

**COFNODION Y CYFARFOD BWRDD IECHYD PRIFYSGOL
CYMERADWYO/ APPROVED
MINUTES OF THE UNIVERSITY HEALTH BOARD MEETING**

Date of Meeting:	12.30PM, THURSDAY 9TH JUNE 2022
Venue:	VIRTUAL, VIA TEAMS

Present:	<p>Miss Maria Battle, Chair, Hywel Dda University Health Board Mrs Judith Hardisty, Vice-Chair, Hywel Dda University Health Board Mr Maynard Davies, Independent Member (Information Technology) (VC) Professor John Gammon, Independent Member (University) (VC) Mr Paul Newman, Independent Member (Community) (VC) Ms Delyth Raynsford, Independent Member (Community) (VC) Mr Winston Weir, Independent Member (Finance) (VC) Professor Philip Kloer, Executive Medical Director and Deputy Chief Executive Mr Andrew Carruthers, Executive Director of Operations (VC) Mr Lee Davies, Executive Director of Strategic Development & Operational Planning (VC) Mrs Lisa Gostling, Executive Director of Workforce and Organisational Development (VC) Dr Joanne McCarthy, Deputy Director of Public Health (VC) Mrs Mandy Rayani, Executive Director of Nursing, Quality & Patient Experience (VC) Mr Huw Thomas, Executive Director of Finance</p>
In Attendance:	<p>Ms Jill Paterson, Director of Primary Care, Community & Long Term Care (VC) Mrs Joanne Wilson, Board Secretary Mr Mansell Bennett, Chair, Hywel Dda Community Health Council (VC) Mr Mark Henwood, Deputy Medical Director (VC) Ms Alwena Hughes-Moakes, Communications Director (VC) Ms Clare James, Audit Wales (VC) (part) Ms Eleanor Ansell, Audit Wales (VC) (part) Ms Clare Moorcroft, Committee Services Officer (Minutes)</p>

Agenda Item	Item	Action
PM(22)106	INTRODUCTIONS & APOLOGIES FOR ABSENCE	
	<p>The Chair, Miss Maria Battle, opened the meeting by paying tribute to Mrs Ros Jervis, recently retired Director of Public Health, who had passed away on 3rd June 2022. Mrs Jervis had been an inspirational colleague and friend, who had demonstrated courage, dignity and integrity. The Board's condolences were offered to her family.</p> <p>Miss Battle welcomed everyone to the meeting. Apologies for absence were received from:</p> <ul style="list-style-type: none"> • Cllr. Gareth John, Independent Member (Local Government) • Ms Anna Lewis, Independent Member (Community) • Miss Ann Murphy, Independent Member (Trade Union) • Mr Iwan Thomas, Independent Member (Third Sector) • Mr Steve Moore, Chief Executive • Ms Alison Shakeshaft, Executive Director of Therapies & Health Science 	

	<ul style="list-style-type: none"> • Dr Hashim Samir, Vice Chair of Black, Asian and Minority Ethnic (BAME) Board Advisory Group • Mr Jonathan Griffiths, Pembrokeshire County Council Director of Social Services, Local Authority Representative 	
PM(22)107	DECLARATION OF INTERESTS	
	No declarations of interest were made.	
PM(22)108	COMMITTEE ANNUAL REPORTS	
	Miss Battle presented the Committee Annual Reports for endorsement, noting that all had been reviewed, discussed and approved by the relevant committee prior to submission to Board. Miss Battle thanked all Independent Board Members and members of the Executive team for their dedication and commitment during the year.	
	The Board ENDORSED the Audit & Risk Assurance Committee, Quality, Safety and Experience Committee, Charitable Funds Committee, Health & Safety Committee, People, Organisational Development & Culture Committee, Strategic Development & Operational Delivery Committee and Sustainable Resources Committee Annual Reports for 2021/22.	
PM(22)109	ANNUAL ASSESSMENT OF BOARD EFFECTIVENESS 2021/22	
	Professor Philip Kloer and Mrs Joanne Wilson introduced the Annual Assessment of Board Effectiveness report, reminding Members that this had been discussed at both Board Seminar and considered by the Audit and Risk Assurance Committee (ARAC). It had been agreed that the overall level of maturity for the UHB in respect of governance and Board effectiveness for 2021/22 should remain at Level 4, whilst recognising that significant work is required to maintain this.	
	The Board TOOK ASSURANCE from the process that has been undertaken this year to review the Board's effectiveness; recognising that this has been discussed by the Board at the Board Seminar held on 7 th April 2022 and was also presented to the Audit and Risk Assurance Committee on 5 th May 2022 as part of its review of year-end processes.	
PM(22)110	HEAD OF INTERNAL AUDIT OPINION & ANNUAL REPORT 2021/22	
	Mrs Wilson presented the Head of Internal Audit Opinion & Annual Report, noting that this had been considered by ARAC at its meeting earlier in the day, at which the Chair and Deputy Chief Executive had been present. It was highlighted that the overall Head of Internal Audit opinion was one of Reasonable Assurance, which represents a positive outcome for the organisation.	
	Mr Paul Newman confirmed that ARAC had applied careful scrutiny to this report at its meeting this morning and previously, at the meeting held on 5 th May 2022.	
	The Board RECEIVED and NOTED the Head of Internal Audit Opinion and Annual Report for 2021/22.	
PM(22)111	AUDIT WALES ISA 260 AND LETTER OF REPRESENTATION	
	<i>Ms Clare James and Ms Eleanor Ansell joined the Board meeting.</i>	
	Ms Clare James presented the Audit of Accounts Report for Hywel Dda	

