



**£259 Million  
Budget**



**1,678 Staff**



**4 Minor Injury  
Units**



**9 Community  
Hospitals**



**138,000  
People in Powys**



**177 Hospital  
Beds**



**17 GP Practices**



**23 Dental  
Practices**



# **Annual Report and Financial Statements 2013/14**



**GIG  
CYMRU  
NHS  
WALES**

Bwrdd Iechyd  
Addysgu Powys  
Powys Teaching  
Health Board



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## Annual Quality Statement

The Annual Quality Statement (AQS) forms an integral part of the Annual Report and is published at the same time as a separate document. Both the annual report and the AQS are available on the Health Board's website [www.powysthb.wales.nhs.uk](http://www.powysthb.wales.nhs.uk) and in printed format.

# Welcome from the Chair and Chief Executive

We are delighted to introduce Powys teaching Health Board's Annual Report for 2013/14.

We wanted to take this opportunity to highlight some of the key achievements and improvements that our staff have worked hard to deliver but also reflect on some of the challenges faced by the Health Board.

We are also publishing our Annual Quality Statement detailing our performance in relation to patient safety and the quality of care provided. This reflects the continuing improvements being made, as well as areas where further work is needed, to ensure we provide excellent services.

The past year has seen much change for the Health Board with our new Chief Executive Bob Hudson taking up post in November 2013.

As ever, the financial pressure on the NHS is challenging and we are striving to ensure we spend public money wisely. We have made a large number of savings over the last year whilst ensuring the quality of care for the people of Powys is improved. However, at the end of the financial year March 2014, the Health Board reported a £19 million deficit.

The Board has been working with Welsh Government to stabilise its financial position and establish a long term vision for healthcare in Powys. We are committed to developing a sustainable approach that improves health, enhances patient experience and controls costs in the face of growing demand and reduced income.

We are also committed to engaging and involving local people in our planning of key services. During the past year there has been significant public engagement around a number of topics. We thank everyone who shared their views and look forward to hearing more in 2014/15.



**Bob Hudson,  
Chief Executive**

We are always seeking better ways of working and throughout this report you will see examples such as the Virtual Ward project and introduction of Leg Clubs that are making a real difference to patient care. However, every year we recognise that there is more we can do to improve services, experience and quality.

We continue to work closely with our colleagues in Powys County Council and are delighted that our joint project to create a pioneering centre of integrated care opened in 2013.

The Glan Irfon centre in Builth Wells is the first centre to provide health and social care services for patients in one setting in Powys. The new facility has been developed over five years and demonstrates our commitment to provide more seamless care that meets the needs of individuals.

Our staff have been central to all of these developments and we would like to thank them for their continuous hard work and dedication to provide the best possible care and services for the people of Powys. We would also like to thank our colleagues in primary care, our partners and the communities across Powys for their continued support and donations that help to bring about improvements.

We do hope that the following report provides you with a more detailed insight into the work that we have undertaken during 2013/14 and our plans over the longer term.



Bob Hudson, Chief Executive



Mel Evans, Chairman



**Mel Evans,  
Chairman**

# The Health Board

Powys teaching Health Board (PtHB) has a budget of £259 million to deliver healthcare services to the 138,000 population of Powys.

The Health Board is unique in Wales as it does not have a District General Hospital and works closely with other Health Boards and NHS Trusts, both in Wales and England, to provide services for the people of Powys.

Where possible we try to bring consultants and specialists into Powys to see patients locally, rather than travelling out of the county.

We directly provide a wide range of healthcare services through community hospitals, primary care/GP practices and clinics across Powys.

Although Public Health services are provided on a national basis by Public Health Wales, we also have a dedicated team for Powys who focus on preventing ill health and promoting health and wellbeing.

The Health Board continues to drive forward its vision and ambition to enable *'Truly integrated care, centred on the individual'*.




Our vision is based on our values and aims;

- Improving health and wellbeing
- Ensuring the right access to the right services at the right time in the right place
- Striving for excellence
- Involving the people of Powys
- Making every pound count
- Valuing, supporting and developing our staff

## New Chief Executive

Bob Hudson joined Powys as Chief Executive in November 2013, having previously been Chief Executive for Public Health Wales. Bob has spent more than 30 years working in the NHS and is well respected across Wales.



**Bronllys  
Hospital is set at  
the foot of the  
Black Mountains**

## The Board

The Health Board is governed by a Board made up of Executive Directors with appointed responsibilities for specific areas, and Independent Members who bring a wealth and breadth of external expertise and knowledge.

It meets every other month at locations throughout Powys. Members of the public and press are welcome to attend and details of meetings, agendas, minutes and papers are available on the Health Board's website [www.powysthb.wales.nhs.uk](http://www.powysthb.wales.nhs.uk)

The current board members (September 2014) are:

<b>Name</b>	<b>Position</b>
<b>Executive Directors</b>	
Bob Hudson	Chief Executive
Rebecca Richards	Executive Director of Finance
Brendan Lloyd	Executive Medical Director
Carol Shillabeer	Executive Director of Nursing
Catherine Woodward	Executive Director of Public Health
Amanda Smith	Executive Director of Therapies and Health Sciences
Julie Rowles	Executive Director of Workforce and Organisational Development
Bruce Whitear	Executive Director of Planning
<b>Non Executive Directors</b>	
Mel Evans	Chair
Melanie Davies	Vice Chair
Andrew Leonard	Independent Member (Community)
Roger Eagle	Independent Member (Legal)
Paul Dummer	Independent Member (University)
Gareth Jones	Independent Member (Finance)
Trish Buchan	Independent Member (Voluntary Sector)
Gyles Palmer	Independent Member (Capital & Estates)
Mark Baird	Independent Member (Information, Communications & Technology)
Amanda Lewis	Associate Member, Strategic Director for People, Powys County Council
Dr Doug Paton	Associate Member, GP

## Key achievements in 2013/14

With tens of thousands of patient appointments across the year, there is always a lot going on in the Health Board. We are committed to improving services and finding new ways of working to provide the best possible care to our patients.

Below are just a few of the achievements and improvements we have been able to make over the past year.

### Identifying patients in high risk categories

The introduction of a new electronic data system in Powys is helping GPs to identify patients who may be at risk of being admitted to hospital. These include patients with coronary heart disease, diabetes and respiratory problems.

It allows very complex searches that help look at the patient records for patterns of information that would trigger further input from the GP. For example, this could be multiple conditions where one treatment may be impacting on another.

This information is used to review what we do to ensure that we can work with the patients identified early and reduce the number of hospital admissions to Community Hospitals and District General Hospitals.

### Working with the Welsh Ambulance Service to provide care closer to home

Staff in our Minor Injuries teams have worked closely with the Welsh Ambulance Service to prevent people from needing to travel out of county to accident & emergency departments when it is clinically safe for those patients to be seen within Powys. This can be either by the Minor Injuries service or other community services such as the District Nursing team. This includes;

- people who have fallen,
- people with epilepsy and
- people who have suffered from hypoglycaemia (low blood sugar) which was brought under control.

The paramedics make an assessment and if they feel it's appropriate can stand down from taking the patient to an accident and emergency department and take the patient to the local minor injury unit.

The work is reducing the need for patients to attend the district general hospitals where waiting times for treatment is significantly greater.



**Ambulances can take patients to Minor Injury Units as well**

## Glan Irfon Health and Social Care Centre

The Glan Irfon Health and Social Care Centre opened in Builth Wells in 2013. The new unit is an excellent example of how health and social care can provide services together.

Both organisations work with the third sector and independent providers to meet the needs of the community. The new facility has been developed over five years and replaces the old Builth Wells hospital which was no longer suitable to provide modern healthcare.

The centre provides a range of services under one roof including; cardiology, mental health, dental, bladder, bowel and physiotherapy.



### Joan and Colin's story

**Joan and Colin Evans have lived near Hundred House for over thirty years and have two sons and two daughters living in the South East of England.**

Last year following a series of falls, Colin was diagnosed with Ataxia, a neurological disorder affecting balance, co-ordination, and speech. He had to give up driving and playing golf, and his wife Joan became his main carer.

