety arrangements in Hywel Dda which concluded that while the Health Board has some good quality and safety arrangements at directorate level, supported by developing corporate arrangements, these were not consistent and the flow of assurance from directorates to the Board were not as effective as they could be. Strengthening these arrangements was a key focus of work during 2019/20 which has resulted in the Board approving a streamlined governance structure to be implemented from 1 April 2020, following the appointment of the new Executive Director of Operations. Further work on standardising reporting to improve consistency through the quality and safety governance structure will be undertaken in 2020/21.

Organisational Quality Arrangements

The Executive Director of Therapies and Health Science, Executive Medical Director and Executive Director of Nursing, Quality and Patient Experience are all jointly accountable for quality and safety, and jointly provide this assurance through QSEAC and directly to Board. The Quality and Safety, Experience and Improvement teams are line managed by the Executive Director of Nursing, Quality and Patient Experience; however the deployment of this resource supports the organisation multi-professionally in matters relating to quality and safety.

The job descriptions of senior clinical leadership positions all include responsibility for quality and safety, and it is therefore made clear that this is a core part of their role.

In year, the Health Board has strengthened the quality and safety arrangements with the appointment of a Head of Quality and Governance, an Associate Medical Director for Quality and Safety, a Deputy Medical Director for Primary Care (with responsibility for quality and safety), a Clinical Director for Therapies and a Head of Clinical Engineering. The Deputy Medical Director and Associate Medical Director posts aims to strengthen medical leadership particularly in relation to quality and patient safety. The Associate Medical Director for Quality and Safety works closely with equivalent roles in Executive Director of Nursing, Quality and Patient Safety and Executive Director of Therapies and Health Science teams.

Each directorate/locality has a Triumvirate Team with joint responsibility for quality and patient safety. The Head of Nursing and Clinical Director work closely to ensure that the quality and patient safety agenda is considered at the directorate level. The Health Board demonstrated its commitment to improving quality arrangements by agreeing additional resources were also allocated to the Patient Experience and Legal and Redress Team and the Quality Improvement Team in 2019/20. The Assurance, Safety and Improvement Team are developing a business partner model which will be implemented early 2020.

Annual Quality Statement

Each year we are required to publish an Annual Quality Statement. It provides an opportunity for the Health Board to publically share the good practice and initiatives being taken forward, as well as confirming what went well and what not so well and the actions being taken as a result. Each year it brings together a summary highlighting how the organisation is striving to continuously improve the quality of all the services it provides and commissions in order to drive both improvements in population health and the quality and safety of healthcare services.

The Annual Quality Statement provides the opportunity for the Board to routinely:

- assess how well they are doing across all services, including community, primary care and those where other sectors are engaged in providing services, including the third sector;
- identify good practice to share and spread more widely;
- identify areas that need improvement;
- track progress, year on year; and
- account to the public and other stakeholders on the quality of its services and improvements made.

The Annual Quality Statement will be published by November 2020 alongside the Annual Report and Accounts.

All-Wales Self-Assessments of Current Quality Governance Arrangements

In 2019/20, the Minister for Health and Social Services requested that all Health Boards and NHS Trusts in Wales assess themselves against the recommendations of the Healthcare Inspectorate Wales (HIW) and the AW review titled ‘A review of

quality governance arrangements at Cwm Taf Morgannwg University Health Board', and provide plans for future review of their arrangements and/or the necessary action to be undertaken.

This assessment was included in the Chair's report to the Board in January 2020, and provided 'medium' level of assurance on the current quality governance arrangements in the Health Board. Planned work to address areas of improvement were also outlined in the self-assessment which can be accessed in the January 2020 Board paper via the following link http://www.wales.nhs.uk/sitesplus/documents/862/Item%203.5%20Report%20of%20the%20Chair4.pdf.

Internal Assurance Review of Quality and Safety of Maternity Services in Hywel Dda

During 2019/20, the Executive Director of Nursing, Quality and Patient Experience also led an internal assurance review of quality and safety of maternity services in Hywel Dda following the publication of the independent review of maternity services at the former Cwm Taf University Health Board, undertaken by the Royal College of Obstetricians and Gynaecology (RCOG).

The internal assurance review commended in particular the robust leadership within the maternity services teams in both hospital and community settings within Hywel Dda as staff work together as multi-disciplinary teams and responded extremely positively to the issues identified. It has been the responsibility of the QSEAC to ensure that any areas of improvement have been addressed and that associated risks were mitigated.

Healthcare Inspectorate Wales (HIW) have undertaken three unannounced visits to maternity services at Glangwili General Hospital (GGH) and BGH, and the WGH Freestanding Midwifery Led Unit between October and December 2019. There were no issues or concerns raised regarding the governance structure within Hywel Dda when benchmarked against the national standards and the concerns that were highlighted within the 2019 Cwm Taf report.

There was excellent feedback from patient experience with all staff being described as "kind and caring" and always "professional", with some operational improvements recommended. HIW will be reviewing all Health Boards in Wales to review leadership, management structure and specialist midwifery positions within each Health Board. This review was scheduled to take place in March 2020 however was postponed due to the COVID-19 outbreak.

Health and Care standards

The Health and Care Standards (HCS) set out the WG's common framework of standards to support the NHS and partner organisations in providing effective, timely and quality services across all healthcare settings. They set out what the people of Wales can expect when they access health services and what part they themselves can play in promoting their own health and wellbeing. They set out the expectations for services and organisations, whether they provide or commission services for their local citizens.

The HCS came into force from 1 April 2015 and incorporate a revision of the 'Doing Well, Doing Better: Standards for Health Services in Wales (2010)' and the 'Fundamentals of Care Standards (2003)'. The HCS have seven themes and have been designed in order that they can be implemented in all health care services, settings and locations. They establish a basis for improving the quality and safety of healthcare services by providing a framework. Key objectives from each service should be considered in relation to HCS.

The HCS are intrinsic in the day to day business of the Health Board. However, there is a recognition that the understanding of how the standards fit across the Health Board is inconsistent.

The Health Board developed a model for the self-assessment against the HCS in 2018/2019, and a staged assessment process was undertaken involving Executive Directors and lead officers for each standard, as well as aligning each standard to appropriate assurance committee. A HCS assurance matrix was developed to capture this information which has been populated with a narrative corporate self-assessment, with each standard being linked to responsible assurance committees.

The HCS are firmly embedded within the Health Board and can be demonstrated in a number of ways:

- Quality Dashboard reported quarterly under HCS domains;
- All Board and Committee reports are linked to HCS;
- IPAR reported on alternative month to either Board or BPPAC under HCS domains;
- Annual Quality Statement reported under HCS domains; and
- Fundamental of Care Audits.

A review of the Health and Care Standards was completed by IA in April 2020 in line with the IA Plan 2019/20 to establish whether the Health Board had adequate procedures in place to ensure, and monitor, effective utilisation of the standards to improve clinical quality and patient experience. IA awarded a 'reasonable' assurance rating and confirmed that the Health Board had further developed its processes to assess the utilisation of Health and Care Standards (HCS) in order to improve the quality and safety of services through the use of the assurance and scrutiny framework, and added that the HCS were fully embedded into day-to-day

practices. HCS assurance matrices provide a consistent approach for capturing evidence of the HCS being embedded across service areas.

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. Any unannounced hospital inspections and any special themed reviews undertaken during the year were reported to the QSEAC and any matters for concern escalated accordingly. The outcomes of any such reviews and any emanating improvement plans are discussed with any lessons learnt shared throughout the Health Board. In 2020/21, the Health Board will have a new Listening and Learning from Events Sub-Committee in place that will ensure themes and learning from HIW inspections will be shared across the organisation. The establishment of this Sub-Committee was delayed due to the organisational focus on responding to COVID-19.

All HIW reports, including the improvement plans, are presented to QSEAC, with an update on progress to date on the implementation of the recommendations within the reports. This includes any inspections of acute hospitals and mental health and learning disabilities facilities, GP and Dental practices and any incidents involving Ionising radiation (IR(ME)R). Services are held to account on the implementation of the recommendations through the Executive Performance Reviews. The Committee is also informed of any immediate assurance letters received by the Health Board.

During the year, HIW had undertaken 13 inspections across acute, mental health and community services within the Health Board, as well as a number of thematic reviews the details of which are shown in Appendix 5. The key messages emanating from the inspections were that, overall, patients reported they were happy with the care they received with it being evidenced that patients were treated with dignity and respect. The work also highlighted some issues requiring further action and where issues had been identified, the Health Board had generally responded soundly with improvement plans being completed and submitted in a timely manner.

Mortality Reviews

Mortality is one of the indicators used to measure quality of care, however the dimensions of health service quality include safety, patient centred care, timeliness, equity, effectiveness and efficiency. Mortality information needs to be considered within this context and alongside other information about service quality including other outcome data, harm, patient satisfaction and experience information, access information and measures of end of life care, etc.

The Board receives a regular report as part of the IPAR on the mortality key indicators. The targets are:

- Mortality reviews should be undertaken within 28 days (stage 1 – Universal Mortality Reviews)
- 12 month improvement on:
    - Crude mortality rate for persons under 75 years old;
    - Deaths within 30 days of emergency admission for a heart attack (patients aged 35 to 74);
    - Deaths within 30 days of emergency admission for a stroke; and

- Deaths within 30 days of emergency admission for a hip fracture.

In 2019/20, IA undertook a review of the adequacy of the systems and processes in place within the Health Board for the completion of mortality reviews and to establish if the appropriate level of mortality reviews were being completed for all deaths within the Health Board. A 'reasonable' assurance rating was awarded with IA advising that positive progress had been made since the instigation of the Universal Mortality Review process in 2018, which has significantly improved the timeliness of reviews. The average monthly percentage of completed mortality reviews has increased and is close to reaching the mandated target of 95% of Stage 1 reviews being completed within 28 days of an inpatient death.

Mortality information is regularly reported at Directorate and Health Board level and monthly returns are provided to the WG. The Mortality Scrutiny Group closely monitors the performance of each Directorate, with any variations analysed and remedial actions taken to make improvements. However, one high priority finding was identified in regard of the lack of reviewing the quality of mortality reviews in the Stage 2 process and subsequent sharing of lessons learned and outcomes with the Mortality Scrutiny Group.

Board to Floor Visits

Board to Floor visits are just one of a number of mechanisms adopted by Hywel Dda to ensure a triangulated approach towards patient safety, quality, improvement, culture and engagement. Engagement at Board level demonstrates a strong commitment to a patient safety culture within the organisation. Board to Floor visits with Board Member involvement are a useful tool to connect senior leaders with those working on the front line. This process supports Board visibility and approachability at frontline service level (clinical and indirect service provision), educating senior leaders about safety issues and to signal to the front line workers that senior leaders are committed to and see it as part of their role in the development of the organisational safety culture.

In total Quarter 1, 2 and 3 of 2019/20, 13 Board to floor visits were undertaken across Hywel Dda, with reports of the challenges and good practice reported to the QSEAC. The Board to Floor visits are welcomed at all levels:

> *"I found the process very rewarding to put the spotlight on good practice and promote it. It was also a good opportunity to discuss the problems with the Board Members that the clinical areas encounter".*
>
> *"Very proud to hear the ideas from staff to improve the services and from patients how the kindness, the care and compassion is exceptional. The meeting gave me an opportunity to thank the staff first hand"*

Charter for Improving Patient Experience

In January 2020, the Board approved its Charter for Improving Patient Experience which clearly sets out what patients, families and carers can expect when receiving services from the Health Board.

The Charter will inform the Health Board's patient experience programme, individual service plans for patient experience, and integration of patient experience feedback into service planning and improvement. The programme for 2020/21 includes training on the Charter and 'customer care and communication skills' for all staff members; expansion of the 'Friends and Family Test'/service user feedback system to all areas of the Health Board, increasing the ways in which feedback can be provided to include a number of surveys in ward, clinic and outpatient areas and providing patient experience ambassador training. This feedback will be presented to the Board on a regular basis and utilised by individual service areas to improve user experiences.

Quality Improvement Framework

The Health Board has an agreed Quality Improvement Framework (QIF) supported by an Ensuring Quality Improvement Programme (EQIiP). The EQIiP is a collaborative training programme for front line staff designed to increase improvement capacity and capability across the Health Board through training, education and coaching support for teams working on a real work problem.

Eleven teams have participated in the first programme which has been independently evaluated by Swansea University through funding from Improvement Cymru. Examples of the eleven projects include:

- NEWS is the community;
- Reduction in unwarranted pathology tests;
- Transient Ischaemic Attack (TIA);
- Surgical skills training;
- Shared Care Model; and
- Delirium in ICU.

The Transient Ischaemic Attack Project which focused on reducing the waiting time for patients referred as an outpatient with suspected TIA, earlier diagnosis, prevention, advice and treatment won an award for their poster at the Improvement Cymru National Conference in December 2019.

Prior to the COVID-19 pandemic, the Health Board had committed to running two further EQIiPs in 2020/21. 20 submissions had been received for a ten team programme. This commitment may need to be reviewed during 2020/21 as services experience increasing capacity pressures as a result of the COVID-19 pandemic.

Formal Quality Panels

Formal Quality Panels are held when a potential issue or concern is identified through triangulation of quality data including incidents, patient experience, and staff experience. For example a service may be asked to attend a panel to discuss a cluster of incidents. The purpose of the panel is to give the clinical Executive Directors an opportunity to discuss the issue with the service/directorate management team and to identify possible solutions or areas where support can be provided.

The meetings are scheduled monthly or more frequently if required. The focus for the next meeting will be agreed with the clinical Executive Directors and will depend on what potential issues or concerns are arising.

Weekly “Hot and Happening” meetings are held with the clinical Executive Directors and representatives from quality assurance and safety to discuss any “hot” issues arising in the week prior to the meeting. The item to be discussed at the next Formal Quality Panel maybe identified at the weekly meeting.

OTHER CONTROL FRAMEWORK ELEMENTS

Counter Fraud

In line with the NHS Protect Fraud, Bribery and Corruption Standards for NHS Bodies (Wales), the Local Counter Fraud Specialist (LCFS) and Executive Director of Finance agreed at the beginning of the financial year, a work plan for 2019/20. This was approved by the ARAC in April 2019.

The work plan for 2019/20 was completed and covered all the requirements under WG directions. The Counter Fraud Service provided regular reports to the ARAC throughout 2019/20.

The NHS Counter Fraud Authority (formerly NHS Protect) provides national leadership for all NHS counter fraud, bribery and corruption work and is responsible for strategic and operational matters relating to it. A key part of this function is to quality assure the delivery of anti-fraud, bribery and corruption work with stakeholders to ensure that the highest standards are consistently applied.

The Board Secretary is the Health Board’s champion for counter fraud.

Post Payment Verification (PPV)

In accordance with the WG directions the Post Payment Verification (PPV) Department (a role undertaken for the Health Board by the NHS Wales Shared Services Partnership) role is to review claims submitted by contractors in General Medical Services (GMS), General Ophthalmic Services (GOS) and General Pharmaceutical Services (GPS).

Counter Fraud have undertaken continued monitoring of the PPV reports with the relevant Primary Care Lead officers. Effective working links have been established and Counter Fraud have been influential in the development of a PPV / Counter Fraud trends analysis group, where review of compliance levels can be addressed and action plans considered. This is supported with a quarterly meeting with the PPV officers for the Health Board area and PPV attendance at Health Board ARAC meetings where they provide an annual report of their activities and a forward work plan.

Equality, Diversity and Human Rights

The Health Board is 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 our 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 our communities. This means thinking about people as individuals and taking a person centred approach, so that we treat everyone fairly, with integrity, dignity and respect, whatever their background and beliefs.

Control measures are in place to ensure that the organisation's obligations under equality, diversity and human rights legislation are complied with. The Health Board's Diversity and Inclusion team help the organisation translate equality and human rights policy into practical actions to effect a positive influence on staff and patient experience. There is proactive engagement and partnerships with staff and the public, in order to help eliminate discrimination, advance equality and enhance understanding between different groups.

Examples of key highlights for 2019/20 include:

- "This is Me Conference" – On 4 July 2019, the Health Board held its first ever conference for staff, in collaboration with Swansea Bay University Health Board, themed around diversity and inclusion in the workplace. Hosted by the Strategic Partnerships, Diversity and Inclusion team, it was held at the National Botanic Gardens of Wales and included a range of in-house and external speakers. The purpose of the conference was to raise awareness of the diversity of staff across the two organisations, to illustrate the benefits of a diverse workforce and the importance of breaking down barriers and supporting staff to be the best they can be;
- Attracting a Diverse Workforce - The Health Board launched some specific recruitment campaigns to promote diversity and inclusion which included the "I am..." recruitment campaign in Autumn 2019 showcasing staff with a range of characteristics including protected characteristics to demonstrate the diversity of the health board and encourage a broad diversity of staff to apply for posts. This can accessed via the following link https://www.youtube.com/watch?v=wq-HIOThZtc;
- Sensory Loss Awareness - Sensory loss awareness sessions were held across the Health Board during Sensory Loss Awareness month, which included demonstrations of equipment and personal stories relayed by guide dog users;
- Sharing Good Practice - A veterans' needs assessment developed and carried out by the Health Board has been adapted for use as an all Wales resource; and
- Equality Impact Assessment - During 2019/20, the Health Board undertook 145 Equality Impact Assessments, including 14 directly or indirectly associated with service change. The Health Board is committed to conducting appropriate equality impact assessments, closely linked with our commitment towards continuous engagement.

Our Strategic Equality Plan sets out the context in which our strategic equality objectives sit and outlines what we intend to do to meet our duties under the Equality Act 2010 over the next four years.

Our 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 Wellbeing (Wales) Act 2014.

For more information visit http://www.wales.nhs.uk/sitesplus/862/page/61233.

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 in to 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 with regard to 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 also 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.

Emergency Preparedness/Civil Contingencies

The Health Board has a well-established Major Incident Plan which is reviewed and ratified by the Board on an annual basis. The Major Incident Plan meets the requirements of all relevant guidance and has been consulted upon by partner agencies and assurance reviewed by the WG's Health Emergency Planning Unit. This Plan, together with our other associated emergency plans, detail our response to a variety of situations and how we meet the statutory duties and compliance with the Civil Contingencies Act 2004.

Within the Act, the Health Board is classified as a Category One responder to emergencies. This means that in partnership with the Local Authorities, Emergency Services, Natural Resources Wales and other NHS Bodies, including Public Health Wales, we are the first line of response in any emergency affecting our population. In order to prepare for such events, local risks are assessed and used to inform emergency planning.

We continue to ensure that our Executive Directors are appropriately skilled to lead the strategic level response to any major incident via Gold Command Training with additional senior managers/nurses trained in tactical and operational major incident response.

The Health Board is also represented on the multi-agency Dyfed Powys Local Resilience Forum, (LRF) which sits at the apex of Dyfed Powys's local civil protection arrangements. Its overall purpose is to ensure that there is an appropriate level of preparedness to enable an effective multi-agency response to emergencies which may have a significant impact on the communities of Dyfed Powys. A number of working groups and standing sub groups have been formed to assist the LRF to meet its requirements under the Civil Contingencies Act.

The risk of severe weather is one such example, which has undertaken a robust risk assessment process based on the UK National Risk and Threat Assessment which identifies risks and threats across our community and rates them according to a number of factors to give a risk score (low, medium, high, very high) and a preparedness rating.

The Severe Weather Group focuses on responses to Flooding, Severe Winter Weather, Heat Wave and Drought events and the effects of climate change underpins this work. The Dyfed Powys LRF Severe Weather Arrangements Plan was first developed in 2011 and is now reviewed on a biennial basis.

The LRF also publishes a Community Risk Register – https://www.dyfed-powys.police.uk/en/about-us/our-policies-and-procedures/planning-for-major-incidents/ - which highlights the effects of climate change and informs the public about the potential risks we face such as pandemic influenza, transport & industrial incidents and flooding/severe weather events and encourages them to be better prepared. As part of the LRF we also work as a core partner to train and exercise staff to ensure preparedness for emergency situations.

During 2019/20, key achievements include:

- Annual review of our Major Incident response arrangements, referencing the Mass Casualty Incident Arrangements for NHS Wales;
- Ongoing progress on Business Continuity development and review across the HB, including significant planning for the consequences of no-deal Brexit;
- Preparations for COVID-19 pandemic.

Members also noted the approach taken by the organisation in terms of the use of business continuity planning for all contingency arrangements in the event of a no-deal Brexit scenario.

COVID-19

Towards the end of the reporting period, the Health Board started to work with local, regional and national partners to prepare for the COVID-19 pandemic. The welfare and well-being of our patients and staff are our top priority and all resources are being targeted towards dealing with this pandemic challenge. As previously highlighted the need to plan and respond to the COVID-19 pandemic presented a number of challenges to the organisation. A number of new and emerging risks were identified. Whilst the organisation did have a major incident and business continuity plan in place, as required by the Civil Contingencies Act 2004, the scale and impact of the pandemic has been unprecedented. Significant action has been taken at a national and local level to prepare and respond to the likely impact on the organisation and population. This has also involved working in partnership on the multi-agency response as a key member of the Strategic Co-ordination Group. There does remain a level of uncertainty about the overall impact this will have on the immediate and longer term delivery of services by the organisation.

The organisation continues to work closely with a wide range of partners, including the Welsh Government as it continues with its response, and planning into the recovery phase. It will be necessary to ensure this is underpinned by robust risk

management arrangements and the ability to identify, assess and mitigate risks which may impact on the ability of the organisation to achieve their strategic objectives.

Based on guidance from WG, our response to the COVID-19 pandemic can be summarised into 7 key areas:

1. Suspension of all non-urgent elective activity across the Health Board.
2. From Board level down, many internal processes for assurance, performance management and financial turnaround have been scaled down or suspended.
3. External performance review processes, reviews by inspectorates/regulators and external audits have similarly been scaled back or suspended.
4. A number of workforce procedures have been changed, suspended or significantly scaled back to rapidly recruit the staff needed to support our response.
5. Establishing field hospital provision in 9 locations (2 co-located) across the 3 counties to accommodate the additional 1400 beds that may be required based on planning assumptions.
6. Each of the existing hospitals has undertaken significant work over the last month to reconfigure themselves in order to respond to COVID-19. Each has divided itself into COVID and non-COVID areas with separate Emergency Department entrances.
7. All staff have been categorised according to their roles into front line (including front line support functions) and those who can work from home to avoid unnecessary travel wherever possible.

Although decisions on the clinical model will in practice need to be made rapidly by the newly established command and control structure, there are decisions that cannot be formally delegated. Therefore, the Board will need to be kept informed of changes that are being made and either approve these, or ratify them, and therefore will meet on a monthly basis during the pandemic to aid this process. The command and control structure must at all times continue to work within the Board approved Standing Orders and Standing Financial Instructions and refer appropriate decisions to the Board for approval and ratification.

At its Board meeting in May 2020, the Health Board reported that it had under reported death data for the Hywel Dda area for approximately the previous month. This data is used primarily as surveillance data by Public Health Wales to assess trends. The under reporting by Hwyel Dda was equated to approximately 1 additional death for Wales per day which would not have materially changed these assessments but importance of ensuring deaths are properly and accurately reported has been reinforced with clinical teams.

Brexit

In 2019/20, there was a high level of uncertainty about the future of the relationship between the UK and the European Union (EU). The Health Board spent much of the year continuing to prepare for a no-deal Brexit situation with the UK and Welsh Governments, the LRFs and other health and social care organisations across Wales, to ensure that patients and services would not be affected. Whilst the UK formally left the EU on 31 January 2020, there remains uncertainty about what the future relationship will look like, which will need to be worked out during the transition

period which will come to an end on 31 December 2020. Therefore planning and continuity arrangements will continue through the Health Board's Brexit Steering Group, to ensure services are protected, as much as possible, from any disruption. Areas of work will include medicines management, procurement and workforce, amongst others.

Prior to COVID-19, the Health Board planned to undertake a review of the political situation, including trade deals, and whether the implementation period will be extended beyond 31 December 2020, to ensure the highest level of preparedness.

Tuberculosis (TB) Outbreak

During 2019/20, the Health Board also continued to manage a localised outbreak of TB in the community. This involved a screening programme to identify any current active TB and latent TB cases in the local population in order that affected individuals could be treated. The Health Board's response plan included dedicated TB clinics being held for patients that required further investigation and the treatment of patients identified with latent TB, a BCG vaccination programme for individuals under the age of 35 with negative results, and a phase 2 targeted screening exercise. The Health Board established an operational group, chaired by the Executive Director of Public Health, engaged with the Outbreak Control Team, to direct and manage the delivery of the management programme and use of resources.

Health and Safety

As part of a national programme of inspections for 2019/20, the Health and Safety Executive (HSE) attended Health Board between 2 and 11 July 2019 with the targeted intention of examining the management arrangements for violence and aggression, musculoskeletal disorders (MSDs) and asbestos in selected clinical and non-clinical areas. Whilst the HSE found some areas of good practice, they also found evidence of contraventions of health and safety law and subsequently issued 8 Enforcement Notices and 13 other Material Breaches. These required the Health Board to take action to ensure that it is managing health and safety more effectively and complying with the law by 1 May 2020. This date has since been extended to 31 July 2020 in light of COVID-19.

The Health Board has provided the HSE with an updated action plan to evidence the positive progress made to date, however progress in some areas, such as violence and aggression training, has stalled due the social distancing requirements associated with COVID-19.

The Health Board has established a new Health and Safety Assurance Committee which reports directly to the Board, to demonstrate its commitment to improving health and safety for it patients, staff and visitors. This Committee will provide assurance to Board on the work undertaken towards compliance with the notices.

Fire Safety

During 2019/20, Mid and West Wales Fire and Rescue Service (MWWFRS) issued the Health Board with 7 Enforcement Notices for WGH, St Caradogs, St Non's (Secure EMI unit)/ St Brynach's (Day Hospital) / Bro Cerwyn (Offices), Llys Stephen , Tenby Cottage Hospital and South Pembrokeshire Hospital. The Health Board

continues to work with MWWFRS to address the findings, with extensions for some works agreed due to COVID-19. The new Health and Safety Assurance Committee will seek assurance on behalf of the Board to ensure that work is undertaken towards compliance with the notices.

Environment, Sustainability and Carbon Reduction

The Health Board has continued to drive performance in key areas over the last year including waste, energy and transport. This has involved a focus on robust data reporting, energy efficiency projects, recycling and reuse schemes and the expansion of a fuel efficient pool car fleet.

In terms of waste disposal, the Health Board continues to identify ways to reduce the waste we send to landfill, recycle wherever possible and reuse resources to avoid unnecessary purchases. For example, the Health Board are signed up to 'Warp it', an online platform for reuse of furniture and equipment, and have also rolled out source segregation (segregation of different types of solid waste at the location they are generated) on a number of our acute sites which has boosted our recycling rate. To date, over 955 staff have committed to reusing no longer needed items, avoiding waste disposal of nearly 42 tonnes and preventing 165 tonnes of CO_2 emissions.

Expenditure on utilities has increased due mainly to the impact of volatile energy markets and poor performance of Biomass and CHP (combined heat and power). Corresponding CO_2 emissions have declined, as grid electricity becomes greener. The first of a number of proposed schemes the Health Board has delivered this year to reduce its carbon footprint and contribute to WG's 2030 net carbon neutral ambition is the installation of roof mounted Photovoltaic Panels (PV) across two community sites, with another to follow. In total, the three schemes are estimated to save approximately 77,379 Kwh of electricity and £12.5K per annum. Carbon savings from these projects are expected to be approx. 76 tCO_2e over the life time of the project (8 years). The Health Board plan to deliver further roof mounted PV scheme and LED lighting projects on another four community sites in 20/21, along with a ground mounted solar farm project.

The Health Board's Energy Performance Contract with Centrica, which is in its fifth year, continues to deliver guaranteed annual savings and carbon reduction. Since its commencement in 2015, a total reduction in carbon emissions of circa 13,500 tonnes has been achieved.

Water costs have decreased by 11% this year primarily due to rates being reduced by 2.5% and measures introduced by through the Aquafund scheme. Water consumption has decreased by 2.5%. Over the last year, the Health Board has appointed a specialist contractor who has been reviewing water consumption, leaks, metering infrastructure and tariffs as well as implementing water efficiency measures such as urinal controls. To date, this has saved the Health Board circa £53k, 47,000M^3 and 22.5tCO_2e. From the revenue returned to the AquaFund Scheme, by saving water, they donate 1% of the value of the saving to Water Aid. Through this initiative the Health Board has helped transform lives in rural Mozambique, by bringing fresh water to 49,072 people.

The Environmental Team has continued to maintain the Environmental Management System in line with the ISO 14001 Environmental standard, including the production of annual objectives and targets and presenting a management review of performance via formal committee. The Health Board is well placed to achieve the new ISO standard in 2020/21.

There has been a growing focus on the use of green space at our sites via staff led projects in order to benefit the natural environment and the wellbeing of patients and staff. Examples include a grant funded initiative at WGH to renovate a court yard for our staff, and a planned 'Magnificent Meadows project' which is focusing on a managed approach to leaving areas of grassland on the site grow wild to encourage biodiversity. Plans are also in place to renovate the dementia garden in PPH, which is being re-designed to improve the outdoor space for patients and to encourage biodiversity as part of a capital scheme.

The Health Board is required to publish an annual Sustainability Report which includes data on key metrics including utility, waste, transport and environmental management information. The sustainability report for the period 2019/20 will be available in 2020/21.

The Health Board has 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

Information Governance (IG)

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

- An Information Governance Sub Committee (IGSC), whose role it is to support and drive the broad information governance (IG) agenda and provide the Health Board with the assurance that effective IG best practice mechanisms 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 organisations 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 and a programme of compiling a full asset register for the Health Board is underway and due to be completed by December 2020.

The Health Board has 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 information governance practices are evidenced by:

- Bi-monthly reports to the IGSC, including key performance indicators;
- A detailed operational General Data Protection Regulations (GDPR) 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 biannual 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 IG 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
- The IGSC Chair's assurance report taken to BPPAC and to the Board following all IGSC's meetings.

The National Intelligent Integrated Audit Solution (NIIAS) that audits staff access to patient records has been fully implemented within the Health Board 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.

The Health Board is in the process of undertaking a full review of its position against the Caldicott Principles into Practice Assessment (CPIP). Although this year's submission has been delayed due to the COVID-19 pandemic, it is anticipated the assessment will demonstrate a good level of assurance of information governance risks, as in the previous year. This will be the last CPIP submission as in 2020/21, it will be replaced by the new All Wales Information Governance Toolkit Framework.

Data Security

The Health Board has adopted and implemented a robust procedure for managing IG incidents across the organisation that ensures incidents are reported in line with statutory requirements and lessons are learnt to improve future practice. The Health Board has had contact with the Information Commissioner's Office (the ICO) in relation to 5 incidents during the year. The incidents fell into three broad categories:

- Loss of information in transit;

- Information sent to another individual in error; and
- Health records accessed by unauthorised individual.

The ICO has closed 4 of the above cases and was satisfied with the preventative and follow up action taken by the Health Board, with no fines or enforcement notices issued. One case is currently open and the Health Board is awaiting the ICO's response. The Health Board was not the data controller for 2 of these incidents, and reports were made as the breaches were brought to Health Board's attention.

Towards to end of 2019/20, IA undertook an Information Management and Technology (IM&T) Assurance follow-up audit to determine the status of previously agreed recommendations arising from the following prior IM&T assurance audits which included:

- IM&T/PC/Laptop Security Arrangements Follow-Up (February 2019);
- IM&T Directorate Review (January 2019);
- IM&T Security Policy & Procedures Follow-Up (August 2018); and
- Procurement and Disposal of IT Assets Follow-Up (November 2018).

A 'reasonable' assurance rating was awarded in the follow up review as of the 14 recommendations that were previously agreed by management, 11 (79%) recommendations were implemented, 1 (7%) was partially implemented and 2 (14%) remain outstanding. The 3 outstanding recommendations are high priority recommendations that the Health Board is still working to implement.

Ministerial Directions

The WG has issued a number of Non-Statutory Instruments during 2019/20. Details of these and a record of any ministerial directions given is available on the following link: https://gov.wales/publications.

A schedule of the directions, outlining the actions required and the Health Board's 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 the Health Board was not impeded by any significant issues in implementing the actions required as has been the situation in previous years. All of the Directions issued have been fully considered and where appropriate implemented.

In respect of the Ministerial Direction issued in December 2019 regarding the NHS Pension Tax Proposal 2019 to 2020, the Health Board has made all reasonable endeavours to comply with the Direction. We are not aware that any of our staff members have elected onto the 'Scheme Pays Scheme' and no benefits have otherwise been provided to staff impacted by the pension tax change. This will be reviewed in October 2020 when individuals receive their pension letters.

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.

Following receipt, these are assigned to a lead Director who is responsible for the implementation of required actions. The Health Board has a central system to track progress, which is reported through the Health Board's ETPRs. The Board has designated oversight of this process to Board level Committees, with an end of year report provided to the ARAC.

WHCs published in 2019/20 are on the Welsh Government website.

Audits, Inspections and Reviews

Audits, inspections and reviews play an important independent role in providing the Board with assurance on internal controls, and that systems and processes are sufficiently comprehensive and operating effectively. Therefore it is essential that recommendations from audits, both internal and external, and inspections, are implemented in a timely way.

The Health Board has a robust process in place to track the implementation of all recommendations made from external audits, inspections and reviews, and holding officers to account where outstanding recommendations remain. The Health Board has a tracker that is used to:

- Log all internal and external audits, inspections and reviews in a central repository;
- Detail the Committee that has formally received the report reports have been formally received by the Health Board;
- Identify the lead Director and management lead officer for each report;
- Report progress through the ETPRs; and
- Provide assurance to the ARAC on progress made on implementation of recommendations.

At the February 2020 ARAC meeting, it was reported that there were 101 open reports, with 136 recommendations exceeding their original implementation date. Services and Directorates are challenged for late or non-delivery of recommendations at the ETPR. There is also an escalation processes in place for late and non-delivery of recommendations, whereby the ARAC reserve the right to invite lead Directors and Management Leads to explain reasons behind delays in implementation and the impact to patients. During 2019/20, ARAC have focused on those recommendations where there have been delays in implementation exceeding 6 months.

A strategic log has also been developed to ensure that in instances where the Health Board does not currently have the resources to implement recommendations, these are logged and agreed by the Executive Team to take forward and implement via its strategic and capital plans.

AW reported in the Structured Assessment 2019 that the Health Board continues to have a robust process for tracking recommendations by all regulators and holding officers to account where outstanding recommendations remain.

Towards the end of year, reviews by inspectorates/regulators and external audits have similarly been scaled back or suspended in order to enable the Health Board to focus on the COVID-19 pandemic. However in April 2020 as the Health Board moves out of the planning phase, the Board agreed that it would still expect management to ensure their service is safe and the risk of harm to patients and staff is managed and minimised through the implementation of recommendations from audits, inspections and regulators. This is set out in the following Board paper http://www.wales.nhs.uk/sitesplus/documents/862/Item%203.3%20Management%20of%20Outstanding%20Recommendations%20from%20Auditors%2C%20Inspectorates%20and%20Regulators.pdf.

Legislative Assurance Framework

The legal obligations of the Health Board are wide ranging and complex. In order to provide the Board with a level of assurance of compliance, the Legislative Assurance Framework has been reviewed to focus on those matters that present the highest risk in terms of likelihood and impact of non-compliance. A critical element of compliance is demonstrating the type and level of assurance that is relied upon. The type of assurance relates to the three lines of defence, where first line of assurance is provided by management systems, the second line is provided from oversight and the third line relates to independent and more objective assurance and focuses on the role of internal audit and other external auditors/regulators. The level of assurance follows the internal audit gradings of substantial, reasonable, limited or no assurance.

The framework has been further developed, and now captures:-

- Primary legislation requirement as set out in European law, UK Public Acts or WG measures;
- Relevant Statutory Instruments issued as Regulations and Orders;
- Licences issued by Regulatory Authorities as part of statutory arrangements;
- Summary of requirement;
- Regulatory/monitoring body, where applicable;
- Powers that can be enacted by the Inspectorate/regulatory body;
- Executive and Operational lead arrangements;
- Type of assurance (linked to three lines of defence model);
- Assurance level (this is determined by the appropriate operational lead) and current risk score, if there is limited or no assurance;
- Key controls in place to assist the Health Board in complying with the legislation;
- Date of last inspection and outcome (including actions, where identified); and
- Link to HCS.

This framework does not extend to healthcare professional regulation and certification; neither does it extend to compliance with Alert Notices, which are subject to a separate process.

During 2019/20, Services from across the Health Board were asked to undertake a review of the relevant key laws/legislation (not all legal requirements are included as such a development would require considerable resource) which come under their

remit. Where an assurance rating of 'limited' or 'no assurance' has been given, Services have also undertaken a risk assessment for these areas (if not already in place) to ensure that the impacts are understood and the planned actions detail how risks of limited compliance will be managed/mitigated. Documenting and understanding the level of risk helps to inform Health Board's annual prioritisation process. The LAF enables the Health Board to understand where there are areas of concern and provides a source of information which can be used to triangulate with other sources of information and assurance.

Welsh Language Regulations – The Welsh Language Standards (No.7) Regulations 2018

Effective from 30 May 2019, the Welsh Language Standards replaced the Welsh Language Scheme. The Welsh Language Standards are a set of statutory requirements relevant to the Health Board which clearly identify our responsibilities to provide excellent bilingual services. These can be accessed via the Welsh Language Services section on our website https://hduhb.nhs.wales/healthcare/services-and-teams/welsh-language-services/.

As a Health Board, we are committed not only to comply with the Welsh Language Standards, but to embrace their spirit, and to be the first Health Board where both languages are treated with equal status. Even though we are passionate corporately in terms of delivering our statutory duties, we recognise that the commitment is not always consistent across our sites, and that culture will need to change in order for us to deliver a seamless bilingual service to our service users. In March 2019, the Board approved its Policy Statement on the use of the Welsh Language internally. This Policy Statement can be accessed via the following link - http://www.wales.nhs.uk/sitesplus/documents/862/Item%205.5%20Implementing%20the%20Welsh%20Language%20Standards.pdf.

Under standard 120, the Health Board is required to produce an annual report within 6 months of the end of the year, which details the way in which we have complied with the standards with which we had a duty to comply with during 2019/20. Whilst the Health Board intended to publish this report at the same time as the Health Board's Annual Report, data collation has been affected as a result of the COVID-19 pandemic.

The Health Board will publish its full annual Welsh Language Report for 2019/20 on its website by 30th September 2020.

(a) *The number of complaints received during 2019/20 related to compliance with the standards with which we were under a duty to comply (in accordance with standard 115);*

Listed below are the complaints received during 2019/20 together with a summary of the action following receipt. Eight complaints were received directly to the Health Board and the Commissioner conducted an investigation into the Health Board's service following a direct complaint. The complaints were dealt with in accordance with the Health Board's Complaints Procedure.

Complaint	Response and action
Received directly by the Health Board	
1. New parking signage at hospital sites - Welsh text not visible on dark background and therefore being treated less favourably	An apology was sent to the individual explaining that it was a graphic designing error and would be rectified imminently
2. Complaints process not outlined on the Health Board's website under Welsh language services section	An apology was sent and the process added to the relevant pages on the website directing complaints to Patient Support Services
3. Posters at a surgery in Carmarthen not fully bilingual. A Welsh 'smoking' poster in particular contained many spelling errors which was not satisfactory	An apology was sent and Welsh language services contacted the surgery in question offering support and translation service to amend poster and translate any other materials needed
4. Letter received from ward – incorrect Welsh	An apology was sent and Welsh language services contacted the ward in question offering support and translation service to amend letter template and translate any other materials needed
5. Lack of Welsh forms and general literature at a local GP surgery in Carmarthenshire	An apology was sent and Welsh language services contacted the surgery in question offering support and translation service to amend poster and translate any other materials needed
6. English only Physiotherapy self-referral form available on the health board's website	An apology was sent and department contacted. Translation of form was prepared and uploaded to the website accordingly
7. CP plus parking ticket issued to a member of staff – ticket information / payment process not available in Welsh	An apology was sent along with a translated summary of instructions by translation service as a temporary measure. Health board's transport team are currently exploring options and the way forward
8. Complaint that Welsh language skills are required when applying for a post - a post advertised as Welsh language skills 'essential'.	Response provided by Workforce team. An explanation provided referring to the bilingual skills strategy.
Complaint received through the Welsh Language Commissioner	
1. *Investigation under section 71 of the Welsh Language (Wales) Measure 2011 of a possible failure to comply with Welsh language standards* The Commissioner investigated an allegation of a failure to comply with	Welsh language Commissioner issued a proposed report on an investigation into a failure to comply with Welsh Language Standards The proposed report was produced in accordance with sections 73 and 74 of

the Welsh Language Standards regarding English only literature from an MRI department (a letter and a form).	the Welsh Language (Wales) Measure 2011 Assessment, findings, and proposed determination by the Welsh Language Commissioner was to take further action as follows: **Standard 36 – requirement to take steps in accordance with section 77 of the Welsh Language Measure** 1. The Health Board must conduct a review to check that forms provided to the public by other departments comply with standard 36 and act upon the results of the review. 2. The Health Board must conduct a review to check that forms provided to the public by other departments comply with standard 36 and act upon the results of the review. 3. Hywel Dda University Health Board must provide sufficient written evidence to satisfy the Welsh Language Commissioner that it has carried out enforcement actions 1-2. A review is ongoing with all Health Board departments and a full response will be formulated imminently.

(b) The number of employees who have Welsh language skills at the end of the 2019/20 (in accordance with standard 116);

The language skills of Health Board staff are captured and recorded on the ESR system. As at the 31 March 2020, 96% of staff have recorded their Welsh language skills as follows:

Welsh skill level	Number of Employees	%
0 - No Skills / Dim Sgiliau	3,606	36%
1 - Entry/ Mynediad	2,411	24%
2 - Foundation / Sylfaen	902	9%
3 - Intermediate / Canolradd	758	8%
4 - Higher / Uwch	807	8%
5 - Proficiency / Hyfedredd	1,114	11%
Not yet recorded on ESR	434	4%
Grand Total	**10,032**	**100%**

(c) *The number (on the basis of the records you kept in accordance with standard 117) of new and vacant posts that you advertised during the year which were categorised as posts where*

(i) Welsh language skills were essential;
(ii) Welsh language skills needed to be learnt when appointed to the post;
(iii) Welsh language skills were desirable; or
(iv) Welsh language skills were not necessary.

Number of Welsh Essential Posts	Number of Welsh Desirable Posts	Number where Welsh needs to be learnt	Number where Welsh not necessary	Total Number of Posts
30	2114	5	0	2149

REVIEW OF EFFECTIVENESS OF SYSTEM OF INTERNAL CONTROL

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 the following:

Internal Sources of Assurance	External Sources of Assurance
✓ Internal audit ✓ Key performance indicators ✓ Performance reports ✓ Sub-committee reports ✓ Compliance audit reports ✓ Local counter fraud work ✓ Clinical audit ✓ Staff satisfaction surveys ✓ Staff appraisals ✓ Training records ✓ Training evaluation reports ✓ Results of internal investigations ✓ Serious untoward incident reports ✓ Complaints records ✓ Infection control reports ✓ Information governance toolkit self-assessment ✓ Patient advice and liaison services reports	✓ External audit (AW) ✓ Healthcare Inspectorate Wales (HIW) ✓ Royal College visits ✓ Deanery visits ✓ External benchmarking and statistics ✓ Accreditation schemes ✓ National and regional audits ✓ Peer reviews ✓ Feedback from service users ✓ Local networks (for example, cancer networks) ✓ Investors in People and other team development tools ✓ Feedback from healthcare and third sector partners ✓ Community Health Councils

✓ Workforce and OD ✓ Patient experience surveys and reports ✓ Internal benchmarking ✓ Board Members Walkarounds	

The processes in place to maintain and review the effectiveness of the system of internal control include:

- Board and Committee oversight of internal and external sources of assurance and holding to account of Executive Directors and Senior Management;
- Executive Directors and Senior Management who have the responsibility for development, implementation and maintenance of the internal control framework and for continually improving effectiveness within the organisation;
- The review and oversight of principal risks on the Corporate Risk Register and the Board Assurance Framework by the Board and Committees;
- The oversight of operational risks through the Board and Committee and the performance Management Assurance Framework;
- Oversight of risks by specialist risk functions such as Counter Fraud, Health and Safety, and other corporate functions;
- The monitoring of the implementation of recommendations through the Performance Management Assurance Framework, overseen by the ARAC; and
- ARAC oversight of audit, risk management and assurance arrangements.

I am content, that further steps that have been taken over the last 12 months to strengthen risk management arrangements, embed the Board Assurance Framework and improve the quality of information have made the assessment and testing of the internal control system a matter of the day-to-day business of my Executive Team.

I am satisfied that generally the mechanisms in place to assess the effectiveness of the system of internal control are working well and that we have the right balance between the level of assurance I receive from my Executives, Board and Board Committee arrangements and Internal Audit Services. However, a number of areas where improvement is needed have been highlighted by AW and IA. These areas will continue to be addressed through 2020/21, as far as reasonably practicable as the Health Board manages the COVID-19 pandemic, with the implementation overseen by the ARAC. Some areas of improvement will be addressed over the medium to long term through delivery of the Health Board's Health and Care Strategy, with risks being mitigated as far as reasonably practicable in the meantime.

Internal Audit (IA)

IA provide me, as Accountable Officer, and the Board through the ARAC, with a flow of assurance on the system of internal control. The programme of audit work which has been delivered in accordance with Public Sector Internal Audit Standards by the NHS Wales Shared Services Partnership (NWSSP). The scope of this work is agreed with the ARAC in advance, and is focussed on significant risk areas and local

improvement priorities, however the Chair of ARAC, with Committee support, can agree changes to the audit plan through the year, when appropriate.