	<p>University Health Board, incorporating the Audit Wales ISA 260 and Letter of Representation, highlighting that Audit Wales intend to issue an unqualified true and fair audit opinion and a qualified regularity audit opinion on HDdUHB's accounts. The latter for two reasons:</p> <ul style="list-style-type: none"> • The UHB did not meet its revenue resource allocation over the three-year period ending 2021-22 and so did not meet its first financial duty; • The UHB's accounts include £0.9 million of expenditure and funding in respect of clinicians' pension tax liabilities. <p>It was noted that the second of these is an issue common to all Health Boards and follows a Ministerial Direction issued in December 2019. Whilst this expenditure is not, therefore, within the UHB's 'gift', it has been deemed irregular by the Auditor General.</p> <p>Members' attention was drawn to the key areas highlighted on page 7 of the report:</p> <ul style="list-style-type: none"> • An uncorrected misstatement remains in the accounts as follows: • Various misstatements are associated with the impact of increases in the value of land and buildings; another issue common to all Health Boards. A late change in the buildings indexation rate in-year was not applied, in line with Welsh Government guidance and has resulted in a number of under- and overstatements. All values will be fully reviewed next year. <p>These do not represent material misstatements.</p> <p>Corrected misstatements are detailed in Appendix 3, which comprise disclosures in the main. Exhibit 2 on page 8 details one significant matter in relation to annual leave accrual, which is similar to last year and reflects a system issue. Ms James concluded by thanking Mr Huw Thomas and his team for their efforts in preparing such a robust set of accounts for submission to Welsh Government.</p> <p>Mr Huw Thomas recognised the efforts of his team and thanked the Audit Wales team for their work and cooperation with the UHB, both during the year-end period and throughout the year.</p> <p>The Board NOTED the Audit Wales ISA 260 and Letter of Representation.</p>	
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<p>PM(22)112</p>	<p>HDdUHB ANNUAL REPORT 2021/22</p> <p>Professor Kloer introduced the HDdUHB Annual Report and Final Accounts for 2021/22, which represents a detailed commentary on the UHB's activities. The report provides a rich description of the significant levels of work undertaken during the year, including the COVID-19 pandemic response. Mr Thomas noted that the Annual Report represents a collective effort from colleagues across the organisation, with the contributions of Mrs Charlotte Beare, Ms Tracy Price, Ms Fiona Hancock, Ms Jennifer Thomas and Ms Julie Bowen highlighted in particular. Mr Thomas also wished to thank internal and external auditors for the controls and processes enacted throughout the year. There have been detailed discussions regarding the various</p>	
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components of the UHB's Annual Report at ARAC on two occasions. Furthermore, it was confirmed that the documentation incorporates feedback from all parties, including Welsh Government, Audit Wales and Internal Audit. Mr Newman confirmed that, as intimated by Mr Thomas, the individual components of the Annual Report have been considered by ARAC at its meeting this morning and at the meeting held on 5th May 2022, and that they had been commended for approval by Board.