However recently Joan was diagnosed with cancer and had an operation in Birmingham.

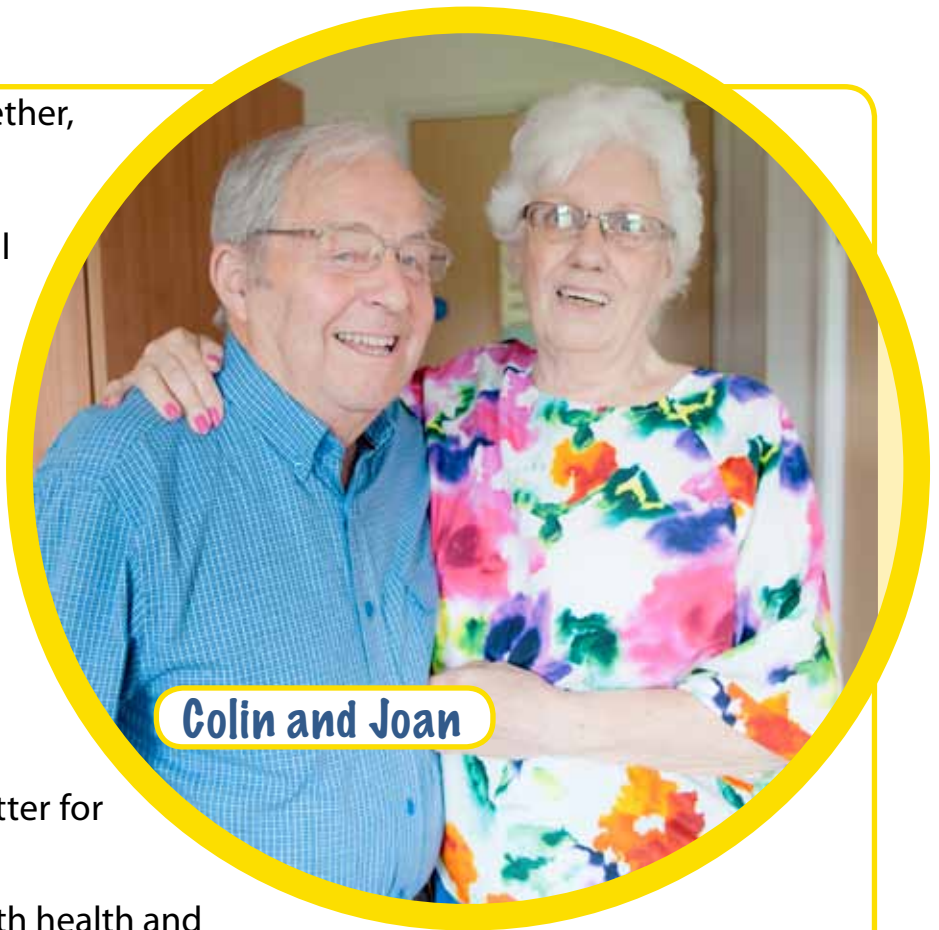
Following her surgery, Glan Irfon Health and Social Care Centre was identified as the perfect place for Joan to go to recuperate. As a residential facility she was fully cared for and if she needed additional support from a nurse or the GP they were able to pop in easily and check on her.

In the meantime however, Colin was separated from his wife who is his main carer. Their family were able to come down for a while but had to return home.

Social services realised that Colin would need care for the time that Joan is in Glan Irfon and referred Colin to Glan Irfon as well to have his care needs met. This meant

that Colin and Joan were together, which helped them both, and demonstrated how health and social care are able to work well together to meet the needs of them both.

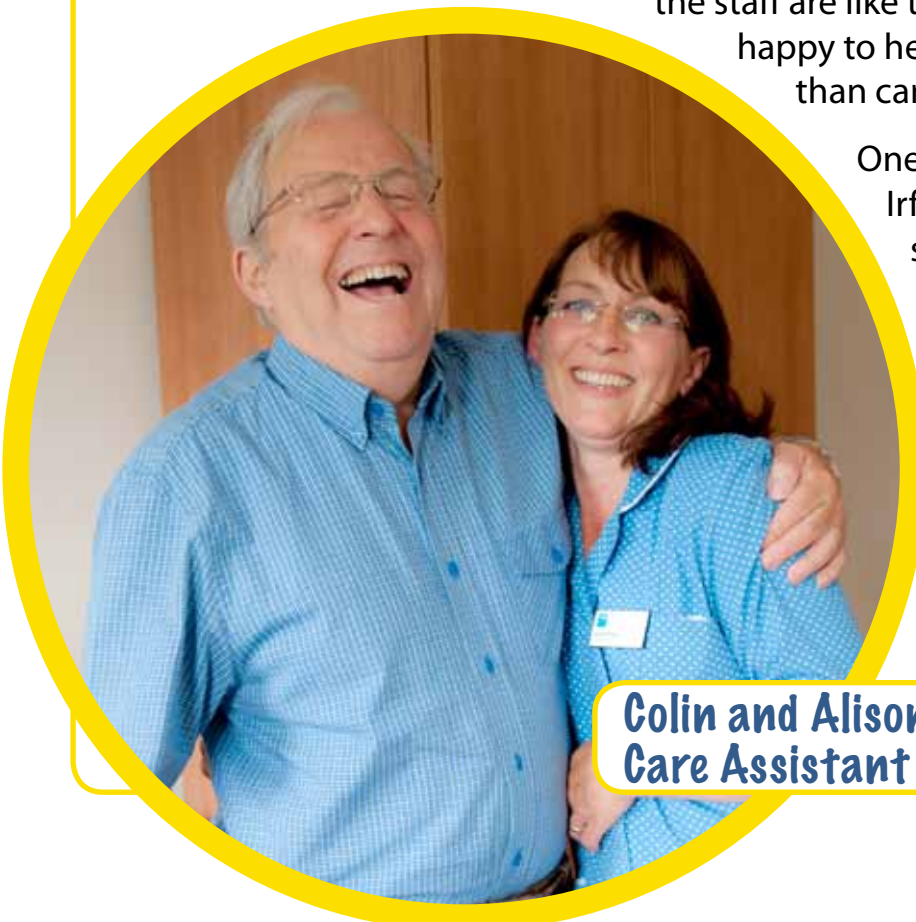
Colin said "This place is fantastic. The care is absolutely first class. I think that it is important that people know how good the service is here. It is a nicer place to be than a hospital because you get the care you need, but are able to be more independent which will be better for when we go home."



**Colin and Joan**

All 12 beds are available for both health and social care users and are paid for jointly by the Health Board and the County Council. Although the unit is run by Bupa, who also run the residential home next door, none of the beds are for private residents.

While Joan and Colin were telling their story, Alison, one of the Care Assistants, came into the room to check how they were and if they would like anything. Joan said, "All the staff are like that, they are really friendly and happy to help. They feel more like friends than carers."



**Colin and Alison,  
Care Assistant**

One of the main aims of the Glan Irfon centre is to help people to stay in their own homes and reduce the need for them to go into hospital when possible.

It is very early days for the unit but Colin and Joan's story shows how Glan Irfon can meet individual and family needs as well as be an excellent resource for the benefit of local people.

## Clinical Musculoskeletal Assessment Treatment Service

The Clinical Musculoskeletal Assessment and Treatment service (CMATS) is now available across Powys. Patients are referred to a clinical specialist physiotherapist for early assessment and treatment. This service saves unnecessary referrals to consultants out of county.

## Self-referral for physiotherapy

The Health Board is now running a new physiotherapy self-referral scheme, across all physiotherapy departments in Powys.

To access this service, forms are collected from the local physiotherapy department, GP practice or online via your GP's website. The scheme allows patients to be in control of their condition and to gain the help needed without having to wait for an appointment with their GP first.

## Butterfly Scheme

Care for dementia patients has improved across Powys during the past year thanks to the introduction of a new scheme that helps staff to identify patients with dementia and memory impairment, and provide care appropriate to their needs.