The role of IA is to provide the Board with an objective assessment of the extent to which the systems and controls to manage our risks are adequate and are operating effectively, based on the work undertaken. The work of the IA service is informed by an analysis of the risks to which the Health Board is exposed with an annual plan based on this analysis. It should therefore, be recognised that many of the reviews were directed at high risk areas, and the overarching opinion therefore needs to be read in that context.

The ARAC has received progress reports against delivery of the (NWSSP) Internal Audit and Capital (Specialised Services) plans at each meeting, with individual assignment reports also being received. The findings of their work are reported to management, and action plans are agreed to address any identified weaknesses. The assessment on adequacy and application of internal control measures can range from 'No Assurance' through to 'Substantial Assurance'.

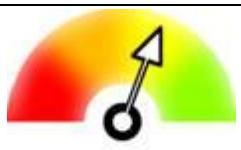
During 2019/20, Executive Directors or other Officers of the Health Board have been requested to attend in order to be held to account and to provide assurance that remedial action is being taken. A schedule tracking the implementation of all agreed audit recommendations is also provided to the Committee.

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 programme has been impacted by the need to respond to the COVID-19 pandemic with some audits deferred, cancelled or curtailed as the organisation responded to the pandemic. The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the Opinion he Head of Internal Audit has considered the impact of the audits that have not been fully completed.

Head of Internal Audit Opinion

As a result of the COVID-19 pandemic and the response to it from the Health Board, IA was not able to complete the audit programme in full. However, IA has undertaken sufficient audit work 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 2019/20:

 - + 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. Several significant matters require management attention with low to moderate impact on residual risk exposure until resolved.

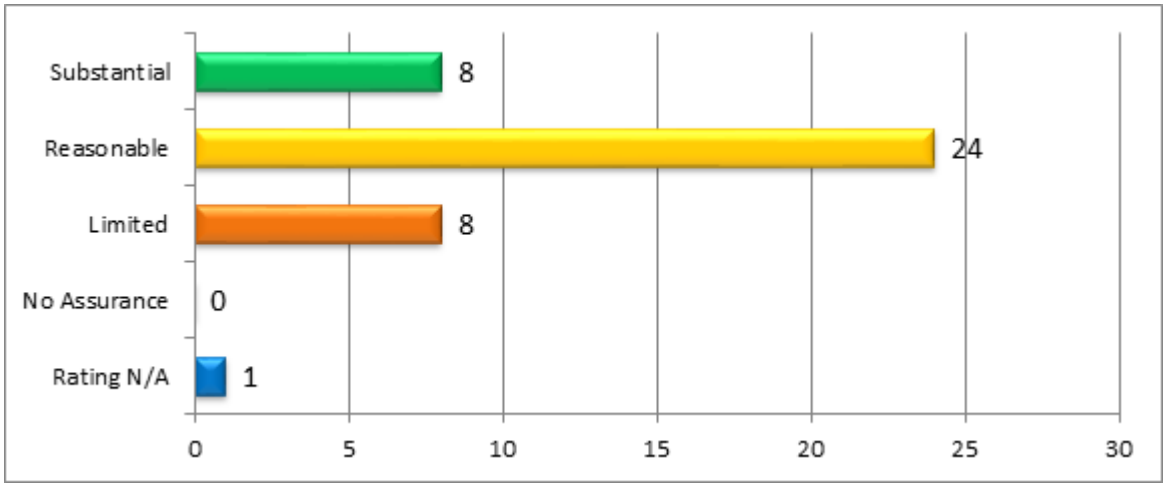
The Head of Internal Audit has considered all the domains, with these being rated for assurance as follows:

- Corporate governance, risk and regulatory compliance (*Reasonable Assurance*);
- Strategic planning, performance management and reporting (*Reasonable Assurance*);
- Financial governance and management (*Reasonable Assurance*);
- Clinical governance, quality and safety (*Reasonable Assurance*);
- Information governance and IT security (*Reasonable Assurance*);
- Operational service and functional management (*Limited Assurance*);
- Workforce management (*Reasonable Assurance*); and
- Capital and estates management (*Reasonable Assurance*).

IA had anticipated, after adjustments to the original audit plan agreed with ARAC, producing 45 audit reports for 2019/20. However, due to the impact of COVID-19 the final position on work is:

- 40 final reports;
- 1 draft report;
- 1 work in progress; and
- 3 where insufficient work was undertaken to be used to support the opinion.

The assurance ratings for the 41 audits undertaken through 2019/20 are outlined below:



All limited assurance reports will generally be subject to a follow-up in year, however where this was not possible due to timings of the COVID-19 pandemic, they will be included in the subsequent IA Plan. Whilst all IA reports were reported to the ARAC, where a limited assurance final report was presented, the Lead Director and Management Lead were in attendance to discuss their management response, the planned action, associated timescales and if appropriate when a follow up audit should be taken. The minutes and all final IA reports can be found within the ARAC section of our website http://www.wales.nhs.uk/sitesplus/862/page/73602.

The following audit reports with a conclusion of limited assurance were issued.

- Research and Development;
- Estates Directorate Governance Review*;
- BGH Directorate Governance Review;
- Consultants and SAS Doctors Job Planning;
- Contracting**
- Water Safety – Additional Sampling: WGH;
- Financial Safeguarding (Maintenance Team Led Work);
- Control of Contractors **;
- Glangwili Hospital, Women and Children's Development, Phase 2**;

* Follow up audit undertaken in 2019/20 which has seen improvement in the assurance rating to either reasonable or substantial.
** Draft reports issued which will be finalised in Q1 2020/21.

Management responses that detail the actions that will be taken to address gaps in control were included in all final by IA reports presented to ARAC. The delivery of these actions is monitored through the ETPR and tracked via the Health Board's audit tracker which is overseen by the 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.

Audit Wales (AW) Structured Assessment

The Auditor General for Wales is the statutory external auditor for the NHS in Wales. AW (known as Wales Audit Office before 1 April 2020) undertakes the External Auditor role for the Health Board on behalf of the Auditor General. AW is responsible for scrutinising the Health Board's financial systems and processes, performance management, key risk areas and the IA function. AW undertake financial and performance audit work specific to the Health Board, with all individual audit reviews being considered by the ARAC with additional assurances sought from Executive Directors and Senior Managers as appropriate. AW also provides information on the Auditor General's programme of national value for money examinations which impact on the Health Board, with best practice being shared.

The Structured Assessment work in 2019 examined the Health Board's arrangements that support good governance and the efficient, effective and economic use of resources, paying particular attention to the progress made to address recommendations and opportunities for improvement identified in 2018 and previous years.

The main conclusions in respect of the 5 themes in the report; strategic planning; transformation and organisational structure; performance and turnaround; governance arrangements; and managing the workforce, are outlined below:

- The Health Board had set a clear strategic direction and was on track to develop its first three-year plan. Arrangements for monitoring delivery of the Strategic Plan have improved but reporting lines to the Board posed a risk of duplication;

- The Health Board had established robust arrangements to deliver its strategy, and recent changes were helping to simplify the operational structure. More needs to be done to engage staff in the change agenda and capacity in some corporate functions remains a challenge;
- The Health Board had strengthened financial management arrangements and improved performance overall, however a number of financial, service and quality challenges remained, and opportunities to extend performance management exist;
- Governance arrangements were generally sound with further improvements underway; and
- The Health Board compared well against a number of workforce metrics, was putting new initiatives in place to develop the workforce and support staff well-being, and was increasing the focus at Board and Committee level.

The work undertaken as part of Structured Assessment contributed towards the AW Annual Audit Report 2019. The key findings and conclusions emanating from both the assessment and the report are summarised as follows:

- The Health Board continues to strengthen governance and management arrangements. It has a clear strategic direction and is developing the infrastructure to support delivery of strategic plans. There are improvements in performance but challenges in relation to finance and unscheduled care remain. Finally, oversight and scrutiny of planning needs clarifying;
- Some positive examples have been identified through performance audit work however there remain a number of opportunities to secure further improvements in relation to clinical coding and quality governance arrangements;
- The Health Board has continued to embed the sustainable development principle and is working with partners on Education Programmes for Patients, although it will need to plan more effectively to achieve the full potential benefits in the long term; and
- An unqualified opinion was issued on the accuracy and proper preparation of the 2018/19 financial statements of the Health Board; however due to the Health Board not achieving a financial balance for the three year period ending 31 March 2019, a qualified audit opinion on the regularity of the financial transactions within the 2018/19 financial statements. This was accompanied with a substantive report alongside this opinion to highlight the Health Board's failure to meet its statutory financial duties and its failure to have an approved three-year plan in place.

The Board did not disagree with any of the content of the AW Annual Report and I can confirm that progress has already been made in a number of the areas outlined above. A detailed management response was prepared in response to the 3 recommendations made in the Structured Assessment report, with implementation of these being tracked through the ARAC. The management response can be viewed on the Health Board's website and can be found in the ARAC section of our website http://www.wales.nhs.uk/sitesplus/862/page/73602.

Quality of Data

The Health Board makes every attempt to ensure the quality and robustness of its data, and has 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. The Health Board has an on-going data quality improvement plan which routinely assess the quality of its 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. In 2019/20, the AW undertook a follow-up review on recommendations previously made in respect of clinical coding, and concluded that 'coding continues to be a low priority for the Health Board and non-compliance with the completeness target is impacting on overall improvement in accuracy and staff morale. The use of coding data as business intelligence remains underdeveloped and there is still considerable room for progress against our previous recommendations'.

Whilst good progress has been made against the recommendations, the Health Board is still unable to meet the national completeness target for clinical coding. The Health Board routinely achieves an average of 84% against the required target of 95% episodes coded within 1 month of discharge. In 2019/20, the Health Board appointed 3 trainee coders, which will be placed on a training programme to allow them to be become fully qualified coders. This remains a principal risk for the Health Board and a workforce plan to address the current shortfall and address future staffing needs has been put forward as part of the prioritisation process for 2020/23.

CONCLUSION

Throughout 2019/20, the Health Board continued to deliver on our promise that our services will always aspire to be safe, sustainable, accessible and kind through the delivery of our Health and Care Strategy 'A Healthier Mid and West Wales: Our Future Generations Living Well'. The Health Board has been making progress towards delivering future models of health and care, and in particular early delivery of an enhanced primary and community care model. The opening of 2 integrated care centres at Cardigan and Aberaeron were two significant achievements in this part of this journey that demonstrated successful engagement with stakeholders, closer working with partners, together with increased delivery of care closer to home. However delivery of the strategy is not just about buildings, it is about developing a new social model for health. The enhancement of the Transformation Programme Office provided much needed capacity and the capability to drive the pace of delivery going forward. This year, we agreed a list of prioritised projects to improve patient flow through our hospitals and into our communities, the stroke pathway, theatres, and optimise demand in radiology and pathology, as well as developing plans for building a new hospital for West Wales.

Delivering the here and now has not been without its challenges this year. Some services have become increasingly fragile over the course of the year such as

unscheduled care, particularly in WGH and GGH, and out of hours. These were a key focus in the latter half of 2019/20. Work to address the underlying issues will continue in 2020/21 and beyond, however this will involve a system-wide approach which will involve key partners. There were some successes in performance and prior to the COVID-19 pandemic, the Health Board was on track to maintain its position of no patients waiting more than 36 weeks for treatment and no one waiting for over 8 weeks for access to diagnostics. There were also improvements in our infection rates from the previous year, our response rate to complaints and concerns, numbers of job plans for consultants/SAS doctors, and of staff completing core skills training and having a performance appraisal development review in place.

The winter period is without doubt one of the most challenging periods for the NHS. During the year, we have worked very closely with our partners to ensure everything ran as smoothly as possible and to ensure everyone could access the right services when they needed them. We want to acknowledge and say thank you to our dedicated staff and volunteers who have shown great commitment and gone above and beyond to rise to these challenges and continue to deliver compassionate and patient centred care.

Whilst there have been some improvements in our performance this year we must also acknowledge the challenges we have faced and will continue to manage, particularly in relation to operational challenges both in provided and commissioned services, staffing levels, recruitment and with our estate. There have been occasions when the services we have provided have not been of the standard or quality we would aspire to achieve. We recognise we need to significantly improve upon waiting times performance, in particular relating to follow ups, and improve our financial performance even further.

At the start of the second half of the year, we had to move our forecast position to a £25m deficit from the £15m control total. This was in line with the Board's original control position agreed at the start of the year. The Health Board's end of year position is £34.9m, given on-going operational pressures and the recovery of £10m additional funding from WG (predicated on the delivery of the £15m control total), against a forecast of £35m.

The Health Board did not meet its statutory duties under the National Health Service Finance (Wales) Act 2014 to ensure that its expenditure does not exceed the aggregate of funding allotted to it over a period of three years, and to prepare and obtain approval from the Welsh Ministers for a plan which achieves the first duty above, while also improving the health of the people for whom the Health Board is responsible and improving the healthcare provided to them. Improving our financial planning and performance are key priorities for the Health Board and by addressing them, will enable us to move out of 'targeted intervention' with WG.

Towards the end of 2019/20, WG took the unprecedented decision to pause the IMTP and annual plan process to enable NHS Wales organisations to focus their attention on the immediate planning and preparations to deal with the COVID-19 global pandemic. The Health Board did approve and submit a Three Year Plan for 2020/23, which incorporated our Annual Plan for 2020/21 which was developed prior to the COVID-19 pandemic. We will use it as the baseline for further planning

moving forwards and will continue to work with WG through our on-going engagement meetings to understand the implications of COVID-19 management on the plan delivery.

The submitted Annual Plan set out the Health Board's clear strategic vision for the delivery of the Health and Care Strategy as the longer term solution to the long standing sustainability challenges for the Health Board, particularly relating to workforce and financial sustainability. This does however mean that for the immediate future the very challenging operational context for our finances, workforce sustainability and performance remain. Whilst the financial plan for the year ahead projects a year end deficit of £25m, and a significant cost improvement programme will need to be delivered to achieve this target, this was based on our plan prior to the impact of COVID-19 being fully understood and is subject to change.

Despite our forecast deficit we are committed to exhibiting best practice in all aspects of corporate governance and recognises that as a body entrusted with public funds, we have a particular duty to observe the highest standards of corporate governance at all times. However the impact that the COVID-19 pandemic has had on the Health Board in a short period cannot be understated. Although its arrival was late in 2019/20, the Health Board was directed to prioritise its resources into planning and preparing its response to a pandemic that is expected to significantly test the resilience of our health care system. As a result many internal processes for assurance, performance management and financial turnaround were scaled down or suspended, with reviews by inspectorates/regulators and external audits similarly scaled back or suspended, and are likely to remain so until there is a sense that we return to business as usual.

COVID-19 has affected every aspect of Health Board business, and it is anticipated that we will be dealing with the outbreak well into 2020/21, whilst also trying serve our population's routine health needs as best we can. It is unlikely that the Health Board will be in a position to enact its savings plan for at least the first 6 months of the year.

The costs of all the planning and preparations are likely to be considerable and without precedent although it is difficult to set this in a reasonably precise range at this stage given the speed, complexity and constraints inherent in the level of response required by the Health Board. Given the scale of what we are trying to achieve – more than doubling our bed base – it is unsurprising that the cost could be significant. It is hoped that this will be offset partially or wholly by central funding, however this remains a significant risk for the Health Board at present.

In a very short space of time, the Health Board has had to develop new ways of working and new governance structures to facilitate the planning and preparation phase, whilst being conscious that governance arrangements must be strengthened to ensure the Board receives positive assurance, not just on service preparedness and response but also on clinical leadership, engagement and ownership of developing plans; on the health and wellbeing of staff; on proactive, meaningful and effective communication with staff at all levels and on health and care system preparedness. Governance and working arrangements will continue to adapt during

the pandemic, and this has and will involves temporary variations from the legal framework (Standing Orders) in which the Board operates.

Planning has been, and will remain fluid and responsive to incoming data, and the Health Board is now adjusting its planning assumptions as it anticipates that it will experience a series of peaks in demand for critical care capacity over the next 8–12 months, the timing and scale of which is currently unknown. Therefore the Health Board is starting to develop plans to restart normal services, alongside managing increased demand from COVID-19. It will be imperative to gain an understanding of the impacts of suspended/scaled back services on delivery, quality and safety, finances and performance.

As Accountable Officer and based on the review process outlined above I have reviewed the relevant evidence and assurances in respect of internal control enacted during 2019/20. The Board and its Executive Directors are fully accountable in respect of the system of internal control. The Board has had in place during the year a system of providing assurance aligned to support delivery of both the policy aims and corporate objectives of the organisation. As highlighted earlier in this statement overall governance arrangements are generally sound contributing to an effective internal control system. My review confirms that although there have been some internal control issues which have been identified during the year with remedial action taken to address these, the Board has a generally sound system of internal control that supports the achievement of its policies, aims and objectives and that no significant internal control or governance issues have been identified.

The Board is provided with regular and timely information on the overall financial performance of the organisation, together with other information on performance, workforce and quality and safety. Formal agendas, papers and reports are supplied to members in a timely manner, prior to Board meetings. The Board's agenda includes regular items for consideration of risk and control and receives reports thereon from the Executive and the ARAC. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

Signed by: **Date:**

Steve Moore
Chief Executive Officer

Appendix 1 – Board and Committee Membership & Championship Roles

Name	Position & Area of Representation Role	Board Committee Membership/ Attendance	Attendance at Meetings	Champion Role
Maria Battle	Chair from 19 August 2019	• Board (Chair) • RTSC (Chair)	4/4 2/2	• Unscheduled Care • Public & Patient Involvement
Judith Hardisty	Interim Chair to 19 August 2019	• Board (Chair) • RTSC (Chair)	3/3 3/3	
Judith Hardisty	Vice Chair (Mental Health Primary Care & Community Services)	• Board (Vice Chair) • ARAC • BPPAC (Vice Chair) • FC • MHLAC • PCAC • QSEAC • RTSC (Chair)	3/4 4/4 4/4 6/7 2/2 3/3 2/3 3/3	• Carers
Anna Lewis	Independent Member (Community)	• Board • CFC • PCAC • QSEAC	7/7 3/4 3/4 4/6	
Prof John Gammon	Independent Member (University)	• Board • BPPAC • QSEAC (Chair) • RTSC • UPB (Chair)	7/7 3/6 6/6 2/4 2/2	
Owen Burt	Independent Member (Third Sector)	• Board • ARAC • BPPAC • CFC • PCAC	6/6* 8/8 6/6 4/4 3/4	• Design
David Powell	Independent Member (Information Technology) to 30 November 2019	• Board • ARAC • BPPAC (Chair) • FC • PCAC (Vice-Chair) • QSEAC • RTSC	4/5 5/6 4/4 7/8 2/3 4/4 3/3	
Maynard Davies	Independent Member (Information Technology) from 1 December 2019	• Board • ARAC • BPPAC • FC	1/1* 1/2 1/2 2/3	
Simon Hancock	Independent Member (Local Government)	• Board • ARAC • BPPAC	6/6* 6/8 6/6	• Older People • Equalities & Diversity

		• CFC (Chair) • MHLAC • UPB (Vice-Chair)	4/4 1/3 1/2	• Flu • Emergency Planning • Armed Forces & Veterans
Adam Morgan	Independent Member (Trade Union) to 12 July 2019	• Board • CFC • MHLAC • QSEAC (Vice-Chair) • UPB	0/2 0/1 0/1 2/2 0/1	
Ann Murphy	Independent Member (Trade Union) from 9 January 2020	• Board • CFC • QSEAC	1/1* 1/1 1/1	
Delyth Raynsford	Independent Member (Community)	• Board • CFC (Vice-Chair) • MHLAC (Vice-Chair) • QSEAC	4/6* 3/4 1/3 4/6	• Welsh Language • Cleaning, Hygiene and Infection Management • Children, Young People & Maternity Services • Nutrition & Hydration • Putting things right
Mike Lewis	Independent Member (Finance)	• Board • ARAC (Vice-Chair) • BPPAC • CFC • FC (Vice-Chair) • MHLAC	6/6* 7/8 6/6 2/4 10/11 2/3	
Paul Newman	Independent Member (Community)	• Board • ARAC (Chair) • MHLAC • PCAC • QSEAC • RTSC	6/7 8/8 3/3 1/1 6/6 4/4	
Steve Moore	Chief Executive Officer	• Board • BPPAC • CFC • FC • RTSC	7/7 0/6 0/4 6/11 3/4	• Time to Change Wales Mental Health
Joe Teape	Deputy Chief Executive Officer/ Executive Director of Operations to 29 November 2019	• Board • BPPAC • FC • MHLAC • QSEAC	5/5 4/4 6/7 2/2 4/4	• Delayed Transfers of Care • Sustainable Development Security • Security Management

				• Fire Safety
Karen Miles	Executive Director of Planning, Performance & Commissioning	• Board • BPPAC • QSEAC	4/6* 6/6 4/6	
Huw Thomas	Executive Director of Finance	• Board • ARAC • BPPAC • CFC • FC	6/6* 8/8 5/6 3/4 11/11	
Mandy Rayani	Executive Director of Nursing, Quality & Patient Experience	• Board • BPPAC • QSEAC • UPB	7/7 5/6 6/6 1/2	• Violence & Aggression • Children's Act 2004 • Children & Young People's Services
Alison Shakeshaft	Executive Director of Therapies and Health Science	• Board • BPPAC • QSEAC • UPB	6/6* 6/6 6/6 2/2	
Lisa Gostling	Executive Director of Workforce & Organisational Development	• Board • BPPAC • RTSC • UPB	7/7 6/6 4/4 2/2	
Ros Jervis	Executive Director of Public Health	• Board • BPPAC • QSEAC	5/6* 6/6 6/6	• Emergency Planning
Phil Kloer	Executive Medical Director & Director of Clinical Strategy/ (Deputy Chief Executive from January 2020)	• Board • BPPAC • QSEAC • UPB	7/7 4/6 5/6 1/2	• Patient Information • Caldicott Guardian
Andrew Carruthers	Turnaround Director to 29 November 2019	• Board • FC	5/5 8/8	
Andrew Carruthers	Executive Director of Operations from 1 December 2019	• Board • BPPAC • FC • MHLAC • QSEAC	1/1* 2/2 0/3 0/1 2/2	• Delayed Transfers of Care • Sustainable Development Security • Security Management • Fire Safety

Joanne Wilson	Board Secretary	• Board • ARAC • RTSC	7/7 8/8 4/4	• Counter Fraud
Michael Hearty	Associate Member from June 2018	• Board • FC	4/6* 10/11	
Jill Paterson	Director of Primary Care, Community & Long Term Care	• Board • BPPAC • QSEAC • PCAC	6/6* 4/6 6/6 4/4	
Sarah Jennings	Director of Partnerships & Corporate Services	• Board • BPPAC • CFC • UPB	6/6* 4/6 4/4 2/2	• Public Patient Involvement

**The Board meeting in public in March 2020 was held with only a quorum membership to comply with emergency measures for social distancing during the COVID-19.*

Appendix 2 – Advisory Groups Activity

Stakeholder Reference Group (SRG)

The SRG has brought the following matters, risks and issues brought to the attention and to be dealt with by the Board during the year:

- Advise the Board for information purposes issues relating to young carers:
    - Services are delivered differently in each county. There needs to be continuity throughout the Hywel Dda area;
    - There needs to be a team around the family to provide holistic approach and seamless services;
    - Raising awareness of young carers to professionals;
    - Services do not have a single referral from GP practices although practices receive awareness training;
    - Understand why district nurses, health visitors and midwifes who must be seeing the young carers at home are not making referrals; and
    - More work could be done with housing officers
- Advising the Board that the Education Programme for Patients programme needs to become an integral part of all care pathways and should be part of social prescribing;
- The future direction of SRG through the review of its terms of reference by extending the potential scope of the membership to advise both the Regional Partnership Board (RPB) and the Hywel Dda University Health Board, especially on matters of integration and seamless health and social care. This provides the opportunity for views to be voiced directly at the Board meeting or RPB. These were approved by the Board;
- As the Education Programme for Patients (EPP Cymru) would be a vital link into some of the transformation work, the SRG would like to see the programme provided with funding to strengthen their team and embed their courses into health and social care services, as well as the development of new programmes with young carers and mental health EPP programmes to help young people and young carers;
- WG may reduce funding in the next financial year to support work with unpaid carers and SRG were concerned about what happens when the funding streams end as funding needs to be sustainable;
- For consideration to be given to setting winter plans by September/October of each year, with a more proactive approach needed by WG;
- In acknowledgement of the important role the Third Sector can play in supporting winter pressures, more investment within the Third Sector should be considered, with adequate time for planning and mobilisation of staff; and
- Concern regarding the continuity and sustainability of projects due to time limitations on Transformation Fund monies.

The Staff Partnership Forum (SPF)

The SPF has brought the following matters, risks and issues brought to the attention and to be dealt with by the Board during the year:

- The need for a campaign to reiterate zero-tolerance towards bullying within the Health Board;

- The lack of GP Out of Hours cover and the impact upon Emergency Departments, although it was recognised that the challenges are a national issue requiring a whole systems approach;
- Managing attendance at work due to the increasing levels of sickness absence reported due to anxiety/stress/depression/other psychiatric illnesses; and
- Obligatory response to the Violence in Healthcare recognising the increased support required in this area.

The Health Professionals Forum (HPF)

The HPF has brought the following matters, risks and issues brought to the attention and to be dealt with by the Board during the year:

- The need for the Health Board to engage with key clinical leaders and GP leads at an early opportunity, during the infancy of development of proposals for funding, in order for clinicians to have effective influence with any future large scale funding;
- The need for the Health Board to engage with the Health Care Professionals Forum, as the clinical and professional advisory group to Board, at the earliest opportunity in developing proposals for large scale funding;
- Concern that a Task and Finish group, set up to look at Children's Services (particularly the WGH site), consisted mainly of clinical leads in paediatrics, Out of Hours and Accident and Emergency. The role of pharmacy and the pharmacy model with children's services was noted as an important consideration for input to this group;
- The Forum highlighted, that in any service redesign going forward, all professional groups need to be involved. The importance of focussing on whole system service design and service planning in terms of all professional groups (and all partners and third sector, where required) is emphasised;
- The move to generic chronic condition nurses from, provision available in some counties, of Heart Failure Nurse. Whereas equitable services across the 3 counties was welcomed, the value of 'specific specialism' should not be underestimated in favour of the efficiencies that can be offered by Chronic Conditions Nurses trained to deal with a number of conditions;
- BGH's role in the Trauma network – concerns raised should BGH be designated a Local Emergency Hospital only. Consideration needed of BGH being recognised as having a different type of role in the Trauma network from other hospitals due to the particular characteristics of this hospital;
- There are gaps in meeting Trauma unit standards across all acute sites. However the significant work underway to meet this standard, for the identified Trauma unit is encouraging;
- Capacity and pressures already on the GGH site currently and the impact of further flow;
- The timetable for implementation of the Trauma Network appears ambitious in that it would not allow time for the required capital investment to ensure local arrangements were in place;
- The current system of stroke provision across all 4 sites was unsustainable given the challenges involved, and would not enable the relevant standards of delivery to be met;

- The travel time estimates for patients to Morriston Hyper-Acute Stroke Units (HASU) may not have taken into account travel times during the day, rush hour traffic times and holiday traffic. This could impact on critical treatment timelines for patients. Additionally, it may give an inaccurate picture of the number of patients that can attend within 45 or 60 minutes, thus affecting patient flow estimates for planning;
- The gap of some therapy staff in stroke and trauma services particularly clinical psychology, and the lack of investment in these areas;
- The three pieces of work currently underway relating to Trauma, Stroke and neurorehabilitation, and the importance of linking and aligning these 3 pieces of work together in order to make best use of resources and promote service sustainability;
- The level of engagement with clinicians in respect of the submission for funding proposals for the Transformation Fund, given the tightness of timescales and the fact that agreement of proposals was with all partners and not solely based with Health, in the infancy of the development of the proposals, in order for clinicians to make significant influence. Professional groups experienced difficulties with understanding who was involved, how to influence and add value to the process; and
- 'Empowering Clinicians' was welcomed as a positive development in Hywel Dda. Caution is required as different clinicians will have different perceptions of what 'empowerment' means for them which will need to be clarified in the design phase. An additional strand, which focuses on clinicians can have a stronger voice in planning and change at a strategic level, may be valuable.

Appendix 3 - Top Principal Risks in 2019/20

These are the principal risks on the BAF/CRR that had a risk score of 15 or over demonstrated on the Heat Map on page 42 as at the end of March 2020.

- **Risk 810 Poor quality of care within the unscheduled care pathway** *(Added in 2019/20)* – The Executive Team agreed this risk in December 2019 in response to the increasing challenges in the unscheduled care pathway due to a sustained and ongoing period of pressure. Hospital sites are regularly escalated to red escalation. A system wide solution is required to manage this risk, and the first step by the Health Board was taken when it approved its long term strategy, "A Healthier Mid and West Wales: Health and Care Strategy" in November 2018. Since approval, the Health Board has started work to redesign services in unscheduled care through the Transforming Clinical Services Programme, and this will include primary care clusters developing plans that will support wider system changes. The Health Board will deliver an Unscheduled Care Programme including frailty plan, older people plan, Red2Green, SAFER bundles, PJ paralysis, last 1000 days, redesign of the out of hours system, implement transformation schemes funded through transformational funding through Regional Partnership Board to support implementation of TCS over next 10 years. The Health Board will also develop a refreshed approach based on the 4 nationally agreed 'Discharge to Assess/Recover' (D2RA) pathways which will need to be approved with each local authority and will be implemented as part of the Unscheduled Care 3 year plan.
- **Risk 730 Failure to realise all the efficiencies and opportunities from the Turnaround Programme in 2019/20** *(Added in 2019/20)* – This risk will replaced the previous corporate risk (Risk 626 related to 2018/19 savings objective) and related to achieving the Health Board's objective to deliver planned recurrent savings of £24m by end of March 2020 through the Turnaround Programme. As at Month 11, there is a savings gap of £6.9m comprising £4.5m on unidentified schemes and £2.4m slippage on identified schemes. Work is underway with Value and Core Team to identify further savings opportunities that could be delivered in the remainder of 2019/20.
- **Risk 245 Inadequate facilities to store patient records and investment in electronic solution for sustainable solution** – This issue requires significant investment in a long term solution that reduces the need for physical space for storage of records. The issue has been compounded by a number of national inquiries that have prevented the Health Board from undertaking its routine weeding and destruction schedule for records. The Health Board needs to develop a business case for the implementation of a scanning solution to deal with long term issue.
- **Risk 624 Ability to maintain and address backlog maintenance and develop infrastructure to support long term strategic objectives** – This risk is caused by insufficient capital, both from the All Wales Capital Programme and Discretionary Capital allocation, to sustain and develop the current estate, medical equipment and IM&T infrastructure. Despite significant controls and assurance mechanisms in place, the Health Board must implement its long term Health and Care Strategy to reconfigure services and become more sustainable. The Board accepted that it would not be able to reduce this risk to within the Health Board tolerance in 2019/20.

- **Risk 628 Fragility of therapy provision across acute, community and primary care services** – this risk reflects the risk in respect of gaps across therapy service provision in acute, community and primary care settings from historical under-resourcing, exacerbated by recurrent savings targets, vacancies and recruitment/retention issues due to national shortages. A sustainable therapy workforce solution aligned to the Health and Care Strategy has been agreed. The following 3 high impact/workforce priority areas were identified within the Annual Plan for focus during 2019/20; older people (incorporating frailty, dementia and stroke); improving self-management (including pulmonary rehabilitation and diabetes); therapists as first point of contact in primary care (including musculoskeletal, older people and irritable bowel syndrome). An additional area requiring development is the Major Trauma Network and a sustainable solution is also required to maintain the 14 week waiting time target. These areas of development will require practical, prudent and incremental workforce solutions to improve patient care, outcomes and experience, and sustainable funding models will be required through whole-system review and shifting of resource from elsewhere in the health and care system.
- **Risk 371 Inability to meet WG target for clinical coding and decision-making will be based on inaccurate/incomplete information** *(Added in 2019/20)* – This risk was escalated in 2019/20 following the AW Follow-up on Clinical Coding which stated that 'coding continued to be a low priority for the Health Board.' The risk relates to the lack of capacity to undertake the increasing level of clinical coding to meet WG targets and that this could lead to the Health Board basing its strategic decision-making on inaccurate and out to date information. Although overtime has been utilised throughout the year and two trainee clinical coders were appointed (it will take 18 months for these to be fully effective), there is still an underlying backlog of episodes that require clinical coding. A workforce plan to address current shortfall and address future staffing/succession needs to be developed and considered for funding in the IMTP 2020/23 prioritisation process.
- **Risk 291 Lack of 24 hour access to Thrombectomy services** – Following the withdrawal of thrombectomy services by Cardiff and Vale UHB due to a lack of interventional neuroradiologists, mechanical intervention for Stroke is only available at North Bristol NHS Trust (NBT) (and Walton Centre NHS Foundation Trust for BGH between 9-5pm Monday to Friday), resulting in a risk during out of hours periods. WHSCC, supported by the Delivery Unit, continue to lead in the process of negotiating provision of all Wales service with North Bristol NHS Trust.
- **Risk 632 Ability to fully implement WG Eye Care Measures (ECM)** – The Health Board's ability to fully implement the WG ECM is constrained by a lack of identified on-going funding to support Community Optometrists to undertake enhance referrals and also the capacity within the Hospital Eye Service to support progress with the ECM Plan due to on-going recruitment challenges. Discussions have commenced with Swansea Bay University Health Board to deliver a regional Ophthalmology service for the South West Wales Region. The Board accepted that it would not be able to reduce this risk to within the Health Board tolerance in 2019/20.
- **Risk 686 Delivering the Transforming Mental Health Programme (TMH) by 2023** - Delivery of TMH is critical to the Health Board's ability to manage

the increasing demand on Mental Health Services and improving recruitment and retention in key professional groups. Whilst there are work streams in place to identify keys risks and issues, the delivery of TMH is reliant on a significant amount of capital. Capital resources are limited and there is a risk that some elements of TMH may need to align with the Health Board's Transforming Clinical Services programme which could result in a delay in the overall delivery of TMH. Capital is also dependent on the Health Board demonstrating that it will be able to manage the increasing revenue costs associated with the increasing demand on services since the development of the TMH. A programme business case to secure required capital allocation has been submitted to WG in 2019/20 and the Health Board awaits a decision. A continuous review process of demand and capacity within Adult Mental Health Services is also being established in 2020/21 to inform whether the current staffing model remains viable.

- **Risk 718 Failure to undertake proactive health and safety (H&S) management** – This risk was added to the CRR in early 2019/20 and increased during the year following a HSE inspection in July 2019. The Health Board received 8 improvement notices and 13 material breaches. In response, it has developed a governance structure comprising of 3 control groups, 3 task and finish groups, with progress overseen monthly by the Health and Safety and Emergency Planning Sub-Committee. The Health Board has also appointed 2 additional health and safety adviser posts in March 2020 and 1 violence and aggression case management post in February 2020 to assist with delivering the required improvements in response to the HSE notices and to improve the culture and overall compliance with health and safety legislation within the Health Board.
- **Risk 735 Ability to deliver the Financial Plan for 2019/20 affecting the whole Health Board** *(Added in 2019/20)* - This risk replaced the previous corporate risk (630 relating to the delivery of the Financial Plan 2018/19) and reflected the risk of delivering the financial plan in 2019/20. During 2019/20, the Health Board revised the end of year forecast to a deficit of £25m, which was £10m higher than the Control Total requirement of £15m. This was due to the cumulative financial position to date and the anticipated continuation of cost pressures, in addition to which the savings requirement for the year was not expected to be fully identified. Operational cost pressures also manifested primarily within unscheduled care, especially in the latter part of the year; alongside other risks such as the closure of the Aseptic Unit and the management of commissioned solutions. Primary Care prescribing also caused significant pressures across Wales.
- **Risk 684 Lack of agreed replacement programme for radiology equipment across the Health Board** - This risk was escalated to the CRR in 2019/20 due to the wide scale disruption to all sites caused by breakdown of key imaging equipment which has a significant impact on the Health Board's ability to meet its RTT target and the impacts to patients which can include delays in diagnosis and treatment. The replacement programme for radiology equipment has been re-profiled by risk, usage and is influenced by service reports. During 2019/20, some funding was secured from the All Wales Capital Programme (AWCP) for 4 high risk pieces of equipment however this does not cover all outdated equipment nor future requirements. The Health

Board's 4 computed tomography (CT) scanners are due to be replaced and the prioritisation of these is being discussed with WG.

- **Risk 627 Ability to implement the Health Board Digital Strategy within current resources to support the Health Board's long term strategy** – Whilst an updated Digital Programme Plan has been developed with resources mapped against specific themes, to illustrate which programmes/projects/products to be developed, without additional investment the Health Board will miss the opportunities that digital can provide. Around 96% of informatics' staff time is dedicated to "keeping the lights on" which comprises of ensuring that the infrastructure is robust and operational and there is not the resources to take forward any innovation or new builds. Anything that is currently progressed, in terms of new builds is undertaken at the expense of guaranteeing robust ICT systems. There has been a reduction in the risk score as additional analytical support has been made available for the modelling element of the clinical services strategy.
- **Risk 813 Failure to fully comply with the requirements of the Regulatory Reform (Fire Safety) Order 2005 (RRO)** *(Added in 2019/20)* – This risk was added to the CRR in 2019/20 as despite progress made since the NWSSP IA Fire Precautions Report in May 2017 with regards to the key recommendations, such as the establishment of a fully resourced fire safety team, the embedding of appropriate reporting arrangements for fire safety and addressing the backlog of out of date fire risk assessments across the Health Board, there are still some significant challenges faced by the Health Board to fully comply with the fire safety order. In 2019/20, the Health Board has received a number of fire enforcement and improvement notices. This risk reflected the risk of further enforcement due to a lack of available resources within the current operational maintenance function to undertake a fully Health Technical Memorandum (HTM) compliant pre planned maintenance programme (PPM's) for all fire safety components across the entire Health Board 's estate, manage the age, condition and scale of physical backlog (circa £20m relating to fire safety across our estate which significantly affects our ability to comply with the requirements of the RRO in every respect) and a lack of fire safety ownership and understanding of fire safety responsibilities at local hospital management level. The Health Board is working through a number of actions to address this risk and has funded the additional operational estate staff required to undertake PPMs, and is working with WG to secure capital funding in a stages to address the backlog of maintenance, whilst working with general management to improve understanding of fire safety ownership.
- **Risk 117 Delays in transfers to tertiary centres for urgent cardiac investigations, treatment and surgery** - The Health Board is still experiencing delays in transferring patients to Swansea Bay UHB tertiary service for a range of cardiac investigations, treatments and surgery. The historic risk specifically associated with transfer delays for N-STEMI patients (NICE: 'within 72 hours') has reduced since development of the NSTEMI Treat & Repatriate service. However, patients waiting for other reasons, such as cardio-thoracic surgery, permanent pacemaker implantations and electrophysiology studies continue to wait prolonged periods for transfer to the tertiary service. A range of work is underway to address this risk including the development of long term regional plan which is now being overseen by Joint

Regional Planning and Delivery Forum and Committee and ARCH work streams.

- **Risk 129 Ability to deliver an Urgent Primary Care Out of Hours Service for Hywel Dda patients** - Unprecedented and frequent shortfalls in rota cover throughout the 3 counties continue to be seen with very limited additional work being undertaken by the sessional workforce. This is indicative of the Q4 financial year (tax threshold) position. Current availability of times of highest demand are variable with instances of 20% staffing level seen at times. Significant sickness levels amongst salaried GP workforce continue to add to adverse rota positions specifically in Pembrokeshire and Ceredigion and being managed as per policy and occupational health advice. The Advanced Paramedic Practitioner model is providing significant resilience (when available) however this is not currently sufficient to reduce overall risk. There is a plan to increase the model to 3 whole time equivalent (WTE) however they will not be available until May 2020 onwards, subject to successful educational examination. A short to medium term service development plan has been included in the Health Board's 3 year plan for 2019/22 to manage the current fragilities within the Out of Hours Service.

Appendix 4 – Principal Risks closed/de-escalated during 2019/20

Below are the principal risks managed in 2019/20 and were closed or de-escalated from the Board Assurance Framework/Corporate Risk Register:

- **Risk 43 Ability to fully comply with the statutory Welsh Language Standards (WLS) by Mar19** – The Health Board agreed funding to implement the Welsh Language Standards across the organisation and therefore this risk was de-escalated and managed at Directorate level.
- **Risk 626 Failure to realise all the efficiencies and opportunities for the Turnaround Programme** - The Executive Team agreed to close this risk following delivery of £30.7m savings by the agreed date of 31st March 2019. This was achieved through operational savings of £26.4m with the gap mitigated through a range of recovery savings actions to the value of £6m. A new risk (above – risk 730) was approved by Executive Team to reflect the Health Board's new savings target for delivery in 2019/20.
- **Risk 630 Ability to deliver the Financial Plan for 2019/20** – Whilst the Health Board has a statutory duty to breakeven, historically it has not done so and this is the main reason why the Health Board is in heightened escalation with the WG. This risk relates to delivering the financial plan and control total for 2018/19 and was closed following the end the financial period. A new risk (Risk 735) was been approved in respect of the risk to deliver the financial plan and control total for 2019/20.
- **Risk 636 Ability to deliver zero breaches for RTT with 36 weeks, diagnostic within 8 weeks and therapy services within 14 weeks** - The Health Board delivered against its objective to deliver 0 breaches for RTT within 36 weeks in 2018/19 therefore this risk did not materialise and was closed.
- **Risk 625 Ability to recruit, retain and engage clinical staff to meet rising demand and deliver the long term clinical services strategy** - This risk was closed following a detailed review by the Lead Director which has led to this risk being split.
- **Risk 631 Failure to recognise increasing mortality rates across the Health Board** - This risk was de-escalated following a detailed review which has resulted in the level of risk being reduced to 8. Whilst this remains slightly over the Health Board's risk tolerance of 6 for this type of risk, a standardised process for stage 2 reviews agreed by the Effective Clinical Practice Sub-Committee has been implemented across the Health Board. There have also been improvements to meet the 95% target across all sites.
- **Risk 647 Failure to have robust systems in place to support the reporting requirements of the Nurse Staffing Levels (Wales) Act 2016** - This risk was closed as there is a solution in place to meet the reporting requirements in the Act via the Health and Care Monitoring Software System (HCMS).
- **Risk 648 Ability to implement its Quality Improvement Strategic Framework (QISF) within current financial and workforce resources** - This risk was de-escalated; it is now within the Health Board risk tolerance following the launch of the QISF in 2019. The QISF is supported by an EQliP which is a collaborative training programme for front line staff designed to increase improvement capacity and capability across the Health Board

through training, education and coaching support for teams working on a real work problem.

- **Risk 650 Quality and safety governance arrangements** - This risk was closed following the recent AW Review of Quality and Safety Arrangements in Hywel Dda and the introduction of a new organisational objective 'Strengthen the Health Board's Quality and Safety governance arrangements and address the issues raised by AW and reflections from the Cwm Taf UHB Maternity issues'. A new risk is being assessed on the achievement of this objective.
- **Risk 629 Ability to deliver against Annual Plan targets against rising demand in unscheduled care** - This risk was reviewed and removed following reassessment of the risk in unscheduled care (see above - risk 810).
- **Risk 508 Insufficient resources in fire safety management to undertake appropriate Planned Preventative Maintenance (PPMs), risk assessments and audits** - This risk was closed following the increase in capacity within the fire safety team and a further reassessment of the risk associated with fire safety compliance within the Health Board. A new risk has been assessed following the recent Enforcement notice from the Mid and West Wales Fire and Rescue Service (see risk 813).
- **Risk 652 Security on acute hospital sites** - This risk was de-escalated following a reduction in the UK threat level. The development of bespoke hospital lockdown plans will form part of the Health and Safety and Security departmental work plan for 2020 to work with site managers to develop their own plans based upon current infrastructure and highlight any lockdown hazards/challenges on their Directorate risk registers.
- **Risk 384 Ability to fully comply with statutory and manufacturer guidelines for medical devices and equipment** – This risk was de-escalated from the CRR as systems and controls have improved around the management of medical devices since this risk was put on the CRR. Whilst the backlog of replacement requires approximately £7m per annum, this is being managed through the Operations Directorate capital prioritisation process, therefore there is no value to be gained from it being at corporate level. An IA was also undertaken in 2019/20 which provided a 'reasonable assurance' rating supporting the reduction of risk in this area.
- **Risk 805 - Lack of sustainable service for Trans Catheter Aortic Valve Implantation (TAVI) procedure at tertiary centre** – This risk was de-escalated as there are no patients currently waiting at the tertiary centre for treatment, the backlog is clear and Swansea Bay University Health Board have strengthened resourcing in this service. This risk related to the potential harm that patients could have experienced whilst awaiting transfer to the tertiary centre for a TAVI procedure, it does not address the potential reputational risk that may impact the Health Board following the expected publication of the Royal College report.

Appendix 5 – HIW Activity at Hywel Dda during 2019/20

In respect of inspection activity in the Health Board's acute hospitals, an inspection was undertaken at the Cadog and Ceri Wards in GGH. The inspection found that the service provided respectful, dignified, safe and effective care to patients, which included a range of ward based initiative to enhance the patient experience. However, improvements were identified in order to further promote the safe and effective care of patients in accordance with national guidance and the Health and Care Standards. 23 recommendations were raised, of which 3 remain outstanding as at 31 March 2020.

An inspection was also undertaken at Ystwyth Ward in BGH. The inspection found evidence of good multidisciplinary working between the nursing, therapy and medical staff and a good application of the stroke care pathway. It was also noted that there was good management and leadership at ward level. There was one immediate concern raised in relation to initial admission documentation, care plans and associated risk assessments not being consistently completed for all patients, but has since been addressed. 40 further recommendations were made, of which three remain outstanding but are on track for delivery within the agreed timescales.