Mr Thomas advised that the Annual Report is a comprehensive and complex document, comprising three elements:

- Performance Report
- Accountability Report
- Annual Accounts

The first of these is intended to provide a balanced reflection of the organisation's performance and echoes the Integrated Performance Assurance Reports presented to the Board during the year. It includes details of the significant challenges faced by the UHB; it is important to recognise these challenges and for the Board to acknowledge that performance statistics represent people. Mrs Wilson advised that the Accountability Report has been considered by ARAC on two occasions, and that the list of amendments requested by regulators and Welsh Government will form part of the ARAC papers published on the UHB's website. Mr Steve Moore has approved the report in his capacity as Accountable Officer for the UHB. In terms of the Annual Accounts, Mr Thomas explained that, as detailed in earlier discussions, the organisation has overspent against its agreed revenue resource limit for the past three years. This has been an unprecedented period, and the overspend, whilst disappointing, is not a reflection of the hard work and efforts of staff and partners in delivering services during these especially challenging times. It does, however, represent a breach of the regularity audit opinion. The second breach results from a Ministerial Direction issued in December 2019, which instructed Health Boards to pay pension tax contributions on behalf of clinicians. This liability had comprised £923k for 2021/22 and, despite being a directive from Welsh Government, it represents a breach of the regularity audit opinion. Aside from these issues, Mr Thomas was gratified to note Audit Wales' intention to issue an unqualified true and fair audit opinion on this year's accounts, and that the UHB's assets and liabilities are fairly represented at year-end. Members' attention was drawn to the slight underspend against the capital budget of £62k. The UHB had not met its statutory duty to prepared a Three Year Plan. It had, however, met the administrative target of paying 95% of non NHS invoices within 30 days, with Mr Thomas emphasising the importance of the UHB paying its suppliers on time.

With regard to the pensions tax liability issue, Miss Battle enquired whether the Board was of the opinion that, as a result of this action, the organisation was better able to care for people during the pandemic and whether, for example, it had enabled staff to undertake additional shifts. Mr Thomas was of this opinion, and Professor Philip Kloer added that the fact that there was a common approach across Wales is likely to have encouraged clinicians to remain working in HDdUHB.

	<p>Miss Battle thanked Mr Newman and ARAC Members for their detailed scrutiny of the Annual Report components, and colleagues in Audit Wales for acting as the UHB's 'critical friend'. Mr Newman endorsed the comments made during discussions and added his thanks to Mrs Wilson, Mrs Beare and Ms Clare Moorcroft.</p> <p><i>Ms James and Ms Ansell left the Board meeting.</i></p>	
	<p>The Board APPROVED the following – which together comprise the HDdUHB Annual Report 2021/22 – for presentation at the Annual General Meeting on 28th July 2022 and submission to Welsh Government by 15th June 2022, via Audit Wales, recognising that these have been reviewed and agreed by the relevant Board Committees:</p> <ul style="list-style-type: none"> • Performance Report for 2021/22; • Accountability Report for 2021/22; • Annual Accounts for 2021/22 (following the presentation of the Audit Wales ISA 260 and Letter of Representation to the Board (agenda item 2.4)). 	

PM(22)113	WEIGHTING OF TECHNICAL APPRAISAL CRITERIA	
	<p>Mr Lee Davies introduced the Weighting of Technical Appraisal Criteria report, reminding Members that five potential sites for the new hospital had been shortlisted. The report requests approval of the appraisal criteria for the technical land selection process, which is one of four appraisal workstreams. A workshop had taken place shortly prior to the May 2022 Board, which had represented the first of a two stage process. The report sets out the weightings agreed at that workshop, and seeks Board approval of these. Mr Lee Davies highlighted that an analysis of scores has also been undertaken, to ensure that there are no extremes.</p>	
	<p>The Board ENDORSED the technical criteria weightings to carry forward into the workshop on 28th June 2022, where the weighted criteria will be scored for each shortlisted site, noting that this will result in a rank order of preference from a technical perspective to be set alongside the outputs from the parallel appraisal workstreams.</p>	

PM(22)114	ANY OTHER BUSINESS	
	There was no other business reported.	

PM(22)115	DATE AND TIME OF NEXT MEETING	
	9.30am, Thursday 28 th July 2022	