The Butterfly Scheme aims to improve patient safety and wellbeing in hospitals. It enables staff to respond appropriately and positively to people with dementia or those who find their memory isn't as reliable as it used to be by the discreet use of a Butterfly symbol.

The Scheme has now been adopted across Powys, with champions located in each ward.

Picture representation has also been introduced on menus to improve choices for patients with memory impairment. The scheme is part of the Health Board's commitment to improve the care provided to patients through a joint Health and County Council Dementia action plan.



Launch of the Butterfly Scheme

## Staff achievements

The developments and improvements of the Health Board are a reflection of the hard work and dedication of all our staff. As ever, individuals and teams across Powys have demonstrated their commitment to providing excellent care and in many cases have been recognised with awards. Here are some of the outstanding achievements during 2013/14.

### **Powys Senior Nurse awarded MBE in New Year's Honours**

Nigel Broad, Senior Nurse, was rewarded for his years of dedication to nursing when he was awarded an MBE in the New Year's Honours. Nigel joined the Health Board last year, having worked for ABM University Health Board for 20 years. Nigel is based in Ystradgynlais Hospital but works with colleagues across Powys.

He received the honour for his work to improve patient safety and for helping to develop and deliver 1000 Lives Plus work to reduce pressure ulcers in patients. The work has been used by Health Boards across Wales and adopted by a number of other countries.



**Nigel Broad in  
Ystradgynlais hospital**



## Powys Nurse wins Royal College of Nursing Award

Petula Garner was awarded the 'Clinical Nurse Specialist' award at the prestigious Royal College of Nursing Cymru awards in Cardiff. Petula is a Respiratory Nurse Practitioner delivering care across south Powys.

She was given the award for her work in developing a community respiratory service that is helping people to stay in their homes rather than having to be admitted to hospital, even when they have long-term breathing problems. It took Petula five years of determined hard work to establish the service, working with other providers across Wales and England.

**Petula Garner won The RCN award for 'Clinical Nurse Specialist' this year**

## Queens Nurse Award

Shirley Pickstock, Respiratory Nurse Specialist, was made a Queens Nurse in recognition of her commitment to high standards of patient care and continually improving practice. The Queens Nursing Award is awarded by the Queens Nursing Institute to district nurses who have demonstrated excellence.

Shirley is well deserving of this prestigious national accolade for her commitment to find solutions to the challenges faced by patients with long term conditions. She is currently driving forward a pilot project to deliver community based intravenous antibiotics to a cohort of patients rather than them having to receive the treatment in hospital.



**Shirley Pickstock is based in Welshpool hospital**

## Staff Excellence Awards

Each year we hold Excellence Awards to recognise and reward the great work of our staff and volunteers. Local awards were made in north, mid and south Powys and the winners of these went forward to the finals. The overall winners were:

- Innovation – Geoff Williams, Senior Paediatric Physiotherapist, Brecon Hospital
- Improvement – Cathy Ruell, Specialist Occupational Therapist, Newtown and Ceri Lee Evans, Occupational Therapist, Newtown
- Team of the year – Catering Team, Ystradgynlais Hospital
- Leadership – Jessie Bergstrom, District Nurse, Llandrindod Wells Hospital
- Volunteer – Martin Ellacott
- Supportive Colleague – Helen Woosnam, Community Clerical Officer, Llanidloes District Nursing
- Quality and Safety – Jayne Hopkins, Primary Mental Health Specialist, Ynys Y Plant CAMHS (Child and Adolescent Mental Health Services)



**Many staff took part in the excellence awards**

# Improvements to patient care and services

## Virtual Ward

Progress continues to be made by the community resource team in developing Virtual Wards which are designed to support people within their own homes, to prevent unnecessary admissions into hospital. The Virtual Ward brings together GPs, district nurses, social workers and other health professionals such as physiotherapists, to provide co-ordinated care. The teams are based around each GP practice across south Powys: Hay & Talgarth, Brecon, Crickhowell and Ystradgynlais.

The purpose of the Virtual Ward is to:

- avoid preventable hospital admissions
- support people to manage their long term conditions
- promote and provide active rehabilitation
- promote health and wellbeing
- support discharge from hospital

This development has improved the way teams work together, and has improved the experience of care for patients.

## Refurbishment of Brecon X-ray department

The X-ray department at Brecon Hospital has been completely refurbished and new equipment installed.

The department sees approximately 120 patients for X-rays and around 37 patients for ultrasound scans each week. The new X-ray machine has a number of advantages over the previous machine including:

- a floating top table with adjustable height, making it easier for patients to access
- ease of use, supporting manual handling compliance for staff
- a wider range of film examination options



**Brecon X-ray team  
with the new equipment**

## More operations being carried out in Powys

There has been a 25% increase in the number of operations being carried out in Llandrindod hospital and a 50% increase in Brecon. This is reducing the amount of

people who need to travel to the larger hospitals such as Hereford and Nevill Hall in Abergavenny for procedures.

## Increased outpatient services at Brecon Hospital

There has been an increase in outpatient services being provided by consultants including;

- The introduction of Podiatric Surgery
- The appointment of a new consultant Ophthalmologist who delivers four extra sessions a month
- The appointment of an Optometrist
- Access to Occularplasty Surgery which was introduced by Wye Valley Trust in 2013
- More access to Endoscopy services with Colonoscopy sessions undertaken by a GP specialist from 2013
- The establishment of a Pace Maker Follow Up Clinic in January 2014 run by a cardiology team from Aneurin Bevan University Health Board
- The introduction of Orthopaedic services in April 2014 led by consultants from Aneurin Bevan University Health Board
- Orthopaedic services for upper limb conditions led by the Wye Valley Trust from April 2014

## Increased outpatient services at Llandrindod Wells Hospital

There has also been an increase in outpatient services being provided by consultants at Llandrindod Wells Hospital including;

- More orthopaedic procedures
- The introduction of weekly oral surgery in 2013
- The introduction of Podiatric surgery in 2013.
- The appointment of a consultant Ophthalmologist who delivers extra sessions each month
- The introduction of Urology Surgery
- The introduction of Occularplasty surgery by the Wye Valley Trust in 2013



**Llandrindod Wells Hospital**

## Improvements to stroke services

The Health Board has made a number of changes to its stroke services during the past year. This included;

- The implementation of a Stroke Delivery plan and first Annual Report in line with Welsh Government plans for stroke services in Wales
- The introduction of a Stroke Association information and support coordinator who runs stroke information sessions once a month
- The transfer of in-patient stroke rehabilitation treatment from Bronllys Hospital to Brecon Hospital in February 2014. This move has promoted excellent teamwork with therapists.

## Leg Clubs

The introduction of a number of specialist 'Leg Clubs', which enable patients with leg ulcers to receive treatment collectively in a local community venue rather than in their own home, has made a big impact on patient care in the past year.

There are around 3,000 patients with leg ulcers in Powys, each previously either requiring treatment at home or at a hospital, which had been placing increasing pressure on the district nursing team. Each patient visit was taking around three hours and there were also significant travel costs due to the rurality of the Health Board area.

To improve both care and quality of life, the leg clubs are organised by the nurses in partnership with local communities enabling patients to have more say in their treatment. More than 2,300 patients are now members of the leg clubs and the new way of delivering care has improved the healing of ulcers and saved more than £700,000 in district nursing costs.

In 2014/15 it will be a priority to build on the success of these clubs, and a new leg clinic will be held in Glan Irfon Health and Social Care Centre, Builth Wells.

## Reducing pressure ulcers in hospital and in the community

Incidents of pressure ulcers in our community hospitals have continued to decrease in 2013/14 (86 pressure ulcers) in comparison to 2012/13 (151 pressure ulcers). However we still want to do more to reduce pressure ulcers and are moving the culture within Powys to one of zero tolerance towards pressure ulcers.