As part of HIW's national review of maternity services across Wales, unannounced inspections were undertaken in autumn and winter of 2019, namely at:

- Gwenllian Ward and Midwifery Led Unit at BGH -
  The inspection found that the service provided care in a respectful and dignified way to patients, however some improvements were identified to ensure that the service was providing safe and effective care at all times. There was one immediate concern raised in relation to the daily checks of neo-natal resuscitaires and emergency resuscitation equipment which has since been completed. Six further recommendations were made and have all since been implemented.

- Labour Ward, Dinefwr Ward and Midwifery Led Unit at GGH - The inspection found that the service provided care in a respectful and dignified way to patients, however some improvements were identified to ensure that the service was providing safe and effective care at all times, and to meet national guidance and the Health Care Standards. Five issues were raised as immediate concerns relating to security measures across maternity services, regular checks of neo-natal resuscitaires and emergency resuscitation equipment, medication storage, data security and consistency in staff training and documentation. All immediate concerns have been addressed. 12 further recommendations were identified, of which four remain outstanding as at 31 March 2020.

- Midwifery Led Unit at WGH - The inspection found that the service provided care in a respectful and dignified way to patients, however some improvements were identified to ensure that the service was providing safe and effective care at all times, and to meet national guidance and the Health Care Standards. Three immediate concerns were raised relating to regular checks of neo-natal resuscitaires and emergency resuscitation equipment and medicine storage, all of which have now been completed. Seven further

recommendations were raised, of which two remain outstanding as at 31 March 2020.

Inspections were also carried out at community hospitals in the Health Board. An inspection was undertaken at Sunderland Ward in South Pembrokeshire Hospital. It was noted that the service provided safe and effective care, and patients were treated with dignity and respect, however there were some environmental concerns raised, and immediate action required around aspects of medicines management, infection prevention and control, and venous thromboembolism (VTE) assessments in accordance with NICE guidelines. Seven immediate recommendations were raised, and six have been completed. The outstanding immediate recommendation relates to the Health Board adopting an All Wales approach with regards to VTE policy, which will be disseminated to staff once agreed. A further 12 recommendations have been raised, all of which have been completed.

An inspection at Cysgod y Cwm Ward in Amman Valley Hospital was undertaken during the year. The inspection found evidence that the service provided safe and effective care, with good ward-based leadership, however it was noted that staff felt isolated and disconnected from other hospitals within the Health Board. Seven recommendations were raised, of which six have been completed and one is outstanding as at 31 March 2020.

An inspection was carried out at Brianne Ward and the Minor Injuries Unit at Llandovery Hospital, where it was noted that the service provided respectful and dignified care to patients on the ward, with staff on the ward committed to delivering a good standards of patient care and a strong team ethos. It was noted however that there were instances where the Health Board was unable to provide the agreed and appropriate number of registered nurses on the ward. One immediate concern was raised as a recommendation in relation to staffing issues which is outstanding. A further 15 recommendations have also been raised of which 7 have been implemented.

An unannounced inspection of wards 7 and 11 at WGH was undertaken in the latter stages of 2019/20, and the Health Board is currently awaiting a finalised version of this report.

In respect of inspection activity across the Health Board's Mental Health and Learning Disabilities Services, there was an unannounced inspection of the Low Secure Unit (LSU) and Psychiatric Intensive Care Unit (PICU) at Cwm Seren. HIW found that it provided patient centred, effective care for patients, with evidence of strong leadership on both wards and a strong team ethic. Concerns were raised regarding parts of the environment on both LSU and PICU, and appropriateness of the Section 136 suite. 20 recommendations were raised in the report, of which 15 have been completed and two are on course to be delivered within initial timescales. Three recommendations are currently outstanding as at 31 March 2020.

Another unannounced visit was undertaken on St Caradog and St Non Wards at Canolfan Bro Cerwyn, WGH. It was noted that staff were committed to providing a high standard of care to patients and interacted respectfully with them, however the Health Board needed to review the inpatient service provision for adult mental health

to ensure sufficient capacity. It was also observed that the service was not compliant with all aspects of the Health and Care standards, specifically in the implementation between the Mental Health Act and Deprivation of Liberty Safeguards. 22 recommendations were raised from the inspection, of which 20 have been implemented and one is on course to be completed in specified timescales.

An unannounced inspection was also undertaken at Bro Myrddin NHS Residential Setting during the year, where it was noted that staff provided dignified care to patients at the setting was safe and clinically effective. Audit and governance arrangements however were required to be embedded to ensure that improvements are made to the completion of documentation. 16 recommendations were raised, all of which have been completed by the service.

An announced visit conducted jointly by HIW and Care Inspectorate Wales (CIW) was undertaken on the Llanelli Community Mental Health Team. The inspection noted that the service provided safe and effective care, however the service was not fully compliant with all Health and Care Standards and the Social Services and Well-being (Wales) Act. The report was published in April 2020, with 2 recommendations raised for immediate action and a further 24 recommendations included in the main improvement plan.

All outstanding recommendations will be reviewed and re-prioritised accordingly in light of the additional capacity pressures on services as a result of planning and managing the COVID-19 pandemic.

Hywel Dda University Health Board

PART B: REMUNERATION AND STAFF REPORT 2019/20

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

CONTENTS

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 (pg.99);
- Cash Equivalent transfer Value (CETV) disclosures for each director (pg.105);
- 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 (pg.107).

REMUNERATION REPORT

The Remuneration and Terms of Service Committee (RTSC)

The Remuneration and Terms of Service Committee (RTSC) will comment specifically upon:

- 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;
- Objectives for Executive Directors and other VSMs and their performance assessment;
- Performance management systems in place for those in the positions mentioned above and its application;
- Proposals to make additional payments to medical Consultants outside of normal terms and conditions;
- Proposals regarding termination arrangements, ensuring the proper calculation and scrutiny of termination payments in accordance with the relevant WG guidance;
- Consider and ratify Voluntary Early Release scheme applications and severance payments in respect of Executive Director posts, in line with Standing Orders and extant WG guidance. The Committee to be advised also of **all** Voluntary Early Release Scheme applications and severance payments;
- To approve the University Health Board's honours submission recommendations.

The membership of the RTSC Committee during 2019/20 was as follows:

Name	Position	Role on the RTSC
Maria Battle	Chair (from 19 August 2019)	Chair
Judith Hardisty	Interim Chair (to 19 August 2019) Vice Chair & Chair of Business Planning and Performance Assurance Committee (BPPAC) (from 1 December 2019)	Chair Member
Paul Newman	Independent Member and Chair of Audit and Risk Assurance Committee (ARAC)	Vice Chair
Professor John Gammon	Independent Member and Chair of Quality, Safety and Experience Assurance Committee (QSEAC)	Member
David Powell	Independent Member and BPPAC (to 30 November 2019)	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 is able to 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.

Annually the RTSC receives a summary performance report of Executive Director objectives and then periodically receives an update on performance against those agreed objectives. In support of the summarised feedback completed performance appraisal documents are also available for Committee scrutiny. No external comparison is made regarding performance.

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 2019/20 year, no termination payments were made.

Service Contract Details for Senior Managers

Name of Manager	Role	Salary (£) Bands of £5k)	Date of contract	Expiration Date	Compensation for early termination
Steve Moore	Chief Executive	190-195	05/01/2015	N/A	N/A
Joe Teape	Deputy Chief Executive/ Executive Director of Operations	100-105	07/09/2015	30/11/2019	N/A
Dr Philip Kloer	Deputy Chief Executive /Executive Medical Director	170-175	25/06/2015	N/A	N/A
Andrew Carruthers *	Executive Director of Operations Turnaround Director	120-125	01/12/2019 26/06/2017	N/A 30/11/2019	N/A
Mandy Rayani	Executive Director of Nursing, Quality & Patient Experience	130-135	19/06/2017	N/A	N/A
Karen Miles	Executive Director of Planning, Performance & Commissioning	130-135	01/01/2017	N/A	N/A
Huw Thomas	Executive Director of Finance	125-130	10/12/2018	09/12/2020 (2 year fixed term)	N/A
Lisa Gostling	Executive Director of Workforce & Organisational Development	125-130	09/01/2015	N/A	N/A
Alison Shakeshaft	Executive Director of Therapies & Health Sciences	110-115	01/01/2018	N/A	N/A
Ros Jervis	Executive Director of Public Health	115-120	17/07/2017	N/A	N/A

Jill Paterson	Director of Primary Care, Community & Long Term Care	115-120	19/01/2018	N/A	N/A
Sarah Jennings	Director of Partnerships & Corporate Services	105-110	01/01/2018	N/A	N/A
Joanne Wilson	Board Secretary	95-100	01/01/2018	N/A	N/A
Libby Ryan-Davies*	Transformation Director	5-10	12/09/2016	30/04/2019	N/A

* *Appointed to a new role in the Health Board during 2019/20.*

All Directors are subject to a three month notice period.

Changes to Board Membership in 2019/20

During 20919/20, there were the following changes to Board membership:

- Maria Battle commenced as Chair of the Health Board on 19 August 2019.
- Judith Hardisty took on the position of Interim Chair to 19 August 2019, following which resumed her normal role of Vice-Chair of the Health Board.
- Paul Newman took on the position of Vice-Chair to 19 August 2019, and resumed his normal role of Independent Member after this date.
- David Powell ended his tenure as Independent Member (Information Technology) and was replace by Maynard Davies on 1 December 2019.
- Adam Morgan ended his tenure as Independent Member (Trade Union) on 12 July 2019. Ann Murphy took up this role on 9 January 2020.
- Kerry Donovan stood down as the Chair of the Healthcare Professional Forum on 31 January 2020.
- Hilary Jones stood down as Chair of the Stakeholder Reference Group on 29 February 2020.
- Joe Teape left the post of Deputy Chief Executive/Executive Director of Operations on 30 November 2019.
- Dr Phil Kloer took on the role of Deputy Chief Executive from 23 January 2020. This role is undertaken alongside his substantive post of Executive Medical Director. His role as lead for delivery of the Health and Care Strategy was moved to Karen Miles, Executive Director of Planning, Performance and Commissioning.
- Andrew Carruthers left his post of Turnaround Director on 30 November 2019 and took up position of Executive Director of Operations on 1 December 2019.
- Libby Ryan-Davies changed role on 30 April 2019 from Transformation Director to Strategic Programme Director and reported directly to the Executive Director of Planning, Performance and Commissioning.

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 UHB during the year, it is a calculation which uses information from the pension benefit table. These figures can be influenced by many factors e.g. changes in a person's salary, whether or not they choose to make additional contributions to the pensions scheme from their pay and other valuation factors affecting the pension scheme as a whole.

2019/20

Name and Title	Salary (Bands of £5k)	Bonus Payments	Benefits in Kind (£000)	Pension Benefits (£000)	Total (Bands of £5k)
Executive Members and Directors					
Steve Moore, Chief Executive Officer	190 - 195	0	0	0	190 - 195
Joe Teape, Deputy Chief Executive / Executive Director of Operations (to 30/11/19)	100 - 105	0	0	0	100 - 105
Mandy Rayani, Executive Director of Nursing, Quality and Patient Experience	130 - 135	0	0	13	140 - 145
Karen Miles, Executive Director of Planning, Performance and Commissioning	130 - 135	0	0	26	155 - 160
Lisa Gostling, Executive Director of Workforce and Organisational Development	125 - 130	0	0	73	200 - 205
Phil Kloer, Executive Medical Director	170 - 175	0	0	50	220 -225
Andrew Carruthers, Turnaround Director (to 30/11/19), Executive Director of Operations (from 01/12/19)	120 - 125	0	0	42	165-170
Alison Shakeshaft, Executive Director of Therapies and Health Science	110 - 115	0	0	92	200 - 205
Ros Jervis, Executive Director of Public Health	115 - 120	0	0	27	140 - 145

Name and Title	Salary (Bands of £5k)	Bonus Payments	Benefits in Kind (£000)	Pension Benefits (£000)	Total (Bands of £5k)
Huw Thomas, Executive Director of Finance	125 - 130	0	0	52	175 - 180
Jill Paterson, Director of Primary, Community and Long Term Care	115 - 120	0	06	39	160 - 165
Sarah Jennings, Director of Partnerships and Corporate Services	105 - 110	0	0	35	140 - 145
Joanne Wilson, Board Secretary	95 - 100	0	0	44	140 - 145
Libby Ryan-Davies, Transformational Director (to 30/04/19)	5 - 10	0	0	2	10 - 15
Independent Members					
Maria Battle, Chair (from 19/08/19)	35 - 40	0	0	0	35 - 40
Judith Hardisty, Interim Chair (to 18/08/19), Vice Chair (from 19/08/19)	50 - 55	0	0	0	50 - 55
Mike Lewis	10 - 15	0	0	0	10 - 15
Paul Newman, Interim Vice Chair (to 18/08/19)	20 - 25	0	0	0	20 - 25
Professor John Gammon	10 - 15	0	0	0	10 - 15
David Powell (to 30/11/19)	5 - 10	0	0	0	5 - 10
Simon Hancock	10 - 15	0	0	0	10 - 15
Delyth Raynsford	10 - 15	0	0	0	10 - 15
Adam Morgan (to 12/07/19)	0 - 5	0	0	0	0 - 5
Anna Lewis	10 - 15	0	0	0	10 - 15
Owen Burt	10 - 15	0	0	0	10 - 15
Maynard Davies (from 01/12/19)	0 - 5	0	0	0	0 - 5
Ann Murphy (from 09/01/20)	0-5	0	0	0	0-5

2018/19

Name and Title	Salary (Bands of £5k)	Bonus Payments	Benefits in Kind (£000)	Pension Benefits (£000)	Total (Bands of £5k)
Executive Members and Directors					
Steve Moore, Chief Executive Officer	180 – 185	0	0	0	180 – 185
Joe Teape, Deputy Chief Executive / Executive Director of Operations	145 – 150	0	0	0	145 – 150
Mandy Rayani, Executive Director of Nursing, Quality and Patient Experience	125 – 130	0	0	222	350 - 355
Karen Miles, Executive Director of Planning, Performance and Commissioning	125 – 130	0	0	18	145 – 150
Stephen Forster, Executive Director of Finance (to 31/08/18)	50 – 55	0	0	12	60 – 65
Huw Thomas, Executive Director of Finance (from 01/09/18)	75 - 80	0	0	65	140 - 145
Lisa Gostling, Executive Director of Workforce & OD	115 – 120	0	0	21	135 – 140
Dr Phil Kloer, Executive Medical Director/ Director of Clinical Strategy	165 – 170	0	0	59	225 – 230
Alison Shakeshaft, Executive Director of Therapies and Health Sciences	100 – 105	0	0	0	100 – 105
Ros Jervis, Executive Director of Public Health	110 – 115	0	0	36	145 - 150
Andrew Carruthers, Turnaround Director	115 – 120	0	1	39	155 – 160
Jill Paterson, Director of Primary, Community and Long Term Care	110 – 115	0	4	8	125 – 130
Sarah Jennings, Director of Partnerships and Corporate Services	100 – 105	0	0	21	120 – 125

Name and Title	Salary (Bands of £5k)	Bonus Payments	Benefits in Kind (£000)	Pension Benefits (£000)	Total (Bands of £5k)
Libby Ryan-Davies, Transformation Director	100 – 105	0	0	20	120 – 125
Joanne Wilson, Board Secretary	95 – 100	0	0	17	110 – 115

Independent Members					
Bernadine Rees, Chair (to 28/02/19)	55 – 60	0	0	0	55 – 60
Judith Hardisty, Vice Chair (to 28/02/19), Interim Chair (from 01/03/19)	45 – 50	0	0	0	45 – 50
Paul Newman, Independent Member (to 28/02/19), Interim Vice Chair (from 06/03/19)	10 – 15	0	0	0	10 – 15
Mike Lewis	10 – 15	0	0	0	10 – 15
Professor John Gammon	10 – 15	0	0	0	10 – 15
David Powell	10 – 15	0	0	0	10 – 15
Cllr Simon Hancock	10 – 15	0	0	0	10 – 15
Delyth Raynsford	10 – 15	0	0	0	10 – 15
Adam Morgan	5 – 10	0	0	0	5 – 10
Owen Burt (from 01/05/18)	10 - 15	0	0	0	10 - 15
Anna Lewis (from 01/04/18)	10 - 15	0	0	0	10 - 15
Mr M Hearty (from 01/06/18)	0	0	0	0	0
Julie James (to 30/04/18)	0 – 5	0	0	0	0 – 5

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 banded remuneration of the highest-paid Director in the Health Board in the financial year 2019/20 was £190,000-£195,000 (2018/19, £180,000 - £185,000). This was 6 times (2018/19, 6 times) the median remuneration of the workforce, which was £33,758 (2018/19, £29,608).

In 2019/20, 32 (2018/2019, 34) employees received remuneration in excess of the highest-paid Director. Remuneration for staff ranged from £21,450 to £360,373 (2018/19, £17,460 to £307,299). 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 as part of their medical managerial roles, necessitating extra payment.

	2019/2020	2018/2019
Band of Highest paid Director's Total Remuneration £000	190 - 195	180 - 185
Median Total Remuneration £000	34	30
Ratio	6 times	6 times

** As disclosed in the Health Board's Annual Accounts Note 9.6*

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

Pension Benefits Disclosure

Name and title	Real increase in pension at age 60 (bands of £2,500) £000	Real increase in pension lump sum at aged 60 (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2018 (bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2018 (bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2018 £000	Cash Equivalent Transfer Value at 31 March 2017 £000	Real increase in Cash Equivalent Transfer Value £000	Employer's contribution to stakeholder pension £000
Steve Moore, Chief Executive*	0	0	0	0	0	0	0	0
Joe Teape, Deputy Chief Executive/ Director of Operations*	0	0	0	0	0	0	0	0
Mandy Rayani, Executive Director of Nursing, Quality & Patient Experience	0-2.5	2.5-5	60-65	185-190	1,382	1,288	64	0
Karen Miles, Executive Director of Finance, Director of Planning, Performance and Commissioning	0-2.5	(2.5)-0	55-60	155-160	1,261	1,174	59	0
Lisa Gostling, Director of Workforce and Organisational Development	2.5-5	5-7.5	45-50	105-110	869	763	87	0
Dr Phil Kloer, Deputy Chief Executive/Executive Medical Director	2.5-5	0-2.5	55-60	115-120	962	874	67	0
Andrew Carruthers, Turnaround Director to (30/11/19), Executive Director of Operations (from 01/12/19)	2.5-5	0-2.5	30-35	60-65	451	402	40	0
Alison Shakeshaft, Executive Director of Therapies and Health Science	2.5-5	7.5-10	45-50	110-115	954	825	109	0
Ros Jervis, Executive Director of Public Health	0-2.5	(2.5)-0	25-30	45-50	431	387	35	0

Name and title	Real increase in pension at age 60 (bands of £2,500) £000	Real increase in pension lump sum at aged 60 (bands of £2,500) £000	Total accrued pension at age 60 at 31 March 2018 (bands of £5,000) £000	Lump sum at age 60 related to accrued pension at 31 March 2018 (bands of £5,000) £000	Cash Equivalent Transfer Value at 31 March 2018 £000	Cash Equivalent Transfer Value at 31 March 2017 £000	Real increase in Cash Equivalent Transfer Value £000	Employer's contribution to stakeholder pension £000
Huw Thomas, Executive Director of Finance	2.5-5	0-2.5	20-25	0-5	242	198	39	0
Jill Paterson, Director of Primary, Community and Long Term Care	0-2.5	5-7.5	40-45	130-135	0	0	0	0
Sarah Jennings, Director of Partnerships and Corporate Services	0-2.5	0.00	35-40	0.00	536	479	45	0
Joanne Wilson, Board Secretary	2.5-5	0-2.5	25-30	45-50	372	324	40	0
Libby Ryan-Davies, Transformational Director (to 30/04/19)	0-2.5	(2.5)-0	35-40	75-80	563	521	2	0
* Steve Moore and Joe Teape chose not to be covered by the NHS pension arrangements during the reporting year								

STAFF REPORT

Staff Numbers

As at 31 March 2020 the Health Board employed 11,245 staff including bank and locum staff; this equated to 8,741.72 Full Time Equivalent (FTE). The numbers (headcount) of female and male Board Members and employees are as follow:

	Female	Male	Total
Board Members	13	10	23
Employees	8750	2472	11222
Total	8763	2482	11245

Staff Composition as at 31 March 2020

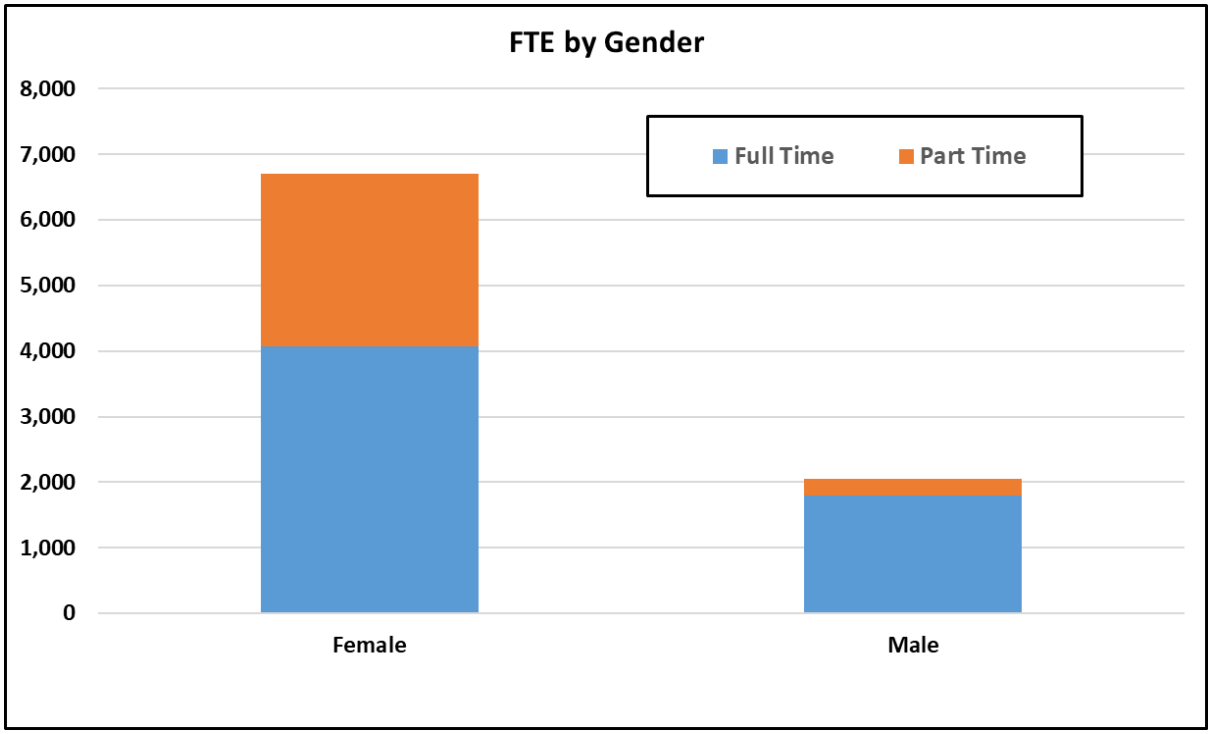
	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Executive Team*	8.00	8	4.00	4	12.00	12
Independent Members	5.00	5	6.00	6	11.00	11
Total	**13.00**	**13**	**10.00**	**10**	**23.00**	**23**

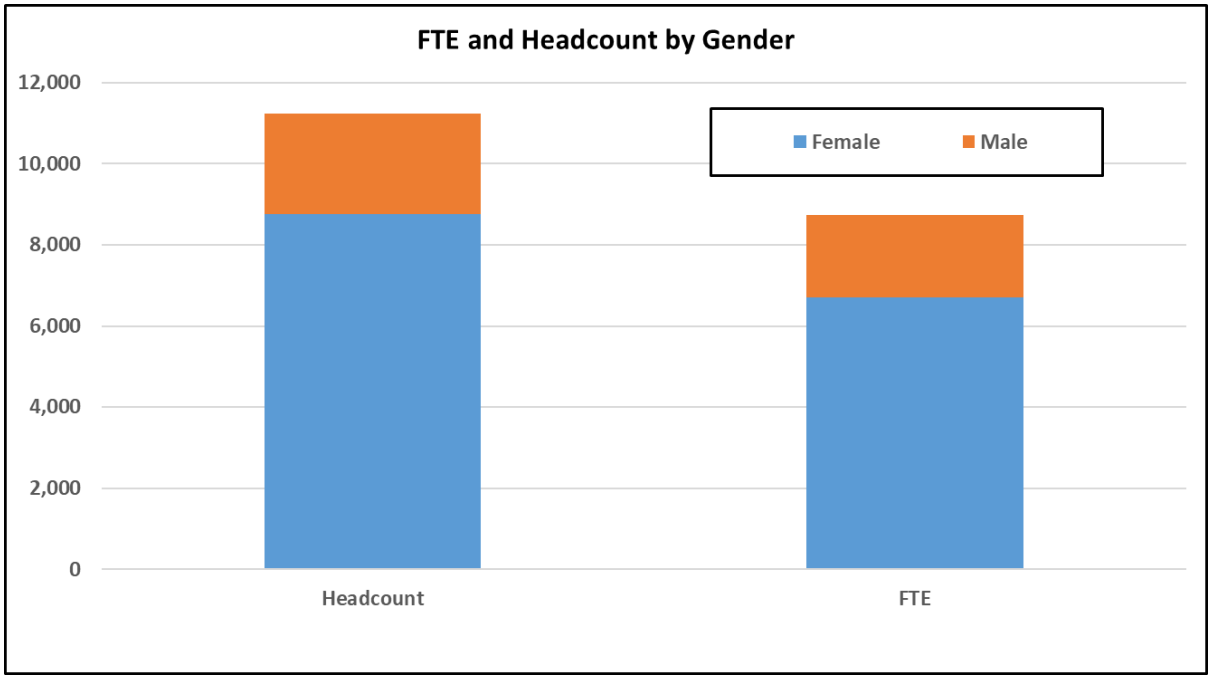
* The Executive Team consists of 9 Executive Directors who are voting members of the Board. In addition there are 2 additional Directors and the Board Secretary (all non-voting) who are members of the Executive Team and attend Board meetings.

	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Additional Professional Scientific and Technical	222.96	259	110.93	130	333.88	389
Additional Clinical Services	1,493.51	2,249	335.43	402	1,828.94	2,651
Administrative and Clerical	1,365.20	1,604	300.27	322	1,665.46	1,926
Allied Health Professionals	451.07	535	98.06	109	549.13	644
Estates and Ancillary	365.12	618	416.67	548	781.79	1,166
Healthcare Scientists	96.77	107	82.00	83	178.77	190
Medical and Dental	229.56	320	475.32	640	704.87	960
Nursing and Midwifery Registered	2,471.65	3,070	226.62	248	2,698.27	3,318
Students	0.60	1	0.00	0	0.60	1
Total	**6,696.43**	**8,763**	**2,045.28**	**2,482**	**8,741.72**	**11,245**

	Female		Male		Total	
	FTE	Head count	FTE	Head count	FTE	Head count
Band 8a	43.82	45	26.00	27	69.82	72
Band 8b	30.80	31	19.60	20	50.40	51
Band 8c	15.59	16	8.40	9	23.99	25
Band 8d	7.80	8	6.00	6	13.80	14
Band 9	3.00	3	6.85	7	9.85	10
Total	**101.01**	**103**	**66.85**	**69**	**167.86**	**172**

- 77% of the Health Board's workforce was female by FTE and 23% male;
- The staff covered a wide range of professional, technical and support staff groups;
- Over 50% were within the Nursing and Midwifery and Additional Clinical Services staff groups;
- Senior Manager (Band 8a and above) were 1.9% of the workforce - 60% of these by FTE were female and 40% male; and
- The Board does not have any issue with its staff composition.





Sickness Absence Data

The Health Board has the lowest sickness rate of the 6 largest Health Board's in Wales despite the slight increase of the cumulative sickness rate for the 12 month period up to the 31 March 2020 to 5.08% (4.86% at end of March 2019).

	2019-20	2018-19
Days lost (long term)	136,170	105,591
Days lost (short term)	57,086	42,578
Total days lost	193,256	148,169
Total FTE as at 31 March	8,741.22	8,445.61
Average Working Days Lost	11.67	11.10
Total Staff employed as at 31 March (headcount)	11,245	11,007
Total Staff employed in period with no absence (headcount)	3,878	3,534
Percentage of staff with no sick leave	38.38%	37.09%

The percentage and total number of staff without absence in the year has been sourced from the standard ESR Business Intelligence (BI) report. With regard to the reporting in relation to the percentage of staff with 'no sickness', the standard BI report excludes new entrants and also bank and locum assignments.

The main reasons for long term sickness absence are anxiety/stress/depression, followed by musculoskeletal problems. For short term sickness absence the most prevalent reason stated relates to colds/flu and gastrointestinal problems. Managers are provided with Directorate sickness absence metrics on a monthly basis which highlight the sickness absence rates for their areas split by department along with reasons for absence, days lost and cost.

The revised All Wales Attendance at Work Policy is now well established within the organisation with its focus on compassionate leadership and the ability for manager

discretion which may have resulted in the slight increase in sickness absence. Due to the role of the training package across the organisation our audit programme has reduced over the last 12 months. This will now be a key priority going into the new financial year. The issue of COVID-19 will also have impacted on attendance during the latter part of 19/20 and this will continue into 20/21 which will result in higher sickness absence for the coming year.

The HB has an in-house Occupational Health Service with a Consultant Occupational Health Physician and a Staff Psychological Well-being Service which staff are able to self-refer to. The Staff Wellbeing service has been enhanced to include a 24 hour Employee telephone assistance service.

In additional to dedicated staff wellbeing events held across the Health Board which included financial wellbeing, the Health Board also ran an initiative 'Your Well-Being Matters' in early 2020 to improve staff well-being for nurses, midwives and healthcare support workers across Hywel Dda. The feedback from this confidential, anonymous on workplace well-being survey will help us to understand what it feels like to work in Hywel Dda Health Board, and enable us to further explore and develop ways to improve well-being in the workplace.

Staff Policies

The majority of key employment policies are developed on an All Wales basis and then ratified locally by the Workforce and Organisational Development Sub-Committee (W&ODSC). These policies are developed in partnership with Trade Unions and are approved though the WG Partnership Forum Business Committee. Equality Impact Assessments (EqIAs) are produced, recorded, and made available for All Wales policies by a sub-group of the Partnership Forum.

Other employment policies are developed and reviewed through the Employment Policy Review group that is chaired by a senior member of the Workforce & Organisational Development Directorate. The group membership consists of managers, trade union representatives and other specialist advisors such as those with specialist knowledge of equality and diversity and data protection. Local policies are produced in partnership with trade union colleagues and are issued for general consultation. EqIAs are developed by a sub-group of the Employment Policy Review group that includes a specialist advisor for equality and diversity.

Local policies are subject to formal sign off through both the Health Board's Staff Partnership Forum and the W&ODSC. The Health Board's employment policies can be found - http://www.wales.nhs.uk/sitesplus/862/page/62308.

The aim of the Health Board's Equality and Diversity policy is to ensure that equality and diversity considerations underpin the recruitment, employment and development of staff and the development and delivery of the Health Board's services to patients and service users. Policies and practices within Health Board must demonstrate appropriate due regard to relevant equality and diversity issues, thereby ensuring that recruitment and employment and service delivery practices are designed, developed and delivered fairly and equitably, in accordance with equality and human rights legislation.

Expenditure on Consultancy

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 £1,517,841 on consultancy services.

Transforming Clinical Services	£950,675
Legal / Redress Claims Advice	£414,098
VAT / Tax Advice	£50,598
HR Advice	£33,660
Estates Advice	£9,353
Other Service Reviews	£59,457

Tax Assurance for Off-Payroll Appointees

In response to the Government'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 http://www.wales.nhs.uk/sitesplus/862/page/100005 following publication of the Annual Report.

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). £24,800 exit costs were paid in 2019-20 in relation to settlement claims, the year of departure (2018-19 comparatives). 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:

	2019/20	2019/20	2019/20	2019/20	2018/19
Exit packages cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Number	Number	Number	Number	Number
less than £10,000	0	1	1	1	1
£10,000 to £25,000	0	2	2	2	0
£25,000 to £50,000	0	0	0	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	0	0	0	0

	2019/20	2019/20	2019/20	2019/20	2018/19
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£'s	£'s	£'s	£'s	£'s
less than £10,000	0	2,500	2,500	2,500	6,180
£10,000 to £25,000	0	22,300	22,300	22,300	0
£25,000 to £50,000	0	0	0	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	0	0	0	0

Hywel Dda University Health Board

PART C: NATIONAL ASSEMBLY FOR WALES ACCOUNTABILITY REPORT 2019/20

GIG CYMRU NHS WALES

Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

THE NATIONAL ASEMBLY FOR WALES ACCOUNTABILITY REPORT

Regularity of Expenditure

As a result of pressures on public spending, the UHB has had to meet considerable new cost pressures and increase in demand for high quality patient services, within a period of restricted growth in funding. This has resulted in the need to deliver significant cost and efficiency savings to offset unfunded cost pressures to work towards achieving its financial duty, which is break even over a three year period. Given the scale of the challenge and despite delivering its savings of £18.3m in year, the Health Board has been unable to deliver the surplus required in 2019/20 to deliver a balance over 3 years of the financial duty. The expenditure of £139.8m which it has incurred in excess of its resource limit over that period is deemed to be irregular. The UHB will continue to identify efficiency and cost reduction measures in order to mitigate against future cost and service pressures and to re-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 at 31 March 2020:

	2019-2020	2018-2019
	£000's	£000's
Guarantees	0	0
Indemnities*	175	536
Letters of Comfort	0	0
Total	**175**	**536**

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

Chapter 3

Annual Accounts

HYWEL DDA UNIVERSITY LOCAL HEALTH BOARD

FOREWORD

These accounts have been prepared by the Local Health Board under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed.

Statutory background

The Local Health Board was established on 1st June 2009 and became operational on 1st October 2009 and comprises the former organisations of Hywel Dda NHS Trust and Carmarthenshire, Ceredigion and Pembrokeshire Local Health Boards.

Performance Management and Financial Results

Welsh Health Circular WHC/2016/054 replaces WHC/2015/014 'Statutory and Administrative Financial Duties of NHS Trusts and Local Health Boards' and further clarifies the statutory financial duties of NHS Wales bodies and is effective for 2019-20. The annual financial duty has been revoked and the statutory breakeven duty has reverted to a three year duty, with the first assessment of this duty in 2016-17.

Local Health Boards in Wales must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable to them. As a result, the Primary Statement of in-year income and expenditure is the Statement of Comprehensive Net Expenditure, which shows the net operating cost incurred by the LHB which is funded by the Welsh Government. This funding is allocated on receipt directly to the General Fund in the Statement of Financial Position.

Under the National Health Services Finance (Wales) Act 2014, the annual requirement to achieve balance against Resource Limits has been replaced with a duty to ensure, in a rolling 3 year period, that its aggregate expenditure does not exceed its aggregate approved limits.

The Act came into effect from 1 April 2014 and under the Act the first assessment of the 3 year rolling financial duty took place at the end of 2016-17.

Statement of Comprehensive Net Expenditure for the year ended 31 March 2020

	Note	2019-20 £'000	2018-19 £'000
Expenditure on Primary Healthcare Services	3.1	**191,967**	185,316
Expenditure on healthcare from other providers	3.2	**211,453**	200,169
Expenditure on Hospital and Community Health Services	3.3	**587,107**	534,120
		990,527	919,605
Less: Miscellaneous Income	4	**(61,806)**	(57,187)
LHB net operating costs before interest and other gains and losses		**928,721**	862,418
Investment Revenue	5	**0**	0
Other (Gains) / Losses	6	**(55)**	(13)
Finance costs	7	**(16)**	9
Net operating costs for the financial year		**928,650**	**862,414**

See note 2 on page 25 for details of performance against Revenue and Capital allocations.

The notes on pages 8 to 69 form part of these accounts

Other Comprehensive Net Expenditure

	2019-20 £'000	2018-19 £'000
Net (gain) / loss on revaluation of property, plant and equipment	**(1,522)**	(1,185)
Net (gain) / loss on revaluation of intangibles	**0**	0
(Gain) / loss on other reserves	**0**	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	**0**	0
Net (gain)/loss on revaluation of financial assets held for sale	**0**	0
Impairment and reversals	**0**	0
Transfers between reserves	**0**	0
Transfers (to) / from other bodies within the Resource Accounting Boundar	**0**	0
Reclassification adjustment on disposal of available for sale financial asset	**246**	0
Other comprehensive net expenditure for the year	**(1,276)**	(1,185)
Total comprehensive net expenditure for the year	**927,374**	861,229

The notes on pages 8 to 69 form part of these accounts

Statement of Financial Position as at 31 March 2020

	Notes	31 March 2020 £'000	31 March 2019 £'000
Non-current assets			
Property, plant and equipment	11	**278,649**	266,222
Intangible assets	12	**1,461**	1,621
Trade and other receivables	15	**58,101**	43,183
Other financial assets	16	**0**	0
Total non-current assets		**338,211**	311,026
Current assets			
Inventories	14	**9,216**	8,084
Trade and other receivables	15	**68,507**	34,330
Other financial assets	16	**0**	0
Cash and cash equivalents	17	**1,654**	1,460
		79,377	43,874
Non-current assets classified as "Held for Sale"	11	**832**	0
Total current assets		**80,209**	43,874
Total assets		**418,420**	354,900
Current liabilities			
Trade and other payables	18	**(119,136)**	(93,484)
Other financial liabilities	19	**0**	0
Provisions	20	**(39,837)**	(23,541)
Total current liabilities		**(158,973)**	(117,025)
Net current assets/ (liabilities)		**(78,764)**	(73,151)
Non-current liabilities			
Trade and other payables	18	**0**	0
Other financial liabilities	19	**0**	0
Provisions	20	**(58,365)**	(43,497)
Total non-current liabilities		**(58,365)**	(43,497)
Total assets employed		**201,082**	194,378
Financed by :			
Taxpayers' equity			
General Fund		**173,027**	167,572
Revaluation reserve		**28,055**	26,806
Total taxpayers' equity		**201,082**	194,378

The financial statements on pages 2 to 7 were approved by the Board on xx xxx 2020 and signed on its behalf by:

Chief Executive and Accountable Officer …….. Date: xx xxx 2020

The notes on pages 8 to 69 form part of these accounts

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2020

	General Fund £000s	Revaluation Reserve £000s	Total Reserves £000s
Changes in taxpayers' equity for 2019-20			
Balance at 1 April 2019	167,572	26,806	**194,378**
Net operating cost for the year	(928,650)		**(928,650)**
Net gain/(loss) on revaluation of property, plant and equipment	0	1,522	**1,522**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Other Reserve Movement	0	0	**0**
Transfers between reserves	273	(273)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers to/from LHBs	0	0	**0**
Total recognised income and expense for 2019-20	(928,377)	1,249	**(927,128)**
Net Welsh Government funding	916,303		**916,303**
Notional Welsh Government Funding	17,529		**17,529**
Balance at 31 March 2020	173,027	28,055	**201,082**

The notes on pages 8 to 69 form part of these accounts

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2019

	General Fund £000s	Revaluation Reserve £000s	Total Reserves £000s
Changes in taxpayers' equity for 2018-19			
Balance at 31 March 2018	154,822	26,796	**181,618**
Adjustment for Implementation of IFRS 9	(82)	0	**(82)**
Balance at 1 April 2018	154,740	26,796	**181,536**
Net operating cost for the year	(862,414)		**(862,414)**
Net gain/(loss) on revaluation of property, plant and equipment	0	1,185	**1,185**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Other reserve movement	0	0	**0**
Transfers between reserves	1,175	(1,175)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers to/from LHBs	0	0	**0**
Total recognised income and expense for 2018-19	(861,239)	10	**(861,229)**
Net Welsh Government funding	874,071		**874,071**
Balance at 31 March 2019	167,572	26,806	**194,378**

The notes on pages 8 to 69 form part of these accounts

Statement of Cash Flows for year ended 31 March 2020

	Notes	2019-20 £'000	2018-19 £'000
Cash Flows from operating activities			
Net operating cost for the financial year		**(928,650)**	(862,414)
Movements in Working Capital	27	**(24,862)**	(27,602)
Other cash flow adjustments	28	**91,269**	56,848
Provisions utilised	20	**(13,944)**	(12,908)
Net cash outflow from operating activities		**(876,187)**	(846,076)
Cash Flows from investing activities			
Purchase of property, plant and equipment		**(40,957)**	(28,082)
Proceeds from disposal of property, plant and equipment		**378**	12
Purchase of intangible assets		**(442)**	(945)
Proceeds from disposal of intangible assets			0
Payment for other financial assets		**0**	0
Proceeds from disposal of other financial assets		**0**	0
Payment for other assets		**0**	0
Proceeds from disposal of other assets		**0**	0
Net cash inflow/(outflow) from investing activities		**(41,021)**	(29,015)
Net cash inflow/(outflow) before financing		**(917,208)**	(875,091)
Cash Flows from financing activities			
Welsh Government funding (including capital)		**916,303**	874,071
Capital receipts surrendered		**0**	0
Capital grants received		**1,099**	952
Capital element of payments in respect of finance leases and on-SoFP		**0**	0
Cash transferred (to)/ from other NHS bodies		**0**	0
Net financing		**917,402**	875,023
Net increase/(decrease) in cash and cash equivalents		**194**	(68)
Cash and cash equivalents (and bank overdrafts) at 1 April 2019		**1,460**	1,528
Cash and cash equivalents (and bank overdrafts) at 31 March 2020		**1,654**	1,460

The notes on pages 8 to 69 form part of these accounts

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHB) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2019-20 Manual for Accounts. The accounting policies contained in that manual follow the 2019-20 Financial Reporting Manual (FReM), which applies European Union adopted IFRS and Interpretations in effect for accounting periods commencing on or after 1 January 2019, except for IFRS 16 Leases, which is deferred until 1 April 2021; to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the LHB Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the LHB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the LHB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2. Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3. Income and funding

The main source of funding for the LHBs are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the LHB. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, or ophthalmic services identified by the Welsh Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the LHB and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the LHB for the Welsh Government such as funding provided to agencies and non-activity costs incurred by the LHB in its provider role. Income received from LHBs transacting with other LHBs is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred.

Only non-NHS income may be deferred.

1.4. Employee benefits

1.4.1. Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.4.2. Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The latest NHS Pension Scheme valuation results indicated that an increase in benefit required a 6.3% increase (14.38% to 20.68%) which was implemented from 1 April 2019.

As an organisation within the full funding scope, the joint (in NHS England and NHS Wales) transitional arrangement operated in 2019-20 where employers in the Scheme would continue to pay 14.38% employer contributions under their normal monthly payment process, in Wales the additional 6.3% being funded by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency).

However, NHS Wales' organisations are required to account for **their staff** employer contributions of 20.68% in full and on a gross basis, in the 2019-20 annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see Other Note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

1.4.3. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5. Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6. Property, plant and equipment

1.6.1. Recognition

Property, plant and equipment is capitalised if:

● it is held for use in delivering services or for administrative purposes;

● it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;

● it is expected to be used for more than one financial year;

● the cost of the item can be measured reliably; and

● the item has cost of at least £5,000; or

● Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

● Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2. Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

● Land and non-specialised buildings – market value for existing use

● Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1 April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2017-18 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver

services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

1.6.3. Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated. For All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs so identified are then charged to operating expenses.

1.7. Intangible assets

1.7.1. Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

● the technical feasibility of completing the intangible asset so that it will be available for use

● the intention to complete the intangible asset and use it

● the ability to use the intangible asset

● how the intangible asset will generate probable future economic benefits

● the availability of adequate technical, financial and other resources to complete the intangible asset and use it

● the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8. Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings.

1.9. Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits there from can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCNE on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale

within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCNE. On disposal, the balance for the asset on the revaluation reserve, is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11. Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

1.11.1. The NHS Wales organisation as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the SoCNE.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

1.11.2. The NHS Wales organisation as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the NHS Wales organisation net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the NHS Wales organisation's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.12. Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is

considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13. Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14. Provisions

Provisions are recognised when the NHS Wales organisation has a present legal or constructive obligation as a result of a past event, it is probable that the NHS Wales organisation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the NHS Wales organisation has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the NHS Wales organisation has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in 2019-20. The WRP is hosted by Velindre University NHS Trust.

1.14.2. Future Liability Scheme (FLS) - General Medical Practice Indemnity (GMPI)

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GMP services in Wales.

In March 2019, the Minister issued a Direction to Velindre University NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1 April 2019.

GMP Service Providers are not direct members of the GMPI FLS, their qualifying liabilities are the subject of an arrangement between them and their relevant LHB, which is a member of the scheme. The qualifying reimbursements to the LHB are not subject to the £25,000 excess.

1.15. Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.16. Financial assets

Financial assets are recognised on the SoFP when the NHS Wales organisation becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1. Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2. Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4. Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.16.5. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the NHS Wales organisation assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.17. Financial liabilities

Financial liabilities are recognised on the SOFP when the NHS Wales organisation becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.17.1. Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.17.2. Financial liabilities at fair value through the SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3. Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18. Value Added Tax (VAT)

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19. Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20. Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Wales organisation has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21. Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the NHS Wales organisation not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The NHS Wales organisation accounts for all losses and special payments gross (including assistance from the WRP).

The NHS Wales organisation accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for, where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

1.22. Pooled budget

The NHS Wales organisation has entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

The pool budget is hosted by one NHS Wales's organisation. Payments for services provided are accounted for as miscellaneous income. The NHS Wales organisation accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.24. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these

claims would be recoverable through the Welsh Risk Pool.

Significant estimations are also made for continuing care costs resulting from claims post 1 April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

Estimates are also made for contracted primary care services. These estimates are based on the latest payment levels. Changes associated with these liabilities are adjusted in the following reporting period.

1.24.1. Provisions

The NHS Wales organisation provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the Welsh Risk Pool Services (WRPS) which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the NHS Wales organisation, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

1.24.2. Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement;

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Contingent Liability.
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision*
	Contingent Liability for all other estimated expenditure.	
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of minus 0.75%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%- 94% respectively are held as a provision on the balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

1.25 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The NHS Wales organisation therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;

b) Payment for the PFI asset, including finance costs; and

c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

1.25.1. Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

1.25.2. PFI asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the NHS Wales organisation's approach for each relevant class of asset in accordance with the principles of IAS 16.

1.25.2. PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the SoCNE.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the SoCNE.

1.25.3. Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the NHS Wales organisation's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1.25.4. Assets contributed by the NHS Wales organisation to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the NHS Wales organisation's SoFP.

1.25.5. Other assets contributed by the NHS Wales organisation to the operator

Assets contributed (e.g. cash payments, surplus property) by the NHS Wales organisation to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the NHS Wales organisation, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured at the present value of the minimum lease payments, discounted using the implicit interest rate. It is subsequently measured as a finance lease liability in accordance with IAS 17.

On initial recognition of the asset, the difference between the fair value of the asset and the initial liability is recognised as deferred income, representing the future service potential to be received by the NHS Wales organisation through the asset being made available to third party users.

1.26. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.27. Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where transfer of function is between LHBs the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.28. Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM

IFRS14 Regulatory Deferral Accounts Not EU-endorsed.*
Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 16 Leases is to be effective from 1st April 2021.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

1.29. Accounting standards issued that have been adopted early

During 2019-20 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.30. Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the NHS Wales

organisation has established that as it is the corporate trustee of the Hywel Dda NHS Charitable Fund, it is considered for accounting standards compliance to have control of the Hywel Dda NHS Charitable Fund as a subsidiary and therefore is required to consolidate the results of the Hywel Dda NHS Charitable Fund within the statutory accounts of the NHS Wales organisation.

The determination of control is an accounting standard test of control and there has been no change to the operation of the Hywel Dda NHS Charitable Fund or its independence in its management of charitable funds.

However, the NHS Wales organisation has with the agreement of the Welsh Government adopted the IAS 27 (10) exemption to consolidate. Welsh Government as the ultimate parent of the Local Health Boards will disclose the Charitable Accounts of Local Health Boards in the Welsh Government Consolidated Accounts. Details of the transactions with the charity are included in the related parties' notes.

2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1 April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1 April 2014 section 175 of the National Health Service (Wales) Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years
- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is reponsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the 3 year statutory duty under section 175 (1) was at the end of 2016 -17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

2.1 Revenue Resource Performance

	Annual financial performance			
	2017-18	2018-19	2019-20	**Total**
	£'000	£'000	£'000	**£'000**
Net operating costs for the year	833,501	862,414	928,650	**2,624,565**
Less general ophthalmic services expenditure and other non-cash limited expenditure	1,956	1,722	1,400	**5,078**
Less revenue consequences of bringing PFI schemes onto SoFP	0	0	0	**0**
Total operating expenses	835,457	864,136	930,050	**2,629,643**
Revenue Resource Allocation	766,027	828,698	895,107	**2,489,832**
Under /(over) spend against Allocation	(69,430)	(35,438)	(34,943)	**(139,811)**

Hywel Dda UHB **has not** met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2017-18 to 2019-20.

The Health Board **did not** receive any repayable brokerage during the year.

The Health Board did receive £25million repayable cash only support in 2019-20. The accumulated cash only support provided to the Health Board by the Welsh Government is £185.964million as at 31 March 2020. The cash only support is provided to assist the Health Board with ensuring payments to staff and suppliers, there is no interest payable on cash only support. Repayment of this cash assistance will be in accordance with the Health Board's future Integrated Medium Term Plan submissions.

2.2 Capital Resource Performance

	2017-18	2018-19	2019-20	**Total**
	£'000	£'000	£'000	**£'000**
Gross capital expenditure	18,474	31,820	41,686	**91,980**
Add: Losses on disposal of donated assets	0	0	0	**0**
Less NBV of property, plant and equipment and intangible assets disposed	(265)	0	(323)	**(588)**
Less capital grants received	(11)	0	0	**(11)**
Less donations received	(623)	(952)	(1,099)	**(2,674)**
Charge against Capital Resource Allocation	17,575	30,868	40,264	**88,707**
Capital Resource Allocation	17,613	30,893	40,295	**88,801**
(Over) / Underspend against Capital Resource Allocation	38	25	31	**94**

The LHB met its financial duty to break-even against its Capital Resource Limit over the 3 years 2017-18 to 2019-20.

2.3 Duty to prepare a 3 year plan

The NHS Wales Planning Framework for the period 2019-20 to 2021-22 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium Term Plans to the Welsh Government.

Following discussion between Hywel Dda University Health Board and Welsh Government, the Health Board acknowledged that it was not in a position to submit an IMTP for the period 2019-20 to 2021-22 given the status of the Transforming Clinical Services and Turnaround Programmes. In the absence of an IMTP, the Health Board developed an Annual Plan that was submitted to Welsh Government by the Board on 29th March 2019.

The statutory financial duty under section 175 (2A) of the National Health Services (Wales) Act 2006 to prepare a three year plan was therefore not met.

	2019-20 to 2021-22
The Minister for Health and Social Services approval	
Status	**Not Approved**
Date	

The LHB **has not** therefore met its statutory duty to have an approved financial plan for the period 2019-20 to 2021-22.

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited	Non-cash limited	2019-20 Total	2018-19
	£'000	£'000	£'000	£'000
General Medical Services	73,954		**73,954**	71,645
Pharmaceutical Services	19,680	(5,623)	**14,057**	13,632
General Dental Services	21,035		**21,035**	19,925
General Ophthalmic Services	1,320	4,223	**5,543**	5,337
Other Primary Health Care expenditure	4,801		**4,801**	3,943
Prescribed drugs and appliances	72,577		**72,577**	70,834
Total	**193,367**	**(1,400)**	**191,967**	185,316

3.2 Expenditure on healthcare from other providers

	2019-20	2018-19
	£'000	£'000
Goods and services from other NHS Wales Health Boards	**38,048**	38,754
Goods and services from other NHS Wales Trusts	**6,218**	7,324
Goods and services from Health Education and Improvement Wales (HEIW)	**3**	0
Goods and services from other non Welsh NHS bodies	**44**	1,189
Goods and services from WHSSC / EASC	**94,452**	85,495
Local Authorities	**15,521**	9,331
Voluntary organisations	**2,672**	1,970
NHS Funded Nursing Care	**3,102**	3,125
Continuing Care	**45,118**	47,012
Private providers	**6,038**	5,790
Specific projects funded by the Welsh Government	**0**	0
Other	**237**	179
Total	**211,453**	200,169

3.3 Expenditure on Hospital and Community Health Services

	2019-20 £'000	2018-19 £'000
Directors' costs	2,445	2,451
Staff costs	436,237	400,701
Supplies and services - clinical	78,038	74,317
Supplies and services - general	6,392	5,547
Consultancy Services	1,518	1,691
Establishment	8,447	8,554
Transport	1,817	1,539
Premises	18,003	15,638
External Contractors	719	371
Depreciation	16,171	15,255
Amortisation	496	369
Fixed asset impairments and reversals (Property, plant & equipment)	13,119	4,979
Fixed asset impairments and reversals (Intangible assets)	0	0
Impairments & reversals of financial assets	0	0
Impairments & reversals of non-current assets held for sale	0	0
Audit fees	344	392
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	1,755	1,856
Research and Development	0	0
Other operating expenses	1,606	460
Total	**587,107**	534,120

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

Increase/(decrease) in provision for future payments:	2019-20 £'000	Reclassified 2018-19 £'000
Clinical negligence;		0
Secondary care	49,957	33,244
Primary care	0	0
Redress Secondary Care	1,083	726
Redress Primary Care	0	0
Personal injury	450	368
All other losses and special payments	253	167
Defence legal fees and other administrative costs	1,355	707
Gross increase/(decrease) in provision for future payments	**53,098**	**35,212**
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	118	99
Less: income received/due from Welsh Risk Pool	(51,461)	(33,455)
Total	**1,755**	1,856

	2019-20 £	2018-19 £
Permanent injury included within personal injury £:	269,446	20,000

4. Miscellaneous Income

	2019-20 £'000	2018-19 £'000
Local Health Boards	**19,360**	18,730
Welsh Health Specialised Services Committee (WHSSC)/Emergency Ambulance Services Committee (EASC)	**2,370**	2,152
NHS Wales trusts	**5,581**	3,837
Health Education and Improvement Wales (HEIW)	**2,028**	659
Foundation Trusts	**0**	0
Other NHS England bodies	**4,445**	4,342
Other NHS Bodies	**0**	0
Local authorities	**5,316**	4,535
Welsh Government	**3,753**	2,963
Welsh Government Hosted bodies	**0**	0
Non NHS:		
Prescription charge income	**5**	7
Dental fee income	**3,159**	3,276
Private patient income	**13**	15
Overseas patients (non-reciprocal)	**266**	334
Injury Costs Recovery (ICR) Scheme	**1,080**	1,272
Other income from activities	**562**	536
Patient transport services	**0**	0
Education, training and research	**6,836**	7,151
Charitable and other contributions to expenditure	**1,089**	779
Receipt of donated assets	**1,099**	952
Receipt of Government granted assets	**0**	0
Non-patient care income generation schemes	**496**	481
NHS Wales Shared Services Partnership (NWSSP)	**0**	0
Deferred income released to revenue	**446**	399
Contingent rental income from finance leases	**0**	0
Rental income from operating leases	**353**	356
Other income:		
Provision of laundry, pathology, payroll services	**102**	127
Accommodation and catering charges	**1,523**	1,459
Mortuary fees	**202**	145
Staff payments for use of cars	**224**	243
Business Unit	**0**	0
Other	**1,498**	2,437
Total	**61,806**	57,187

Other income Includes;		
Salary Sacrifice Schemes & Fleet Vehicles	**0**	0
VAT recoveries re Business Activities and accrued income	**0**	0
Other	**0**	0
	0	0
Total	**0**	0

Injury Cost Recovery (ICR) Scheme income

	2019-20 %	2018-19 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	21.79	21.89

5. Investment Revenue

	2019-20	2018-19
	£000	£000
Rental revenue :		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue :		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	**0**	0

6. Other gains and losses

	2019-20	2018-19
	£000	£000
Gain/(loss) on disposal of property, plant and equipment	55	13
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	0
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	**55**	13

7. Finance costs

	2019-20	2018-19
	£000	£000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under PFI contracts		
main finance cost	0	0
contingent finance cost	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	**0**	0
Provisions unwinding of discount	(16)	9
Other finance costs	0	0
Total	**(16)**	9

8. Operating leases

LHB as lessee

As at 31st March 2020 the LHB had 487 operating leases agreements in place for the leases of 26 premises, 239 arrangement in respect of equipment and 222 in respect of vehicles, with 3 premises, 12 equipment and 59 vehicle leases having expired in year.

Payments recognised as an expense	**2019-20**	2018-19
	£000	£000
Minimum lease payments	**2,296**	3,881
Contingent rents	**0**	0
Sub-lease payments	**0**	0
Total	**2,296**	3,881

Total future minimum lease payments		
Payable	**£000**	£000
Not later than one year	**1,358**	1,197
Between one and five years	**2,536**	2,135
After 5 years	**2,607**	2,909
Total	**6,501**	6,241

LHB as lessor

Rental revenue	**£000**	£000
Rent	**303**	304
Contingent rents	**0**	0
Total revenue rental	**303**	304

Total future minimum lease payments		
Receivable	**£000**	£000
Not later than one year	**303**	303
Between one and five years	**1,210**	1,210
After 5 years	**1,718**	2,019
Total	**3,231**	3,532

9. Employee benefits and staff numbers

9.1 Employee costs

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Other	Total	2018-19
	£000	£000	£000	£000	£000	£000
Salaries and wages	331,954	4,791	17,359	5,746	**359,850**	344,535
Social security costs	32,044	0	0	524	**32,568**	31,493
Employer contributions to NHS Pension Scheme	57,496	0	0	39	**57,535**	38,577
Other pension costs	167	0	0	0	**167**	94
Other employment benefits	0	0	0	0	**0**	0
Termination benefits	0	0	0	0	**0**	0
Total	421,661	4,791	17,359	6,309	**450,120**	414,699
Charged to capital					**578**	464
Charged to revenue					**449,542**	414,235
					450,120	414,699
Net movement in accrued employee benefits (untaken staff leave accrual included above)					(394)	(351)

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Other	Total	2018-19
	Number	Number	Number		Number	Number
Administrative, clerical and board members	1,654	38	3	0	**1,695**	1,583
Medical and dental	705	24	2	29	**760**	729
Nursing, midwifery registered	2,698	6	233	0	**2,937**	2,856
Professional, Scientific, and technical staff	334	0	0	0	**334**	306
Additional Clinical Services	1,829	0	3	0	**1,832**	1,695
Allied Health Professions	549	1	0	22	**572**	542
Healthcare Scientists	179	0	0	0	**179**	167
Estates and Ancilliary	782	0	0	0	**782**	782
Students	1	0	0	0	**1**	11
Total	**8,731**	**69**	**241**	**51**	**9,092**	8,671

9.3. Retirements due to ill-health

	2019-20	2018-19
Number	8	15
Estimated additional pension costs £	487,916	567,507

The estimated additional pension costs of these ill-health retirements have been calculated on an average basis and are borne by the NHS Pension Scheme.

9.4 Employee benefits

The LHB does not have an employee benefit scheme, please give details.

9.5 Reporting of other compensation schemes - exit packages

Exit packages cost band (including any special payment element)	2019-20 Number of compulsory redundancies	2019-20 Number of other departures	2019-20 Total number of exit packages	2019-20 Number of departures where special payments have been made	2018-19 Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	1	1	1	1
£10,000 to £25,000	0	2	2	2	0
£25,000 to £50,000	0	0	0	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**	**3**	**3**	**3**	1

Exit packages cost band (including any special payment element)	2019-20 Cost of compulsory redundancies	2019-20 Cost of other departures	2019-20 Total cost of exit packages	2019-20 Cost of special element included in exit packages	2018-19 Total cost of exit packages
	£'s	£'s	£'s	£'s	£'s
less than £10,000	0	2,500	2,500	2,500	6,180
£10,000 to £25,000	0	22,300	22,300	22,300	0
£25,000 to £50,000	0	0	0	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**	**24,800**	**24,800**	**24,800**	6,180

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). Where the LHB has agreed early retirements, the additional costs are met by the LHB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

Additional requirement as per FReM
£24,800 exit costs were paid in 2019-20, the year of departure (2018-19 £6,180).

9.6 Remuneration Relationship

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

The banded remuneration of the highest-paid director in Hywel Dda UHB in the financial year 2019-20 was £190,000 to £195,000 (2018-19, £180,000 to £185,000). This was 6 times (2018-19, 6 times) the median remuneration of the workforce, which was £33,758 (2018-19, £29,608).

In 2019-20, 32 (2018-19, 34) employees received remuneration in excess of the highest-paid director. Remuneration for all staff ranged from £21,450 to £360,373 (2018-19, £17,460 to £307,299).

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

9.7 Pension costs

PENSION COSTS

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020, is based on valuation data as 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,136 and £50,000 for the 2019-20 tax year (2018-19 £6,032 and £46,350).

Restrictions on the annual contribution limits were removed on 1st April 2017.

10. Public Sector Payment Policy - Measure of Compliance

10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	2019-20	**2019-20**	2018-19	2018-19
NHS	**Number**	**£000**	Number	£000
Total bills paid	**3,623**	**247,454**	3,748	230,575
Total bills paid within target	**3,199**	**244,394**	3,451	227,570
Percentage of bills paid within target	**88.3%**	**98.8%**	92.1%	98.7%
Non-NHS				
Total bills paid	**195,925**	**451,748**	186,631	334,724
Total bills paid within target	**188,489**	**438,423**	179,436	326,310
Percentage of bills paid within target	**96.2%**	**97.1%**	96.1%	97.5%
Total				
Total bills paid	**199,548**	**699,202**	190,379	565,299
Total bills paid within target	**191,688**	**682,817**	182,887	553,880
Percentage of bills paid within target	**96.1%**	**97.7%**	96.1%	98.0%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2019-20	2018-19
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	0

11.1 Property, plant and equipment

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2019	26,209	203,080	7,569	22,076	67,694	240	20,861	6,141	**353,870**
Indexation	(157)	1,900	150	0	0	0	0	0	**1,893**
Additions									
- purchased	0	4,074	0	24,284	6,701	0	3,534	1,658	**40,251**
- donated	0	326	0	305	239	0	115	114	**1,099**
- government granted	0	0	0	0	0	0	0	0	**0**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Reclassifications	375	25,816	0	(26,206)	0	0	15	0	**0**
Revaluations	0	(245)	0	0	22	0	0	0	**(223)**
Reversal of impairments	0	2,121	0	0	0	0	0	0	**2,121**
Impairments	(35)	(17,032)	0	0	0	0	0	0	**(17,067)**
Reclassified as held for sale	(936)	(196)	0	0	0	0	0	0	**(1,132)**
Disposals	0	0	0	0	(2,105)	(147)	(68)	0	**(2,320)**
At 31 March 2020	25,456	219,844	7,719	20,459	72,551	93	24,457	7,913	**378,492**
Depreciation at 1 April 2019	0	14,490	689	0	54,869	240	12,330	5,030	**87,648**
Indexation	0	134	14	0	0	0	0	0	**148**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	153	0	0	0	0	0	0	**153**
Impairments	0	(1,980)	0	0	0	0	0	0	**(1,980)**
Reclassified as held for sale	0	0	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	(2,082)	(147)	(68)	0	**(2,297)**
Provided during the year	0	8,122	350	0	4,508	0	2,678	513	**16,171**
At 31 March 2020	0	20,919	1,053	0	57,295	93	14,940	5,543	**99,843**
Net book value at 1 April 2019	26,209	188,590	6,880	22,076	12,825	0	8,531	1,111	**266,222**
Net book value at 31 March 2020	25,456	198,925	6,666	20,459	15,256	0	9,517	2,370	**278,649**
Net book value at 31 March 2020 comprises :									
Purchased	25,203	194,977	6,666	20,154	14,372	9,316	2,099	0	**272,787**
Donated	253	3,948	0	305	884	189	271	0	**5,850**
Government Granted	0	0	0	0	0	12	0	0	**12**
At 31 March 2020	25,456	198,925	6,666	20,459	15,256	9,517	2,370	0	**278,649**
Asset financing :									
Owned	25,456	198,925	6,666	20,459	15,256	0	9,517	2,370	**278,649**
Held on finance lease	0	0	0	0	0	0	0	0	**0**
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	**0**
PFI residual interests	0	0	0	0	0	0	0	0	**0**
At 31 March 2020	25,456	198,925	6,666	20,459	15,256	0	9,517	2,370	**278,649**

The net book value of land, buildings and dwellings at 31 March 2020 comprises :

	£000
Freehold	**229,335**
Long Leasehold	**1,714**
Short Leasehold	**0**
	231,049

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the Royal Institute of Chartered Surveyors Valuation Standards, 6th Edition . LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11.1 Property, plant and equipment

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2018	25,661	196,113	7,494	10,771	65,016	245	22,810	5,821	**333,931**
Indexation	308	837	75	0	0	0	0	0	**1,220**
Additions									
- purchased	35	1,833	0	20,926	3,972	0	2,934	222	**29,922**
- donated	0	576	0	11	200	0	67	98	**952**
- government granted	0	0	0	0	0	0	0	0	**0**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	9,632	0	(9,632)	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	205	1,122	0	0	0	0	0	0	**1,327**
Impairments	0	(7,033)	0	0	0	0	0	0	**(7,033)**
Reclassified as held for sale	0	0	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	(1,494)	(5)	(4,950)	0	**(6,449)**
At 31 March 2019	26,209	203,080	7,569	22,076	67,694	240	20,861	6,141	**353,870**
Depreciation at 1 April 2018	0	7,511	343	0	51,822	244	15,092	4,524	**79,536**
Indexation	0	32	3	0	0	0	0	0	**35**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	44	0	0	0	0	0	0	**44**
Impairments	0	(771)	0	0	0	0	0	0	**(771)**
Reclassified as held for sale	0	0	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	(1,496)	(5)	(4,950)	0	**(6,451)**
Provided during the year	0	7,674	343	0	4,543	1	2,188	506	**15,255**
At 31 March 2019	0	14,490	689	0	54,869	240	12,330	5,030	**87,648**
Net book value at 1 April 2018	25,661	188,602	7,151	10,771	13,194	1	7,718	1,297	**254,395**
Net book value at 31 March 2019	26,209	188,590	6,880	22,076	12,825	0	8,531	1,111	**266,222**
Net book value at 31 March 2019 comprises :									
Purchased	25,954	184,872	6,880	22,076	11,819	0	8,398	893	**260,892**
Donated	255	3,718	0	0	1,006	0	107	215	**5,301**
Government Granted	0	0	0	0	0	0	26	3	**29**
At 31 March 2019	26,209	188,590	6,880	22,076	12,825	0	8,531	1,111	**266,222**
Asset financing :									
Owned	26,209	188,590	6,880	22,076	12,825	0	8,531	1,111	**266,222**
Held on finance lease	0	0	0	0	0	0	0	0	**0**
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	**0**
PFI residual interests	0	0	0	0	0	0	0	0	**0**
At 31 March 2019	26,209	188,590	6,880	22,076	12,825	0	8,531	1,111	**266,222**

The net book value of land, buildings and dwellings at 31 March 2019 comprises :

	£000
Freehold	**219,938**
Long Leasehold	**1,741**
Short Leasehold	**0**
	221,679

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the Royal Institutie of Chartered Surveyors Valuation Standards, 6th Edition . LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11. Property, plant and equipment (continued)

Disclosures:

i) Donated Assets
Acquisitions shown as donated assets within Note 11 were bought using monies donated by the public into the Charitable Funds and contributions from League of Friends and other charities.

During 2019-20 fixed assets purchased to the following value were funded by the following:

Hywel Dda General Fund Charity (1147863) Plant and Machinery	£234,159
Hywel Dda General Fund Charity (1147863) Furniture and Fittings	£70,055
Hywel Dda General Fund Charity (1147863) Bulidings	£630,763
Hywel Dda General Fund Charity (1147863) Information Technology	£22,451
Ward 10 Withybush / Elly's Ward 10 Flag Appeal	£119,590
Other Contributions	£22,066
Total Donated Assets	**1,099,084**

ii) Valuations
The UHB Land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the Royal Institute of Chartered Surveyors' Valuation Standards, 6th edition.

The UHB is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

iii) Asset Lives
Depreciated as follows:
- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency.
- Equipment 5-15 years.

iv) Compensation
There has not been any compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs
There have not been any write downs.

vi) The UHB does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or sold in the period.
There are assets held for sale or sold in the period.
Assets held for sale include Cardigan Hospital, Cardigan Health Centre and Neyland Health Centre.
Asset sold in the period is Aberaeron Hospital.

11. Property, plant and equipment

11.2 Non-current assets held for sale

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance brought forward 1 April 2019	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	936	196	0	0	0	**1,132**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	(300)	0	0	0	0	**(300)**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2020	636	196	0	0	0	**832**
Balance brought forward 1 April 2018	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	0	0	0	0	0	**0**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2019	0	0	0	0	0	**0**

12. Intangible non-current assets

2019-20

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Carbon Reduction Commitments	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2019	3,359	0	77	0	0	0	**3,436**
Revaluation	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reclassifications	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reversal of impairments	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Impairments	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Additions- purchased	**336**	**0**	**0**	**0**	**0**	**0**	**336**
Additions- internally generated	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Additions- donated	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Additions- government granted	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reclassified as held for sale	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Transfers	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Disposals	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Gross cost at 31 March 2020	**3,695**	**0**	**77**	**0**	**0**	**0**	**3,772**
Amortisation at 1 April 2019	1,738	0	77	0	0	0	**1,815**
Revaluation	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reclassifications	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reversal of impairments	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Impairment	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Provided during the year	**496**	**0**	**0**	**0**	**0**	**0**	**496**
Reclassified as held for sale	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Transfers	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Disposals	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Amortisation at 31 March 2020	**2,234**	**0**	**77**	**0**	**0**	**0**	**2,311**
Net book value at 1 April 2019	**1,621**	**0**	**0**	**0**	**0**	**0**	**1,621**
Net book value at 31 March 2020	**1,461**	**0**	**0**	**0**	**0**	**0**	**1,461**
At 31 March 2020							
Purchased	**1,614**	**0**	**0**	**0**	**0**	**0**	**1,614**
Donated	**7**	**0**	**0**	**0**	**0**	**0**	**7**
Government Granted	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Internally generated	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total at 31 March 2020	**1,621**	**0**	**0**	**0**	**0**	**0**	**1,621**

12. Intangible non-current assets
2018-19

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Carbon Reduction Commitments	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2018	2,548	0	79	0	0	0	**2,627**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	**0**
Additions- purchased	945	0	0	0	0	0	**945**
Additions- internally generated	0	0	0	0	0	0	**0**
Additions- donated	0	0	0	0	0	0	**0**
Additions- government granted	0	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	0	**0**
Transfers	0	0	0	0	0	0	**0**
Disposals	(134)	0	(2)	0	0	0	**(136)**
Gross cost at 31 March 2019	**3,359**	**0**	**77**	**0**	**0**	**0**	**3,436**
Amortisation at 1 April 2018	1,511	0	71	0	0	0	**1,582**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	**0**
Impairment	0	0	0	0	0	0	**0**
Provided during the year	361	0	8	0	0	0	**369**
Reclassified as held for sale	0	0	0	0	0	0	**0**
Transfers	0	0	0	0	0	0	**0**
Disposals	(134)	0	(2)	0	0	0	**(136)**
Amortisation at 31 March 2019	**1,738**	**0**	**77**	**0**	**0**	**0**	**1,815**
Net book value at 1 April 2018	**1,037**	**0**	**8**	**0**	**0**	**0**	**1,045**
Net book value at 31 March 2019	**1,621**	**0**	**0**	**0**	**0**	**0**	**1,621**
At 31 March 2019							
Purchased	1,613	0	0	0	0	0	**1,613**
Donated	8	0	0	0	0	0	**8**
Government Granted	0	0	0	0	0	0	**0**
Internally generated	0	0	0	0	0	0	**0**
Total at 31 March 2019	**1,621**	**0**	**0**	**0**	**0**	**0**	**1,621**

Additional disclosures re Intangible Assets

Computer Software & Licences are capitalised at their purchased price.
Computer Software & Licences are not indexed as IT assets are not subject to indexation.
The assets are amortised monthly over their expected life.
The gross carrying amount of fully amortised intangible assets still in use as at 31 March 2020 was £1,432,740

13 . Impairments

	2019-20 Property, plant & equipment £000	2019-20 Intangible assets £000	2018-19 Property, plant & equipment £000	2018-19 Intangible assets £000
Impairments arising from :				
Loss or damage from normal operations	0	0	0	0
Abandonment in the course of construction	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0
Unforeseen obsolescence	0	0	0	0
Changes in market price	100	0	0	0
Others (specify)	15,238	0	6,262	0
Reversal of Impairments	(1,973)	0	(1,283)	0
Total of all impairments	**13,365**	**0**	4,979	0
Analysis of impairments charged to reserves in year :				
Charged to the Statement of Comprehensive Net Expenditure	13,119	0	4,979	0
Charged to Revaluation Reserve	246	0	0	0
	13,365	**0**	4,979	0

14.1 Inventories

	31 March 2020 £000	31 March 2019 £000
Drugs	4,081	3,776
Consumables	4,888	4,096
Energy	247	212
Work in progress	0	0
Other	0	0
Total	**9,216**	8,084
Of which held at realisable value	0	0

14.2 Inventories recognised in expenses

	31 March 2020 £000	31 March 2019 £000
Inventories recognised as an expense in the period	0	0
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	**0**	**0**

15. Trade and other Receivables

Current	31 March 2020 £000	Reclassified 31 March 2019 £000
Welsh Government	**2,829**	1,679
WHSSC / EASC	**1,180**	95
Welsh Health Boards	**1,294**	1,403
Welsh NHS Trusts	**1,391**	910
Health Education and Improvement Wales (HEIW)	**494**	96
Non - Welsh Trusts	**27**	1
Other NHS	**939**	682
Welsh Risk Pool Claim reimbursement	**0**	0
NHS Wales Secondary Health Sector	**51,437**	21,892
NHS Wales Primary Sector FLS Reimbursement	**0**	0
NHS Wales Redress	**1,549**	0
Other	**0**	0
Local Authorities	**1,016**	1,157
Capital debtors - Tangible	**0**	0
Capital debtors - Intangible	**0**	0
Other debtors	**5,121**	5,499
Provision for irrecoverable debts	**(1,171)**	(1,053)
Pension Prepayments NHS Pensions	**0**	0
Other prepayments	**2,401**	1,969
Other accrued income	**0**	0
Sub total	**68,507**	34,330
Non-current		
Welsh Government	**0**	0
WHSSC / EASC	**0**	0
Welsh Health Boards	**0**	0
Welsh NHS Trusts	**0**	0
Health Education and Improvement Wales (HEIW)	**0**	0
Non - Welsh Trusts	**0**	0
Other NHS	**0**	0
Welsh Risk Pool Claim reimbursement;	**0**	0
NHS Wales Secondary Health Sector	**58,101**	43,183
NHS Wales Primary Sector FLS Reimbursement	**0**	0
NHS Wales Redress	**0**	0
Other	**0**	0
Local Authorities	**0**	0
Capital debtors - Tangible	**0**	0
Capital debtors - Intangible	**0**	0
Other debtors	**0**	0
Provision for irrecoverable debts	**0**	0
Pension Prepayments NHS Pensions	**0**	0
Other prepayments	**0**	0
Other accrued income	**0**	0
Sub total	**58,101**	43,183
Total	**126,608**	77,513

15. Trade and other Receivables (continued)

Receivables past their due date but not impaired	31 March 2020 £000	31 March 2019 £000
By up to three months	589	279
By three to six months	449	71
By more than six months	24	30
	1,062	380

Expected Credit Losses (ECL) / Provision for impairment of receivables		
Balance at 31 March 2019		(872)
Adjustment for Implementation of IFRS 9		(82)
Balance at 1 April 2019	(1,053)	(954)
Transfer to other NHS Wales body	0	0
Amount written off during the year	59	55
Amount recovered during the year	0	0
(Increase) / decrease in receivables impaired	(177)	(154)
Bad debts recovered during year	0	0
Balance at 31 March 2020	(1,171)	(1,053)

In determining whether a debt is impaired consideration is given to the age of the debt and the results of actions taken to recover the debt, including reference to credit agencies.

Receivables VAT

Trade receivables	401	582
Other	0	0
Total	401	582

16. Other Financial Assets

	Current		Non-current	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
	£000	£000	**£000**	£000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Deposits	**0**	0	**0**	0
Loans	**0**	0	**0**	0
Derivatives	**0**	0	**0**	0
Other (Specify)	**0**	0	**0**	0
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Total	**0**	**0**	**0**	**0**

17. Cash and cash equivalents

	2019-20	2018-19
	£000	£000
Balance at 1 April 2019	**1,460**	1,528
Net change in cash and cash equivalent balances	**194**	(68)
Balance at 31 March 2020	**1,654**	1,460
Made up of:		
Cash held at GBS	**1,273**	1,347
Commercial banks	**355**	88
Cash in hand	**26**	25
Current Investments	**0**	0
Cash and cash equivalents as in Statement of Financial Position	**1,654**	1,460
Bank overdraft - GBS	**0**	0
Bank overdraft - Commercial banks	**0**	0
Cash and cash equivalents as in Statement of Cash Flows	**1,654**	1,460

The movement relates to cash, no comparative information is required by IAS 7 in 2019-20.

18. Trade and other payables

Current	31 March 2020 £000	Reclassified 31 March 2019 £000
Welsh Government	39	4
WHSSC / EASC	78	1,148
Welsh Health Boards	1,922	1,113
Welsh NHS Trusts	2,059	1,345
Health Education and Improvement Wales (HEIW)	3	0
Other NHS	7,157	9,182
Taxation and social security payable / refunds	2,066	1,008
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	2,160	1,317
Non-NHS payables - Revenue	12,807	6,157
Local Authorities	8,382	3,043
Capital payables- Tangible	8,178	7,785
Capital payables- Intangible	177	283
Overdraft	0	0
Rentals due under operating leases	0	0
Obligations under finance leases, HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	66,075	54,325
Deferred Income:		
Deferred Income brought forward	418	399
Deferred Income Additions	67	418
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	(418)	(399)
Other creditors	7,966	6,356
PFI assets –deferred credits	0	0
Payments on account	0	0
Sub Total	**119,136**	93,484
Non-current		
Welsh Government	0	0
WHSSC / EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Health Education and Improvement Wales (HEIW)	0	0
Other NHS	0	0
Taxation and social security payable / refunds	0	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS payables - Revenue	0	0
Local Authorities	0	0
Capital payables- Tangible	0	0
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
Obligations under finance leases, HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income :		
Deferred Income brought forward	**0**	0
Deferred Income Additions	0	0
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
Sub Total	**0**	0
Total	**119,136**	93,484

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

18. Trade and other payables (continued).

Amounts falling due more than one year are expected to be settled as follows:	**31 March 2020 £000**	31 March 2019 £000
Between one and two years	**0**	0
Between two and five years	**0**	0
In five years or more	**0**	0
Sub-total	**0**	0

19. Other financial liabilities

	Current		**Non-current**	
Financial liabilities	**31 March 2020 £000**	31 March 2019 £000	**31 March 2020 £000**	31 March 2019 £000
Financial Guarantees:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Derivatives at fair value through SoCNE	**0**	0	**0**	0
Other:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Total	**0**	0	**0**	0

20. Provisions

	Reclassified At 1 April 2019	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2020
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-	**0**								**0**
Secondary care	**17,221**	0	(8,185)	2,804	37,138	(8,291)	(6,697)	0	**33,990**
Primary care	**0**	0	0	0	0	0	0	0	**0**
Redress Secondary care	**384**	0	0		1,309	(358)	(224)	0	**1,111**
Redress Primary care	**0**	0	0	0	0	0	0	0	**0**
Personal injury	**3,146**	0	0	(28)	530	(372)	(90)	(16)	**3,170**
All other losses and special payments	**0**	0	0	0	253	(253)	0	0	**0**
Defence legal fees and other administration	**693**	0	0	96	1,353	(659)	(702)		**781**
Pensions relating to former directors	**0**			0	0	0	0	0	**0**
Pensions relating to other staff	**37**			0	14	(22)	0	0	**29**
Restructuring	**0**			0	0	0	0	0	**0**
Other	**2,060**		0	0	1,166	(1,501)	(969)		**756**
Total	**23,541**	**0**	**(8,185)**	**2,872**	**41,763**	**(11,456)**	**(8,682)**	**(16)**	**39,837**
Non Current									
Clinical negligence:-	0								**0**
Secondary care	**43,048**	0	0	(2,804)	27,165	(2,318)	(7,651)	0	**57,440**
Primary care	**0**	0	0	0	0	0	0	0	**0**
Redress Secondary care	**0**	0	0	0	0	0	0	0	**0**
Redress Primary care	**0**	0	0	0	0	0	0	0	**0**
Personal injury	**0**	0	0	28	24	(5)	(14)	0	**33**
All other losses and special payments	**0**	0	0	0	0	0	0	0	**0**
Defence legal fees and other administration	**449**	0	0	(96)	836	(165)	(132)		**892**
Pensions relating to former directors	**0**			0	0	0	0	0	**0**
Pensions relating to other staff	**0**			0	0	0	0	0	**0**
Restructuring	**0**			0	0	0	0	0	**0**
Other	**0**		0	0	0	0	0		**0**
Total	**43,497**	**0**	**0**	**(2,872)**	**28,025**	**(2,488)**	**(7,797)**	**0**	**58,365**
TOTAL									
Clinical negligence:-	**0**								**0**
Secondary care	**60,269**	**0**	**(8,185)**	**0**	**64,303**	**(10,609)**	**(14,348)**	0	**91,430**
Primary care	**0**	**0**	**0**	**0**	**0**	**0**	**0**	0	**0**
Redress Secondary care	**384**	**0**	**0**	**0**	**1,309**	**(358)**	**(224)**	0	**1,111**
Redress Primary care	**0**	**0**	**0**	**0**	**0**	**0**	**0**	0	**0**
Personal injury	**3,146**	**0**	**0**	**0**	**554**	**(377)**	**(104)**	(16)	**3,203**
All other losses and special payments	**0**	**0**	**0**	**0**	**253**	**(253)**	**0**	0	**0**
Defence legal fees and other administration	**1,142**	**0**	**0**	**0**	**2,189**	**(824)**	**(834)**		**1,673**
Pensions relating to former directors	**0**			**0**	**0**	**0**	**0**	0	**0**
Pensions relating to other staff	**37**			**0**	**14**	**(22)**	**0**	0	**29**
Restructuring	**0**			**0**	**0**	**0**	**0**	0	**0**
Other	**2,060**		0	**0**	**1,166**	**(1,501)**	**(969)**		**756**
Total	**67,038**	**0**	**(8,185)**	**0**	**69,788**	**(13,944)**	**(16,479)**	**(16)**	**98,202**

Expected timing of cash flows:

	In year to 31 March 2021	Between 1 April 2021 31 March 2025	Thereafter	Total
				£000
Clinical negligence:-	0			**0**
Secondary care	33,990	57,440	0	**91,430**
Primary care	0	0	0	**0**
Redress Secondary care	1,111	0	0	**1,111**
Redress Primary care	0	0	0	**0**
Personal injury	3,170	33	0	**3,203**
All other losses and special payments	0	0	0	**0**
Defence legal fees and other administration	781	892	0	**1,673**
Pensions relating to former directors	0		0	**0**
Pensions relating to other staff	29	0	0	**29**
Restructuring	0	0	0	**0**
Other	756	0	0	**756**
Total	**39,837**	**58,365**	**0**	**98,202**

20. Provisions (continued)

	At 1 April 2018	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2019
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Secondary care	22,286	0	0	2,185	10,691	(8,752)	(9,189)	0	**17,221**
Primary care	0	0	0	0	0	0	0	0	**0**
Redress Secondary care	0	0	0	0	762	(342)	(36)	0	**384**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	3,299	0	0	0	592	(530)	(224)	9	**3,146**
All other losses and special payments	0	0	0	0	167	(167)	0	0	**0**
Defence legal fees and other administration	545	0	0	129	827	(345)	(463)		**693**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	46			0	13	(22)	0	0	**37**
Restructuring	0			0	0	0	0	0	**0**
Other	1,588		0	0	2,391	(1,505)	(414)		**2,060**
Total	**27,764**	**0**	**0**	**2,314**	**15,443**	**(11,663)**	**(10,326)**	**9**	**23,541**
Non Current									
Clinical negligence:-	0	0	0	0	0	0	0	0	**0**
Secondary care	14,614	0	0	(2,185)	32,186	(1,123)	(444)	0	**43,048**
Primary care	0	0	0	0	0	0	0	0	**0**
Redress Secondary care	0	0	0	0	0	0	0	0	**0**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	0	0	0	0	0	0	0	0	**0**
All other losses and special payments	0	0	0	0	0	0	0	0	**0**
Defence legal fees and other administration	357	0	0	(129)	376	(122)	(33)		**449**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	0			0	0	0	0	0	**0**
Restructuring	0			0	0	0	0	0	**0**
Other	0		0	0	0	0	0		**0**
Total	**14,971**	**0**	**0**	**(2,314)**	**32,562**	**(1,245)**	**(477)**	**0**	**43,497**
TOTAL									
Clinical negligence:-	0	0	0	0	0	0	0	0	**0**
Secondary care	36,900	0	0	0	42,877	(9,875)	(9,633)	0	**60,269**
Primary care	0	0	0	0	0	0	0	0	**0**
Redress Secondary care	0	0	0	0	762	(342)	(36)	0	**384**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	3,299	0	0	0	592	(530)	(224)	9	**3,146**
All other losses and special payments	0	0	0	0	167	(167)	0	0	**0**
Defence legal fees and other administration	902	0	0	0	1,203	(467)	(496)		**1,142**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	46			0	13	(22)	0	0	**37**
Restructuring	0			0	0	0	0	0	**0**
Other	1,588		0	0	2,391	(1,505)	(414)		**2,060**
Total	**42,735**	**0**	**0**	**0**	**48,005**	**(12,908)**	**(10,803)**	**9**	**67,038**

21. Contingencies

21.1 Contingent liabilities

	2019-20	Reclassified 2018-19
Provisions have not been made in these accounts for the following amounts :	£'000	£'000
Legal claims for alleged medical or employer negligence:-		0
Secondary care	93,702	61,482
Primary care	0	0
Redress Secondary care	0	0
Redress Primary care	0	0
Doubtful debts	0	0
Equal Pay costs	0	0
Defence costs	2,669	1,691
Continuing Health Care costs	1,841	6,925
Other	693	0
Total value of disputed claims	98,905	70,098
Amounts (recovered) in the event of claims being successful	(93,443)	(59,534)
Net contingent liability	5,462	10,564

Clinicians' pension tax liabilities

Clinicians who are members of the NHS Pension Scheme and who, as a result of work undertaken in this tax year (2019/20), face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance will be able to have this charge paid by th e NHS Pension Scheme. This is known as “scheme pays”. In December 2019 the Welsh Government issued a ministerial direction committing it to cover the cost of such an arrangement.

At the date of publication of these accounts, there was no evidence of take-up of the scheme in 2019-20 and no information to make a reasonable assessment of future take up. However, the deadline for initial nomination is not until 31 July 2021. As such, it is not possible to make a reliable estimate of the potential cost to the Health Board.

21.2 Remote Contingent liabilities

	2019-20 £'000	2018-19 £'000
Please disclose the values of the following categories of remote contingent liabilities :		
Guarantees	0	0
Indemnities	175	536
Letters of Comfort	0	0
Total	**175**	**536**

21.3 Contingent assets

	2019-20 £'000	2018-19 £'000
	0	0
	0	0
	0	0
Total	**0**	0

22. Capital commitments

Contracted capital commitments at 31 March	2019-20 £'000	2018-19 £'000
Property, plant and equipment	6,305	28,124
Intangible assets	0	0
Total	**6,305**	28,124

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore this note is prepared on a cash basis.

Gross loss to the Exchequer

Number of cases and associated amounts paid out or written-off during the financial year

	Amounts paid out during period to 31 March 2020	
	Number	**£**
Clinical negligence	83	10,609,212
Personal injury	32	377,185
All other losses and special payments	195	611,437
Total	310	11,597,834

Analysis of cases which exceed £300,000 and all other cases

Cases where cumulative amount exceeds £300,000	**Number**	**Case type**	**Amounts paid out in year** £	**Cumulative amount** £
	07RR6MN0006	MN	29,500	1,608,405
	09RYNMN0061	MN	0	665,000
	12RYNMN0056	MN	1,386,220	1,406,220
	12RYNMN0077	MN	0	1,615,021
	13RYNMN0017	MN	1,350,738	1,420,000
	13RYNMN0032	MN	650,000	1,630,000
	13RYNMN0041	MN	900,000	900,000
	14RYNMN0070	MN	307,587	365,000
	15RYNMN0034	MN	419,000	992,345
	15RYNMN0041	MN	785,000	785,000
	15RYNMN0044	MN	495,000	495,000
	16RYNMN0063	MN	135,000	445,000
	16RYNMN0072	MN	140,000	326,460
	17RYNMN0094	MN	350,878	350,878
	18RYNMN0084	MN	8,000	431,920
	19RYNMN0007	MN	1,250	372,200
	20RYNMN0011	MN	301,000	301,000
Sub-total			**7,259,173**	**14,109,449**
All other cases			4,338,661	8,952,093
Total cases			**11,597,834**	**23,061,542**

24. Finance leases

24.1 Finance leases obligations (as lessee)

The Local Health Board has no finance leases receivable as a lessee.

Amounts payable under finance leases:

Land	**31 March 2020 £000**	31 March 2019 £000
Minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

24.1 Finance leases obligations (as lessee) continue

Amounts payable under finance leases:

Buildings	**31 March 2020**	31 March 2019
Minimum lease payments	**£000**	£000
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

Other	**31 March 2020**	31 March 2019
Minimum lease payments	**£000**	£000
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

24.2 Finance leases obligations (as lessor) continued

The Local Health Board has no finance leases receivable as a lessor.

Amounts receivable under finance leases:

	31 March 2020	31 March 2019
Gross Investment in leases	**£000**	£000
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

25. Private Finance Initiative contracts

25.1 PFI schemes off-Statement of Financial Position

The Local Health Board **has no** PFI Schemes off-statement of financial position.