Evidence based practice and standardisation of care has been implemented across Powys. All hospital wards and community teams are now using the SKIN bundle tool, which is a set of interventions designed to reduce incidence of pressure ulcers.

Any pressure damage determined to be grade 3 or 4 that originated within the Health Board are subject to a full investigation.

## Falls

In-patient falls in our community hospitals have continued to reduce during 2013/14 along with the levels of harm caused by a fall. However, there is more work to do to reduce this even further. We have introduced a new Inpatient Falls policy in line with best practice and instigated a Falls collaborative which focuses on making further improvements in this area.

Therapies staff have a key role in supporting the integrated care pathway, providing individual interventions and community focussed group programmes. The Falls Prevention Programme is run by Physiotherapist and Occupational Therapists. It is an eight week programme which includes education sessions to raise awareness to help prevent and minimise the risk of patients falling. Patients who fall or who are at risk of falling are referred to therapies as required and the patient is assessed and treated on a one-to-one basis



**Physiotherapy plays an important part of the day hospital in Machynlleth**

## Telemedicine

During the year the Health Board was successful in securing funds for two projects from the European Union to support the use of new technology in healthcare. CareWell will look at the use of information technology in the care of older people with chronic conditions. Mastermind will deliver an internet based Cognitive Behavioural Therapy service and extend the use of video-conferencing in mental health clinical practice. Both projects will run for the next three years.

The development of telemedicine is already underway to support local service provision, and will be used by the Neurology Clinic in north Powys which can link to teams in Shrewsbury. Telemedicine is identified in the Rural Health Plan and the Programme for Government as a means of improving access to services, including specialised services, in rural areas, and is an area to further develop within therapies.

## Cardiovascular Services

Progress has been made in the provision of rehabilitation services across Powys for patients who have suffered heart failure. The service is targeting areas of inequality with other agencies and the County Council, and continuing its provision of nurse led heart failure clinics.

Closer working arrangements are in place with secondary care and GP surgeries to reduce repeat prescriptions. Work is also continuing with the Institute of Rural Health and the provision of blood pressure monitoring.

## Improvements in Continence Services

Continence Services have developed a centralised management system of patients in the community requiring continence care products to improve the care they receive. The following results have been achieved:

- Complete control of all products the patient receives
- Identification of which patients require further clinical advice/input
- The patient receives the right product for their needs
- The patient is offered the choice of where their script is filled
- The continence budget is monitored and controlled

In the Welshpool/Newtown areas alone the service has received 546 referrals in 2013/14 and the Specialist Nurses continue to screen secondary referrals to ensure all out of county referrals are appropriate. Team working between Powys and secondary care providers has increased during the last year and as a result more patients are being treated as near to home as possible when appropriate.

## Welsh Language

Steady progress has been made in implementing our Welsh Language Scheme and the Health Board has increased its ability to provide bilingual patient services by finding out how many of our staff can use Welsh and how well. We are also committed to recruiting more Welsh speakers.

By April 2014, 22% of staff had recorded their Welsh competency level onto their Electronic Staff Record. However, there is still work to be done to achieve 100% self-disclosure and this will be worked through during 2014/15.

The All-Wales bilingual patient consent form was also rolled out across Powys and a new e-learning package which raises staff awareness of patients' Welsh Language needs was launched.

# Involving people and working with communities

## Public engagement

The Health Board is committed to engaging and involving local people in its planning of key services. During the last year, there has been significant public engagement around topics including the relocation of stroke services to Brecon Hospital, the centralisation of specialised services in the South Wales Programme and the possible development of a Health and Wellbeing Park on the Bronllys Hospital site.

A wide range of methods were used including health focus groups based around GP practices, public meetings, staff engagement, meetings with local politicians, partnership forums, specific interest groups and meetings with councillors.

All public events are advertised on the Health Board's website, via Facebook and Twitter, and in local newspapers. The use of social media continues to play an important role in involving local people and we are planning to build on this platform during 2014/15.

Find us on Facebook and follow us on Twitter.



[www.facebook.com/PtHB](http://www.facebook.com/PtHB)



@PowystHB

## Wales for Africa

Two midwives and four public health staff visited Molo in Kenya in February 2014 to deliver specialist training to their counterparts and work with children with disabilities.

Staff from the Health Board have developed close ties with health workers in Molo through their involvement in the Brecon Molo Community Partnership, which was established under the Welsh Government supported UN Gold Star scheme in October 2007.

The link undertakes to support community education and development in primary and secondary health care settings, schools and community based programmes working with disadvantaged children, families and persons with disabilities.

This includes working with surrounding communities to ensure optimal maternal and neonatal health and survival around the time of birth, so fewer families suffer the loss of the mother or newborn.

Health Board staff have begun a research project with Molo staff for making assistive devices for children with disabilities and are also working to train maternity staff.

# Improving health and wellbeing

## Sexual Health

The introduction of a new sexual health scheme is supporting young people across Powys. In partnership with Powys County Council and High Schools, the scheme gives advice and access to free condoms, whilst also ensuring key messages are shared with young people, including safety and the right to say no.

This compliments the work already being undertaken by school nurses and colleges, and led to the scheme being one of the first to gain national accreditation.

## Baby Friendly

Maternity and health visiting services were successful in gaining UNICEF 'Baby Friendly' level 2 status during the past year. This is reflected in not only the high numbers of women who choose to breast feed at the birth of their baby but who continue to do so. By ensuring our staff are well trained and available for infant feeding support the services are able to effectively support women.

## Birth Pool

Providing a birth pool in Welshpool birth centre is central to our plans to increase more women having their babies in Powys. This is currently not possible due to the location of the birth centre on the first floor of the hospital. It was hoped that a swap would be possible with the minor injuries unit; however, due to unforeseen requirements for capital spend across the north locality, this has not been possible this financial year.

## Flying Start

For the first time in Powys our Paediatric Speech and Language Therapy team has been involved in the Flying Start Programme. Within the communities of Welshpool and Ystradgynlais, parent groups have been set up to support the development of parent/child interaction and early development of communication skills. Training has also been provided in Early Years settings to ensure that prompt identification of communication difficulties leads to timely referral, ensuring young children receive the input at the most important stages of development.

## Speech and Language

The Paediatric Speech and Language Therapy (SLT) Service has conducted an audit of treatment to school age children to ensure equity of care.

The team are also developing two research projects, one within Flying Start looking at early intervention strategies, and the other focusing on stammering to evaluate the need for specialist services in Wales. This is being supported by Cardiff Metropolitan University.

## Child and Adolescent Mental Health (CAMH)

During the last 12 months the Child and Adult Mental Health service (CAMH) has made significant progress including introducing a skills groups for young people experiencing anxiety; a boys group and a specialist community eating disorder service.

## Alcohol and Smoking Brief Intervention Training – empowering our staff

Our staff play a core role in promoting healthy lifestyles to patients, colleagues and family members.

This year, 95 staff received training to help people stop smoking and refer them to appropriate services, where there is more intensive support to quit. Around 335 staff have also been trained to help people with alcohol issues.

Further training has been identified as an ongoing priority for 2014-17.

## Reducing alcohol related harm - Brecon Community Alcohol Project

The Brecon Community Alcohol Project was established in April 2012 to allow a range of partners such as schools, youth workers, police, trading standards, public health, local authority licensing teams, local retailers and young people to work together to combat alcohol abuse.

The project aims to tackle underage drinking and associated problems through awareness raising, diversionary activities and enforcement. An initial evaluation report has been undertaken and measures are in place to understand the short, medium and long term outcomes of the project fully. These include awareness of the impact of alcohol, behaviour change and levels of alcohol consumption.

## Healthy Weight

In July 2013, the results of the Child Measurement Programme for Wales were released. This was the first report of findings from the measurement of children in reception year (age four to five). The results show that 29% of boys and 31% of girls in Powys are classified as overweight or obese, compared with 29.3% of boys and 27.1% of girls across Wales. As a result of these findings, a Childhood Obesity Task and Finish Group was established to develop a childhood obesity action plan.