Commitments under off-SoFP PFI contracts	**Off-SoFP PFI contracts**	Off-SoFP PFI contracts
	31 March 2020	31 March 2019
	£000	£000
Total payments due within one year	**0**	0
Total payments due between 1 and 5 years	**0**	0
Total payments due thereafter	**0**	0
Total future payments in relation to PFI contracts	**0**	0
Total estimated capital value of off-SoFP PFI contracts	**0**	0

25.2 PFI schemes on-Statement of Financial Position

Capital value of scheme included in Fixed Assets Note 11

Total obligations for on-Statement of Financial Position PFI contracts due:

	On SoFP PFI Capital element 31 March 2020 £000	**On SoFP PFI Imputed interest 31 March 2020 £000**	**On SoFP PFI Service charges 31 March 2020 £000**
Total payments due within one year	**0**	**0**	**0**
Total payments due between 1 and 5 years	**0**	**0**	**0**
Total payments due thereafter	**0**	**0**	**0**
Total future payments in relation to PFI contracts	**0**	**0**	**0**

	On SoFP PFI Capital element 31 March 2019 £000	On SoFP PFI Imputed interest 31 March 2019 £000	On SoFP PFI Service charges 31 March 2019 £000
Total payments due within one year	0	0	0
Total payments due between 1 and 5 years	0	0	0
Total payments due thereafter	0	0	0
Total future payments in relation to PFI contracts	0	0	0
Total present value of obligations for on-SoFP PFI contracts	**0**		

25.3 Charges to expenditure	2019-20	2018-19
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	0	0
Total expense for Off Statement of Financial Position PFI contracts	0	0
The total charged in the year to expenditure in respect of PFI contracts	0	0

The LHB is committed to the following annual charges

PFI scheme expiry date:	31 March 2020 £000	31 March 2019 £000
Not later than one year	0	0
Later than one year, not later than five years	0	0
Later than five years	0	0
Total	0	0

The estimated annual payments in future years will vary from those which the LHB is committed to make during the next year by the impact of movement in the Retail Prices Index.

25.4 Number of PFI contracts

	Number of on SoFP PFI contracts	Number of off SoFP PFI contracts
Number of PFI contracts	0	0
Number of PFI contracts which individually have a total commitment > £500m	0	0

PFI Contract	On / Off-statement of financial position
Number of PFI contracts which individually have a total commitment > £500m	0

PFI Contract

25.5 The LHB has no Public Private Partnerships

26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. The LHB is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The LHB has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the LHB in undertaking its activities.

Currency risk
The LHB is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The LHB has no overseas operations. The LHB therefore has low exposure to currency rate fluctuations.

Interest rate risk
LHBs are not permitted to borrow. The LHB therefore has low exposure to interest rate fluctuations

Credit risk
Because the majority of the LHB's funding derives from funds voted by the Welsh Government the LHB has low exposure to credit risk.

Liquidity risk
The LHB is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The LHB is not, therefore, exposed to significant liquidity risks.

27. Movements in working capital

	2019-20 £000	2018-19 £000
(Increase)/decrease in inventories	(1,132)	(209)
(Increase)/decrease in trade and other receivables - non-current	(14,918)	(28,486)
(Increase)/decrease in trade and other receivables - current	(34,177)	5,573
Increase/(decrease) in trade and other payables - non-current	0	0
Increase/(decrease) in trade and other payables - current	25,652	(1,606)
Total	**(24,575)**	(24,728)
Adjustment for accrual movements in fixed assets - creditors	(287)	(2,792)
Adjustment for accrual movements in fixed assets - debtors	0	0
Other adjustments		(82)
	(24,862)	(27,602)

28. Other cash flow adjustments

	2019-20 £000	2018-19 £000
Depreciation	16,171	15,255
Amortisation	496	369
(Gains)/Loss on Disposal	(55)	(13)
Impairments and reversals	13,119	4,979
Release of PFI deferred credits	0	0
Donated assets received credited to revenue but non-cash	(1,099)	(952)
Government Grant assets received credited to revenue but non-cash	0	0
Non-cash movements in provisions	45,108	37,210
Other movements	17,529	0
Total	**91,269**	56,848

29. Events after the Reporting Period

COVID-19

The need to plan and respond to the COVID-19 pandemic has had a significant impact on the LHB, wider NHS and society as a whole. It has required a dynamic response which has presented a number of opportunities in addition to risks. The need to respond and recover from the pandemic will be with the LHB and wider society throughout 2020/21 and beyond. The LHB's Governance Framework will need to consider and respond to this need.

30. Related Party Transactions

A number of the LHB's Board members have interests in related parties as follows:

Name	Details	Interests
Anna Lewis	Independent Member	Visiting Senior Lecturer in Swansea University Consultancy work undertaken in Betsi Cadwaladr University Health Board Consultancy work undertaken in Cwm Taf Morgannwg University Healt
Huw Thomas	Director of Finance	Trustee / Chair of Welsh Branch (up until September 2019) of Healthcare Financial Management Association Partner working in Pembrokeshire County Council
Karen Miles	Director of Planning, Performance & Commissioning	Close Family Member working in University of Wales Trinity St David Close Family Member working in Swansea University
Michael Hearty	Associate Member	Finance Advisor to Betsi Cadwaladr University Health Board Non-Executive Director in Public Health England Non-Executive Director in HMRC Non-Executive Director in Blackpool Teaching Hospital Foundation Trust
Owen Burt	Independent Member	Close Family Member working in University of Wales Trinity St David
Philip Kloer	Medical Director	Honorary Professor in Swansea University
Simon Hancock	Independent Member	Member of Mencap Vice Chair of Pembrokeshire County Council Member of Court of Swansea University
Steve Moore	Chief Executive	Honorary Professor in University of Wales Trinity St David

Total value of transactions are with entities at which Board members and key senior staff have influential interests in 2019-20:

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
City & County of Swansea	5	0	0	0
Mencap	3	0	0	0
Pembrokeshire County Council	12,346	2,826	3,053	301
Public Health England	11	0	1	0
Swansea University	756	408	95	114
University of Wales Trinity St David	57	2	1	2
HM Revenue & Customs	100,659	4,375	9,047	451
Healthcare Financial Management Association	(4)	0	2	0
	113,833	**7,611**	**12,199**	**868**

The Welsh Government is regarded as a related party. During the year the LHB have had a significant number of material transactions with the Welsh Government and with other entities for which the Welsh Government is regarded as the parent body, namely:

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	132	921,523	39	2,829
Aneurin Bevan University Health Board	886	750	119	116
Betsi Cadwaladr Health Board	338	4,838	40	223
Cardiff & Vale University Health Board	6,240	532	255	342
Cwm Taf Morgannwg Health Board	802	562	102	83
Powys Teaching Health Board	411	8,586	104	392
Public Health Wales NHS Trust	2,454	2,168	488	184
Swansea Bay University Health Board	36,567	4,092	1,303	139
Velindre NHS University Trust	13,561	3,264	1,525	19,049
Welsh Ambulance Services Trust	4,516	149	46	6
Welsh Health Specialised Services Committee	94,532	2,370	78	1,180
Health Education & Improvement Wales (HEIW)	3	7049	3	494
	160,442	**955,883**	**4,102**	**25,037**

31. Third Party assets

The LHB held £1,313,859 cash at bank and in hand at 31 March 2020 (31 March 2019, £1,400,694) which relates to monies held by the LHB on behalf of patients. Cash held in Patient's Investment Accounts amounted to £713,895 at 31 March 2020 (31 March 2019, £666,248). This has been excluded from the Cash and Cash equivalents figure reported in the Accounts.

32. Pooled budgets

The Health Board has entered into a pooled budget with Ceredigion County Council on the 1st April 2009. Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 for the provision of an integrated community joint equipment store. The pool is hosted by Ceredigion County Council and a memorandum note to the final accounts will provide details of the joint income and expenditure. The financial operation of the pool is governed by a pooled budget agreement between Ceredigion County Council and the Health Board. Payments for services provided by Ceredigion County Council in the sum of £333,000 are accounted for as expenditure in the accounts of the Health Board. The Health Board accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

The Health Board has entered into a pooled budget with Carmarthenshire County Council on the 1st October 2009. Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 for the provision of an integrated community joint equipment store. The pool is hosted by Carmarthenshire County Council and a memorandum note to the final accounts will provide details of the joint income and expenditure. The financial operation of the pool is governed by a pooled budget agreement between Carmarthenshire County Council and the Health Board. Payments for services provided by Carmarthenshire County Council in the sum of £445,628 are accounted for as expenditure in the accounts of the Health Board. The Health Board accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

The Health Board has entered into an agreement with Carmarthenshire County Council on the 31st March 2011 under section 33 of the NHS (Wales) Act 2006 for the provision of Carmarthenshire Community Health and Social Care services. The section 33 agreement provides the framework for taking forward future schedules and therefore references all community based health, social care (adults & children) and related housing and public protection services so that if any future developments are considered a separate agreement will not have to be prepared. There are currently no pooled budgets related to this agreement.

The Health Board has entered into an agreement with Pembrokeshire County Council on the 31st March 2011 under section 33 of the NHS (Wales) Act 2006 for the provision of an integrated community joint equipment store and from 1st October 2012 the agreement has operated as a pooled fund. The pool is hosted by Pembrokeshire County Council and a memorandum note to the final accounts will provide details of the joint income and expenditure. The financial operation of the pool is governed by a pooled budget agreement between Pembrokeshire County Council and the Health Board. The Health Board accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement and the sum of £305,170 has been accounted for as expenditure in the accounts of the Health Board.

33. Operating segments

34. Other Information

34.1. 6.3% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1 April 2019 to 31 March 2020. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2019 and February 2020 alongside Health Board/Trust/SHA data for March 2020.
Transactions include notional expenditure in relation to the 6.3% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows:

Statement of Comprehensive Net Expenditure for the year ended 31 March 2020		**£'000**
Expenditure on Primary Healthcare Services	**2019-20**	291
Expenditure on Hospital and Community Health Services	**2019-20**	17,238

Statement of Changes in Taxpayers' Equity For the year ended 31 March 2020		
Net operating cost for the year	**Balance at 31 March 2020**	17,529
Notional Welsh Government Funding	**Balance at 31 March 2020**	17,529

Statement of Cash Flows for year ended 31 March 2020		
Net operating cost for the financial year	**2019-20**	0
Other cash flow adjustments	**2019-20**	0

2.1 Revenue Resource Performance		
Revenue Resource Allocation	**2019-20**	17,529

3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	**2019-20**	291
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	**2019-20**	117
Staff costs	**2019-20**	17,121

9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	**2019-20**	17,529
Charged to capital	**2019-20**	36
Charged to revenue	**2019-20**	17,493

18. Trade and other payables		
Current		
Pensions: staff	**Balance at 31 March 2020**	0

28. Other cash flow adjustments		
Other movements	**2019-20**	17,529

34.2 IFRS 16 Disclosure

HM Treasury agreed with the Financial Reporting Advisory Board (FRAB), to defer the implementation of IFRS 16 Leases until 1 April 2021, because of the circumstances caused by Covid-19. To ease the pressure on NHW Wales Finance Departments the IFRS 16 detailed impact statement has been removed by the Welsh Government Health and Social Services Group, Finance Department.

We expect the introduction of IFRS16 will have a significant impact and this will be worked through for disclosure in our 2020-21 financial statements.

34.3 Covid 19 Disclosure

The need to plan and respond to the COVID-19 pandemic has had a significant impact on the LHB, wider NHS and society as a whole. It has required a dynamic response which has presented a number of opportunities in addition to risks. The need to respond and recover from the pandemic will be with the LHB and wider society throughout 2020/21 and beyond. The LHB's Governance Framework will need to consider and respond to this need.

The COVID-19 pandemic presented a number of challenges to the LHB, additional COVID-19 specific funding received during the latter part of this financial year is listed below :

	£000's
Pay	327
Income *	-18
Clinical Supplies	864
Drugs	62
Cleaning	66
Office & IT equipment	314
Primary Care Prescribing	957
Total Revenue	**2,572**

In addition, there was also £428k of Capital Allocation received.

* Income is from the sale of equipment to ABUHB

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

LOCAL HEALTH BOARDS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)1, in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the LHB shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year in which the accounts are being prepared, and has been applied by the Welsh Government and detailed in the NHS Wales LHB Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the LHB for the year ended 31 March 2011 and subsequent years shall comprise a statement of comprehensive net expenditure, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied by the Welsh Assembly Government, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2011 and subsequent years, the account of the LHB shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive of the LHB.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst Dated :

1. Please see regulation 3 of the 2009 No.1559 (W.154); NATIONAL HEALTH SERVICE, WALES; The Local Health Boards (Transfer of Staff, Property, Rights and Liabilities) (Wales) Order 2009

Archwilio Cymru
Audit Wales

Audit of Accounts Report – Hywel Dda University Health Board

Audit year: 2019-20

Date issued: June 2020

Document reference: 1900A2020-21

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention
is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Contents

We intend to issue a qualified[1] audit report on your Accounts There are some issues to report to you prior to their approval.

[1] The true and fair opinion is unqualified but the regularity opinion is qualified

Audit of Accounts Report

Introduction

1 We summarise the main findings from our audit of your 2019-20 financial statements in this report.

2 We have already discussed these issues with Executive director of Finance and his team.

3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.

4 We set this level at £9.9 million for this year's audit.

5 There are some areas of the accounts that may be of more importance to the reader and we have set a lower materiality level for these, as follows:

- Remuneration report / senior pay disclosure and exit packages £5,000
- Related parties £10,000

6 We have now substantially completed this year's audit.

7 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and, our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence. We have previously notified you of a potential threat to auditor independence and objectivity arising from a trainee secondment and confirm that the planned safeguards set out in our Audit Plan have operated as intended.

Impact of COVID-19 on this year's audit

8 The COVID-19 pandemic has had a significant impact on all aspects of our society and continues to do so. You are required by law to prepare accounts and it is of considerable testament to the commitment of your accounts team that you have succeeded in doing so this year in the face of the challenges posed by this pandemic. We are extremely grateful to the professionalism of the team in supporting us to complete our audit in such difficult circumstances.

9 The pandemic has unsurprisingly affected our audit and we summarise in **Exhibit 1** the main impacts. Other than where we specifically make recommendations, the detail in **Exhibit 1** is provided for information purposes only to help you understand the impact of the COVID-19 pandemic on this year's audit process.

Exhibit 1 – impact of COVID-19 on this year's audit

Timetable	• The deadline for completing your accounts was changed by Welsh Government from 28 April 2020 to 29 May 2020. • We received the draft accounts on 1 May 2020. • Our deadline for completing our audit was changed from 29 May 2020 to 26 June 2020. • We expect your audit report to be signed on 2 July 2020.
Electronic signatures	If still necessary at the time of approval and signing we will accept electronic signatures and electronic transfer of files.
Audit evidence	As in previous years we received the majority of audit evidence in electronic format. We have used various techniques to ensure its validity. Where we have been unable to obtain access to paper documents, eg personnel files because of COVID-19 restrictions we have devised alternative audit methodologies to obtain sufficient audit evidence. For testing of existence and ownership of assets we have used a combination of visual identification, (where this was practical), independent online news articles and access to our land registry tool.

10 We will be reviewing what we have learned for our audit process from the COVID-19 pandemic and whether there are innovative practices that we might adopt in the future to enhance that process.

Proposed audit opinion

11 We intend to issue a qualified[2] audit opinion on this year's accounts once you have provided us with a Letter of Representation based on that set out in **Appendix 1**.

12 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.

13 Our proposed audit report is set out in **Appendix 2**. This includes, as in previous years, a qualified opinion on regularity along with a substantive report explaining the reasons for that qualification.

14 The report also includes an emphasis of matter, drawing the reader's attention to Note 21 of the accounts. This note describes the impact of a Ministerial Direction

[2] The true and fair opinion is unqualified but the regularity opinion is qualified

issued on 18 December 2019 to the Permanent Secretary of the Welsh Government, instructing her to fund NHS Clinicians' pension tax liabilities incurred by NHS Wales bodies in respect of the 2019-20 financial year. The Health Board has disclosed the existence of a contingent liability at 31 March 2020, and my opinion is not modified in respect of this matter.

15 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit.

Significant issues arising from the audit

Uncorrected misstatements

16 There are no misstatements identified in the accounts, which remain uncorrected.

Corrected misstatements

17 There were initially misstatements in the accounts that have now been corrected by management. However, we believe that these should be drawn to your attention and they are set out with explanations in **Appendix 3**.

Other significant issues arising from the audit

18 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. There was an issue arising in these areas this year as shown in **Exhibit 2**:

Exhibit 2 – significant issues arising from the audit

Significant issues arising from the audit		
Contingent liability and emphasis of matter paragraph in audit report	I have requested that the Health Board includes in Note 21- Contingent liabilities- the narrative set out below. I have also drawn the reader's attention to this disclosure in an emphasis of matter paragraph in my audit report. My opinion is not modified in respect of this matter.	

Significant issues arising from the audit		
	Clinicians who are members of the NHS Pension Scheme and who, as a result of work undertaken in this tax year (2019/20), face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance will be able to have this charge paid by the NHS Pension Scheme. This is known as "scheme pays". In December 2019 the Welsh Government issued a ministerial direction committing it to cover the cost of such an arrangement. *At the date of publication of these accounts, there was no evidence of take-up of the scheme in 2019-20 and no information to make a reasonable assessment of future take up. However, the deadline for initial nomination is not until 31 July 2021. As such, it is not possible to make a reliable estimate of the potential cost to the Health Board.* This arrangement is for a purpose contrary to Health Board powers, ie on individuals' tax affairs, and such expenditure, if incurred, would be irregular.	
Orthodontic accrual and contingent liability	From our review of documentation relating to the new orthodontic dental contract and discussion with Welsh Government officials, it is unclear whether there is a need for the Health Board to accrue for orthodontic treatment outstanding at 31 March 2020. The Health Board recently went out to tender for its orthodontic work and new contractors were appointed from 1 April 2020. The contract ratification document signed at the time included a financial risk noting that patients currently in treatment with the	**See Recommendation 1, Exhibit 4**

Significant issues arising from the audit		
	incumbent provider would transition to the new providers part way through treatment resulting in potential for the Health board to pay for the full course of treatment a second time. However, documentation provided subsequently by Welsh Government provides an alternative interpretation, stating that there is an incorrect assumption that orthodontic contracts are 'cost per case' contracts, in which the NHS pays in advance when the appliance is fitted. The documentation suggests that an orthodontic provider is paid an annual "salary" in 12 instalments to provide an agreed level of orthodontic care and treatment during that year. This means that at any time an orthodontic contract is taken over by another provider, the previous provider has been paid in full to the end of the contract and the new provider inherits a full case load. Assessments and case completions occur from day one and need to be replaced with new work, i.e. Units of Activity towards the annual obligation. Hence there is no second payment required for the same work. Given the lack of clarity on this issue and since the amount involved is not significant, we have accepted the inclusion of an accrual of £693,000 and an equivalent contingent liability disclosure in the Health Board's 2019-20 accounts.	
Qualification of the regularity opinion	The Auditor General's substantive report in **Appendix 2** outlines the statutory financial duties in the NHS, and the fact that the Health Board did not meet its financial duty to have an	

Significant issues arising from the audit		
	approved three-year integrated medium-term plan for the period 2019-20 to 2021-22. The report also identifies that for 2019-20, the Health Board did not meet its revenue resource allocation over the three-year period ending 2019-20.	

Recommendations

19 The recommendations arising from our audit are set out in **Appendix 4**. Management has responded to them and we will follow up progress against them during next year's audit. Where any actions are outstanding, we will continue to monitor progress and report it to you in next year's report.

Appendix 1

Final Letter of Representation

Hywel Dda ULHB letterhead

Auditor General for Wales

Wales Audit Office

24 Cathedral Road

Cardiff

CF11 9LJ

23 June 2020

Representations regarding the 2019-20 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Hywel Dda university Health Board for the year ended 31 March 2020 for the purpose of expressing an opinion on their truth and, their proper preparation and the regularity of income and expenditure.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

As Chief Executive and Accountable Officer I have fulfilled my responsibility for:

- preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, I am required to:
  - observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
  - make judgements and estimates on a reasonable basis;
  - state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and

  - prepare them on a going concern basis on the presumption that the services of Hywel Dda university Health Board will continue in operation.
- ensuring the regularity of any expenditure and other transactions incurred.
- the design, implementation and maintenance of internal control to prevent and detect error.

We have provided you with:

- full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects Hywel Dda university Health Board and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements.
- Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.
- Our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. any additional representations requested from the audited body; and/or

Representations by Hywel Dda university Health Board

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by Hywel Dda university Health Board on 23 June 2020.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:	Signed by:
Chief Executive	Board Chair
Date:	Date:

Appendix 2

Proposed Audit Report

The Certificate and independent auditor's report of the Auditor General for Wales to the Senedd

Report on the audit of the financial statements

Opinion

I certify that I have audited the financial statements of Hywel Dda University Local Health Board for the year ended 31 March 2020 under Section 61 of the Public Audit (Wales) Act 2004. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Cash Flow Statement and Statement of Changes in Tax Payers' Equity and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and HM Treasury's Financial Reporting Manual based on International Financial Reporting Standards (IFRSs).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of Hywel Dda University Local Health Board as at 31 March 2020 and of its net operating costs for the year then ended; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

I draw attention to Note 21 of the financial statements, which describes the impact of a Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government, instructing her to fund NHS Clinicians' pension tax liabilities

incurred by NHS Wales bodies in respect of the 2019-20 financial year. The Health Board has disclosed the existence of a contingent liability at 31 March 2020. My opinion is not modified in respect of this matter

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Chief Executive has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the board's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Chief Executive is responsible for the other information in the annual report and accounts. The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

Qualified opinion on regularity

In my opinion, except for the irregular expenditure of £139.811 million explained in the paragraph below, in all material respects, the expenditure and income have been applied to the purposes intended by the Senedd and the financial transactions conform to the authorities which govern them.

Basis for qualified opinion on regularity

The Health Board has breached its resource limit by spending £139.811 million over the £2,489.832 million that it was authorised to spend in the three-year period 2017-18 to

2019-20. This spend constitutes irregular expenditure. Further detail is set out in the attached Report.

Report on other requirements

Opinion on other matters

In my opinion, the part of the remuneration report to be audited has been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

In my opinion, based on the work undertaken in the course of my audit:

- the information given in the Annual Governance Statement] for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with Welsh Ministers' guidance;
- the information given in the Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Accountability Report has been prepared in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the board and its environment obtained in the course of the audit, I have not identified material misstatements in the Accountability Report or the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed; or
- I have not received all the information and explanations I require for my audit.

Report

Please see my Report below.

Responsibilities

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities set out on pages 13and 14 of the Accountability Report, the Directors and the Chief Executive are responsible for the preparation of financial statements which give a true and fair view and for such internal control as the Directors and Chief Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors and Chief Executive are responsible for assessing the board's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Responsibilities for regularity

The Chief Executive is responsible for ensuring the regularity of financial transactions.

I am required to obtain sufficient evidence to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the Senedd and the financial transactions conform to the authorities which govern them.

Adrian Crompton
Auditor General for Wales
2 July 2020

24 Cathedral Road
Cardiff
CF11 9LJ

Report of the Auditor General to the Senedd

Introduction

Local Health Board (LHBs) are required to meet two statutory financial duties – known as the first and second financial duties.

For 2019-20 Hywel Dda University Local Health Board (the LHB) failed to meet both the first and the second financial duty and so I have decided to issue a narrative report to explain the position.

Failure of the first financial duty

The **first financial duty** gives additional flexibility to LHBs by allowing them to balance their income with their expenditure over a three-year rolling period. The fourth three-year period under this duty is 2017-18 to 2019-20, and so it is measured this year for the fourth time.

As shown in Note 2.1 to the Financial Statements, the LHB did not manage its revenue expenditure within its resource allocation over this three-year period, exceeding its cumulative revenue resource limit of £2,489.832 million by £139.811 million.

Where an LHB does not balance its books over a rolling three-year period, any expenditure over the resource allocation (i.e. spending limit) for those three years exceeds the LHB's authority to spend and is therefore 'irregular'. In such circumstances, I am required to qualify my 'regularity opinion' irrespective of the value of the excess spend.

Failure of the second financial duty

The **second financial duty** requires LHBs to prepare and have approved by the Welsh Ministers a rolling three-year integrated medium-term plan. This duty is an essential foundation to the delivery of sustainable quality health services. An LHB will be deemed to have met this duty for 2019-20 if it submitted a 2019-20 to 2021-22 plan approved by its Board to the Welsh Ministers who then approved it by the 30th June 2019.

As shown in Note 2.3 to the Financial Statements, the LHB did not meet its second financial duty to have an approved three-year integrated medium-term plan in place for the period 2019-20 to 2021-22.

Adrian Crompton
Auditor General for Wales
2 July 2020

Appendix 3

Summary of corrections made

During our audit we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Exhibit 3: summary of corrections made

Value of correction	Nature of correction	Reason for correction
£17.529 million	The additional £17.529 million for pension costs paid by Welsh Government was not separately disclosed in the SOCITE, cash flow statement and notes 18,27 and 28.	Correct disclosure of the pension costs originally settled by Welsh Government.
Not applicable	Additional narrative in Note 21 to describe the potential impact of a decision to fund NHS Clinicians' pension tax liabilities.	To describe a contingent liability which could be material by nature.
£693,000	Additional contingent liability to supplement the orthodontic accrual.	Full disclosure of the orthodontic contingent liability.
Various amounts	Minor amendments to the remuneration report.	To ensure senior manager's remuneration is correctly disclosed.

Appendix 4

Recommendations

We set out all the recommendations arising from our audit with management's response to them. We will follow up these next year and include any outstanding issues in next year's audit report:

Exhibit 4: matter arising 1

Matter arising 1 – Orthodontic accrual £693,000	
Findings	From our review of documentation relating to the new orthodontic dental contract and discussion with Welsh Government officials, it is unclear whether there is a need for the Health Board to accrue for orthodontic treatment outstanding at 31 March 2020. The Health Board recently went out to tender for its orthodontic work and new contractors were appointed from 1 April 2020. The contract ratification document signed at the time included a financial risk noting that patients currently in treatment with the incumbent provider would transition to the new providers part way through treatment resulting in potential for the Health board to pay for the full course of treatment a second time. However, documentation provided subsequently by Welsh Government provides an alternative interpretation, stating that there is an assumption that orthodontic contracts are 'cost per case' contracts, in which the NHS pays in advance when the appliance is fitted. However, the position is that an orthodontic provider is paid an annual "salary" in 12 instalments to provide an agreed level of orthodontic care and treatment during that year. This means that at any time an orthodontic contract is taken over by another provider, the previous provider has been paid in full to the end of the contract and the new provider inherits a full case load. Assessments and case completions occur from day one and need to be replaced with new work, i.e. Units of Activity towards the annual obligation and hence there is no second payment required for the same work. However, given the lack of clarity on this issue and since the amount involved is not significant, we have accepted

Matter arising 1 – Orthodontic accrual £693,000	
	the inclusion of an accrual and contingent liability disclosure in the Health Board's 2019-20 accounts.
Priority	Low
Recommendation	1. The Health Board should negotiate with the new orthodontic suppliers to ensure orthodontic work for patients part way through their treatment is provided at the best value for the Health Board. 2. The Health Board should consider the suitability of contracts where payments are made in advance of treatment and where there is no obligation on the supplier to complete the work when the contract ends.
Benefits of implementing the recommendation	1. Minimise the additional cost to the Health Board. 2. Avoid paying twice for the same treatment.
Accepted in full by management	No
Management response	1 Agreed 2 This is a nationally agreed contract and therefore outside the gift of the Health Board to change the terms and conditions. The Health Board will raise its concerns with Welsh Government regarding this matter.
Implementation date	1. June 2020 2. July 2020

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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

HYWEL DDA UNIVERSITY LOCAL HEALTH BOARD

FOREWORD

These accounts have been prepared by the Local Health Board under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed.

Statutory background

The Local Health Board was established on 1st June 2009 and became operational on 1st October 2009 and comprises the former organisations of Hywel Dda NHS Trust and Carmarthenshire, Ceredigion and Pembrokeshire Local Health Boards.

Performance Management and Financial Results

Welsh Health Circular WHC/2016/054 replaces WHC/2015/014 'Statutory and Administrative Financial Duties of NHS Trusts and Local Health Boards' and further clarifies the statutory financial duties of NHS Wales bodies and is effective for 2019-20. The annual financial duty has been revoked and the statutory breakeven duty has reverted to a three year duty, with the first assessment of this duty in 2016-17.

Local Health Boards in Wales must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable to them. As a result, the Primary Statement of in-year income and expenditure is the Statement of Comprehensive Net Expenditure, which shows the net operating cost incurred by the LHB which is funded by the Welsh Government. This funding is allocated on receipt directly to the General Fund in the Statement of Financial Position.

Under the National Health Services Finance (Wales) Act 2014, the annual requirement to achieve balance against Resource Limits has been replaced with a duty to ensure, in a rolling 3 year period, that its aggregate expenditure does not exceed its aggregate approved limits.

The Act came into effect from 1 April 2014 and under the Act the first assessment of the 3 year rolling financial duty took place at the end of 2016-17.

Statement of Comprehensive Net Expenditure for the year ended 31 March 2020

	Note	2019-20 £'000	2018-19 £'000
Expenditure on Primary Healthcare Services	3.1	**191,967**	185,316
Expenditure on healthcare from other providers	3.2	**211,453**	200,169
Expenditure on Hospital and Community Health Services	3.3	**587,107**	534,120
		990,527	919,605
Less: Miscellaneous Income	4	**(61,806)**	(57,187)
LHB net operating costs before interest and other gains and losses		**928,721**	862,418
Investment Revenue	5	**0**	0
Other (Gains) / Losses	6	**(55)**	(13)
Finance costs	7	**(16)**	9
Net operating costs for the financial year		**928,650**	**862,414**

See note 2 on page 25 for details of performance against Revenue and Capital allocations.

The notes on pages 8 to 69 form part of these accounts

Other Comprehensive Net Expenditure

	2019-20 £'000	2018-19 £'000
Net (gain) / loss on revaluation of property, plant and equipment	**(1,522)**	(1,185)
Net (gain) / loss on revaluation of intangibles	**0**	0
(Gain) / loss on other reserves	**0**	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	**0**	0
Net (gain)/loss on revaluation of financial assets held for sale	**0**	0
Impairment and reversals	**0**	0
Transfers between reserves	**0**	0
Transfers (to) / from other bodies within the Resource Accounting Boundar	**0**	0
Reclassification adjustment on disposal of available for sale financial asset	**246**	0
Other comprehensive net expenditure for the year	**(1,276)**	(1,185)
Total comprehensive net expenditure for the year	**927,374**	861,229

The notes on pages 8 to 69 form part of these accounts

Statement of Financial Position as at 31 March 2020

	Notes	31 March 2020 £'000	31 March 2019 £'000
Non-current assets			
Property, plant and equipment	11	**278,649**	266,222
Intangible assets	12	**1,461**	1,621
Trade and other receivables	15	**58,101**	43,183
Other financial assets	16	**0**	0
Total non-current assets		**338,211**	311,026
Current assets			
Inventories	14	**9,216**	8,084
Trade and other receivables	15	**68,507**	34,330
Other financial assets	16	**0**	0
Cash and cash equivalents	17	**1,654**	1,460
		79,377	43,874
Non-current assets classified as "Held for Sale"	11	**832**	0
Total current assets		**80,209**	43,874
Total assets		**418,420**	354,900
Current liabilities			
Trade and other payables	18	**(119,136)**	(93,484)
Other financial liabilities	19	**0**	0
Provisions	20	**(39,837)**	(23,541)
Total current liabilities		**(158,973)**	(117,025)
Net current assets/ (liabilities)		**(78,764)**	(73,151)
Non-current liabilities			
Trade and other payables	18	**0**	0
Other financial liabilities	19	**0**	0
Provisions	20	**(58,365)**	(43,497)
Total non-current liabilities		**(58,365)**	(43,497)
Total assets employed		**201,082**	194,378
Financed by :			
Taxpayers' equity			
General Fund		**173,027**	167,572
Revaluation reserve		**28,055**	26,806
Total taxpayers' equity		**201,082**	194,378

The financial statements on pages 2 to 7 were approved by the Board on xx xxx 2020 and signed on its behalf by:

Chief Executive and Accountable Officer …….. Date: xx xxx 2020

The notes on pages 8 to 69 form part of these accounts

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2020

	General Fund £000s	Revaluation Reserve £000s	Total Reserves £000s
Changes in taxpayers' equity for 2019-20			
Balance at 1 April 2019	167,572	26,806	**194,378**
Net operating cost for the year	(928,650)		**(928,650)**
Net gain/(loss) on revaluation of property, plant and equipment	0	1,522	**1,522**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Other Reserve Movement	0	0	**0**
Transfers between reserves	273	(273)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers to/from LHBs	0	0	**0**
Total recognised income and expense for 2019-20	(928,377)	1,249	**(927,128)**
Net Welsh Government funding	916,303		**916,303**
Notional Welsh Government Funding	17,529		**17,529**
Balance at 31 March 2020	173,027	28,055	**201,082**

The notes on pages 8 to 69 form part of these accounts

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2019

	General Fund £000s	Revaluation Reserve £000s	Total Reserves £000s
Changes in taxpayers' equity for 2018-19			
Balance at 31 March 2018	154,822	26,796	**181,618**
Adjustment for Implementation of IFRS 9	(82)	0	**(82)**
Balance at 1 April 2018	154,740	26,796	**181,536**
Net operating cost for the year	(862,414)		**(862,414)**
Net gain/(loss) on revaluation of property, plant and equipment	0	1,185	**1,185**
Net gain/(loss) on revaluation of intangible assets	0	0	**0**
Net gain/(loss) on revaluation of financial assets	0	0	**0**
Net gain/(loss) on revaluation of assets held for sale	0	0	**0**
Impairments and reversals	0	0	**0**
Other reserve movement	0	0	**0**
Transfers between reserves	1,175	(1,175)	**0**
Release of reserves to SoCNE	0	0	**0**
Transfers to/from LHBs	0	0	**0**
Total recognised income and expense for 2018-19	(861,239)	10	**(861,229)**
Net Welsh Government funding	874,071		**874,071**
Balance at 31 March 2019	167,572	26,806	**194,378**

The notes on pages 8 to 69 form part of these accounts

Statement of Cash Flows for year ended 31 March 2020

	Notes	2019-20 £'000	2018-19 £'000
Cash Flows from operating activities			
Net operating cost for the financial year		**(928,650)**	(862,414)
Movements in Working Capital	27	**(24,862)**	(27,602)
Other cash flow adjustments	28	**91,269**	56,848
Provisions utilised	20	**(13,944)**	(12,908)
Net cash outflow from operating activities		**(876,187)**	(846,076)
Cash Flows from investing activities			
Purchase of property, plant and equipment		**(40,957)**	(28,082)
Proceeds from disposal of property, plant and equipment		**378**	12
Purchase of intangible assets		**(442)**	(945)
Proceeds from disposal of intangible assets			0
Payment for other financial assets		**0**	0
Proceeds from disposal of other financial assets		**0**	0
Payment for other assets		**0**	0
Proceeds from disposal of other assets		**0**	0
Net cash inflow/(outflow) from investing activities		**(41,021)**	(29,015)
Net cash inflow/(outflow) before financing		**(917,208)**	(875,091)
Cash Flows from financing activities			
Welsh Government funding (including capital)		**916,303**	874,071
Capital receipts surrendered		**0**	0
Capital grants received		**1,099**	952
Capital element of payments in respect of finance leases and on-SoFP		**0**	0
Cash transferred (to)/ from other NHS bodies		**0**	0
Net financing		**917,402**	875,023
Net increase/(decrease) in cash and cash equivalents		**194**	(68)
Cash and cash equivalents (and bank overdrafts) at 1 April 2019		**1,460**	1,528
Cash and cash equivalents (and bank overdrafts) at 31 March 2020		**1,654**	1,460

The notes on pages 8 to 69 form part of these accounts

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHB) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2019-20 Manual for Accounts. The accounting policies contained in that manual follow the 2019-20 Financial Reporting Manual (FReM), which applies European Union adopted IFRS and Interpretations in effect for accounting periods commencing on or after 1 January 2019, except for IFRS 16 Leases, which is deferred until 1 April 2021; to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the LHB Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the LHB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the LHB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2. Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3. Income and funding

The main source of funding for the LHBs are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the LHB. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, or ophthalmic services identified by the Welsh Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the LHB and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the LHB for the Welsh Government such as funding provided to agencies and non-activity costs incurred by the LHB in its provider role. Income received from LHBs transacting with other LHBs is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred.

Only non-NHS income may be deferred.

1.4. Employee benefits

1.4.1. Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.4.2. Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The latest NHS Pension Scheme valuation results indicated that an increase in benefit required a 6.3% increase (14.38% to 20.68%) which was implemented from 1 April 2019.

As an organisation within the full funding scope, the joint (in NHS England and NHS Wales) transitional arrangement operated in 2019-20 where employers in the Scheme would continue to pay 14.38% employer contributions under their normal monthly payment process, in Wales the additional 6.3% being funded by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency).

However, NHS Wales' organisations are required to account for **their staff** employer contributions of 20.68% in full and on a gross basis, in the 2019-20 annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see Other Note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

1.4.3. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5. Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6. Property, plant and equipment

1.6.1. Recognition

Property, plant and equipment is capitalised if:

● it is held for use in delivering services or for administrative purposes;

● it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;

● it is expected to be used for more than one financial year;

● the cost of the item can be measured reliably; and

● the item has cost of at least £5,000; or

● Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

● Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2. Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

● Land and non-specialised buildings – market value for existing use

● Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1 April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2017-18 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver

services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

1.6.3. Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated. For All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs so identified are then charged to operating expenses.

1.7. Intangible assets

1.7.1. Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

● the technical feasibility of completing the intangible asset so that it will be available for use

● the intention to complete the intangible asset and use it

● the ability to use the intangible asset

● how the intangible asset will generate probable future economic benefits

● the availability of adequate technical, financial and other resources to complete the intangible asset and use it

● the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8. Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings.

1.9. Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits there from can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCNE on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale

within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCNE. On disposal, the balance for the asset on the revaluation reserve, is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11. Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

1.11.1. The NHS Wales organisation as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the SoCNE.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

1.11.2. The NHS Wales organisation as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the NHS Wales organisation net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the NHS Wales organisation's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.12. Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is

considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13. Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14. Provisions

Provisions are recognised when the NHS Wales organisation has a present legal or constructive obligation as a result of a past event, it is probable that the NHS Wales organisation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the NHS Wales organisation has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the NHS Wales organisation has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in 2019-20. The WRP is hosted by Velindre University NHS Trust.

1.14.2. Future Liability Scheme (FLS) - General Medical Practice Indemnity (GMPI)

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GMP services in Wales.

In March 2019, the Minister issued a Direction to Velindre University NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1 April 2019.

GMP Service Providers are not direct members of the GMPI FLS, their qualifying liabilities are the subject of an arrangement between them and their relevant LHB, which is a member of the scheme. The qualifying reimbursements to the LHB are not subject to the £25,000 excess.

1.15. Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.16. Financial assets

Financial assets are recognised on the SoFP when the NHS Wales organisation becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1. Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2. Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4. Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.16.5. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the NHS Wales organisation assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.17. Financial liabilities

Financial liabilities are recognised on the SOFP when the NHS Wales organisation becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.17.1. Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.17.2. Financial liabilities at fair value through the SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3. Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18. Value Added Tax (VAT)

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19. Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20. Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Wales organisation has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21. Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the NHS Wales organisation not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The NHS Wales organisation accounts for all losses and special payments gross (including assistance from the WRP).

The NHS Wales organisation accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for, where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

1.22. Pooled budget

The NHS Wales organisation has entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

The pool budget is hosted by one NHS Wales's organisation. Payments for services provided are accounted for as miscellaneous income. The NHS Wales organisation accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.24. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these

claims would be recoverable through the Welsh Risk Pool.

Significant estimations are also made for continuing care costs resulting from claims post 1 April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

Estimates are also made for contracted primary care services. These estimates are based on the latest payment levels. Changes associated with these liabilities are adjusted in the following reporting period.

1.24.1. Provisions

The NHS Wales organisation provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the Welsh Risk Pool Services (WRPS) which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the NHS Wales organisation, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

1.24.2. Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement;

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Contingent Liability.
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision*
	Contingent Liability for all other estimated expenditure.	
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of minus 0.75%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%- 94% respectively are held as a provision on the balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

1.25 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The NHS Wales organisation therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;

b) Payment for the PFI asset, including finance costs; and

c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

1.25.1. Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

1.25.2. PFI asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the NHS Wales organisation's approach for each relevant class of asset in accordance with the principles of IAS 16.

1.25.2. PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the SoCNE.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the SoCNE.

1.25.3. Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the NHS Wales organisation's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1.25.4. Assets contributed by the NHS Wales organisation to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the NHS Wales organisation's SoFP.

1.25.5. Other assets contributed by the NHS Wales organisation to the operator

Assets contributed (e.g. cash payments, surplus property) by the NHS Wales organisation to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the NHS Wales organisation, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured at the present value of the minimum lease payments, discounted using the implicit interest rate. It is subsequently measured as a finance lease liability in accordance with IAS 17.

On initial recognition of the asset, the difference between the fair value of the asset and the initial liability is recognised as deferred income, representing the future service potential to be received by the NHS Wales organisation through the asset being made available to third party users.

1.26. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.27. Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where transfer of function is between LHBs the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.28. Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM

IFRS14 Regulatory Deferral Accounts Not EU-endorsed.*
Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 16 Leases is to be effective from 1st April 2021.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

1.29. Accounting standards issued that have been adopted early

During 2019-20 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.30. Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the NHS Wales

organisation has established that as it is the corporate trustee of the Hywel Dda NHS Charitable Fund, it is considered for accounting standards compliance to have control of the Hywel Dda NHS Charitable Fund as a subsidiary and therefore is required to consolidate the results of the Hywel Dda NHS Charitable Fund within the statutory accounts of the NHS Wales organisation.

The determination of control is an accounting standard test of control and there has been no change to the operation of the Hywel Dda NHS Charitable Fund or its independence in its management of charitable funds.

However, the NHS Wales organisation has with the agreement of the Welsh Government adopted the IAS 27 (10) exemption to consolidate. Welsh Government as the ultimate parent of the Local Health Boards will disclose the Charitable Accounts of Local Health Boards in the Welsh Government Consolidated Accounts. Details of the transactions with the charity are included in the related parties' notes.

2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1 April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1 April 2014 section 175 of the National Health Service (Wales) Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years
- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is reponsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the 3 year statutory duty under section 175 (1) was at the end of 2016 -17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

2.1 Revenue Resource Performance

	Annual financial performance			
	2017-18	2018-19	2019-20	**Total**
	£'000	£'000	£'000	**£'000**
Net operating costs for the year	833,501	862,414	928,650	**2,624,565**
Less general ophthalmic services expenditure and other non-cash limited expenditure	1,956	1,722	1,400	**5,078**
Less revenue consequences of bringing PFI schemes onto SoFP	0	0	0	**0**
Total operating expenses	835,457	864,136	930,050	**2,629,643**
Revenue Resource Allocation	766,027	828,698	895,107	**2,489,832**
Under /(over) spend against Allocation	(69,430)	(35,438)	(34,943)	**(139,811)**

Hywel Dda UHB **has not** met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2017-18 to 2019-20.

The Health Board **did not** receive any repayable brokerage during the year.

The Health Board did receive £25million repayable cash only support in 2019-20. The accumulated cash only support provided to the Health Board by the Welsh Government is £185.964million as at 31 March 2020. The cash only support is provided to assist the Health Board with ensuring payments to staff and suppliers, there is no interest payable on cash only support. Repayment of this cash assistance will be in accordance with the Health Board's future Integrated Medium Term Plan submissions.

2.2 Capital Resource Performance

	2017-18	2018-19	2019-20	**Total**
	£'000	£'000	£'000	**£'000**
Gross capital expenditure	18,474	31,820	41,686	**91,980**
Add: Losses on disposal of donated assets	0	0	0	**0**
Less NBV of property, plant and equipment and intangible assets disposed	(265)	0	(323)	**(588)**
Less capital grants received	(11)	0	0	**(11)**
Less donations received	(623)	(952)	(1,099)	**(2,674)**
Charge against Capital Resource Allocation	17,575	30,868	40,264	**88,707**
Capital Resource Allocation	17,613	30,893	40,295	**88,801**
(Over) / Underspend against Capital Resource Allocation	38	25	31	**94**

The LHB met its financial duty to break-even against its Capital Resource Limit over the 3 years 2017-18 to 2019-20.

2.3 Duty to prepare a 3 year plan

The NHS Wales Planning Framework for the period 2019-20 to 2021-22 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium Term Plans to the Welsh Government.

Following discussion between Hywel Dda University Health Board and Welsh Government, the Health Board acknowledged that it was not in a position to submit an IMTP for the period 2019-20 to 2021-22 given the status of the Transforming Clinical Services and Turnaround Programmes. In the absence of an IMTP, the Health Board developed an Annual Plan that was submitted to Welsh Government by the Board on 29th March 2019.

The statutory financial duty under section 175 (2A) of the National Health Services (Wales) Act 2006 to prepare a three year plan was therefore not met.

	2019-20 to 2021-22
The Minister for Health and Social Services approval	
Status	**Not Approved**
Date	

The LHB **has not** therefore met its statutory duty to have an approved financial plan for the period 2019-20 to 2021-22.