## Dietetics

The Health Board has been working with Welsh Government and Community Dietitians in Wales to roll out a new weight management programme called FoodWise across Powys. The course runs for eight weeks and consists of hourly structured sessions, delivering the basic knowledge and skills of nutrition to enable adults to make informed choices about their eating habits, to help weight loss and to improve their health. The programme aims to encourage and support adults to eat well, move more and live longer.

## Improving mental health

Work to improve mental health services and support has spanned three main areas:

- driving forward the multi-agency strategy “Hearts and Minds: Together for Mental Health in Powys”
- strengthening and reviewing mental health services commissioned by the NHS
- compliance with legal entitlements

## Time to Change

Time to Change is a national campaign that aims to end mental health discrimination through talking about mental health, the stigma that comes with it, and by showing that it is normal to experience mental distress at some time.

The Health Board signed the Time to Change pledge on 16 October 2013, as a public statement of aspiration that it is committed to reducing stigma and discrimination in the workplace, and that staff are supported and valued. The Powys pledge has been to co-ordinate a local Time to Talk campaign, with the aim of:

- promoting better mental health by raising awareness of the mental distress experienced by people, including those with thoughts of suicide
- increasing staff knowledge of where to go for help
- linking to training such as Mental Health First Aid, to break down barriers and increase the numbers of people with the skills and confidence to help someone at risk.

## Counselling services for children and young people

Agencies in Powys jointly commission an internet and face to face counselling service for children and young people. There were 314 new referrals in the year and just under two thousand sessions (1889) were offered.

Young people also provided feed-back such as “It has helped me a lot more than I thought.” Youth Mental Health First Aid training has also been provided in “twilight” sessions to help improve uptake.

## Talking Therapies

The Health Board is improving access to Talking Therapies and in 2013/14 trained over 50 health and social care professionals to deliver a new aid ‘Living Life to the Full’, which will help people with anxiety and depression.

In 2013/14, 74.7% of patients in the local mental health service were assessed within 28 days (against a target of 80%) and 75% of patients had assessments within 56 days (against a target of 90%). In order to improve further, the Health Board has secured £500,000 over three years to implement on-line psychological therapy (Cognitive Behavioural Therapy-CBT). The new service will be available from November 2014.

## Review of adult mental health services

Most mental health services are provided within primary health care in Powys. However, adult mental health services are provided by three neighbouring Health Boards and the Health Board has decided to review these arrangements to deliver the new model for adult mental health under the strategy. It also needs to address the complexity and inequality of services within the county.

## Crisis Resolution Home Treatment Services

The Health Board has ensured that Crisis Resolution Home Treatment Services are equally accessible across Powys. A service in north Powys has now been established following the one put in place in south Powys a number of years ago. The service operates up to 9pm during the week and up to 7pm during holidays and weekends.

## Priorities for 2014/15

The Health Board will prioritising the following key areas in 2014/15;

- ensuring NHS arrangements can deliver the agreed model for adults in Powys
- strengthening access to talking therapies
- improving the NHS wards and buildings for mental health services and full compliance with legal requirements

## Stopping Smoking

Smoking is the single greatest preventable cause of premature death and ill health in Wales, with one in five deaths being caused by smoking. It is associated with numerous diseases such as cancer, heart disease and respiratory diseases. Although the Health Board is committed to helping reduce the number of people smoking in Powys, it failed to meet the Welsh Government target in 2013/14.

## To ensure we improve in 2014/15, we are;

- reviewing our current Tobacco Control Action Plan
- increasing accountability for delivery of the smoking cessation target through regular meetings with those who deliver smoking cessation services
- working with services provided and commissioned by the Health Board to ensure that smokers (particularly pre-operative patients) are signposted to smoking cessation services
- maximising the uptake of training and embedding a Making Every Contact Count approach within the Health Board
- working with GP practices to better understand and maximise their role in the smoking cessation pathway.

## Childhood vaccination and the measles outbreak

Vaccination is a safe and effective method of preventing the spread of infectious diseases and protecting children against serious illness, hospitalisation and death.

Overall, childhood vaccination uptake rates in Powys are increasing and are similar to those across Wales. A higher proportion of four year olds in Powys (90.2%) are up to date in their vaccination schedule compared with Wales' average position (87.5%).

The Health Board is achieving the vaccination uptake target of 95% for many of the vaccines by two years. However, uptake rates fall for children aged five years and 16 years. The table below highlights uptake rates for October – December 2013 and shows the number of additional children that need to be vaccinated to achieve 95% coverage.

<b>Childhood vaccination uptake rates for October – December 2013</b>				
<b>Age</b>	<b>Vaccinations</b>	<b>Powys % uptake</b>	<b>Wales % uptake</b>	<b>Number needed to achieve 95%</b>
1 year	5 in 1	96.6	96.5	0
1 year	Men C	93.9	93.5	4
2 years	MMR1	96.2	96.6	0
2 years	PCV	95.2	96.4	0
2 years	Hib/MenC booster	94.6	95.4	2
4 years	Up to date in schedule	90.2	87.5	
5 years	MMR2	89.5	92.6	17
5 years	4 in 1	91.8	93.7	10
16 years	MMR1	92.4	94.8	10
16 years	MMR2	86.0	89.2	33
16 years	3 in 1 teenage booster	77.5	81.3	63

In 2013, as a result of low MMR vaccination rates, there was a measles outbreak in Mid and West Wales, which also affected Powys. Between 11 March and 14 August 2013, there were 98 cases of measles notified in Powys. There were three strains of the measles virus in Wales during the outbreak. The outbreak in south Powys was linked to the outbreak in Swansea and Neath Port Talbot. However, the cases in north Powys are thought to have come into Powys from England.

As part of the response to the outbreak, an MMR vaccination campaign was undertaken. This resulted in a total of 2,939 additional MMR vaccinations being administered in 2013. MMR vaccines were administered through GP practices (2,580 MMR doses), High School vaccination programme (330 MMR doses) and two community drop in clinics (29 MMR doses). Of these, 1,066 vaccinations were given to 10 to 18 year olds.

## Staff flu vaccination

Staff flu vaccination uptake rates have increased from 22.7% in 2011/12 to 42.4% in 2013/14 thanks to increased promotion of its importance and making it easier for staff to be immunised.

Each year, all staff are offered the flu vaccine, which helps protect not just the individual, but also prevents spread to patients, other staff and family members. By providing vaccination at Occupational Health led clinics (both drop in clinics and appointment sessions), as well as through flu link workers based at different community hospital sites, staff are more easily able to access flu vaccines.

The importance of flu vaccination is widely publicised to staff via various channels including the intranet, Facebook and at key meetings and conferences. There is also a strong leadership approach, with Board members and senior staff receiving the flu immunisation and promoting it amongst their staff and colleagues.

## Flu vaccination for patients

Each autumn and winter, Powys residents who meet eligibility criteria, for example those who are aged over 65 years, or are pregnant, are invited to have the flu vaccine. In 2013-14, children aged two and three and those in School Year 7 were also offered the flu vaccine for the first time.

Flu vaccination was carried out mainly in GP Practices, although Year 7 pupils were vaccinated in school settings. In addition, 12 pharmacies in Brecon, Builth Wells, Llandrindod Wells, Newtown, Rhayader, Machynlleth, Talgarth and Ystradgynlais also vaccinated eligible adult patients, with the aim of increasing accessibility of the flu vaccine.

Improving flu vaccination uptake presents a challenge for Powys and it is a key priority area in preventative healthcare in the Health Board's three year plan 2014-17. Planning for improving uptake in 2014/15 includes learning lessons from 2013/14 and working with partner agencies to promote flu vaccination to patients and public.

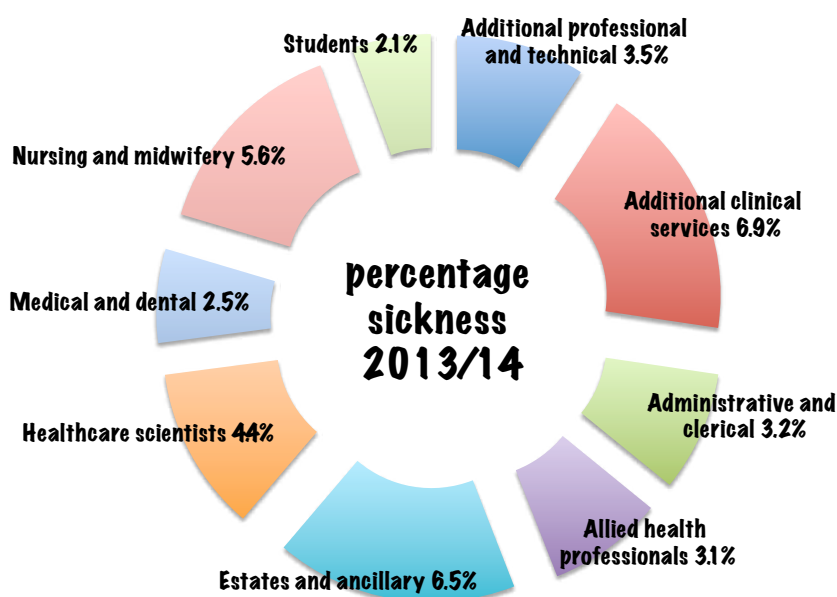
# Caring for our staff

## Managing health and wellbeing in the workplace

The wellbeing of our staff is important and the Health Board is committed to helping staff achieve a good quality of life and where appropriate support those with health issues, to remain in or return to work as soon as possible.

In February 2014, the Health Board agreed its new Health and Wellbeing strategy and will be providing services and activities that will enable staff to take appropriate measures to improve their health and wellbeing.

## Staff sickness



Overall rolling percentage sickness 2013/2014 was 4.97%.  
Total loss of 27,577 WTE days/30,500 Calendar Days

	2013-14	2012-13
<b>Rolling Sickness %</b>	4.97%	5.35%
<b>Days lost (long term)</b>	15,859	19,021
<b>Days lost (short term)</b>	8,273	7,042
<b>Total days lost</b>	24,132	26,063
<b>Total staff years</b>	1,331	1,370
<b>Average working days lost</b>	11	12
<b>Total staff employed in period (headcount average for year)</b>	1,680	1,726
<b>Total staff employed in period with no absence (headcount)</b>	702	581
<b>Percentage staff with no sick leave</b>	42%	34%

## Equality and Diversity

The Health Board is continuing to implement the aims of its Strategic Equality Plan which includes the following;

- Engaging with hard to reach groups
- Fostering good relations regarding diversity
- Improving our understanding of equality profiles and the needs of our staff

During 2013, the Health Board joined the Stonewall Diversity Champions Cymru programme after the equality team successfully bid for charitable funds for the cost of the subscription.

Campaigns to tackle mental health discrimination, domestic abuse and homophobia are all examples of the Health Board's pro-active stance during 2013/2014 on changing attitudes and raising awareness.

The Health Board's policy "Employing Disabled People" emphasises the benefits to both employer and employee, and sets out clearly the rights of both existing and prospective employees. During 2013/14, the Health Board paved the way for providing work experience for people with learning disabilities with a view to equipping the individual to ultimately be able to participate in open competition for a vacancy. This work will continue into the next reporting period and beyond.

Systems for recording and monitoring employee and equality information continue to improve, as well as the ease of interrogating and reporting from these systems. Staff are encouraged to self-disclose their equality profiles and this is ongoing. A breakdown of the gender split for the Health Board is shown below on 31 March 2014.

<b>Position</b>	<b>Female</b>	<b>Male</b>	<b>Total</b>
<b>Directors</b>	5	3	8
<b>Managers</b>	59	28	87
<b>Staff</b>	1,412	223	1,635
<b>Grand Total</b>	1,476	254	1,730

All policies are assessed for their impact on disadvantaged and minority groups and this process also helps to raise awareness of equality issues. Good examples of this are the South Wales Programme consultation and the work underway in Powys looking at improving patient transport.

## Building on the staff survey

The Health Board has continued to develop its response to the organisation-wide issues identified by the staff survey which was carried out between January and March 2013. This includes the ongoing development of a staff engagement strategy.

# Organisational risk and business continuity

## Corporate Risk Register

The Health Board has a robust process in place to manage all organisational risks. The risk register is regularly reviewed and appropriate management action taken. The Health Board has updated its Risk Management Strategy and has developed an implementation plan spanning 2013 to 2015.

The highest corporate risks are accessible via the internet at :


<http://www.wales.nhs.uk/sitesplus/867/page/62605>.

The Corporate Risk Register has been reviewed and updated demonstrating risks are being identified and managed, supporting assurance to the Board.

## Emergency planning

Focus of the organisation's Civil Contingencies Planning during 2013/2014 has been around strategic and tactical command and control arrangements. A full review of the organisations Civil Contingencies Plan and procedures, which sets out the organisation's strategic and tactical level of response has been undertaken.

The Health Board is described as a Category 1 Responder under the Civil Contingencies Act 2004 (CCA). To fulfill part of its duty under the CCA, Powys teaching Health Board is an active member of Dyfed Powys Local Resilience Forum. The Health Board has continued to participate in multi-agency planning and training activities within the Local Resilience Forum to enhance coordination and efficiency with other local responders.



**Director of Nursing, Carol Shillabeer spent a day with the District Nurses as part of a joint 'back to the floor' programme with other public bodies this year.**

## Looking Forward

As we look forward to the coming year, the Health Board will continue to strive towards meeting its key targets and priorities to ensure Powys residents have services and outcomes on a par with the best in Wales and the UK.

We are committed to developing a sustainable approach that improves health, enhances patient experience and controls costs in the face of growing demand and reduced income.

With financial pressures continuing to grow on the NHS, it will be key for the Health Board to work with Welsh Government to stabilise its financial position and ensure we provide value for money services.

We are developing a detailed strategic plan that sets out an ambitious programme for developing our local services to maximise the work we can do across Powys.

The Health Board is committed to its aim of providing truly integrated care centred on the individual and this will mean a focus on prevention, early intervention and providing care closer to home. We will also be working with external change programmes that are essential to maintaining sustainable high quality services.

We will continue to work closely with Powys County Council around the reform of the public service agenda to deliver better joined services for local people. The One Powys Plan, agreed by the Council and the Health Board, outlines ways of working together to support and respond to the local needs of the community.

We want to make the Health Board a great place to work and to ensure we provide the best possible care and services to people across Powys.

Our work will be underpinned by our vision and core values;

- Improving health and wellbeing
- Ensuring the right access to the right services at the right time in the right place
- Striving for excellence in all that we do
- Involving the people of Powys
- Making every pound count

As always, we will continue to make improvements to ensure we are delivering safe, quality care, better experiences and outcomes for patients across Powys.

# Making Every Pound Count: Summary Financial Statements 2013-14

## Living within our Means

As with all public sector organisations in Wales, it has been a challenging financial year. There was no financial uplift allocated by the Welsh Government to the NHS in Wales at the start of the financial year.

Within this context, the Health Board needed to contain costs such as the increased volume of drugs prescribed by General Practitioners, the increased demand for healthcare treatments by the population and the increase in pay costs received by our staff in line with nationally agreed pay award and increments.

The Health Board put together a savings programme which was focused on reducing unnecessary spend through improving the quality and standard of care provided to our population.

This savings programme covered a range of measures ranging from general good housekeeping to changing the way we provide healthcare services, an example of which has been to bring services that have traditionally been provided out of county into Powys local facilities at a reduced cost. As a result of these measures the Health Board has been able to save £5.8 million during the year. However, the total shortfall between funding and expenditure meant that these savings were insufficient to fully live within our means.

In order to explore where there were further opportunities to improve our financial position both in year and in the long term, the Health Board commissioned work from independent consultants to reflect back to the organisation the main issues affecting our financial position and help to prepare areas for further cost reduction. As part of their annual external audit programme of work the Wales Audit Office reviewed our processes around service change and financial services.