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited	Non-cash limited	2019-20 Total	2018-19
	£'000	£'000	£'000	£'000
General Medical Services	73,954		**73,954**	71,645
Pharmaceutical Services	19,680	(5,623)	**14,057**	13,632
General Dental Services	21,035		**21,035**	19,925
General Ophthalmic Services	1,320	4,223	**5,543**	5,337
Other Primary Health Care expenditure	4,801		**4,801**	3,943
Prescribed drugs and appliances	72,577		**72,577**	70,834
Total	**193,367**	**(1,400)**	**191,967**	185,316

3.2 Expenditure on healthcare from other providers

	2019-20	2018-19
	£'000	£'000
Goods and services from other NHS Wales Health Boards	**38,048**	38,754
Goods and services from other NHS Wales Trusts	**6,218**	7,324
Goods and services from Health Education and Improvement Wales (HEIW)	**3**	0
Goods and services from other non Welsh NHS bodies	**44**	1,189
Goods and services from WHSSC / EASC	**94,452**	85,495
Local Authorities	**15,521**	9,331
Voluntary organisations	**2,672**	1,970
NHS Funded Nursing Care	**3,102**	3,125
Continuing Care	**45,118**	47,012
Private providers	**6,038**	5,790
Specific projects funded by the Welsh Government	**0**	0
Other	**237**	179
Total	**211,453**	200,169

3.3 Expenditure on Hospital and Community Health Services

	2019-20 £'000	2018-19 £'000
Directors' costs	2,445	2,451
Staff costs	436,237	400,701
Supplies and services - clinical	78,038	74,317
Supplies and services - general	6,392	5,547
Consultancy Services	1,518	1,691
Establishment	8,447	8,554
Transport	1,817	1,539
Premises	18,003	15,638
External Contractors	719	371
Depreciation	16,171	15,255
Amortisation	496	369
Fixed asset impairments and reversals (Property, plant & equipment)	13,119	4,979
Fixed asset impairments and reversals (Intangible assets)	0	0
Impairments & reversals of financial assets	0	0
Impairments & reversals of non-current assets held for sale	0	0
Audit fees	344	392
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	1,755	1,856
Research and Development	0	0
Other operating expenses	1,606	460
Total	**587,107**	534,120

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

Increase/(decrease) in provision for future payments:	2019-20 £'000	Reclassified 2018-19 £'000
Clinical negligence;		0
Secondary care	49,957	33,244
Primary care	0	0
Redress Secondary Care	1,083	726
Redress Primary Care	0	0
Personal injury	450	368
All other losses and special payments	253	167
Defence legal fees and other administrative costs	1,355	707
Gross increase/(decrease) in provision for future payments	**53,098**	**35,212**
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	118	99
Less: income received/due from Welsh Risk Pool	(51,461)	(33,455)
Total	**1,755**	1,856

	2019-20 £	2018-19 £
Permanent injury included within personal injury £:	269,446	20,000

4. Miscellaneous Income

	2019-20 £'000	2018-19 £'000
Local Health Boards	**19,360**	18,730
Welsh Health Specialised Services Committee (WHSSC)/Emergency Ambulance Services Committee (EASC)	**2,370**	2,152
NHS Wales trusts	**5,581**	3,837
Health Education and Improvement Wales (HEIW)	**2,028**	659
Foundation Trusts	**0**	0
Other NHS England bodies	**4,445**	4,342
Other NHS Bodies	**0**	0
Local authorities	**5,316**	4,535
Welsh Government	**3,753**	2,963
Welsh Government Hosted bodies	**0**	0
Non NHS:		
Prescription charge income	**5**	7
Dental fee income	**3,159**	3,276
Private patient income	**13**	15
Overseas patients (non-reciprocal)	**266**	334
Injury Costs Recovery (ICR) Scheme	**1,080**	1,272
Other income from activities	**562**	536
Patient transport services	**0**	0
Education, training and research	**6,836**	7,151
Charitable and other contributions to expenditure	**1,089**	779
Receipt of donated assets	**1,099**	952
Receipt of Government granted assets	**0**	0
Non-patient care income generation schemes	**496**	481
NHS Wales Shared Services Partnership (NWSSP)	**0**	0
Deferred income released to revenue	**446**	399
Contingent rental income from finance leases	**0**	0
Rental income from operating leases	**353**	356
Other income:		
Provision of laundry, pathology, payroll services	**102**	127
Accommodation and catering charges	**1,523**	1,459
Mortuary fees	**202**	145
Staff payments for use of cars	**224**	243
Business Unit	**0**	0
Other	**1,498**	2,437
Total	**61,806**	57,187

Other income Includes;		
Salary Sacrifice Schemes & Fleet Vehicles	**0**	0
VAT recoveries re Business Activities and accrued income	**0**	0
Other	**0**	0
	0	0
Total	**0**	0

Injury Cost Recovery (ICR) Scheme income

	2019-20 %	2018-19 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	21.79	21.89

5. Investment Revenue

	2019-20	2018-19
	£000	£000
Rental revenue :		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue :		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	**0**	0

6. Other gains and losses

	2019-20	2018-19
	£000	£000
Gain/(loss) on disposal of property, plant and equipment	55	13
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	0
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	**55**	13

7. Finance costs

	2019-20	2018-19
	£000	£000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under PFI contracts		
main finance cost	0	0
contingent finance cost	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	**0**	0
Provisions unwinding of discount	(16)	9
Other finance costs	0	0
Total	**(16)**	9

8. Operating leases

LHB as lessee

As at 31st March 2020 the LHB had 487 operating leases agreements in place for the leases of 26 premises, 239 arrangement in respect of equipment and 222 in respect of vehicles, with 3 premises, 12 equipment and 59 vehicle leases having expired in year.

Payments recognised as an expense	**2019-20**	2018-19
	£000	£000
Minimum lease payments	**2,296**	3,881
Contingent rents	**0**	0
Sub-lease payments	**0**	0
Total	**2,296**	3,881

Total future minimum lease payments		
Payable	**£000**	£000
Not later than one year	**1,358**	1,197
Between one and five years	**2,536**	2,135
After 5 years	**2,607**	2,909
Total	**6,501**	6,241

LHB as lessor

Rental revenue	**£000**	£000
Rent	**303**	304
Contingent rents	**0**	0
Total revenue rental	**303**	304

Total future minimum lease payments		
Receivable	**£000**	£000
Not later than one year	**303**	303
Between one and five years	**1,210**	1,210
After 5 years	**1,718**	2,019
Total	**3,231**	3,532

9. Employee benefits and staff numbers

9.1 Employee costs

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Other	Total	2018-19
	£000	£000	£000	£000	£000	£000
Salaries and wages	331,954	4,791	17,359	5,746	**359,850**	344,535
Social security costs	32,044	0	0	524	**32,568**	31,493
Employer contributions to NHS Pension Scheme	57,496	0	0	39	**57,535**	38,577
Other pension costs	167	0	0	0	**167**	94
Other employment benefits	0	0	0	0	**0**	0
Termination benefits	0	0	0	0	**0**	0
Total	421,661	4,791	17,359	6,309	**450,120**	414,699
Charged to capital					**578**	464
Charged to revenue					**449,542**	414,235
					450,120	414,699
Net movement in accrued employee benefits (untaken staff leave accrual included above)					(394)	(351)

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Other	Total	2018-19
	Number	Number	Number		Number	Number
Administrative, clerical and board members	1,654	38	3	0	**1,695**	1,583
Medical and dental	705	24	2	29	**760**	729
Nursing, midwifery registered	2,698	6	233	0	**2,937**	2,856
Professional, Scientific, and technical staff	334	0	0	0	**334**	306
Additional Clinical Services	1,829	0	3	0	**1,832**	1,695
Allied Health Professions	549	1	0	22	**572**	542
Healthcare Scientists	179	0	0	0	**179**	167
Estates and Ancilliary	782	0	0	0	**782**	782
Students	1	0	0	0	**1**	11
Total	**8,731**	**69**	**241**	**51**	**9,092**	8,671

9.3. Retirements due to ill-health

	2019-20	2018-19
Number	8	15
Estimated additional pension costs £	487,916	567,507

The estimated additional pension costs of these ill-health retirements have been calculated on an average basis and are borne by the NHS Pension Scheme.

9.4 Employee benefits

The LHB does not have an employee benefit scheme, please give details.

9.5 Reporting of other compensation schemes - exit packages

Exit packages cost band (including any special payment element)	2019-20 Number of compulsory redundancies	2019-20 Number of other departures	2019-20 Total number of exit packages	2019-20 Number of departures where special payments have been made	2018-19 Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	1	1	1	1
£10,000 to £25,000	0	2	2	2	0
£25,000 to £50,000	0	0	0	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**	**3**	**3**	**3**	1

Exit packages cost band (including any special payment element)	2019-20 Cost of compulsory redundancies	2019-20 Cost of other departures	2019-20 Total cost of exit packages	2019-20 Cost of special element included in exit packages	2018-19 Total cost of exit packages
	£'s	£'s	£'s	£'s	£'s
less than £10,000	0	2,500	2,500	2,500	6,180
£10,000 to £25,000	0	22,300	22,300	22,300	0
£25,000 to £50,000	0	0	0	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**	**24,800**	**24,800**	**24,800**	6,180

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). Where the LHB has agreed early retirements, the additional costs are met by the LHB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

Additional requirement as per FReM
£24,800 exit costs were paid in 2019-20, the year of departure (2018-19 £6,180).

9.6 Remuneration Relationship

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

The banded remuneration of the highest-paid director in Hywel Dda UHB in the financial year 2019-20 was £190,000 to £195,000 (2018-19, £180,000 to £185,000). This was 6 times (2018-19, 6 times) the median remuneration of the workforce, which was £33,758 (2018-19, £29,608).

In 2019-20, 32 (2018-19, 34) employees received remuneration in excess of the highest-paid director. Remuneration for all staff ranged from £21,450 to £360,373 (2018-19, £17,460 to £307,299).

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

9.7 Pension costs

PENSION COSTS

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020, is based on valuation data as 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,136 and £50,000 for the 2019-20 tax year (2018-19 £6,032 and £46,350).

Restrictions on the annual contribution limits were removed on 1st April 2017.

10. Public Sector Payment Policy - Measure of Compliance

10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	2019-20	**2019-20**	2018-19	2018-19
NHS	**Number**	**£000**	Number	£000
Total bills paid	**3,623**	**247,454**	3,748	230,575
Total bills paid within target	**3,199**	**244,394**	3,451	227,570
Percentage of bills paid within target	**88.3%**	**98.8%**	92.1%	98.7%
Non-NHS				
Total bills paid	**195,925**	**451,748**	186,631	334,724
Total bills paid within target	**188,489**	**438,423**	179,436	326,310
Percentage of bills paid within target	**96.2%**	**97.1%**	96.1%	97.5%
Total				
Total bills paid	**199,548**	**699,202**	190,379	565,299
Total bills paid within target	**191,688**	**682,817**	182,887	553,880
Percentage of bills paid within target	**96.1%**	**97.7%**	96.1%	98.0%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2019-20	2018-19
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	**0**	0
Compensation paid to cover debt recovery costs under this legislation	**0**	0
Total	**0**	0

11.1 Property, plant and equipment

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2019	26,209	203,080	7,569	22,076	67,694	240	20,861	6,141	**353,870**
Indexation	(157)	1,900	150	0	0	0	0	0	**1,893**
Additions									
- purchased	0	4,074	0	24,284	6,701	0	3,534	1,658	**40,251**
- donated	0	326	0	305	239	0	115	114	**1,099**
- government granted	0	0	0	0	0	0	0	0	**0**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Reclassifications	375	25,816	0	(26,206)	0	0	15	0	**0**
Revaluations	0	(245)	0	0	22	0	0	0	**(223)**
Reversal of impairments	0	2,121	0	0	0	0	0	0	**2,121**
Impairments	(35)	(17,032)	0	0	0	0	0	0	**(17,067)**
Reclassified as held for sale	(936)	(196)	0	0	0	0	0	0	**(1,132)**
Disposals	0	0	0	0	(2,105)	(147)	(68)	0	**(2,320)**
At 31 March 2020	25,456	219,844	7,719	20,459	72,551	93	24,457	7,913	**378,492**
Depreciation at 1 April 2019	0	14,490	689	0	54,869	240	12,330	5,030	**87,648**
Indexation	0	134	14	0	0	0	0	0	**148**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	153	0	0	0	0	0	0	**153**
Impairments	0	(1,980)	0	0	0	0	0	0	**(1,980)**
Reclassified as held for sale	0	0	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	(2,082)	(147)	(68)	0	**(2,297)**
Provided during the year	0	8,122	350	0	4,508	0	2,678	513	**16,171**
At 31 March 2020	0	20,919	1,053	0	57,295	93	14,940	5,543	**99,843**
Net book value at 1 April 2019	26,209	188,590	6,880	22,076	12,825	0	8,531	1,111	**266,222**
Net book value at 31 March 2020	25,456	198,925	6,666	20,459	15,256	0	9,517	2,370	**278,649**
Net book value at 31 March 2020 comprises :									
Purchased	25,203	194,977	6,666	20,154	14,372	9,316	2,099	0	**272,787**
Donated	253	3,948	0	305	884	189	271	0	**5,850**
Government Granted	0	0	0	0	0	12	0	0	**12**
At 31 March 2020	25,456	198,925	6,666	20,459	15,256	9,517	2,370	0	**278,649**
Asset financing :									
Owned	25,456	198,925	6,666	20,459	15,256	0	9,517	2,370	**278,649**
Held on finance lease	0	0	0	0	0	0	0	0	**0**
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	**0**
PFI residual interests	0	0	0	0	0	0	0	0	**0**
At 31 March 2020	25,456	198,925	6,666	20,459	15,256	0	9,517	2,370	**278,649**

The net book value of land, buildings and dwellings at 31 March 2020 comprises :

	£000
Freehold	**229,335**
Long Leasehold	**1,714**
Short Leasehold	**0**
	231,049

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the Royal Institute of Chartered Surveyors Valuation Standards, 6th Edition . LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11.1 Property, plant and equipment

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2018	25,661	196,113	7,494	10,771	65,016	245	22,810	5,821	**333,931**
Indexation	308	837	75	0	0	0	0	0	**1,220**
Additions									
- purchased	35	1,833	0	20,926	3,972	0	2,934	222	**29,922**
- donated	0	576	0	11	200	0	67	98	**952**
- government granted	0	0	0	0	0	0	0	0	**0**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	9,632	0	(9,632)	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	205	1,122	0	0	0	0	0	0	**1,327**
Impairments	0	(7,033)	0	0	0	0	0	0	**(7,033)**
Reclassified as held for sale	0	0	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	(1,494)	(5)	(4,950)	0	**(6,449)**
At 31 March 2019	26,209	203,080	7,569	22,076	67,694	240	20,861	6,141	**353,870**
Depreciation at 1 April 2018	0	7,511	343	0	51,822	244	15,092	4,524	**79,536**
Indexation	0	32	3	0	0	0	0	0	**35**
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	0	0	**0**
Revaluations	0	0	0	0	0	0	0	0	**0**
Reversal of impairments	0	44	0	0	0	0	0	0	**44**
Impairments	0	(771)	0	0	0	0	0	0	**(771)**
Reclassified as held for sale	0	0	0	0	0	0	0	0	**0**
Disposals	0	0	0	0	(1,496)	(5)	(4,950)	0	**(6,451)**
Provided during the year	0	7,674	343	0	4,543	1	2,188	506	**15,255**
At 31 March 2019	0	14,490	689	0	54,869	240	12,330	5,030	**87,648**
Net book value at 1 April 2018	25,661	188,602	7,151	10,771	13,194	1	7,718	1,297	**254,395**
Net book value at 31 March 2019	26,209	188,590	6,880	22,076	12,825	0	8,531	1,111	**266,222**
Net book value at 31 March 2019 comprises :									
Purchased	25,954	184,872	6,880	22,076	11,819	0	8,398	893	**260,892**
Donated	255	3,718	0	0	1,006	0	107	215	**5,301**
Government Granted	0	0	0	0	0	0	26	3	**29**
At 31 March 2019	26,209	188,590	6,880	22,076	12,825	0	8,531	1,111	**266,222**
Asset financing :									
Owned	26,209	188,590	6,880	22,076	12,825	0	8,531	1,111	**266,222**
Held on finance lease	0	0	0	0	0	0	0	0	**0**
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	**0**
PFI residual interests	0	0	0	0	0	0	0	0	**0**
At 31 March 2019	26,209	188,590	6,880	22,076	12,825	0	8,531	1,111	**266,222**

The net book value of land, buildings and dwellings at 31 March 2019 comprises :

	£000
Freehold	**219,938**
Long Leasehold	**1,741**
Short Leasehold	**0**
	221,679

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the Royal Institutie of Chartered Surveyors Valuation Standards, 6th Edition . LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11. Property, plant and equipment (continued)

Disclosures:

i) Donated Assets
Acquisitions shown as donated assets within Note 11 were bought using monies donated by the public into the Charitable Funds and contributions from League of Friends and other charities.

During 2019-20 fixed assets purchased to the following value were funded by the following:

Hywel Dda General Fund Charity (1147863) Plant and Machinery	£234,159
Hywel Dda General Fund Charity (1147863) Furniture and Fittings	£70,055
Hywel Dda General Fund Charity (1147863) Bulidings	£630,763
Hywel Dda General Fund Charity (1147863) Information Technology	£22,451
Ward 10 Withybush / Elly's Ward 10 Flag Appeal	£119,590
Other Contributions	£22,066
Total Donated Assets	**1,099,084**

ii) Valuations
The UHB Land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the Royal Institute of Chartered Surveyors' Valuation Standards, 6th edition.

The UHB is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

iii) Asset Lives
Depreciated as follows:
- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency.
- Equipment 5-15 years.

iv) Compensation
There has not been any compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs
There have not been any write downs.

vi) The UHB does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or sold in the period.
There are assets held for sale or sold in the period.
Assets held for sale include Cardigan Hospital, Cardigan Health Centre and Neyland Health Centre.
Asset sold in the period is Aberaeron Hospital.

11. Property, plant and equipment

11.2 Non-current assets held for sale

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance brought forward 1 April 2019	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	936	196	0	0	0	**1,132**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	(300)	0	0	0	0	**(300)**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2020	636	196	0	0	0	**832**
Balance brought forward 1 April 2018	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	0	0	0	0	0	**0**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2019	0	0	0	0	0	**0**

12. Intangible non-current assets

2019-20

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Carbon Reduction Commitments	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2019	3,359	0	77	0	0	0	**3,436**
Revaluation	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reclassifications	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reversal of impairments	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Impairments	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Additions- purchased	**336**	**0**	**0**	**0**	**0**	**0**	**336**
Additions- internally generated	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Additions- donated	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Additions- government granted	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reclassified as held for sale	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Transfers	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Disposals	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Gross cost at 31 March 2020	**3,695**	**0**	**77**	**0**	**0**	**0**	**3,772**
Amortisation at 1 April 2019	1,738	0	77	0	0	0	**1,815**
Revaluation	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reclassifications	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Reversal of impairments	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Impairment	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Provided during the year	**496**	**0**	**0**	**0**	**0**	**0**	**496**
Reclassified as held for sale	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Transfers	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Disposals	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Amortisation at 31 March 2020	**2,234**	**0**	**77**	**0**	**0**	**0**	**2,311**
Net book value at 1 April 2019	**1,621**	**0**	**0**	**0**	**0**	**0**	**1,621**
Net book value at 31 March 2020	**1,461**	**0**	**0**	**0**	**0**	**0**	**1,461**
At 31 March 2020							
Purchased	**1,614**	**0**	**0**	**0**	**0**	**0**	**1,614**
Donated	**7**	**0**	**0**	**0**	**0**	**0**	**7**
Government Granted	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Internally generated	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total at 31 March 2020	**1,621**	**0**	**0**	**0**	**0**	**0**	**1,621**

12. Intangible non-current assets
2018-19

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Carbon Reduction Commitments	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2018	2,548	0	79	0	0	0	**2,627**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	**0**
Impairments	0	0	0	0	0	0	**0**
Additions- purchased	945	0	0	0	0	0	**945**
Additions- internally generated	0	0	0	0	0	0	**0**
Additions- donated	0	0	0	0	0	0	**0**
Additions- government granted	0	0	0	0	0	0	**0**
Reclassified as held for sale	0	0	0	0	0	0	**0**
Transfers	0	0	0	0	0	0	**0**
Disposals	(134)	0	(2)	0	0	0	**(136)**
Gross cost at 31 March 2019	**3,359**	**0**	**77**	**0**	**0**	**0**	**3,436**
Amortisation at 1 April 2018	1,511	0	71	0	0	0	**1,582**
Revaluation	0	0	0	0	0	0	**0**
Reclassifications	0	0	0	0	0	0	**0**
Reversal of impairments	0	0	0	0	0	0	**0**
Impairment	0	0	0	0	0	0	**0**
Provided during the year	361	0	8	0	0	0	**369**
Reclassified as held for sale	0	0	0	0	0	0	**0**
Transfers	0	0	0	0	0	0	**0**
Disposals	(134)	0	(2)	0	0	0	**(136)**
Amortisation at 31 March 2019	**1,738**	**0**	**77**	**0**	**0**	**0**	**1,815**
Net book value at 1 April 2018	**1,037**	**0**	**8**	**0**	**0**	**0**	**1,045**
Net book value at 31 March 2019	**1,621**	**0**	**0**	**0**	**0**	**0**	**1,621**
At 31 March 2019							
Purchased	1,613	0	0	0	0	0	**1,613**
Donated	8	0	0	0	0	0	**8**
Government Granted	0	0	0	0	0	0	**0**
Internally generated	0	0	0	0	0	0	**0**
Total at 31 March 2019	**1,621**	**0**	**0**	**0**	**0**	**0**	**1,621**

Additional disclosures re Intangible Assets

Computer Software & Licences are capitalised at their purchased price.
Computer Software & Licences are not indexed as IT assets are not subject to indexation.
The assets are amortised monthly over their expected life.
The gross carrying amount of fully amortised intangible assets still in use as at 31 March 2020 was £1,432,740

13 . Impairments

	2019-20 Property, plant & equipment £000	2019-20 Intangible assets £000	2018-19 Property, plant & equipment £000	2018-19 Intangible assets £000
Impairments arising from :				
Loss or damage from normal operations	0	0	0	0
Abandonment in the course of construction	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0
Unforeseen obsolescence	0	0	0	0
Changes in market price	100	0	0	0
Others (specify)	15,238	0	6,262	0
Reversal of Impairments	(1,973)	0	(1,283)	0
Total of all impairments	**13,365**	**0**	4,979	0
Analysis of impairments charged to reserves in year :				
Charged to the Statement of Comprehensive Net Expenditure	13,119	0	4,979	0
Charged to Revaluation Reserve	246	0	0	0
	13,365	**0**	4,979	0

14.1 Inventories

	31 March 2020 £000	31 March 2019 £000
Drugs	4,081	3,776
Consumables	4,888	4,096
Energy	247	212
Work in progress	0	0
Other	0	0
Total	**9,216**	8,084
Of which held at realisable value	0	0

14.2 Inventories recognised in expenses

	31 March 2020 £000	31 March 2019 £000
Inventories recognised as an expense in the period	0	0
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	**0**	**0**

15. Trade and other Receivables

Current	31 March 2020 £000	Reclassified 31 March 2019 £000
Welsh Government	**2,829**	1,679
WHSSC / EASC	**1,180**	95
Welsh Health Boards	**1,294**	1,403
Welsh NHS Trusts	**1,391**	910
Health Education and Improvement Wales (HEIW)	**494**	96
Non - Welsh Trusts	**27**	1
Other NHS	**939**	682
Welsh Risk Pool Claim reimbursement	**0**	0
NHS Wales Secondary Health Sector	**51,437**	21,892
NHS Wales Primary Sector FLS Reimbursement	**0**	0
NHS Wales Redress	**1,549**	0
Other	**0**	0
Local Authorities	**1,016**	1,157
Capital debtors - Tangible	**0**	0
Capital debtors - Intangible	**0**	0
Other debtors	**5,121**	5,499
Provision for irrecoverable debts	**(1,171)**	(1,053)
Pension Prepayments NHS Pensions	**0**	0
Other prepayments	**2,401**	1,969
Other accrued income	**0**	0
Sub total	**68,507**	34,330
Non-current		
Welsh Government	**0**	0
WHSSC / EASC	**0**	0
Welsh Health Boards	**0**	0
Welsh NHS Trusts	**0**	0
Health Education and Improvement Wales (HEIW)	**0**	0
Non - Welsh Trusts	**0**	0
Other NHS	**0**	0
Welsh Risk Pool Claim reimbursement;	**0**	0
NHS Wales Secondary Health Sector	**58,101**	43,183
NHS Wales Primary Sector FLS Reimbursement	**0**	0
NHS Wales Redress	**0**	0
Other	**0**	0
Local Authorities	**0**	0
Capital debtors - Tangible	**0**	0
Capital debtors - Intangible	**0**	0
Other debtors	**0**	0
Provision for irrecoverable debts	**0**	0
Pension Prepayments NHS Pensions	**0**	0
Other prepayments	**0**	0
Other accrued income	**0**	0
Sub total	**58,101**	43,183
Total	**126,608**	77,513

15. Trade and other Receivables (continued)

Receivables past their due date but not impaired	31 March 2020 £000	31 March 2019 £000
By up to three months	589	279
By three to six months	449	71
By more than six months	24	30
	1,062	380

Expected Credit Losses (ECL) / Provision for impairment of receivables		
Balance at 31 March 2019		(872)
Adjustment for Implementation of IFRS 9		(82)
Balance at 1 April 2019	(1,053)	(954)
Transfer to other NHS Wales body	0	0
Amount written off during the year	59	55
Amount recovered during the year	0	0
(Increase) / decrease in receivables impaired	(177)	(154)
Bad debts recovered during year	0	0
Balance at 31 March 2020	(1,171)	(1,053)

In determining whether a debt is impaired consideration is given to the age of the debt and the results of actions taken to recover the debt, including reference to credit agencies.

Receivables VAT

Trade receivables	401	582
Other	0	0
Total	401	582

16. Other Financial Assets

	Current		Non-current	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
	£000	£000	**£000**	£000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Deposits	**0**	0	**0**	0
Loans	**0**	0	**0**	0
Derivatives	**0**	0	**0**	0
Other (Specify)	**0**	0	**0**	0
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Total	**0**	**0**	**0**	**0**

17. Cash and cash equivalents

	2019-20	2018-19
	£000	£000
Balance at 1 April 2019	**1,460**	1,528
Net change in cash and cash equivalent balances	**194**	(68)
Balance at 31 March 2020	**1,654**	1,460
Made up of:		
Cash held at GBS	**1,273**	1,347
Commercial banks	**355**	88
Cash in hand	**26**	25
Current Investments	**0**	0
Cash and cash equivalents as in Statement of Financial Position	**1,654**	1,460
Bank overdraft - GBS	**0**	0
Bank overdraft - Commercial banks	**0**	0
Cash and cash equivalents as in Statement of Cash Flows	**1,654**	1,460

The movement relates to cash, no comparative information is required by IAS 7 in 2019-20.

18. Trade and other payables

Current	31 March 2020 £000	Reclassified 31 March 2019 £000
Welsh Government	39	4
WHSSC / EASC	78	1,148
Welsh Health Boards	1,922	1,113
Welsh NHS Trusts	2,059	1,345
Health Education and Improvement Wales (HEIW)	3	0
Other NHS	7,157	9,182
Taxation and social security payable / refunds	2,066	1,008
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	2,160	1,317
Non-NHS payables - Revenue	12,807	6,157
Local Authorities	8,382	3,043
Capital payables- Tangible	8,178	7,785
Capital payables- Intangible	177	283
Overdraft	0	0
Rentals due under operating leases	0	0
Obligations under finance leases, HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	66,075	54,325
Deferred Income:		
Deferred Income brought forward	418	399
Deferred Income Additions	67	418
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	(418)	(399)
Other creditors	7,966	6,356
PFI assets –deferred credits	0	0
Payments on account	0	0
Sub Total	**119,136**	93,484
Non-current		
Welsh Government	0	0
WHSSC / EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Health Education and Improvement Wales (HEIW)	0	0
Other NHS	0	0
Taxation and social security payable / refunds	0	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS payables - Revenue	0	0
Local Authorities	0	0
Capital payables- Tangible	0	0
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
Obligations under finance leases, HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income :		
Deferred Income brought forward	**0**	0
Deferred Income Additions	0	0
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
Sub Total	**0**	0
Total	**119,136**	93,484

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

18. Trade and other payables (continued).

Amounts falling due more than one year are expected to be settled as follows:	**31 March 2020 £000**	31 March 2019 £000
Between one and two years	**0**	0
Between two and five years	**0**	0
In five years or more	**0**	0
Sub-total	**0**	0

19. Other financial liabilities

	Current		**Non-current**	
Financial liabilities	**31 March 2020 £000**	31 March 2019 £000	**31 March 2020 £000**	31 March 2019 £000
Financial Guarantees:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Derivatives at fair value through SoCNE	**0**	0	**0**	0
Other:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Total	**0**	0	**0**	0

20. Provisions

	Reclassified At 1 April 2019	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2020
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-	**0**								**0**
Secondary care	**17,221**	0	(8,185)	2,804	37,138	(8,291)	(6,697)	0	**33,990**
Primary care	**0**	0	0	0	0	0	0	0	**0**
Redress Secondary care	**384**	0	0		1,309	(358)	(224)	0	**1,111**
Redress Primary care	**0**	0	0	0	0	0	0	0	**0**
Personal injury	**3,146**	0	0	(28)	530	(372)	(90)	(16)	**3,170**
All other losses and special payments	**0**	0	0	0	253	(253)	0	0	**0**
Defence legal fees and other administration	**693**	0	0	96	1,353	(659)	(702)		**781**
Pensions relating to former directors	**0**			0	0	0	0	0	**0**
Pensions relating to other staff	**37**			0	14	(22)	0	0	**29**
Restructuring	**0**			0	0	0	0	0	**0**
Other	**2,060**		0	0	1,166	(1,501)	(969)		**756**
Total	**23,541**	**0**	**(8,185)**	**2,872**	**41,763**	**(11,456)**	**(8,682)**	**(16)**	**39,837**
Non Current									
Clinical negligence:-	0								**0**
Secondary care	**43,048**	0	0	(2,804)	27,165	(2,318)	(7,651)	0	**57,440**
Primary care	**0**	0	0	0	0	0	0	0	**0**
Redress Secondary care	**0**	0	0	0	0	0	0	0	**0**
Redress Primary care	**0**	0	0	0	0	0	0	0	**0**
Personal injury	**0**	0	0	28	24	(5)	(14)	0	**33**
All other losses and special payments	**0**	0	0	0	0	0	0	0	**0**
Defence legal fees and other administration	**449**	0	0	(96)	836	(165)	(132)		**892**
Pensions relating to former directors	**0**			0	0	0	0	0	**0**
Pensions relating to other staff	**0**			0	0	0	0	0	**0**
Restructuring	**0**			0	0	0	0	0	**0**
Other	**0**		0	0	0	0	0		**0**
Total	**43,497**	**0**	**0**	**(2,872)**	**28,025**	**(2,488)**	**(7,797)**	**0**	**58,365**
TOTAL									
Clinical negligence:-	**0**								**0**
Secondary care	**60,269**	**0**	**(8,185)**	**0**	**64,303**	**(10,609)**	**(14,348)**	0	**91,430**
Primary care	**0**	**0**	**0**	**0**	**0**	**0**	**0**	0	**0**
Redress Secondary care	**384**	**0**	**0**	**0**	**1,309**	**(358)**	**(224)**	0	**1,111**
Redress Primary care	**0**	**0**	**0**	**0**	**0**	**0**	**0**	0	**0**
Personal injury	**3,146**	**0**	**0**	**0**	**554**	**(377)**	**(104)**	(16)	**3,203**
All other losses and special payments	**0**	**0**	**0**	**0**	**253**	**(253)**	**0**	0	**0**
Defence legal fees and other administration	**1,142**	**0**	**0**	**0**	**2,189**	**(824)**	**(834)**		**1,673**
Pensions relating to former directors	**0**			**0**	**0**	**0**	**0**	0	**0**
Pensions relating to other staff	**37**			**0**	**14**	**(22)**	**0**	0	**29**
Restructuring	**0**			**0**	**0**	**0**	**0**	0	**0**
Other	**2,060**		0	**0**	**1,166**	**(1,501)**	**(969)**		**756**
Total	**67,038**	**0**	**(8,185)**	**0**	**69,788**	**(13,944)**	**(16,479)**	**(16)**	**98,202**

Expected timing of cash flows:

	In year to 31 March 2021	Between 1 April 2021 31 March 2025	Thereafter	Total
				£000
Clinical negligence:-	0			**0**
Secondary care	33,990	57,440	0	**91,430**
Primary care	0	0	0	**0**
Redress Secondary care	1,111	0	0	**1,111**
Redress Primary care	0	0	0	**0**
Personal injury	3,170	33	0	**3,203**
All other losses and special payments	0	0	0	**0**
Defence legal fees and other administration	781	892	0	**1,673**
Pensions relating to former directors	0		0	**0**
Pensions relating to other staff	29	0	0	**29**
Restructuring	0	0	0	**0**
Other	756	0	0	**756**
Total	**39,837**	**58,365**	**0**	**98,202**

20. Provisions (continued)

	At 1 April 2018	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2019
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Secondary care	22,286	0	0	2,185	10,691	(8,752)	(9,189)	0	**17,221**
Primary care	0	0	0	0	0	0	0	0	**0**
Redress Secondary care	0	0	0	0	762	(342)	(36)	0	**384**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	3,299	0	0	0	592	(530)	(224)	9	**3,146**
All other losses and special payments	0	0	0	0	167	(167)	0	0	**0**
Defence legal fees and other administration	545	0	0	129	827	(345)	(463)		**693**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	46			0	13	(22)	0	0	**37**
Restructuring	0			0	0	0	0	0	**0**
Other	1,588		0	0	2,391	(1,505)	(414)		**2,060**
Total	**27,764**	**0**	**0**	**2,314**	**15,443**	**(11,663)**	**(10,326)**	**9**	**23,541**
Non Current									
Clinical negligence:-	0	0	0	0	0	0	0	0	**0**
Secondary care	14,614	0	0	(2,185)	32,186	(1,123)	(444)	0	**43,048**
Primary care	0	0	0	0	0	0	0	0	**0**
Redress Secondary care	0	0	0	0	0	0	0	0	**0**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	0	0	0	0	0	0	0	0	**0**
All other losses and special payments	0	0	0	0	0	0	0	0	**0**
Defence legal fees and other administration	357	0	0	(129)	376	(122)	(33)		**449**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	0			0	0	0	0	0	**0**
Restructuring	0			0	0	0	0	0	**0**
Other	0		0	0	0	0	0		**0**
Total	**14,971**	**0**	**0**	**(2,314)**	**32,562**	**(1,245)**	**(477)**	**0**	**43,497**
TOTAL									
Clinical negligence:-	0	0	0	0	0	0	0	0	**0**
Secondary care	36,900	0	0	0	42,877	(9,875)	(9,633)	0	**60,269**
Primary care	0	0	0	0	0	0	0	0	**0**
Redress Secondary care	0	0	0	0	762	(342)	(36)	0	**384**
Redress Primary care	0	0	0	0	0	0	0	0	**0**
Personal injury	3,299	0	0	0	592	(530)	(224)	9	**3,146**
All other losses and special payments	0	0	0	0	167	(167)	0	0	**0**
Defence legal fees and other administration	902	0	0	0	1,203	(467)	(496)		**1,142**
Pensions relating to former directors	0			0	0	0	0	0	**0**
Pensions relating to other staff	46			0	13	(22)	0	0	**37**
Restructuring	0			0	0	0	0	0	**0**
Other	1,588		0	0	2,391	(1,505)	(414)		**2,060**
Total	**42,735**	**0**	**0**	**0**	**48,005**	**(12,908)**	**(10,803)**	**9**	**67,038**

21. Contingencies

21.1 Contingent liabilities

	2019-20	Reclassified 2018-19
Provisions have not been made in these accounts for the following amounts :	£'000	£'000
Legal claims for alleged medical or employer negligence:-		0
Secondary care	93,702	61,482
Primary care	0	0
Redress Secondary care	0	0
Redress Primary care	0	0
Doubtful debts	0	0
Equal Pay costs	0	0
Defence costs	2,669	1,691
Continuing Health Care costs	1,841	6,925
Other	693	0
Total value of disputed claims	98,905	70,098
Amounts (recovered) in the event of claims being successful	(93,443)	(59,534)
Net contingent liability	5,462	10,564

Clinicians' pension tax liabilities

Clinicians who are members of the NHS Pension Scheme and who, as a result of work undertaken in this tax year (2019/20), face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance will be able to have this charge paid by th e NHS Pension Scheme. This is known as “scheme pays”. In December 2019 the Welsh Government issued a ministerial direction committing it to cover the cost of such an arrangement.

At the date of publication of these accounts, there was no evidence of take-up of the scheme in 2019-20 and no information to make a reasonable assessment of future take up. However, the deadline for initial nomination is not until 31 July 2021. As such, it is not possible to make a reliable estimate of the potential cost to the Health Board.

21.2 Remote Contingent liabilities

	2019-20 £'000	2018-19 £'000
Please disclose the values of the following categories of remote contingent liabilities :		
Guarantees	0	0
Indemnities	175	536
Letters of Comfort	0	0
Total	**175**	**536**

21.3 Contingent assets

	2019-20 £'000	2018-19 £'000
	0	0
	0	0
	0	0
Total	**0**	0

22. Capital commitments

Contracted capital commitments at 31 March	2019-20 £'000	2018-19 £'000
Property, plant and equipment	6,305	28,124
Intangible assets	0	0
Total	**6,305**	28,124

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore this note is prepared on a cash basis.

Gross loss to the Exchequer

Number of cases and associated amounts paid out or written-off during the financial year

	Amounts paid out during period to 31 March 2020	
	Number	**£**
Clinical negligence	83	10,609,212
Personal injury	32	377,185
All other losses and special payments	195	611,437
Total	310	11,597,834

Analysis of cases which exceed £300,000 and all other cases

Cases where cumulative amount exceeds £300,000	**Number**	**Case type**	**Amounts paid out in year** £	**Cumulative amount** £
	07RR6MN0006	MN	29,500	1,608,405
	09RYNMN0061	MN	0	665,000
	12RYNMN0056	MN	1,386,220	1,406,220
	12RYNMN0077	MN	0	1,615,021
	13RYNMN0017	MN	1,350,738	1,420,000
	13RYNMN0032	MN	650,000	1,630,000
	13RYNMN0041	MN	900,000	900,000
	14RYNMN0070	MN	307,587	365,000
	15RYNMN0034	MN	419,000	992,345
	15RYNMN0041	MN	785,000	785,000
	15RYNMN0044	MN	495,000	495,000
	16RYNMN0063	MN	135,000	445,000
	16RYNMN0072	MN	140,000	326,460
	17RYNMN0094	MN	350,878	350,878
	18RYNMN0084	MN	8,000	431,920
	19RYNMN0007	MN	1,250	372,200
	20RYNMN0011	MN	301,000	301,000
Sub-total			**7,259,173**	**14,109,449**
All other cases			4,338,661	8,952,093
Total cases			**11,597,834**	**23,061,542**

24. Finance leases

24.1 Finance leases obligations (as lessee)

The Local Health Board has no finance leases receivable as a lessee.

Amounts payable under finance leases:

Land	**31 March 2020 £000**	31 March 2019 £000
Minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

24.1 Finance leases obligations (as lessee) continue

Amounts payable under finance leases:

Buildings	**31 March 2020**	31 March 2019
Minimum lease payments	**£000**	£000
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

Other	**31 March 2020**	31 March 2019
Minimum lease payments	**£000**	£000
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

24.2 Finance leases obligations (as lessor) continued

The Local Health Board has no finance leases receivable as a lessor.

Amounts receivable under finance leases:

	31 March 2020	31 March 2019
Gross Investment in leases	**£000**	£000
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Less finance charges allocated to future periods	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

25. Private Finance Initiative contracts

25.1 PFI schemes off-Statement of Financial Position

The Local Health Board **has no** PFI Schemes off-statement of financial position.

Commitments under off-SoFP PFI contracts	**Off-SoFP PFI contracts**	Off-SoFP PFI contracts
	31 March 2020	31 March 2019
	£000	£000
Total payments due within one year	**0**	0
Total payments due between 1 and 5 years	**0**	0
Total payments due thereafter	**0**	0
Total future payments in relation to PFI contracts	**0**	0
Total estimated capital value of off-SoFP PFI contracts	**0**	0

25.2 PFI schemes on-Statement of Financial Position

Capital value of scheme included in Fixed Assets Note 11

Total obligations for on-Statement of Financial Position PFI contracts due:

	On SoFP PFI Capital element 31 March 2020 £000	**On SoFP PFI Imputed interest 31 March 2020 £000**	**On SoFP PFI Service charges 31 March 2020 £000**
Total payments due within one year	**0**	**0**	**0**
Total payments due between 1 and 5 years	**0**	**0**	**0**
Total payments due thereafter	**0**	**0**	**0**
Total future payments in relation to PFI contracts	**0**	**0**	**0**

	On SoFP PFI Capital element 31 March 2019 £000	On SoFP PFI Imputed interest 31 March 2019 £000	On SoFP PFI Service charges 31 March 2019 £000
Total payments due within one year	0	0	0
Total payments due between 1 and 5 years	0	0	0
Total payments due thereafter	0	0	0
Total future payments in relation to PFI contracts	0	0	0
Total present value of obligations for on-SoFP PFI contracts	**0**		

25.3 Charges to expenditure	2019-20	2018-19
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	0	0
Total expense for Off Statement of Financial Position PFI contracts	0	0
The total charged in the year to expenditure in respect of PFI contracts	0	0

The LHB is committed to the following annual charges

PFI scheme expiry date:	31 March 2020 £000	31 March 2019 £000
Not later than one year	0	0
Later than one year, not later than five years	0	0
Later than five years	0	0
Total	0	0

The estimated annual payments in future years will vary from those which the LHB is committed to make during the next year by the impact of movement in the Retail Prices Index.

25.4 Number of PFI contracts

	Number of on SoFP PFI contracts	Number of off SoFP PFI contracts
Number of PFI contracts	0	0
Number of PFI contracts which individually have a total commitment > £500m	0	0

PFI Contract	On / Off-statement of financial position
Number of PFI contracts which individually have a total commitment > £500m	0

PFI Contract

25.5 The LHB has no Public Private Partnerships

26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. The LHB is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The LHB has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the LHB in undertaking its activities.

Currency risk
The LHB is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The LHB has no overseas operations. The LHB therefore has low exposure to currency rate fluctuations.

Interest rate risk
LHBs are not permitted to borrow. The LHB therefore has low exposure to interest rate fluctuations

Credit risk
Because the majority of the LHB's funding derives from funds voted by the Welsh Government the LHB has low exposure to credit risk.

Liquidity risk
The LHB is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The LHB is not, therefore, exposed to significant liquidity risks.

27. Movements in working capital

	2019-20 £000	2018-19 £000
(Increase)/decrease in inventories	(1,132)	(209)
(Increase)/decrease in trade and other receivables - non-current	(14,918)	(28,486)
(Increase)/decrease in trade and other receivables - current	(34,177)	5,573
Increase/(decrease) in trade and other payables - non-current	0	0
Increase/(decrease) in trade and other payables - current	25,652	(1,606)
Total	**(24,575)**	(24,728)
Adjustment for accrual movements in fixed assets - creditors	(287)	(2,792)
Adjustment for accrual movements in fixed assets - debtors	0	0
Other adjustments		(82)
	(24,862)	(27,602)

28. Other cash flow adjustments

	2019-20 £000	2018-19 £000
Depreciation	16,171	15,255
Amortisation	496	369
(Gains)/Loss on Disposal	(55)	(13)
Impairments and reversals	13,119	4,979
Release of PFI deferred credits	0	0
Donated assets received credited to revenue but non-cash	(1,099)	(952)
Government Grant assets received credited to revenue but non-cash	0	0
Non-cash movements in provisions	45,108	37,210
Other movements	17,529	0
Total	**91,269**	56,848

29. Events after the Reporting Period

COVID-19

The need to plan and respond to the COVID-19 pandemic has had a significant impact on the LHB, wider NHS and society as a whole. It has required a dynamic response which has presented a number of opportunities in addition to risks. The need to respond and recover from the pandemic will be with the LHB and wider society throughout 2020/21 and beyond. The LHB's Governance Framework will need to consider and respond to this need.

30. Related Party Transactions

A number of the LHB's Board members have interests in related parties as follows:

Name	Details	Interests
Anna Lewis	Independent Member	Visiting Senior Lecturer in Swansea University Consultancy work undertaken in Betsi Cadwaladr University Health Board Consultancy work undertaken in Cwm Taf Morgannwg University Healt
Huw Thomas	Director of Finance	Trustee / Chair of Welsh Branch (up until September 2019) of Healthcare Financial Management Association Partner working in Pembrokeshire County Council
Karen Miles	Director of Planning, Performance & Commissioning	Close Family Member working in University of Wales Trinity St David Close Family Member working in Swansea University
Michael Hearty	Associate Member	Finance Advisor to Betsi Cadwaladr University Health Board Non-Executive Director in Public Health England Non-Executive Director in HMRC Non-Executive Director in Blackpool Teaching Hospital Foundation Trust
Owen Burt	Independent Member	Close Family Member working in University of Wales Trinity St David
Philip Kloer	Medical Director	Honorary Professor in Swansea University
Simon Hancock	Independent Member	Member of Mencap Vice Chair of Pembrokeshire County Council Member of Court of Swansea University
Steve Moore	Chief Executive	Honorary Professor in University of Wales Trinity St David

Total value of transactions are with entities at which Board members and key senior staff have influential interests in 2019-20:

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
City & County of Swansea	5	0	0	0
Mencap	3	0	0	0
Pembrokeshire County Council	12,346	2,826	3,053	301
Public Health England	11	0	1	0
Swansea University	756	408	95	114
University of Wales Trinity St David	57	2	1	2
HM Revenue & Customs	100,659	4,375	9,047	451
Healthcare Financial Management Association	(4)	0	2	0
	113,833	**7,611**	**12,199**	**868**

The Welsh Government is regarded as a related party. During the year the LHB have had a significant number of material transactions with the Welsh Government and with other entities for which the Welsh Government is regarded as the parent body, namely:

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	132	921,523	39	2,829
Aneurin Bevan University Health Board	886	750	119	116
Betsi Cadwaladr Health Board	338	4,838	40	223
Cardiff & Vale University Health Board	6,240	532	255	342
Cwm Taf Morgannwg Health Board	802	562	102	83
Powys Teaching Health Board	411	8,586	104	392
Public Health Wales NHS Trust	2,454	2,168	488	184
Swansea Bay University Health Board	36,567	4,092	1,303	139
Velindre NHS University Trust	13,561	3,264	1,525	19,049
Welsh Ambulance Services Trust	4,516	149	46	6
Welsh Health Specialised Services Committee	94,532	2,370	78	1,180
Health Education & Improvement Wales (HEIW)	3	7049	3	494
	160,442	**955,883**	**4,102**	**25,037**

31. Third Party assets

The LHB held £1,313,859 cash at bank and in hand at 31 March 2020 (31 March 2019, £1,400,694) which relates to monies held by the LHB on behalf of patients. Cash held in Patient's Investment Accounts amounted to £713,895 at 31 March 2020 (31 March 2019, £666,248). This has been excluded from the Cash and Cash equivalents figure reported in the Accounts.