These reports concluded that whilst there were some opportunities for improvement in both scale and execution, it was likely that the Health Board would not be able to secure sufficient cost reductions to fully close the financial shortfall without compromise to quality or availability of services. Both reports were shared with Welsh Government in autumn 2013.

In September 2013, the Health Board received additional financial support from the Welsh Government who provided £5.90million recurrent funding to meet new demands and cost pressures in 2013/14.

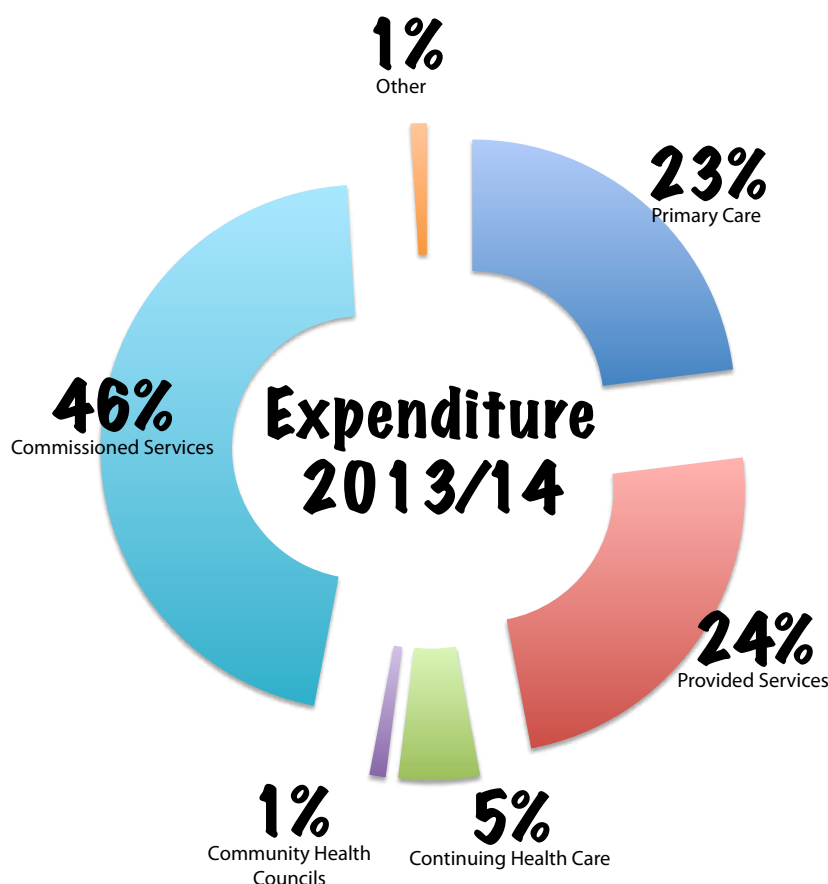
Despite the combination of our efforts and the Welsh Government's financial support the Health Board did not meet its statutory duty to break even in 2013/2014 by £19.2million. The annual accounts, as presented at the end of this report, provides summary financial statements.

Our other statutory targets have been met, these being to contain capital costs (expenditure on buildings and equipment) within our resource funding and contain our cash outflow to within our permitted limits.

The Health Board has not met the administrative target of payment of 95% of the number of non-NHS creditors within 30 days this year due to a revised methodology in its calculation being introduced this financial year.

The summarised Annual Accounts presented at the end of this report set out our performance against our statutory and administrative financial targets.

In terms of how we spend our money, we use our resources across a range of services providing healthcare to the population of Powys. Our total gross expenditure in 2013/2014 was £273 million, this was split between primary care services i.e. general practitioners, dentists, pharmacies and opticians, our own directly provided services and healthcare secured from a range of NHS and other agencies and also the functions we host on behalf of the rest of Wales i.e. the Community Health Councils. The graph below describes how our expenditure was split between these categories in 2013/2014.



2014/2015 will be an extremely challenging year given that the NHS in Wales has received no financial uplift to manage increasing cost pressures. In addition the Health Board is required to repay the 2013/14 financial deficit of £19.2million.

The Health Board prepared its Integrated Medium Term Plan in March 2014 and submitted to Welsh Government whose response was that formal approval could not be provided for a range of factors and requested that the Health Board submit an annual plan for 2014/15. This annual plan identifies a shortfall between income and expenditure by £44.3M which is cumulative of the financial deficit of £19.2M in 2013/14.

The Health Board is preparing its next iteration of the Integrated Medium Term Plan, giving further detailed consideration of likely demand and required capacity over the next few years which will be completed in draft by January 2015. We remain in discussion with Welsh Government on the potential solutions for managing our financial position in 2014/15 and beyond.

This Annual Report only includes summary financial statements, further information which may be needed for a fuller understanding of the Health Board's financial position and performance can be obtained from the Annual Accounts which are available on request to the Director of Finance. They are also available on the Health Board's website [www.powysthb.wales.nhs.uk](http://www.powysthb.wales.nhs.uk)

## Statement of Comprehensive Net Expenditure for the year ended 31 March 2014

	2013-14 £'000	2012-13 £'000
Expenditure on Primary Healthcare Services	59,058	58,799
Expenditure on Healthcare from other providers	139,521	128,213
Expenditure on Hospital and Community Health Services	74,898	70,078
	<b>273,477</b>	<b>257,090</b>
Less: Miscellaneous Income	14,154	14,451
<b>PtHB net operating costs before interest and other gains and losses</b>	<b>259,323</b>	<b>242,639</b>
Investment Income	0	0
Other (Gains) / Losses	0	0
Finance Costs	181	215
<b>Net Operating costs for the financial year</b>	<b>259,504</b>	<b>242,854</b>

## Achievement of Operational Financial Balance

	2013-14 £'000	2012-13 £'000
PtHBs performance for the year ended 31 March 2014 is as follows:		
Net operating costs for the financial year	259,504	242,854
Less Non-discretionary expenditure	-828	-175
Less Revenue consequences of Bringing PFI schemes onto SoFP	0	0
<b>Net operating costs less non-discretionary expenditure and revenue consequences of PFI</b>	<b>260,332</b>	<b>243,029</b>
Revenue Resource Limit	241,068	243,035
<b>Under/ (over) spend against Revenue Resource Limit</b>	<b>(19,264)</b>	<b>6</b>

The Health Board has not met its duty to breakeven for 2013/14. Current guidance from Welsh Government is that plans will need to be in place to recover the deficit in future years.

On 31st March 2014, the Health Board submitted a three year plan running from 2014-15 to 2016-17 that showed expenditure to be significantly in excess of the anticipated resource limit over the three years. The Minister for Health & Social Services has confirmed that he is unable to approve the Health Board's three year integrated medium term plan and requested that the Board prepares a one year 'delivery agreement' plan which is being developed for agreement at Accountable Officer Level.