32. Pooled budgets

The Health Board has entered into a pooled budget with Ceredigion County Council on the 1st April 2009. Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 for the provision of an integrated community joint equipment store. The pool is hosted by Ceredigion County Council and a memorandum note to the final accounts will provide details of the joint income and expenditure. The financial operation of the pool is governed by a pooled budget agreement between Ceredigion County Council and the Health Board. Payments for services provided by Ceredigion County Council in the sum of £333,000 are accounted for as expenditure in the accounts of the Health Board. The Health Board accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

The Health Board has entered into a pooled budget with Carmarthenshire County Council on the 1st October 2009. Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 for the provision of an integrated community joint equipment store. The pool is hosted by Carmarthenshire County Council and a memorandum note to the final accounts will provide details of the joint income and expenditure. The financial operation of the pool is governed by a pooled budget agreement between Carmarthenshire County Council and the Health Board. Payments for services provided by Carmarthenshire County Council in the sum of £445,628 are accounted for as expenditure in the accounts of the Health Board. The Health Board accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

The Health Board has entered into an agreement with Carmarthenshire County Council on the 31st March 2011 under section 33 of the NHS (Wales) Act 2006 for the provision of Carmarthenshire Community Health and Social Care services. The section 33 agreement provides the framework for taking forward future schedules and therefore references all community based health, social care (adults & children) and related housing and public protection services so that if any future developments are considered a separate agreement will not have to be prepared. There are currently no pooled budgets related to this agreement.

The Health Board has entered into an agreement with Pembrokeshire County Council on the 31st March 2011 under section 33 of the NHS (Wales) Act 2006 for the provision of an integrated community joint equipment store and from 1st October 2012 the agreement has operated as a pooled fund. The pool is hosted by Pembrokeshire County Council and a memorandum note to the final accounts will provide details of the joint income and expenditure. The financial operation of the pool is governed by a pooled budget agreement between Pembrokeshire County Council and the Health Board. The Health Board accounts for its share of the assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement and the sum of £305,170 has been accounted for as expenditure in the accounts of the Health Board.

33. Operating segments

34. Other Information

34.1. 6.3% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1 April 2019 to 31 March 2020. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2019 and February 2020 alongside Health Board/Trust/SHA data for March 2020.
Transactions include notional expenditure in relation to the 6.3% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows:

Statement of Comprehensive Net Expenditure for the year ended 31 March 2020		**£'000**
Expenditure on Primary Healthcare Services	**2019-20**	291
Expenditure on Hospital and Community Health Services	**2019-20**	17,238

Statement of Changes in Taxpayers' Equity For the year ended 31 March 2020		
Net operating cost for the year	**Balance at 31 March 2020**	17,529
Notional Welsh Government Funding	**Balance at 31 March 2020**	17,529

Statement of Cash Flows for year ended 31 March 2020		
Net operating cost for the financial year	**2019-20**	0
Other cash flow adjustments	**2019-20**	0

2.1 Revenue Resource Performance		
Revenue Resource Allocation	**2019-20**	17,529

3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	**2019-20**	291
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	**2019-20**	117
Staff costs	**2019-20**	17,121

9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	**2019-20**	17,529
Charged to capital	**2019-20**	36
Charged to revenue	**2019-20**	17,493

18. Trade and other payables		
Current		
Pensions: staff	**Balance at 31 March 2020**	0

28. Other cash flow adjustments		
Other movements	**2019-20**	17,529

34.2 IFRS 16 Disclosure

HM Treasury agreed with the Financial Reporting Advisory Board (FRAB), to defer the implementation of IFRS 16 Leases until 1 April 2021, because of the circumstances caused by Covid-19. To ease the pressure on NHW Wales Finance Departments the IFRS 16 detailed impact statement has been removed by the Welsh Government Health and Social Services Group, Finance Department.

We expect the introduction of IFRS16 will have a significant impact and this will be worked through for disclosure in our 2020-21 financial statements.

34.3 Covid 19 Disclosure

The need to plan and respond to the COVID-19 pandemic has had a significant impact on the LHB, wider NHS and society as a whole. It has required a dynamic response which has presented a number of opportunities in addition to risks. The need to respond and recover from the pandemic will be with the LHB and wider society throughout 2020/21 and beyond. The LHB's Governance Framework will need to consider and respond to this need.

The COVID-19 pandemic presented a number of challenges to the LHB, additional COVID-19 specific funding received during the latter part of this financial year is listed below :

	£000's
Pay	327
Income *	-18
Clinical Supplies	864
Drugs	62
Cleaning	66
Office & IT equipment	314
Primary Care Prescribing	957
Total Revenue	**2,572**

In addition, there was also £428k of Capital Allocation received.

* Income is from the sale of equipment to ABUHB

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

LOCAL HEALTH BOARDS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)1, in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the LHB shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year in which the accounts are being prepared, and has been applied by the Welsh Government and detailed in the NHS Wales LHB Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the LHB for the year ended 31 March 2011 and subsequent years shall comprise a statement of comprehensive net expenditure, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied by the Welsh Assembly Government, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2011 and subsequent years, the account of the LHB shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive of the LHB.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst Dated :

1. Please see regulation 3 of the 2009 No.1559 (W.154); NATIONAL HEALTH SERVICE, WALES; The Local Health Boards (Transfer of Staff, Property, Rights and Liabilities) (Wales) Order 2009

Hywel Dda University Health Board

HEAD OF INTERNAL AUDIT OPINION & ANNUAL REPORT 2019/20

May 2020

NHS Wales Shared Services Partnership

Audit & Assurance Services

CONTENTS

Report status: Final
Draft report issued: April 2020
Final report issued: June 2020
Author: James Johns, Head of Internal Audit
Lead Executive : Joanne Wilson (Board Secretary)
Audit & Risk Assurance Committee: June 2020

1. EXECUTIVE SUMMARY

1.1 Purpose of this Report

The Board is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives, and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system. A key element in that flow of assurance is the overall assurance opinion from the Head of Internal Audit.

This report sets out the Head of Internal Audit opinion together with the summarised results of the internal audit work performed during the year. The report also includes a summary of audit performance in comparison to the plan and an assessment of conformance with the Public Sector Internal Audit Standards (these are the requirements of Standard 2450).

1.2 Head of Internal Audit Opinion

The purpose of the annual Head of Internal Audit (HIA) opinion is to contribute to the assurances available to the Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the system of internal control. The approved internal audit plan is biased towards risk and therefore the Board will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the Annual Governance Statement.

The overall opinion has been formed by summarising audit outcomes across eight key assurance domains. The overall opinion is then based upon these grouped findings. In a change to previous years all domains now carry equal weighting.

In my opinion 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. Several significant matters require management attention with low to moderate impact on residual risk exposure until resolved.

1.3 Delivery of the Audit Plan

The internal audit plan has been delivered substantially in accordance with the agreed schedule and changes required during the year, as approved by the Audit & Risk Assurance Committee. Regular audit progress reports have been submitted to the Audit & Risk Assurance Committee during the year.

As a result of the COVID-19 pandemic and the response to it from the Health Board we have not been able to complete our audit programme in full.
However, we have undertaken sufficient audit work during the year to be able to give an overall opinion in line with the requirements of the Public Sector Internal Audit Standards.

We had anticipated, after adjustments to the original audit plan agreed with the Audit Committee, producing 45 outputs at the year end. However, due to the impact of COVID-19 the final position at Hywel Dda Health Board is: 40 Final reports, 1 Draft report, 1 work in progress and 3 where insufficient work has been done to be used to support the opinion. Where audits that are work in progress have been used to support the overall opinion (even though the work will not have been reported to the Audit Committee in either Final or Draft form) this is set out in Section 2.4 of the Opinion.

For those audits that are either at the Draft report stage or are work in progress, we will agree an appropriate approach to complete and finalise those audits with Health Board for formal submission to the Audit Committee at a later date. In addition, in a small number of cases we were not able to complete work on all the objectives agreed for a particular audit. Where this is the case we have highlighted this in Sections 5.1 to 5.6.

There are, as in previous years, additional audits undertaken at NWSSP, NWIS, WHSSC and EASC that support the overall opinion for NHS wales health bodies (see Section 3).

Our External Quality Assessment (EQA), conducted by the Chartered Institute of Internal Auditors, and our Quality Assurance and Improvement Programme have both confirmed that our internal audit work 'generally conforms' to the requirements of the Public Sector Internal Audit Standards (PSIAS) for 2019/2020. We are now able to state that our service 'conforms to the Institute of Internal Audit's (IIA's) professional standards and to PSIAS.'

1.4 Summary of Audit Assignments

The report summarises the outcomes from the internal audit plan undertaken in the year and, recognising audit provides a continuous flow of assurance, includes the results of legacy audit work reported subsequent to the prior year opinion. The report also references assurances received through the internal audit of control systems operated by NWSSP for transaction processing on behalf of the Health Board.

The audit coverage in the plan agreed with management has been deliberately focussed 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.

In overall terms we can provide positive assurance to the Board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the following assurance domains:

- Corporate governance, risk management and regulatory compliance;
- Strategic planning, performance management and reporting;
- Financial governance and management

- Clinical governance, quality and safety;
- Workforce management;
- Capital and Estates management; and
- Information governance and security.

However, the significance of the matters identified in those areas where there are improvements to be made in governance, risk management and control impacts upon our overall audit assessment in the following assurance domain:

- Operational services and functional management.

There were in total eight individual audits issued across the overall plan where a Limited Assurance rating was allocated: Water Safety Management (Withybush), Financial Safeguarding – Maintenance Led, Research & Development, Estates Directorate Governance, Bronglais Directorate Governance, Consultants Job Planning, Contracting and Control of Contractors.

Management are aware of the specific issues identified and have agreed action plans to improve control in these areas. These planned control improvements should be referenced in the Annual Governance Statement where appropriate.

Please note that our assessment across each of the domains has also taken into account, where appropriate, the number and significance of any audits that have been deferred during the course of the year (see also Section 2.4.1)

2. HEAD OF INTERNAL AUDIT OPINION

2.1 Roles and Responsibilities

The Board is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives, and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

The Annual Governance Statement is a statement made by the Accountable Officer, on behalf of the Board, setting out:

- How the individual responsibilities of the Accountable Officer are discharged with regard to maintaining a sound system of internal control that supports the achievement of policies, aims and objectives.
- The purpose of the system of internal control, as evidenced by a description of the risk management and review processes, including compliance with the Health & Care Standards.
- The conduct and results of the review of the effectiveness of the system of internal control including any disclosures of significant control failures, together with assurances that actions are or will be taken where appropriate to address issues arising.

The organisation's risk management process and system of assurance should bring together all of the evidence required to support the Annual Governance Statement.

In accordance with the PSIAS, the HIA is required to provide an annual opinion, based upon and limited to, the work performed on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. This is achieved through an audit plan that has been focussed on key strategic and operational risk areas and known improvement opportunities, agreed with executive management and approved by the Audit & Risk Assurance Committee, which should provide an appropriate level of assurance.

The opinion does not imply that Internal Audit has reviewed all risks and assurances relating to the organisation. The opinion is substantially derived from the conduct of risk-based audit work formulated around a selection of key organisational systems and risks. As such, it is a key component that the Board takes into account but is not intended to provide a comprehensive view.

The Board, through the Audit & Risk Assurance Committee, will need to consider the Internal Audit opinion together with assurances from other sources including reports issued by other review bodies, assurances given by management and other relevant information when forming a rounded picture on governance, risk management and control for completing its Governance Statement.

2.2 Purpose of the Head of Internal Audit Opinion

The purpose of my annual Head of Internal Audit opinion is to contribute to the assurances available to the Accountable Officer and the Board of Hywel Dda University Health Board which underpin the Board's own assessment of the effectiveness of the organisation's system of internal control.

This opinion will in turn assist the Board in the completion of its Annual Governance Statement, and may also be taken into account by regulators including Healthcare Inspectorate Wales in assessing compliance with the Health & Care Standards in Wales, and by Wales Audit Office in the context of their external audit.

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.

2.3 Assurance Rating System for the Head of Internal Audit Opinion

The assurance rating framework for expressing the overall audit opinion was refined in 2013/14 in consultation with key stakeholders across NHS Wales. In 2016/17, following further discussion with stakeholders, it was amended to remove the weighting given to three of the eight domains when judging the overall

opinion. The framework applied in 2016/17 has been used again to guide the forming of the opinion for 2019/20.

The assurance rating system based upon the colour-coded barometer and applied to individual audit reports remains unchanged. The descriptive narrative used in these definitions as clarified in 2012/13 has proven effective in giving an objective and consistent measure of assurance in the context of assessed risk and associated control in those areas examined.

This same assurance rating system is applied to the overall Head of Internal Audit opinion on governance, risk management and control as to individual assignment audit reviews. The assurance rating system together with definitions is included at **Appendix D**.

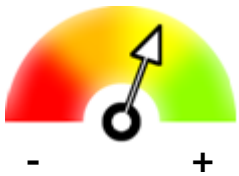
The individual conclusions arising from detailed audits undertaken during the year have been summarised by the eight assurance domains that were used to frame the internal audit plan at its outset. The aggregation of audit results by these domains gives a better picture of assurance to the Board and also provides a rational basis for drawing an overall audit opinion.

A quality assurance review process has been applied by the Director of Audit & Assurance and the Head of Internal Audit in the annual reporting process, to ensure the assurance domain ratings and overall opinion are consistent with the underlying audit evidence and in accordance with the criteria for judgement at **Appendix E**.

2.4 Head of Internal Audit Opinion

2.4.1 Scope of opinion

The scope of my opinion is confined to those areas examined in the risk-based audit plan which has been agreed with senior management and approved by the Audit & Risk Assurance Committee. The Head of Internal Audit assessment should be interpreted in this context when reviewing the effectiveness of the system of internal control and be seen as an internal driver for continuous improvement. The Head of Internal Audit opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control is set out below:

	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. *More significant matters require management attention with **low to moderate impact on residual risk** exposure until resolved.*

This opinion will need to be reflected within the Annual Governance Statement along with confirmation of action planned to address the issues raised. Particular focus should be placed on the agreed response to any *limited* or *no-assurance* reports issued during the year and the significance of the recommendations made.

2.4.2 Basis for Forming the Opinion

In reaching the opinion the Head of Internal Audit has applied both professional judgement and the Audit & Assurance "*Supporting criteria for the overall opinion*" guidance produced by the Director of Audit & Assurance and shared with key stakeholders, see **Appendix E**.

In reaching the over Reasonable Assurance Opinion I have identified that the majority of reviews during the year concluded positively with sound control arrangements operating in some areas.

As well as the overall opinion, I have also concluded that for seven of the eight individual assurance domains a reasonable assurance opinion is appropriate.

However, the Operational & Service Management Domain was allocated Limited Assurance with the two Directorate Governance audits Covering Estates Directorate and the Bronglais Hospital Directorate both given limited assurance.

From the Internal Audit work performed during the year the majority of audits were allocated either Substantial or Reasonable assurance opinions.

In addition, however, it is also important to highlight that eight Limited assurance reports have been issued during the year, with these individual Limited assurance reports in five separate assurance domains.

It is also noted that in a number the follow up audits identified progress being made implementing the previously agreed recommendations. From review of the Annual Governance Statement it was considered to be on the whole consistent with our knowledge of the UHB through the audit work performed in the Internal Audit plan, and a review of other organisational documents.

In addition, our review of the Governance, Leadership and Accountability Standard again noted that we considered it to be on the whole consistent with our knowledge of the UHB.

The summary of assurance outcomes is set out in Appendix B.

This opinion will need to be reflected within the Annual Governance Statement, along with confirmation of action planned to address the issues raised. Particular focus should be placed on the agreed response to any limited assurance reports issued during the year and the significance of the recommendations made.

The audit work undertaken during 2019/20 and reported to the Audit & Risk Assurance Committee has been aggregated at **Appendix B**.

The evidence base upon which the overall opinion is formed is as follows:

- An assessment of the range of individual opinions arising from risk-based audit assignments contained within the Internal Audit plan that have been reported to the Audit & Risk Assurance Committee throughout the year. This assessment has taken account of the relative materiality of these areas

and the results of any follow-up audits in progressing control improvements;

- The result of audit assignments that have been issued in draft to the organisation before the issue of this opinion, but have yet to be reported to the Audit Committee;
- The results of any audit work related to the Health & Care Standards including, if appropriate, the evidence available by which the Board has arrived at its declaration in respect of the self-assessment for the Governance, Leadership and Accountability module;
- Other assurance reviews which impact on the Head of Internal Audit opinion including audit work performed at other organisations (see Section 3 – Other Work for details).

As stated above these detailed results have been aggregated to build a picture of assurance across the eight key assurance domains around which the risk-based Internal Audit plan is framed. Where there is insufficient evidence to draw a firm conclusion the assurance domain is not rated.

In addition, the Head of Internal Audit has considered residual risk exposure across those assignments where limited or no assurance was reported. Furthermore, a number of audit assignments planned this year did not proceed to full audits following preliminary planning work and these were either: removed from the plan; removed from the plan and replaced with another audit; or deferred until a future audit year. Where changes were made to the audit plan then the reasons were presented to the Audit & Risk Assurance Committee for consideration and approval. Notwithstanding that the opinion is restricted to those areas which were subject to audit review, the Head of Internal Audit has considered the impact of changes made to the plan when forming their overall opinion.

A summary of the findings in each of the domains is set out below, with commentary on pertinent audits where applicable. Each domain heading has been colour coded to show the overall assurance for that domain.

Corporate Governance, Risk Management and Regulatory Compliance

The audit of the Health and Care Standards concluded positively, along with the audits of the WRP Claims and Welsh Language. The audit of Health & Safety concluded with Reasonable assurance although noting a limitation to the scope of work undertaken. In particular due to COVID 19 a number of visits to wards and departments did not go ahead. We will look to do this as part of the 20/21 plan.

A review of both the Annual Governance Statement and the Governance, Leadership and Accountability Standard highlighted that they were considered it to be on the whole consistent with our knowledge of the UHB through the audit work performed in the Internal Audit plan and a review of other organisational documents.

Strategic Planning, Performance Management & Reporting

The Patient Access audit concluded positively and was given Substantial Assurance, with the audits of ARCH and Business Continuity allocated Reasonable Assurance.

However the audit of Research & Development was given a Limited Assurance rating, with a number weakness identified around the management and governance of the function.

Financial Governance and Management

The audit of financial reporting identified systems in place were being complied with effectively with a rating of Substantial Assurance allocated.

The audit of Contracting however, was allocated a rating of Limited Assurance, with weaknesses identified around the management of SLAs, although the processes in place for the management of LTAs were more established.

Audit work had been planned to look at the Finance Assurance Framework, however the scope of the Internal Audit work would have covered similar ground to that being undertaken by KPMG and as such was deferred to avoid potential duplication.

The audits of the payment systems provided by NWSSP, which we audit each year to provide assurance to the Health Board all concluded with positive assurance. The four primary care contractor payment systems were each being given Substantial Assurance, with the audits of Payroll and Accounts Payable receiving Reasonable Assurance.

Clinical Governance, Quality & Safety

The audits of the Annual Quality Statement (18/19), Medical Devices, Mortality Reviews and Nurse Medication Administration & Errors and were each given a reasonable assurance rating. The Annual Quality Statement (19/20) concluded with a Substantial Assurance rating.

Information Governance & IT Security

The audit of Virtualisation was given Substantial Assurance with the virtual environment well managed and kept secure with good access controls. In addition,

the audits of Cyber Security and the Departmental IT Systems (Lillie) were both given reasonable Assurance.

The consolidated follow up audit covering recommendations from four previous IM&T audits was also given reasonable assurance, noting good progress with the implementation of actions.

Operational Service and Functional Management

The Directorate Governance audits covering the Estates Directorate and the Bronglais Hospital Directorate Audit both concluded with Limited assurance ratings, contributing to an overall domain opinion of Limited. Weakness were identified in governance and assurance processes, the management of risks, and workforce management.

A follow up audit of the Estates Directorate has been undertaken and whilst progress was being made in a number of the areas previously covered, all previous recommendations were not able to be followed up at the current time. The Cleaning Standards follow up audit also noted some improvements.

Workforce Management

The audit of Consultants & SAS Doctors Job Planning concluded with a Limited Assurance Rating. Weaknesses were identified with the completion, annual review, quality and sign off of the job plans.

The audits of Rostering, the Electronic Staff Records System and Variable Pay have each have concluded with Reasonable Assurance, along with the follow up audit of Personal Appraisal and Development Reviews (PADRs) which has highlighted improvements since the previous audit.

Capital & Estates Management

A significant amount of audit work has been undertaken in this domain. During the year, Health Board management asked for additional audits around known risk areas, in particular water safety management issues where four separate audits have been undertaken this year.

Three audits concluded with a Limited Assurance rating: Withybush Hospital Water Safety Management, Financial safeguarding – Maintenance and Control of contractors.

There were, however, seven audits that concluded more positively including Environmental Sustainability Reporting, Financial safeguarding - Design Led,

Capital Follow up, Estates Assurance Follow Up, Carbon Reduction Commitment, Water Management – 1st Follow Up and GGH Women & Children Capital Scheme Phase 2.

Further to this, the additional Water Safety audit at Bronglais concluded with a Reasonable Assurance rating as did the Water Safety Follow up at Withybush, highlighting that management had made progress in strengthening the controls in this area.

Although there is a mix of results in this domain, and there is further action that management needs to take to strengthen arrangements across a number of the areas that we reviewed, we have noted that the follow up audits showed positive management action in a number of areas. Our view is that the assurance rating for this domain is Reasonable overall but we will continue to focus audit effort in this area to ensure that the progress have seen is maintained going forward.

2.4.3 Limitations to the Audit Opinion

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding the achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems.

As mentioned above, the scope of the audit opinion is restricted to those areas which were the subject of audit review through the performance of the risk-based Internal Audit plan. In accordance with auditing standards and with the agreement of senior management and the Board, Internal Audit work is deliberately prioritised according to risk and materiality. Accordingly the Internal Audit work and reported outcomes will bias towards known weaknesses as a driver to improve governance, risk management and control. This context is important in understanding the overall opinion and balancing that across the various assurances which feature in the Annual Governance Statement.

Caution should be exercised when making comparisons with prior years. Audit coverage will vary from year to year based upon risk assessment and cyclical coverage on key control systems.

2.4.4 Period covered by the Opinion

Internal Audit provides a continuous flow of assurance to the Board, and subject to the key financials and other mandated items being completed in-year, the cut-off point for annual reporting purposes can be set by agreement with management. To enable the Head of Internal Audit opinion to be better aligned with the production of the Annual Governance Statement, a pragmatic cut-off point has been applied to Internal Audit work in progress.

By previous agreement with the Health Board, audit work reported to draft stage has been included in the overall assessment, all other work in progress will be rolled-forward and reported within the overall opinion for next year.

The majority of audit reviews will relate to the systems and processes in operation during 2019/20 unless otherwise stated and reflect the condition of internal controls pertaining at the point of audit assessment. Follow-up work will provide an assessment of action taken by management on recommendations made in prior periods, and will therefore provide limited scope update on the current condition of control and a measure of direction of travel.

There are also some specific assurance reviews which remain relevant to the reporting of the Annual Report required. These specific assurance requirements relate to the following two public disclosure statements:

- Annual Quality Statement; and
- Environmental Sustainability Report.

The specified assurance work on these statements has been aligned with the timeline for production of the Annual Report and accordingly will be completed and reported to management and the Audit & Risk Assurance Committee subsequent to this Head of Internal Audit opinion. However, the Head of Internal Audit's assessment of arrangements in these areas is legitimately informed by drawing on the assurance work completed as part of this current year's plan albeit relating to the 2018/19 Annual Report and Quality Statement, together with the preliminary results of any audit work already undertaken in relation to the 2019/20 Annual Report and Quality Statement.

2.5 Required Work

There are a number of pieces of work that Welsh Government has previously required that Internal Audit should review each year, where applicable. These pieces cover aspects of:

- Health & Care Standards, including the Governance, Leadership and Accountability standard;
- Annual Governance Statement;
- Annual Quality Statement;
- Carbon Reduction Commitment;
- Environmental Sustainability Report; and
- Welsh Risk Pool Claims.

Where appropriate, our work is reported in Section 5 – Risk-based Audit Assignments, and at **Appendix B**.

2.6 Statement of Conformance

The Welsh Government determined that the Public Sector Internal Audit Standards (PSIAS) would apply across the NHS in Wales from 2013/14.

The provision of professional quality Internal Audit is a fundamental aim of our service delivery methodology and compliance with PSIAS is central to our audit approach. Quality is controlled by the Head of Internal Audit on an ongoing basis and monitored by the Director of Audit & Assurance. The work of internal audit is also subject to an annual assessment by the Wales Audit Office. In addition,

at least once every five years, we are required to have an External Quality Assessment. This was undertaken by the Chartered Institute of Internal Auditors (IIA) in February and March 2018. The IIA concluded that NWSSP's Audit & Assurance Services conforms to all 64 fundamental principles and 'it is therefore appropriate for NWSSP Audit & Assurance Services to say in reports and other literature that it conforms to the IIA's professional standards and to PSIAS.'

The NWSSP Audit & Assurance Services can assure the Audit Committee that it has conducted its audit at Hywel Dda University Health Board in conformance with the Public Sector Internal Audit Standards for 2019/20.

Our conformance statement for 2019/20 is based upon:

- The results of our internal Quality Assurance and Improvement Programme (QAIP) for 2019/20 which will be reported formally in the summer of 2020;
- The results of the work completed by Wales Audit Office; and
- The results of the External Quality Assessment undertaken by the IIA.

We have set out, in Appendix A, the key requirements of the Public Sector Internal Audit Standards and our assessment of conformance against these requirements. The full results and actions from our QAIP will be included in the 2019/20 QAIP report. There are no significant matters arising that need to be reported in this document.

2.7 Completion of the Annual Governance Statement

While the overall Internal Audit opinion will inform the review of effectiveness for the Annual Governance Statement, the Accountable Officer and the Board need to take into account other assurances and risks when preparing their statement. These sources of assurances will have been identified within the Board's own performance management and assurance framework and will include, but are not limited to:

- Direct assurances from management on the operation of internal controls through the upward chain of accountability;
- Internally assessed performance against the Health & Care Standards;
- Results of internal compliance functions including Local Counter-Fraud, Post Payment Verification, and Risk Management;
- Reported compliance via the Welsh Risk Pool regarding claims standards and other specialty specific standards reviewed during the period; and
- Reviews completed by external regulation and inspection bodies including the Wales Audit Office and Healthcare Inspectorate Wales.

3. OTHER WORK RELEVANT TO THE HEALTH BOARD

As our internal audit work covers all NHS organisations there are a number of audits that we undertake each year which, while undertaken formally as part of a particular health organisation's audit programme, will cover activities relating to other Health bodies. The Head of Internal Audit has had regard to these audits, which are listed below.

NHS Wales Shared Services Partnership (NWSSP)

As part of the internal audit programme at NHS Wales Shared Services Partnership (NWSSP), a hosted body of Velindre NHS Trust, a number of audits were undertaken which are relevant to the Health Board. These audits of the financial systems operated by NWSSP, processing transactions on behalf of the Health Board, derived the following opinion ratings:

- Accounts Payable - Reasonable
- Payroll – Reasonable
- Primary Care Services – General Medical Services - Substantial
- Primary Care Services – General Pharmaceutical Services - Substantial
- Primary Care Services – General Dental Services – Substantial
- Primary Care Services – General Ophthalmic Services – Substantial.
- Primary Care Services – Post Payment Verification - Substantial

Please note that other audits of NWSSP activities are undertaken as part of the overall NWSSP internal audit programme.

The overall Head of Internal Audit Opinion for NWSSP has given an overall rating of Reasonable Assurance.

Six of the seven report noted above (with the exclusion of the Post Payment Verification Audit) are also included in table in Appendix B, as they are undertaken annually to ensure coverage of the main financial systems and include transactions processed on behalf of the Health Board.

In addition, as part of the internal audit programme at Cwm Taf UHB a number of audits were undertaken in relation to both the Welsh Health Specialist Services Committee (WHSSC) and the Emergency Ambulance Services Committee (EASC). These audits are listed below and derived the following opinion ratings:

Welsh Health Specialised Services Committee

- Cardiac review - Reasonable
- Information governance - Reasonable

Emergency Ambulance Services Committee

- Non-emergency patient transport service - N/A

NHS Wales Informatics Service (NWIS)

We have also undertaken six audits relating to the processes and operations of NWIS.

- Infrastructure / Network Management – Reasonable
- Service provision – Reasonable
- Supplier management – Limited
- Follow up change control – Substantial
- GDPR – Limited
- Pharmacy project – Reasonable

While these audits do not form part of the annual plan for Hywel Dda University Health Board, they are listed here for completeness as they do impact on the Health Board's activities, and the Head of Internal Audit does consider if any issues raised in the audits could impact on the content of our annual report.

Full details of the NWSSP audits are included in the NWSSP Head of Internal Audit Opinion and Annual Report and are summarised in the Velindre NHS Trust Head of Internal Audit Opinion and Annual Report, along with the NWIS Audits; the WHSSC and EASC audits are detailed in the Cwm Taf UHB Head of Internal Audit Opinion and Annual Report.

4. DELIVERY OF THE INTERNAL AUDIT PLAN

4.1 Performance against the Audit Plan

The Internal Audit Plan has been delivered substantially in accordance with the schedule agreed with the Audit & Risk Assurance Committee, subject to changes agreed as the year progressed. Regular audit progress reports have been submitted to the Audit & Risk Assurance Committee during the year. Audits that remain to be reported and reflected within this Annual Report will be reported alongside audits from the 2020/21 operational audit plan. The scheduling of the 20/21 audit plan will be reviewed in order to minimise the number of audits being reported towards the later end of the audit year as.

As per of the original approved Internal Audit Plan there were 43 audits identified. During the year changes have been made to the plan with eight audits added, six removed, and for incomplete at the time of this opinion, with us therefore planning to deliver 41 audits.

The assignment status summary is reported at section 5 and **Appendix B**. Audit

In addition, throughout the year we have responded to requests for advice and/or assistance across a variety of business areas. This advisory work undertaken in addition to the assurance plan is permitted under the standards to assist management in improving governance, risk management and control. This activity has been reported during the year within our progress reports to the Audit & Risk Assurance Committee.

4.2 Service Performance Indicators

In order to be able to demonstrate the quality of the service delivered by Internal Audit, a range of service performance indicators supported by monitoring systems have been developed. The key performance indicators are summarised in Appendix C.

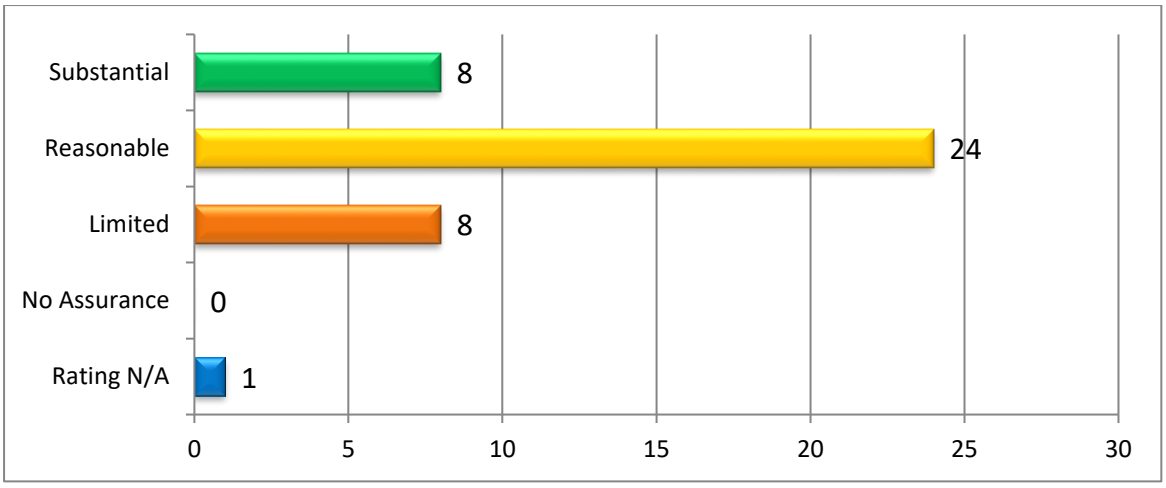
5. RISK-BASED AUDIT ASSIGNMENTS

The overall opinion provided in Section 1 and our conclusions on individual assurance domains is limited to the scope and objectives of the reviews we have undertaken, detailed information on which has been provided within the individual audit reports.

5.1 Overall summary of results

In total 41 audit reviews were reported during the year. Figure 1 below presents the assurance ratings and the number of audits derived for each.

Figure 1 Summary of audit ratings



The assurance ratings and definitions used for reporting audit assignments are included in **Appendix D**.

In addition to the above, there were several audits which did not proceed following preliminary planning and agreement with management, as it was recognised that there was action required to address issues / risks already known to management and an audit review at that time would not add additional value. Such audits were replaced.

The following sections provide a summary of the scope and objective for each assignment undertaken within the year along with the assurance rating.

5.2 Substantial Assurance

In the following review areas the Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. Those few matters that may require attention are compliance or advisory in nature with low impact on residual risk exposure.

Review Title	Objective
Welsh Risk Pool Claims	The objective of the review was to ensure that the WRP Claims Management function within the Health Board is operating effectively.
Patient Access	The overall objective of this review was to provide assurance that the Health Board was compliant with the rules for managing Referral to Treatment waiting times set by the Welsh Government.
Core Financial Systems – Financial Reporting	The overall objective of the review was to ensure that there are appropriate arrangements in place for the accurate and timely reporting of financial performance information to operational leads, Health Board and Welsh Government.
Server Virtualisation	The overall objective of this review was to evaluate and determine the adequacy of the key controls in place for the virtualisation infrastructure to ensure that it is appropriately set up, secure and that benefits are maximised.
Water Management 1st follow up	This audit sought to determine the status of previously agreed recommendations arising from a "limited assurance" Water Safety audit report issued in April 2019. The audit assessed compliance with the requirements of Welsh Health Technical Memorandum (WHTM) 04-01, Safe Water in Healthcare Premises, with specific audit testing undertaken at the Glangwili and Prince Philip Hospital sites.
Carbon Reduction Commitment	The overall objective of the review was to assess compliance with CRC requirements and guidance.

Review Title	Objective
Annual Quality Statement	The overall objective of the review was to assist Hywel Dda University Health Board with accuracy checking, including the triangulation of data and evidence, before the publication of the 2019/20 Annual Quality Statement.
Follow up Estates Assurance	The overall objective of this audit was to establish progress made by management to implement actions agreed to address key issues identified at previous estates audits.

5.3 Reasonable Assurance

In the following review areas the Board can take **reasonable assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively. Some matters require management attention in either control design or operational compliance and these will have low to moderate impact on residual risk exposure until resolved.

Review Title	Objective
Welsh Language Compliance	The overall objective of this audit was to evaluate and determine the adequacy of the systems and controls in place over the implementation of the Standards.
ARCH	The objective of the audit was to evaluate the systems and controls in place within the Health Board and review information made available through partnership arrangements with a view to delivering reasonable assurance to the Audit & Risk Assurance Committee (ARAC) that risks material to the objectives of the areas of coverage are appropriately managed.
Annual Quality Statement	The overall objective of the review was to assist Hywel Dda University Health Board with accuracy checking, including the triangulation of data and evidence, before the publication of the 2018/19 Annual Quality Statement.

Review Title	Objective
Financial Safeguarding [Design Team Led CRL Projects]	This review sought to affirm that there were effective controls and systems operating to deter and safeguard against potential fraud in respect of the discretionary capital projects managed by the UHB's Estates Design team. Key areas reviewed included: • Quotation/tender/local order processes; • Segregation of duties & delegated authorities; and Stock control processes.
IM&T Assurance (Follow Up)	The review sought to provide the Health Board with assurance that appropriate and timely action had been taken in respect of previously agreed audit recommendations arising from prior IM&T Assurance audits.
Medical Devices	The overall objective of the review was to provide assurance that there are appropriate systems and processes in place for the management of medical devices so that all devices are appropriately managed and maintained.
Mortality Rates	The overall objective of this review was to evaluate and determine the adequacy of the systems and controls in place within the Health Board for the completion of mortality reviews.
Nursing Medication Administration & Errors	The overall objective of this review was to provide assurance for the management and administration of drugs in wards/departments and the arrangements in place to address nursing medication errors.
Cyber Security	The overall objective of this review was to evaluate the adequacy of the systems and controls in place for cyber-security
Estates Directorate Governance Review (Follow Up)	The overall objective of this audit was to establish progress made by management to implement actions agreed to address key issues identified at the previous audit. However the recommendations in relation to workforce management were not able to be followed up due to the need conclude work due to the pandemic.

Review Title	Objective
Departmental IT System	The objective of the audit was to evaluate and determine the adequacy of the systems and controls in place for the management of the Lillie Sexual Health Management IT System.
Rostering	The objective of the audit was to ensure that Hywel Dda UHB has appropriate structures and processes in place to adequately manage the production of staff rotas, in order to provide assurance to the Audit & Risk Assurance Committee that risks material to the achievement of system objectives are managed appropriately.
Variable Pay	The objective of this audit was to review the adequacy of the arrangements in place for the management and control of variable pay, in order to provide assurance to the Health Board that risks material to the achievement of the system's objectives are managed appropriately.
Electronic Staff Record (ESR) System	The objective of the audit was to assess the adequacy of the arrangements in place for the deployment of the ESR and subsequent utilisation of the system, in order to provide assurance to the Health Board that risks material to the achievement of the system's objectives are managed appropriately.
Environmental Sustainability	The overall objective of the review was to assess the adequacy of management arrangements for the production of the Sustainability Report within the Annual Report.
Business Continuity *DRAFT – to be finalised by end of June.*	The overall objective of this review was to evaluate and determine the adequacy of the systems and controls in place for the management of business continuity.
Health & Safety	The overall objective of the review was to assess the adequacy of management arrangements for Health & Safety and that risks material to the achievement of the system's objectives are managed appropriately. Elements of testing had to be limited as a result of the restrictions of the pandemic.
Review of PADR Process (Follow Up)	The overall objective of this audit was to establish progress made by management to implement actions agreed to address key issues identified at the previous audits which had limited assurance.

Review Title	Objective
Health & Care Standards	The objective of the review was to establish if the Health Board has adequate procedures in place to monitor the effective utilisation of the standards to improve clinical quality and patient experience.
Follow up Capital	The overall objective of this audit was to establish progress made by management to implement actions agreed to address key issues identified at previous capital audits.
National Standards for Cleaning (Follow Up)	The overall objective of this audit was to establish progress made by management to implement actions agreed to address key issues identified at the previous audits which had limited assurance. Testing was limited due to restrictions as a result of the pandemic.
Water Safety (Follow Up) – Additional Sampling: Withybush General Hospital	Following the reporting of a 'limited assurance' report in October 2019 in respect of water management controls operating at Withybush Hospital, a follow up review was requested by the Audit Committee to determine whether previously agreed management actions had been implemented.
Water Safety – Additional Sampling (Bronglais General Hospital)	Following the reporting of a 'limited assurance' report in October 2019 in respect of water management controls operating at Withybush Hospital, further audit testing was requested by the Audit Committee to determine arrangements applied at Bronglais General Hospital.
Glangwili Hospital, Women & Children's Development Phase 2	The audit was undertaken to evaluate the processes and procedures established to support the management and control of the Women and Children's project (Phase 2) at Glangwili Hospital (with total approved funding of £26.087m). The audit assessed project controls in areas including governance, cost monitoring, change and risk management.

5.4 Limited Assurance

In the following review areas the Board can take only **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with moderate impact on residual risk exposure until resolved.

Review Title	Objective
Estates Directorate Governance Review	The overall objective of this audit was to confirm that Directorate governance structures follow the principles set out in the Health Board's system of assurance, and supports the management of key risks and achievement of the Directorate's objectives.
Bronglais General Hospital Directorate Governance Review	The overall objective of this audit was to confirm that Directorate governance structures follow the principles set out in the Health Board's system of assurance, and support the management of key risks and achievement of the Directorate's objectives.
Consultant and SAS Doctors Job Planning	The overall objective of the review was to evaluate and determine the adequacy of the systems and controls in place for the management of consultant and SAS doctors' job planning in order to provide assurance to the Board's Audit Committee that risks material to the achievement of system's objectives are managed appropriately.
Research & Development	The overall objective of the review is to assess the adequacy of arrangements for the management of R&D function.
Contracting	The overall objective of the review was to evaluate and determine the adequacy of the systems and controls in place within the Health Board for the management of contract arrangements.

Review Title	Objective
Financial Safeguarding [Maintenance Team Led Work]	This review sought to affirm that there were effective controls and systems operating to deter and safeguard against potential fraud within the UHB's Estates Maintenance team. Areas reviewed included: • Quotation/tender/local order processes; • Segregation of duties & delegated authorities; and • Stock control processes.
Water Safety – Additional Sampling: Withybush General Hospital	Water safety management within the UHB was initially reviewed in April 2019, with a 'limited assurance' rating determined, in respect of Glangwili and Prince Philip Hospital sites. As requested by Audit Committee (May 2019) this review aimed to focus audit testing on the Withybush Hospital and two satellite sites (St Nons and St Caradogs wards).
Control of Contractors	The overall objective of this review was to provide assurance on the processes and procedures that support the management and control of contractors working within the UHB. The review assessed governance arrangements, controls over the selection and appointment of contractors, the management of work on site, and monitoring and reporting arrangements, in line with the requirements of the HSE (Health & Safety Executive).

5.5 No Assurance

There are no audited areas in which the Board has **no assurance** that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively, or where action remains to be taken to address the whole control framework with high impact on residual risk exposure until resolved.

5.6 Assurance Not Applicable

The following reviews were undertaken as part of the audit plan and reported or closed by correspondence without the standard assurance rating indicator, owing to the nature of the audit approach.

Review Title	Objective
Nurse Staffing Act – Additional Testing	Additional testing following on from initial audit, at request of Audit Committee.

Additionally, the following audits were deferred for the reasons outlined below. The reason for deferment is outlined for each audit together with any impact noted on the Head of Internal Audit Opinion.

Review Title	
Financial Assurance Framework	Potential duplication of work with that of KPMG.
Programme Management Office	Work deferred due to changes in organisational approach.
Medical Leadership	Work deferred in order to add other higher priority audits to the plan.
IT Service Management	Work deferred following discussion with management. We have undertaken sufficient audit work in the domain of Information Management & Security.
Health & Care Strategy	Work deferred in order to add other higher priority audits to the plan.
Major Strategic Investment Programmes - TCS	The HB requested deferment of the remaining element of the TCS provision until Q1 20/21, as capital funding is due to be released as at 01 April 2020 when the HB will be seeking to appoint advisers.
Closure of actions	Work not started due to COVID 19.
Standards of Behaviour	Work in progress.
Records Management Follow up	Work not started due to COVID 19.
Sustainability	Work not started due to COVID 19.

6. ACKNOWLEDGEMENT

In closing I would like to acknowledge the time and co-operation given by directors and staff of the Health Board to support the delivery of the Internal Audit assignments undertaken within the 2019/20 plan.

James Johns

Head of Internal Audit

Audit & Assurance Services

NHS Wales Shared Services Partnership

June 2020

ATTRIBUTE STANDARDS:	
1000 Purpose, authority and responsibility	Internal Audit arrangements are derived ultimately from the NHS organisation's Standing Orders and Financial Instructions. These arrangements are embodied in the Internal Audit Charter adopted by the Audit Committee on an annual basis.
1100 Independence and objectivity	Appropriate structures and reporting arrangements are in place. Internal Audit does not have any management responsibilities. Internal audit staff are required to declare any conflicts of interests. The Head of Internal Audit has direct access to the Chief Executive and Audit Committee chair.
1200 Proficiency and due professional care	Staff are aware of the Public Sector Internal Audit Standards and Code of Ethics. Appropriate staff are allocated to assignments based on knowledge and experience. Training and Development exist for all staff. The Head of Internal Audit is a professionally qualified.
1300 Quality assurance and improvement programme	Head of Internal Audit undertakes quality reviews of assignments and reports as set out in internal procedures. Internal quality monitoring against standards is performed by the Head of Internal Audit and Director of Audit & Assurance. WAO complete an annual assessment. An EQA was undertaken in 2018.
PERFORMANCE STANDARDS:	
2000 Managing the internal audit activity	The Internal Audit activity is managed through the NHS Wales Shared Services Partnership. The audit service delivery plan forms part of the NWSSP integrated medium term plan. A risk-based strategic and annual operational plan is developed for the organisation. The operational plan gives detail of specific assignments and sets out overall resource requirement. The audit strategy and annual plan is approved by Audit Committee.

	Policies and procedures which guide the Internal Audit activity are set out in an Audit Quality Manual. There is structured liaison with WAO and LCFS.
2100 Nature of work	The risk-based plan is developed and assignments performed in a way that allows for evaluation and improvement of governance, risk management and control processes, using a systematic and disciplined approach.
2200 Engagement planning	The Audit Quality Manual guides the planning of audit assignments which include the agreement of an audit brief with management covering scope, objectives, timing and resource allocation.
2300 Performing the engagement	The Audit Quality Manual guides the performance of each audit assignment and each report is quality reviewed before issue.
2400 Communicating results	Assignment reports are issued at draft and final stages. The report includes the assignment scope, objectives, conclusions and improvement actions agreed with management. An audit progress report is presented at each meeting of the Audit Committee. An annual report and opinion is produced for the Audit Committee giving assurance on the adequacy and effectiveness of the organisation's framework of governance, risk management and control.
2500 Monitoring progress	An internal follow-up process is maintained by management to monitor progress with implementation of agreed management actions. This is reported to the Audit Committee. In addition audit reports are followed-up by Internal Audit on a selective basis as part of the operational plan.
2600 Communicating the acceptance of risks	If Internal Audit considers that a level of inappropriate risk is being accepted by management it would be discussed and will be escalated to Board level for resolution.

AUDIT RESULTS GROUPED BY ASSURANCE DOMAIN

Assurance domain	Report Number	Overall rating	Not rated	No	Limited assurance	Reasonable assurance	Substantial assurance
Corporate governance, risk and regulatory compliance	4					Welsh Language *H&C Standards* *Health & Safety*	WRP Claims
Strategic planning, performance management and reporting	4				Research & Development	ARCH *Business Continuity (draft)*	Patient Access
Financial governance and management *	2				Contracting	☐*NWSSP Payroll* ☐*NWSSP Accounts Payable*	Financial Reporting ☐*NWSSP GMS* ☐*NWSSP GDS* ☐*NWSSP GOS* ☐*NWSSP GPS*
Clinical governance quality and safety	6		Nurse Staffing Act			AQS 1819 Medical Devices Nurse Medication Admin & Errors Mortality	AQS (19/20)
Information governance and security	4					IM&T (Follow-up) Cyber Security IT System (Lillie)	Virtualisation

Assurance domain	Report Number	Overall rating	Not rated	No	Limited assurance	Reasonable assurance	Substantial assurance
Operational service and functional management	4				Estates Directorate Governance Directorate Governance Bronglais	Estates Directorate Governance follow up *Cleaning Standards - follow up*	
Workforce management	5				Consultants Job Planning	Electronic Staff Record Variable Pay Rostering PADR Follow up	
Capital and estates management **	12				Water Management - Withybush Financial safeguarding – Maintenance Led *Control of contractors*	Environmental Sustainability Reporting Financial safeguarding – Capital Capital Follow up Water safety – Bronglais Water Management Follow up Withybush GGH Women & Children's Capital Scheme	Carbon Reduction Commitment Water Management – 1st follow up Estates Assurance Follow up
	41		**1**		**8**	**24**	**8**

***** This domain outcome also includes six financial system audits undertaken through the audit of NWSSP as they include transactions processed on behalf of the Health Board.
****** As a result of some initial Limited Assurance Audits in this Domain, management requested that audits were added on additional risk areas within Estates.

Key to symbols:

●	Audit undertaken within the annual Internal Audit plan
Italics	Reports not yet finalised but have been issued in draft
☐	Audits undertaken as per of the NWSSP Internal Audit Plan.

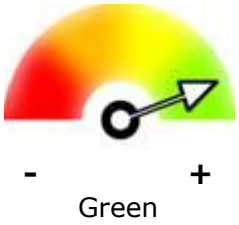
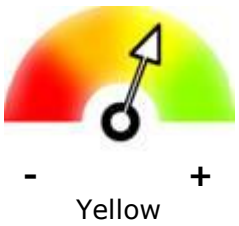
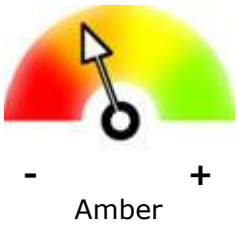
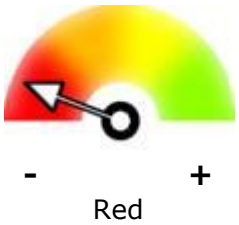
PERFORMANCE INDICATORS

Indicator Reported to NWSSP Audit Committee	Status	Actual	Target	Red	Amber	Green
Operational Audit Plan agreed for 2019/20	G	April 2019	By 30 June	Not agreed	Draft plan	Final plan
Total assignments reported against adjusted plan for 2019/20	G	90% (37/41)	100%	v>20 %	10%<v<20%	v<10%
Report turnaround: time from fieldwork completion to draft reporting [10 working days]*	G	83%	80%	v>20 %	10%<v<20%	v<10%
Report turnaround: time taken for management response to draft report [15 working days]*	G	79%	80%	v>20 %	10%<v<20%	v<10%
Report turnaround: time from management response to issue of final report [10 working days]*	G	100%	80%	v>20 %	10%<v<20%	v<10%

* position reported as 29th February due to impact of COVID 19

Key: v = percentage variance from target performance

2019/20 Audit Assurance Ratings

RATING	INDICATOR	DEFINITION
Substantial Assurance	 Green	The Board can take **substantial assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Few matters require attention and are compliance or advisory in nature with **low impact on residual risk** exposure.
Reasonable Assurance	 Yellow	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.
Limited Assurance	 Amber	The Board can take **limited assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. More significant matters require management attention with **moderate impact on residual risk** exposure until resolved.
No Assurance	 Red	The Board has **no assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Action is required to address the whole control framework in this area with **high impact on residual risk** exposure until resolved.

Overall opinion assessment matrix

Supporting criteria for the overall opinion

Criteria	Substantial Assurance	Reasonable Assurance	Limited assurance	No assurance
Audit results consideration				
Overall results				
Assurance domains rated green	≥5 green; and			
Assurance domains rated yellow	≤3 yellow; and	≥5 yellow; and		
Assurance domains rated amber	No amber; and	≤ 3 amber; and	≥5 amber; and	
Assurance domains rated red	No red	No red	≤3 red	≥4 red
Audit scope consideration				
Audit spread domain coverage	All domains must be rated	No more than 1 domain not rated	No more than 2 domains not rated	3 or more domains not rated

Note: The overall opinion (see section 2.4.2) is subject ultimately to professional judgement notwithstanding the criteria above.

Confidentiality

This report is supplied on the understanding that it is for the sole use of the persons to whom it is addressed and for the purposes set out herein. No persons other than those to whom it is addressed may rely on it for any purposes whatsoever. Copies may be made available to the addressee's other advisers provided it is clearly understood by the recipients that we accept no responsibility to them in respect thereof. The report must not be made available or copied in whole or in part to any other person without our express written permission.

In the event that, pursuant to a request which the client has received under the Freedom of Information Act 2000, it is required to disclose any information contained in this report, it will notify the Head of Internal Audit promptly and consult with the Head of Internal Audit and Board Secretary prior to disclosing such report.

The Health Board shall apply any relevant exemptions which may exist under the Act. If, following consultation with the Head of Internal Audit this report or any part thereof is disclosed, management shall ensure that any disclaimer which NHS Wales Audit & Assurance Services has included or may subsequently wish to include in the information is reproduced in full in any copies disclosed.

Audit

The audit was undertaken using a risk-based auditing methodology. An evaluation was undertaken in relation to priority areas established after discussion and agreement with the Health Board. Following interviews with relevant personnel and a review of key documents, files and computer data, an evaluation was made against applicable policies, procedures and regulatory requirements and guidance as appropriate.

Internal control, no matter how well designed and operated, can provide only reasonable and not absolute assurance regarding the achievement of an organisation's objectives. The likelihood of achievement is affected by limitations inherent in all internal control systems. These include the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Where a control objective has not been achieved, or where it is viewed that improvements to the current internal control systems can be attained, recommendations have been made that if implemented, should ensure that the control objectives are realised/ strengthened in future.

A basic aim is to provide proactive advice, identifying good practice and any systems weaknesses for management consideration.

Responsibilities

Responsibilities of management and Internal Auditors:

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We plan our work so that we have a reasonable expectation of detecting significant control weaknesses and, if detected, we may carry out additional work directed towards identification of fraud or other irregularities. However, Internal Audit procedures alone, even when carried out with due professional care, cannot ensure fraud will be detected. The organisation's Local Counter Fraud Officer should provide support for these processes.

Office details: Audit & Assurance Services
St Brides Building
St David's Park
Carmarthen
SA31 3HB

Contact details: james.johns@wales.nhs.uk

Bwrdd Iechyd Prifysgol Hywel Dda University Health Board

CYFARFOD BWRDD PRIFYSGOL IECHYD UNIVERSITY HEALTH BOARD MEETING

DYDDIAD Y CYFARFOD: DATE OF MEETING:	23 June 2020
TEITL YR ADRODDIAD: TITLE OF REPORT:	Hywel Dda Health Charities: Support Received March to May 2020
CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:	Sarah Jennings, Director of Partnerships and Corporate Services
SWYDDOG ADRODD: REPORTING OFFICER:	Nicola Llewelyn, Head of Hywel Dda Health Charities

Pwrpas yr Adroddiad (dewiswch fel yn addas)
Purpose of the Report (select as appropriate)

Er Sicrwydd/For Assurance

ADRODDIAD SCAA
SBAR REPORT

Sefyllfa / Situation

The attached report is presented to the Corporate Trustee, to provide a summary of the support received for our official charity, Hywel Dda Health Charities, from March to May 2020.

Cefndir / Background

There has been an outpouring of support for the NHS from our local communities across mid and west Wales in response to the COVID-19 pandemic. This report provides the Corporate Trustee of Hywel Dda Health Charities, with a summary of the overwhelming support received by our charity from March to May 2020.

Asesiad / Assessment

The charity's activities during March, April and May are described in the main body of the report and can be summarised as follows:

1. We have been overwhelmed by the generosity of our local communities and the eagerness of our public to fundraise for the NHS in new and innovative ways.
2. Our Apêl Hywel Dda NHS COVID-19 Appeal had received donations totalling £91,273 as of 11th June from the general public wanting to thank their local NHS for caring for our local communities at such unprecedented times.
3. Our charitable donations to 31st May 2020 show an increase of 95% in comparison to the same period during the previous financial year. This includes fundraising for our appeal as well as support for a wide range of hospitals, services and departments across the University Health Board.
4. Our Hywel Dda COVID-19 Patient Appeal to help make our patients more comfortable during their hospital stay received donations of 2,039 items with a value of £20,040 as well as gifts in kind with an approximate value of £20,000.
5. We have received two 'COVID-19 urgent response' grants from NHS Charities Together totalling £105,000 to support urgent and immediate needs that enhance the well-being of NHS staff, volunteers and patients impacted by COVID-19.

6. Our proactive media releases have been covered consistently in all Carmarthenshire, Ceredigion and Pembrokeshire weekly and daily titles as well as receiving significant coverage in Welsh, UK and international media outlets.
7. We have had significant engagement on our Twitter and Facebook social media platforms with a notable increase in followers in recent weeks.

Argymhelliad / Recommendation

1. The Corporate Trustee is asked to **NOTE** the content of the report, which highlights the support received by Hywel Dda Health Charites and to **EXPRESS** its sincere thanks to our local communities for their generosity.

2. The Corporate Trustee is asked to **ENDORSE** the approach to the prioritisation and allocation of donations received to our Apêl Hywel Dda NHS COVID-19 Appeal as well as the grant funding received from NHS Charities Together.

Amcanion: (rhaid cwblhau) **Objectives: (must be completed)**	
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable for this report
Safon(au) Gofal ac Iechyd: Health and Care Standard(s): Hyperlink to NHS Wales Health & Care Standards	Governance, Leadership and Accountability
Amcanion Strategol y BIP: UHB Strategic Objectives: Hyperlink to HDdUHB Strategic Objectives	4. Improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners.
Amcanion Llesiant BIP: UHB Well-being Objectives: Hyperlink to HDdUHB Well-being Objectives Annual Report 2018-2019	10. Not Applicable

Gwybodaeth Ychwanegol: **Further Information:**	
Ar sail tystiolaeth: Evidence Base:	Not Applicable
Rhestr Termau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Cyfarfod Bwrdd Iechyd Prifysgol: Parties / Committees consulted prior to University Health Board:	Not Applicable

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: **Financial / Service:**	Any issues are identified in the report.
Ansawdd / Gofal Claf: **Quality / Patient Care:**	Any issues are identified in the report.
Gweithlu: **Workforce:**	Any issues are identified in the report.
Risg: **Risk:**	Any issues are identified in the report.
Cyfreithiol: **Legal:**	Any issues are identified in the report.
Enw Da: **Reputational:**	Any issues are identified in the report.
Gyfrinachedd: **Privacy:**	Any issues are identified in the report.
Cydraddoldeb: **Equality:**	No EqIA is considered necessary for a report of this type.

Elusennau Iechyd
HYWEL DDA
Health Charities

Hywel Dda Health Charities

March – May 2020

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol
Hywel Dda
University Health Board

1. Introduction

There has been an outpouring of support for the NHS from our local communities across mid and west Wales in response to the COVID-19 pandemic. This report provides the Board, as Corporate Trustee of our official charity, Hywel Dda Health Charities, with a summary of the overwhelming support we have received from March to May 2020.

2. Apêl Hywel Dda NHS COVID-19 Appeal

On 30th March 2020 we launched our Apêl Hywel Dda NHS COVID-19 Appeal in response to the numerous requests we were receiving from the public wanting to thank their local NHS for caring for our local communities at such unprecedented times.

The appeal has enabled our communities to make a donation or fundraise to show their appreciation for our NHS staff and volunteers working tirelessly to care for our communities across Carmarthenshire, Ceredigion and Pembrokeshire.

The appeal quickly passed our fundraising target of £10,000 and as of 11th June has raised £91,273. We are extremely grateful for each and every donation made to the appeal to support the welfare and well-being of our NHS staff and volunteers:

- 4,336 individual supporters
- £72,073 raised by 32 individual fundraisers
- £16,789 direct donations
- £2,411 offline donations

We have been fortunate to receive significant media coverage for our appeal however one fundraiser in particular made the headlines locally, nationally and internationally with his remarkable fundraising efforts.

Mr Rhythwyn Evans from Silian, near Lampeter, was so inspired by the fundraising of army veteran Captain Sir Tom Moore that he decided to follow suit and raise money for his local NHS. Mr Evans celebrated his 91st birthday by walking round his home 91 times to raise money for our appeal. Mr Evans has raised over £44,000 to date and is pleased to have made such a significant contribution to the appeal.

We expect the appeal to reach £100,000 before the end of June and intend to close the appeal when it reaches this milestone. As the appeal has been focused on thanking our NHS staff and volunteers during the COVID-19 pandemic, we intend to replace the appeal

with a broader 'thank you NHS' campaign to generate unrestricted general funds for the charity, in line with the charity's three-year plan approved by the Corporate Trustee in March.

To mark the closure of the appeal, we are working with a local poet to thank our communities for their support in a unique way. During June, we will be inviting colleagues across the University Health Board to help us record a special thank you video message for all those who have fundraised for, and made a donation to our charity in recent weeks.

The money raised from the appeal is held within the charity's designated general fund (T600) and consideration is currently being given to the best use of this funding to support the welfare and well-being of our NHS staff and volunteers. At the Board meeting held on 23rd May, the Director of Workforce & Organisational Development confirmed that the Organisational Development team will shortly be undertaking an engagement process across the entire workforce to establish what changes or items would make a difference to them in their working lives. The results of this engagement process will feed into discussions with the Charitable Funds Committee around the most appropriate uses of this funding, as well as other charitable funds, to support our workforce, in line with the spirit in which the donations were made.

3. Other fundraising for Hywel Dda Health Charities

We have been overwhelmed by the generosity of our local communities and the eagerness of our public to fundraise for the NHS in new and innovative ways.

Our charitable donations to 31st May 2020 show an increase of 95% in comparison to the same period during the previous financial year. This includes fundraising for our appeal as outlined above as well as in aid of wide range of hospitals, services and departments across the University Health Board.

- Over 140 online fundraising pages (JustGiving and crowdfunding) created in aid of the charity during March, April and May.
- 2.6 challenge event encouraged the public to take on a 2.6 activity for the charity during April, from running 2.6 miles to baking 26 cakes, and raised £4,187.
- Worked with fellow NHS charities across Wales on the Support NHS Wales campaign which has raised £167,094.
- One football team and its supporters pledged to walk around the world (nearly 25,000 miles) in 70 days, to outdo Phileas Fogg who did it in 80 days. They completed it in 37 days!
- Others have done virtual walks to far-flung destinations after their trips were cancelled, including Paris and the Ukraine, as well as the 12 host nations of this summer's Euros.
- 20,000 of bounces on a trampoline, the equivalent of the distance to the fundraiser's cancelled 40th wedding anniversary holiday to Portugal.

- Marathons on treadmills and 10,000 press-ups in seven days.
- One of our own hospital radiographers cycled 100 miles in a day on his drive in memory of his mother.
- Several fundraising videos featuring clips from choir members singing at home, plus live music sessions.

A more detailed report on the charity's financial position will be presented to the September meeting of the Charitable Funds Committee.

We have also been fortunate to receive significant media coverage for the fundraising activities that have taken place in aid of the charity however one fundraiser in particular received local and national coverage with his poignant fundraising efforts.

In early May, Gwyndaf Lewis from Efailwen, ran 50 kilometres in memory of his mother Undeg who sadly died from coronavirus. Gwyndaf chose to fundraise for the Intensive Care Unit (ICU) at Glangwili Hospital to "say thank you to the staff for the amazing dedication and care shown to my mother while she was there." Gwyndaf raised over £37,000 for the unit and is pleased that his fundraising efforts will enable the ICU team to purchase a range of items to support patients and staff.

4. A selection of our fundraisers

Rhythwyn Evans – 91 laps around his home on his 91st birthday

Gwyndaf Lewis' 50k in memory of his mother Undeg

Alfie Chester - aged 6 - 60 miles on his bike

Lili Davies – 100 laps of her garden

Llanelli Youth Theatre - Virtual Show - Standby Me

Alysha Scarrott - aged 10 - a mile a day every day of lockdown

Alys Jenkins – 7 7 7 roller-skating challenge
7 miles – 7 days – aged 7

Pendine AFC - ran and cycled 10,000 miles - EURO trail

5. Hywel Dda COVID-19 Patient Appeal

On 8th April 2020 we launched our Hywel Dda COVID-19 Patient Appeal in conjunction with our Patient Advice and Liaison Service (PALS). As the University Health Board had stopped almost all hospital visiting to fight the spread of COVID-19, many of our patients were running out of toiletries, clean nightclothes and basic essentials.

With no visitors to bring in fresh supplies at the time, a wish list was created on Amazon to enable the public to choose from a list of items to help make our patients more comfortable during their hospital stay. We have again been overwhelmed by the generosity of our local communities and are grateful for the support we received for the appeal:

- 2,039 items purchased from the wish list
- £20,040 value of items purchased
- 35 in-patient wards received deliveries of patient items to date
- 500 patient toiletry packs donated to our field hospitals and 1,000 emergency overnight packs donated to our inpatient wards by the Church of Jesus Christ and the Latter Day Saints
- 59 additional patient items donated by Keystone YFC for Withybush Hospital including a number of electronic devices
- 814 items of patient clothing donated by west Wales Freemasons valued at over £10,000
- 15 additional patient items donated by Carmarthen Lions Club

Transport company Owens Group kindly offered us warehouse space so that all items purchased by the public could be delivered safely to a central location. Thanks to support from the PALS and Welsh language team, all items purchased from our wish list were logged, sorted and packaged for distribution to our inpatient wards across Carmarthenshire, Ceredigion and Pembrokeshire from this site.

With the support of the transformation team, an ordering system was established allowing all in-patient wards (acute, community, mental health and learning disabilities) to order items for patients when required.

The wish list is no longer being actively promoted since the establishment of the new ‘Stop Drop and Go’ initiative run by PALS to support patients to receive clean laundry and belongings. The small amount of remaining stock will be distributed to our inpatient wards via the ordering system in place as and when required. Any additional items of this nature that our patients may require in the future will be fulfilled from our charitable funds.

"Many patients have been in hospital for several weeks without any such items, and have all been very thankful. One patient stated he feels more human now he has some new pyjamas and a dressing gown."

Occupational Therapist

"One patient, following an accident, had no toiletries or clothing. She was so appreciative of the kindness people have shown she personally wanted to say thank you".

Ward sister

6. Gifts in kind

During March, April and May, the University Health Board was overwhelmed by the generous offers of help and gifts in kind from the local community which has included:

- Personal Protective Equipment from local businesses, schools and further education providers
- The sewing community providing beautiful handmade items
- Food, water, baked goods, chocolates and other items such as toiletries

Members of the public were asked strictly not to attend any health board sites and facilities without prior arrangement and the COVID enquiries line was advertised as the first point of contact for anyone wishing to show their support in this way.

Although the gifts were made to the University Health Board's staff and patients, rather than to the charity, the Hywel Dda Health Charities team supported the University Health Board to provide proactive guidance to the public on what items were being sought and those that were not needed and how to donate safely.

The University Health Board actively encouraged the public to also consider other good causes from food banks to individual friends, family and neighbours who may appreciate a gift in kind such as donated items, or a home cooked meal at home.

7. NHS Charities Together grant funding

At its meeting on 28th May, the Board was provided with a report summarising the charity's approach to the expenditure of grant monies awarded from NHS Charities Together. An update on the current position is provided below.

7.1 Charitable Funds Committee Scheme of Delegation

At the Charitable Funds Committee meeting held on 17th March, it was agreed that the Director of Partnerships and Corporate Services, Director of Finance and Director of Nursing, Quality and Patient Experience would have authorisation to jointly agree and oversee charitable expenditure relating to COVID-19 (in particular relating to staff welfare) outside of the formal Committee meetings.

The Charitable Funds Committee's terms of reference state that the Committee is able to approve expenditure up to £100,000 with expenditure over £100,000 requiring approval of the Corporate Trustee.

7.2 Stage 1: COVID-19 urgent response grants

Hywel Dda Health Charities has received two 'COVID-19 urgent response' grants from NHS Charities Together, totalling £105,000. The first instalment of £35,000 was received on 8th April 2020 and second instalment of £70,000 received on 4th May.

There is an expectation that stage 1 grants are focused on urgent and immediate needs that enhance the well-being of NHS staff, volunteers and patients impacted by COVID-19. There is a requirement that the majority of funds will be spent within 12 weeks of the grant award or confirmation given that there is a plan in place to spend and allocate these funds within that timeframe.

We have also applied for a third instalment of stage 1 grant funding of £50,000 and it is hoped that this funding will be received before the end of June.

7.3 Expenditure of stage 1 grant funding to date

An initial stage 1 COVID-19 urgent response grant of £35,000 was received on 8th April 2020. To 11th June 2020, approximately £30,000 of the first grant had been spent or committed on urgent and immediate needs identified and requested by our workforce. The expenditure of this funding was approved in early April by the executive directors with delegated authority of the Charitable Funds Committee to agree and oversee expenditure relating to COVID-19 outside of the formal Committee meetings.

7.4 COVID-19 small grant scheme

A second stage 1 COVID-19 urgent response grant of £70,000 was received on 4th May 2020.

As only a small number of requests for funding had been received during April and early May, a small grant scheme was developed and launched to encourage colleagues to consider and apply for items that would make the biggest difference to the well-being and welfare of staff, volunteers and patients impacted by the COVID-19 pandemic.

The grant scheme invited wards, services and departments across the whole of the University Health Board to apply for a maximum of £500 for items to enhance staff and volunteer well-being as well as a maximum of £500 for items that enhance patient well-being.

To 11th June, over 270 applications to the small grant scheme totalling £210,482 have been received from across the University Health Board including acute, community, corporate, mental health and learning disabilities, primary care, public health, and support services:

- 196 applications to support staff well-being totaling £140,053
- 78 applications to support patient well-being totaling £68,670
- 2 applications to support patient and staff well-being totaling £1,759
- £69,406 value of claims under £500 received for staff & patient well-being
- £141,077 value of claims over £500 received for staff & patient well-being

7.5 Allocation of stage 1: COVID-19 urgent response grant funding

A meeting was held on 2nd June for the executive directors with delegated authority of the Charitable Funds Committee to note the applications received to the small grant scheme and discuss and agree the allocation of funds from the requests received from the remaining allocation of stage 1 grant funding (c. £75,000 as of 11th June). The Director of Workforce and Organisational Development was also present to contribute to discussions.

Following discussions on the value and nature of the applications received, the availability of funding to support these requests and the principles of awarding funding, the following decisions were made:

1. To prioritise funding of staff restrooms and outside areas.

2. Main focus for funding staff nutrition/hydration requests should be areas unable to access adequate catering facilities during their working day e.g. community teams, testing teams.

3. To approve all items in the eligible (green) section of the spreadsheet.

4. To retain a small amount of funding for future urgent COVID-19 needs e.g. to support the testing teams.

5. To forward all green items to the relevant Executive Directors, General Managers and County Directors for final approval once Finance colleagues have completed categorisation.

Although over 270 applications totalling £210,482 have been received to the small grant scheme, further analysis of these applications is being undertaken by finance colleagues to confirm the final value of applications received. This analysis will also determine eligibility based on the criteria of both the small grant scheme and the NHS Charities Together grant funding and opportunities to utilise other charitable funds for requests not directly linked to the pandemic.

When the final value of applications eligible for approval is received, a request will be made to the Charitable Funds Committee or Corporate Trustee, dependent on the value of funding, for approval of any additional charitable funds required, in excess of the £75,000 currently available. It is anticipated that request will be submitted to utilise the third instalment of stage 1 grant funding (£50,000) as well as a proportion of the Apêl Hywel Dda NHS COVID-19 Appeal to fulfil the requests submitted by UHB staff to enhance the well-being of staff, volunteers and patients impacted by the COVID-19 pandemic.

7.6 Stage 2 and 3 grant funding

NHS Charities Together is due to release additional grant funding to its member organisations however it is not yet clear when we will receive this funding or what the value of the funding will be. Each grant allocation will have a broad purpose for expenditure as follows:

7.6.1 Stage 2: Strategic integrated community and social care pathway grants

Grants to NHS charities to support their voluntary, care and hospice sector so that NHS patients can leave hospital more quickly and safely, stay or remain out of hospital. Supporting the integrated care partnerships in this way significantly reduces stress on the NHS and provides the wrap around provision for patients which is vitally needed. NHS charities are encouraged to sustain, develop or establish these partnerships (where they have not done so already) in order to fund collaborative projects.

7.6.2 Stage 3: COVID-19 recovery and post pandemic grants

Grants to NHS charities on supporting the mental health and recovery of NHS staff and volunteers. This will be in the form of grants that provide respite, rehabilitation and mental health recovery of NHS staff and their families.

When confirmation of future funding is received, the Executive Team will be asked to identify and prioritise the range of needs across the University Health Board which can be met by the funding available. Any proposals for the allocation of this funding will be submitted for consideration by the Executive Team to the Charitable Funds Committee and/or Corporate Trustee, to endorse in line with the charity's scheme of delegation.

8. Media coverage

Hywel Dda Health Charities stories have been covered consistently in all Carmarthenshire, Ceredigion and Pembrokeshire weekly and daily titles as well as receiving significant coverage in Welsh, UK and international media outlets including:

- BBC Radio Cymru and BBC Radio Wales
- BBC Wales Today
- ITV Wales
- The Guardian
- Heart FM
- Wales Online
- S4C

Fundraising page started to thank staff working 'tirelessly ...
ITV News - 31 Mar 2020
A JustGiving page has been set up by the health board's official charity, **Hywel Dda Health Charities**, to enable donations to be made to show ...

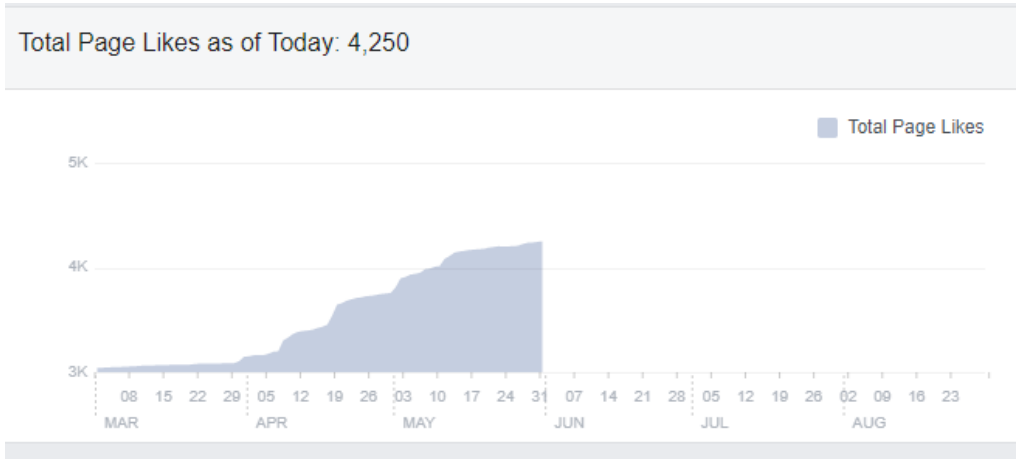
NEWS
14th May

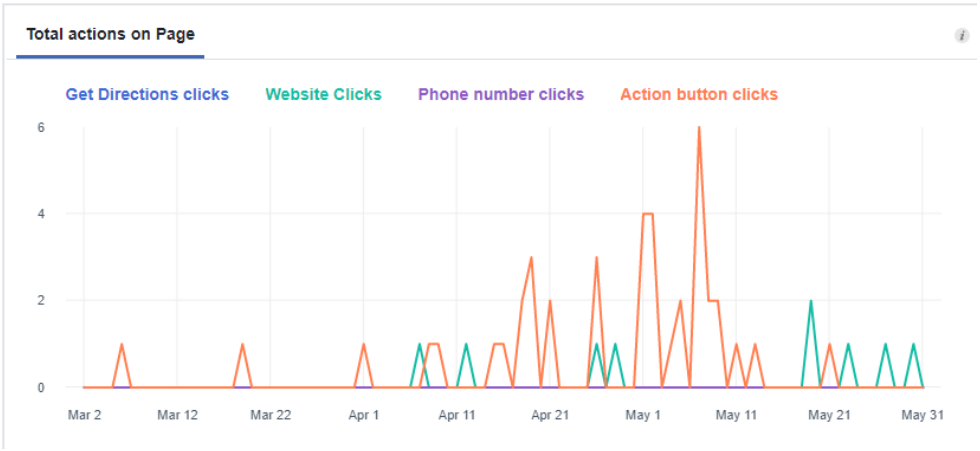
Fishguard pensioner, Eunice O'Hara's, sponsored walk raises £1,170 for Hywel Dda Health Charities Covid 19 Appeal

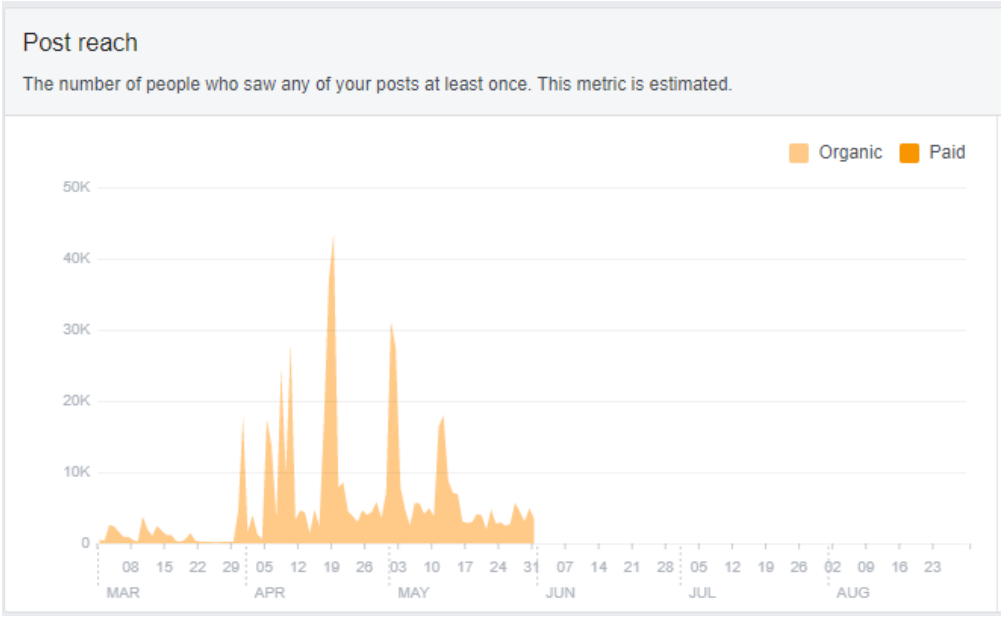
9. Social media

We have had significant engagement on our Twitter and Facebook social media platforms with a notable increase followers in recent weeks:

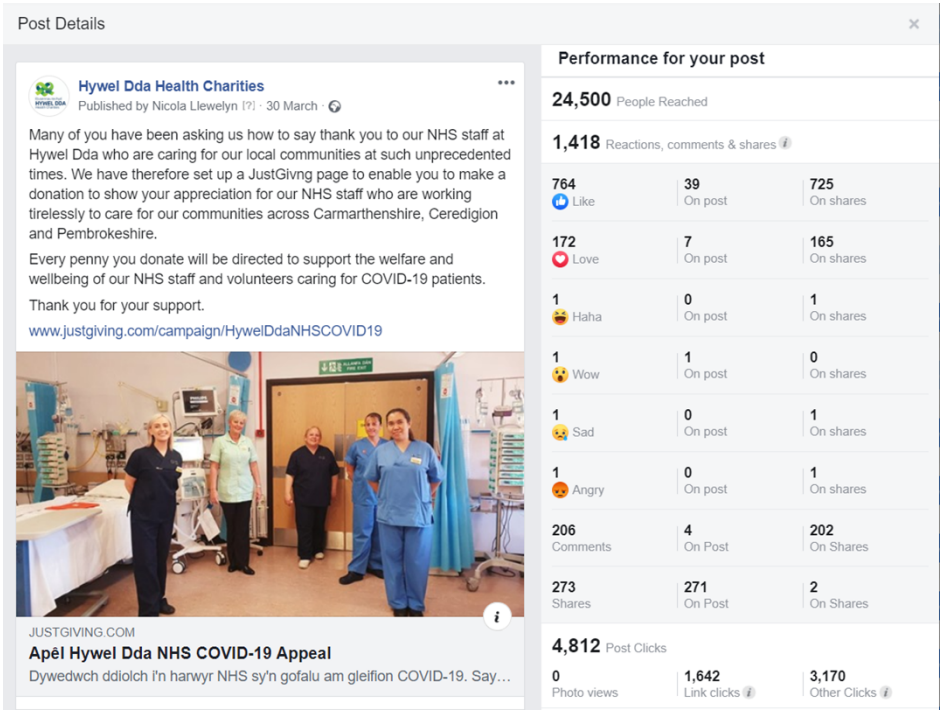
9.1 Hywel Dda Health Charities Facebook headlines 1st March to 31st May:



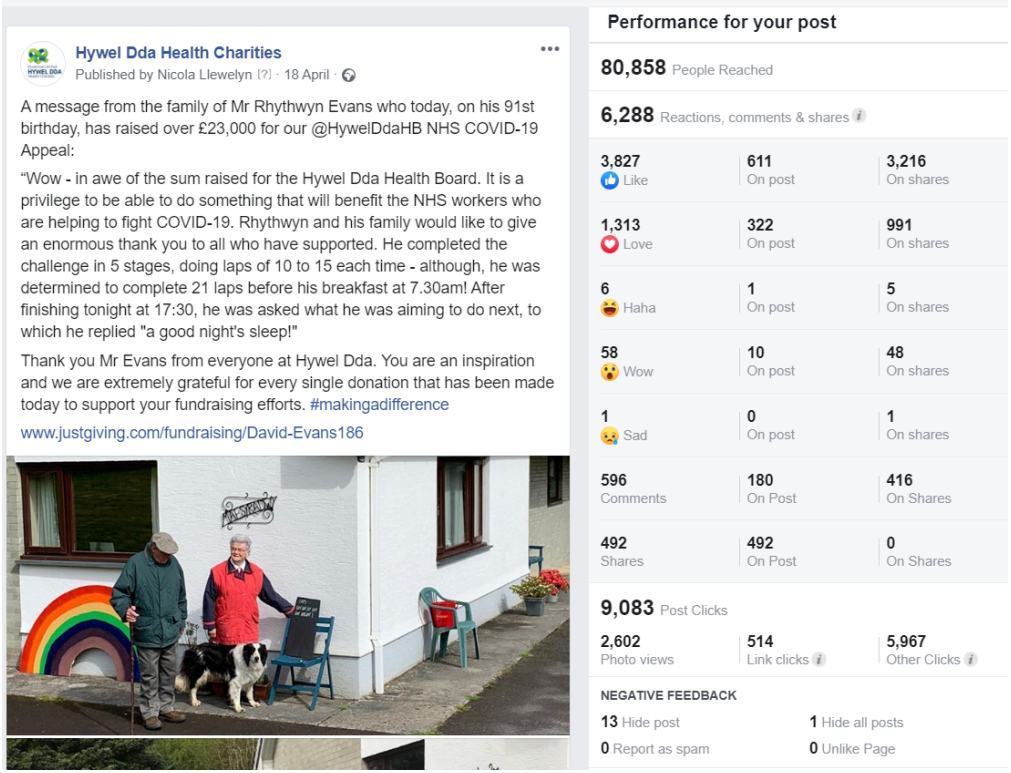




9.2 Best performing Facebook post March 2020 April 2020



9.3 Best performing Facebook post



9.4 Best performing Facebook post May 2020

Hywel Dda Health Charities
Published by Hootsuite [?] · 1 May ·

We want to say thank you and good luck to Gwyndaf Lewis of Efailwen, who is running over 30 miles tomorrow in memory of his mother Undeg, who sadly died from coronavirus earlier this month at the age of 59.
Gwyndaf, 25, only announced he was doing the 50km run on Tuesday and has already raised nearly £7,000 for Glangwili Hospital's intensive care staff, who looked after Mrs Lewis.
Gwyndaf has set himself the challenge of running 32 times round nearby Feidr Sion, which is around a mile for each lap. His father Tudur and brother Rhodri will be cycling part of the route with him, to show support. And also cheering him on will be sister Nia in Bangor.
Gwyndaf said: "Unfortunately, 2020 has seen the world face difficult times due to the Covid-19 Pandemic. But worse of all, we as a family have lost a loved one, Mam. She was taken away from us at only 59 years old with so much to look forward to. It has been confirmed that it was Covid 19. So, this is for Mam!
"We wanted to say thank you to the ICU staff at Glangwili for the amazing dedication and care shown to his mother while she was there."
Although Gwyndaf has run marathons and done an Ironman challenge in the past, he knows the 50k run will be a tough one, especially because he has been in self-isolation for a month, following his mother's diagnosis, and unable to train.
If you would like to support Gwyndaf and his family, click here
https://www.justgiving.com/fundraising/her50k-gwyndaf
We are all rooting for you tomorrow, Gwyndaf, and are so sorry for your family's loss.

59,292 People Reached

2,676 Reactions, comments & shares

1,587 Like	478 On post	1,109 On shares
465 Love	148 On post	317 On shares
79 Care	79 On post	0 On shares
1 Haha	0 On post	1 On shares
1 Wow	0 On post	1 On shares
16 Sad	6 On post	10 On shares
222 Comments	136 On Post	86 On Shares
385 Shares	384 On Post	1 On Shares

7,507 Post Clicks

896 Photo views	846 Link clicks	5,765 Other Clicks

NEGATIVE FEEDBACK

5 Hide post	1 Hide all posts
0 Report as spam	0 Unlike Page

9.5 Hywel Dda Health Charities Twitter headlines 1st March to 31st May:

Mar 2020 • 31 days

TWEET HIGHLIGHTS

Top Tweet earned 4,359 impressions

A big thank you to Kidwelly Tea Dance Club for raising £500 for the Breast Care Unit at Prince Philip Hospital. Thank you and keep dancing! **#makingadifference**
pic.twitter.com/f77LHhPvKs

1 11

View Tweet activity View all Tweet activity

Top Follower followed by 2,268 people

Talking Mental Health Conference
@talkingmentalh1 FOLLOWS YOU

Talking Mental Health Conference -dedicated to spreading awareness & understanding of mental illnesses. October 8th 2020, Cardiff City Stadium **@mhwshow**

View profile

Top mention earned 430 engagements

Steph 🌈
@sunsteph123 · Mar 24

@transport_wales thank you for the kind delivery today of fantastic food items supporting our teams much appreciated **@HywelDdaHB** **@HywelDdaCharity** being delivered right now 👏👏
pic.twitter.com/bN1PAIHHeZ

2 7 17

View Tweet

Top media Tweet earned 4,043 impressions

In June 2018, Annmarie Thomas from Llannon, was diagnosed with Guillain-Barré syndrome. In 2019, Annmarie raised £9,200 for the physiotherapy service that played a big part in her recovery. The physiotherapy service has been able to purchase an Active Passive Trainer. Thankyou!
pic.twitter.com/2Y7rB34Agj

3 11 45

View Tweet activity View all Tweet activity

MAR 2020 SUMMARY

Tweets 15	Tweet impressions 30.5K
Profile visits 201	Mentions 37
New followers 9	

Apr 2020 • 30 days

TWEET HIGHLIGHTS

Top Tweet earned 8,413 impressions

Can you help us? Today we've launched our @amazon wish-list to support patients who are running out of basic essentials because they have no visitors to bring in fresh supplies. To support our COVID-19 Patient Appeal, please click: amazon.co.uk/hz/wishlist/ls… #thankyou

57 38

View Tweet activity

View all Tweet activity

Top Follower followed by 15.3K people

All Wales Sport
@AllWalesSport FOLLOWS YOU

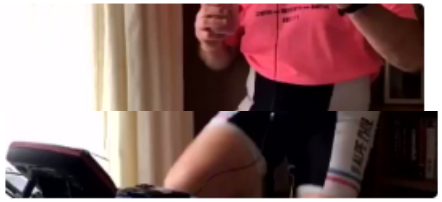
Your first port of call for all things sporting in Wales. Get the results here first. Please note that a re-tweet is not always an endorsement.

View profile

Top mention earned 1,457 engagements

Roy James #annibyniaeth
@royjamescefen · Apr 17

200 miles achieved at 11hrs 08mins😭😰. 52 mins to go...😅🌈 @Cycle_Specific @HywelDdaCharity @AllWalesSport pic.twitter.com/63nsa2IpeM



13 1 79

View Tweet

Top media Tweet earned 6,959 impressions

A message from the family of Mr Rhythwyn Evans who today, on his 91st birthday, has raised over £23,000 for our @HywelDdaHB COVID-19 Appeal: facebook.com/HywelDdaHealth… Thank you Mr Evans from everyone at Hywel Dda. You're an inspiration! #makingadifference pic.twitter.com/5fjAIwr3y3

24 110

View Tweet activity

View all Tweet activity

APR 2020 SUMMARY

Tweets 65	Tweet impressions 75.4K
Profile visits 1,084	Mentions 228
New followers 51	

May 2020 • 31 days

TWEET HIGHLIGHTS

Top Tweet earned 14.6K impressions

We want to say thank you and good luck to Gwyndaf Lewis who is running over 30 miles tomorrow in memory of his mother Undeg, who sadly died from coronavirus at the aged of 59.
Gwyndaf, 25, has already raised £6,861 for Glangwili's intensive care staff.
justgiving.com/fundraising/he…
pic.twitter.com/lqJwXtFLEK


7 52 213

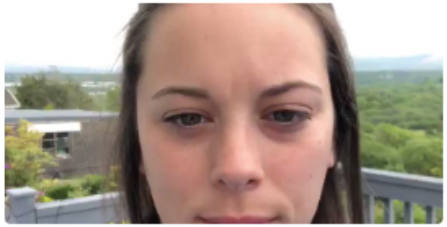
View Tweet activity

View all Tweet activity

Top mention earned 601 engagements

Sioned Harries
@SionedHarries · May 3

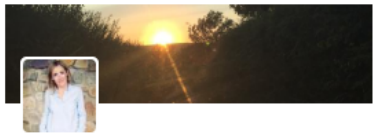
Best of luck to everyone at @WhitlandLadies @whitlandrfc today; starting their running/walking 404x7 challenge for @CoppaFeelPeople and @HywelDdaCharity. A formidable challenge in support of Laura, Nico and family 💚💚 Ewch amdani 🚴‍♀️🚴‍♀️justgiving.com/crowdfunding/w…
pic.twitter.com/jmnW6SPrNz



1 7 64

View Tweet

Top Follower followed by 5,614 people



Dot Davies
@dotdavies1 FOLLOWS YOU

Mam i 3. Cymraeg. Presenter @BBCRadioWales @ITVWales @S4C Upcycler. Enthusiastic gardener. Retweets not endorsements.

View profile

Top media Tweet earned 3,131 impressions

Thanks to your donations, candles are being lit at @HywelDdaHB hospitals, health centres and clinics to reflect and remember at this unprecedented time. Our spiritualist care team invite Hywel Dda colleagues to join us at midday each day. Contact fundraising.hyweldda@wales.nhs.uk
pic.twitter.com/16YJ7a7DfK

6 16

View Tweet activity

View all Tweet activity

MAY 2020 SUMMARY

Tweets	Tweet impressions
79	80.8K
Profile visits	**Mentions**
670	150
New followers	
33	