## Statement of Financial Position as at 31 March 2014

	2013-14 £'000	2012-13 £'000
<b>Non-current assets</b>		
Property, plant and equipment	60,189	62,628
Intangible assets	0	0
Trade and other receivables	26,244	7,722
Other financial assets	0	0
Other assets	0	0
<b>Total non-current assets</b>	<b>86,433</b>	<b>70,350</b>
<b>Current assets</b>		
Inventories	146	154
Trade and other receivables	10,268	14,242
Other financial assets	0	0
Other current assets	0	0
Cash and cash equivalents	259	160
	10,673	14,556
Non-current assets classified as "Held for Sale"	0	0
<b>Total current assets</b>	<b>10,673</b>	<b>14,556</b>
<b>Total assets</b>	<b>97,106</b>	<b>84,906</b>
<b>Current Liabilities</b>		
Trade and other payables	28,113	28,925
Other financial liabilities	0	0
Provisions	7,621	11,240
Other liabilities	0	0
<b>Total Current Liabilities</b>	<b>35,734</b>	<b>40,165</b>
<b>Net current assets / (liabilities)</b>	<b>(25,061)</b>	<b>(25,609)</b>
<b>Non-current liabilities</b>		
Trade and other payables	0	0
Other financial liabilities	0	0
Provisions	33,309	14,735
Other liabilities	0	0
<b>Total non-current liabilities</b>	<b>33,309</b>	<b>14,735</b>
<b>Total assets employed</b>	<b>28,063</b>	<b>30,006</b>
<b>Financed by:</b>		
<b>Taxpayers' equity</b>		
General Fund	(1,453)	290
Revaluation reserve	29,516	29,716
<b>Total taxpayers' equity</b>	<b>28,063</b>	<b>30,006</b>

The financial statements were approved by the Board on the 25th June 2014 and signed on its behalf by:

Chief Executive: R. Hudson



Date: 25th June 2014

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2014

	General Fund £000s	Revaluation Reserve £000s	Total Reserves £000s
<b>Changes in taxpayers equity for 2013-14</b>			
<b>Balance at 1 April 2013</b>	<b>290</b>	<b>29,716</b>	<b>30,006</b>
Net operating cost for the year	(259,504)		(259,504)
Net gain / (loss) on revaluation of property, plant and equipment	0	837	837
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
Movements in other reserves	0	0	0
Transfers between reserves	0	0	0
Release of reserves to SoCNE	1,037	(1,037)	0
Transfers to/from LHBs	0	0	0
<b>Total recognised income and expense for 2013-14</b>	<b>(258,467)</b>	<b>(200)</b>	<b>(258,667)</b>
Net Welsh Government Funding	256,724		256,724
<b>Balance at 31 March 2014</b>	<b>(1,453)</b>	<b>29,516</b>	<b>28,063</b>

## Statement of Changes in Taxpayers' Equity for the year ended 31 March 2013

	General Fund £000s	Revaluation Reserve £000s	Total Reserves £000s
<b>Changes in taxpayers equity for 2012-13</b>			
<b>Restated Balance at 1 April 2012</b>	<b>3,060</b>	<b>32,907</b>	<b>35,967</b>
Net operating cost for the year	(242,854)		(242,854)
Net gain / (loss) on revaluation of property, plant and equipment	0	(3,122)	(3,122)
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
Movements in other reserves	0	0	0
Transfers between reserves	69	(69)	0
Release of reserves to SoCNE	0	0	0
Transfers to /from LHB's	0	0	0
<b>Total recognised income and expense for 2012-13</b>	<b>(242,785)</b>	<b>(3,191)</b>	<b>(245,976)</b>
Net Welsh Government Funding	240,015		240,015
<b>Balance at 31 March 2013</b>	<b>290</b>	<b>29,716</b>	<b>30,006</b>

## Statement of Cash flows for year ended 31 March 2014

	2013-14 £'000	2012-13 £'000
<b>Cash Flows from operating activities</b>		
Net operating cost before interest	(259,504)	(242,854)
Movements in Working Capital	(15,112)	4,228
Other cash flow adjustments	27,603	7,809
Provisions utilised	(7,364)	(4,819)
<b>Net cash outflow from operating activities</b>	<b>(254,377)</b>	<b>(235,636)</b>
<b>Cash Flows from investing activities</b>		
Purchase of property, plant and equipment	(2,508)	(4,892)
Proceeds from disposal of property, plant and equipment	260	0
Purchase of intangible assets	0	0
Proceeds from disposal of intangible assets	0	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
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(2,248)</b>	<b>(4,892)</b>
<b>Net cash inflow / (outflow) before financing</b>	<b>(256,625)</b>	<b>(240,528)</b>
<b>Cash flows from financing activities</b>		
Welsh Assembly Government funding (including capital)	256,724	240,015
Capital receipts surrendered	0	0
Capital grants received	0	0
Capital element of payments in respect of finance leased and on-SoFP	0	0
Cash transferred (to) / from other NHS bodies	0	356
<b>Net Financing</b>	<b>256,724</b>	<b>240,371</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>99</b>	<b>(157)</b>
<b>Cash and cash equivalents (and bank overdrafts) at 1 April 2013</b>	<b>160</b>	<b>317</b>
<b>Cash and cash equivalents (and bank overdrafts) at 31 March 2014</b>	<b>259</b>	<b>160</b>

## Addendum to Statement of Cash Flows

	2013-14 £'000	2012-13 £'000
Other cash flow adjustments		
Depreciation	2,574	2,317
Amortisation	0	0
(Gains) / Loss on Disposal	0	0
Impairments and reversals	2,797	1,354
Release of PFI deferred credits	0	0
Donated assets received credited to revenue but non-cash	(87)	(23)
Government Grant assets received credited to revenue but non-cash	0	0
Non-cash movements in provisions	22,319	4,161
<b>Total</b>	<b>27,603</b>	<b>7,809</b>
<b>Movements in working capital</b>		
(Increase) / decrease in inventories	8	1
(Increase) / decrease in trade and other receivables – non current	(18,522)	(5,695)
(Increase) / decrease in trade and other receivables – current	3,974	5,810
(Increase) / decrease in other current assets	0	0
Increase / (decrease) in trade and other payables – non current	0	0
Increase / (decrease) in trade and other payables – current	(812)	3,455
Increase / (decrease) in other current liabilities	0	0
<b>Total</b>	<b>(15,352)</b>	<b>3,571</b>
Adjustment for accrual movements in fixed assets – creditors	224	657
Adjustment for accrual movements in fixed assets – debtors	16	0
Other adjustments	0	0
	(15,112)	4,228

	2013-14 £'000	2012-13 £'000
<b>Cash and cash equivalents</b>		
Balance at 1 April	160	317
Net change in cash and cash equivalent balances	99	(157)
Balance at 31 March	259	160
Made up of:		
Cash held at GBS	241	126
Commercial banks and cash in hand	18	34
Current Investments	0	0
<b>Cash and cash equivalents as in Statement of Financial Position</b>	<b>259</b>	<b>160</b>
Bank Overdraft – GBS	0	0
Bank Overdraft – Commercial Accounts	0	0
<b>Cash and cash equivalents as in Statement of Cash Flows</b>	<b>259</b>	<b>160</b>

<b>Capital Resource Limit</b>	2013-14 £'000	2012-13 £'000
<b>PtHB is required to keep within its Capital Resource Limit:</b>		
Gross capital expenditure	2,355	4,258
Losses on disposals of donated assets	0	0
Less: NBV of property, plant and equipment and intangible assets disposed	(260)	(356)
Less: Capital Grants received	0	0
Less: Donations received	(87)	(23)
<b>Charge against Capital Resource Limit</b>	<b>2,008</b>	<b>3,879</b>
Capital Resource Limit	2,012	3,883
<b>(Over) / Underspend against Capital Resource Limit</b>	<b>4</b>	<b>4</b>

## Salary and pension entitlements of senior managers

**2013-14**

**2012-13**

Name and title	Salary £5k Bands	Benefits in Kind Rounded to nearest £100	Pension Benefits £000	Single Total Remuneration £5k Bands	Salary £5k Bands	Benefits in Kind Rounded to nearest £100	Pension Benefits £000	Single Total Remuneration £5k Bands
	£000	£00	£000	£000	£000	£00	£000	£000
<b>Executive directors</b>								
Andrew Cottom – Chief Executive (Until 25th October 2013)	75-80	0	-5	70 - 75	135-140	0	5	140-145
Robert Hudson – Chief Executive (Commenced 25th November 2013)	50-55	0	11	60-65	135-140	0	0	0
Brendan Lloyd – Director of Medical Services	135-140	0	-2	130-135	135-140	0	-10	125-130
Rebecca Richards – Director of Finance	95-100	0	2	100-102	95-100	0	98	195-200
Carol Shillabeer – Director of Nursing	95-100	0	5	100-105	95-100	0	81	175-180
Amanda Smith – Director of Therapies and Health Science	90-95	0	8	95-100	90-95	0	37	125-130
Joanna Davies – Director of Workforce and Organisational Development (From 16th January 2012 to 30th June 2013)	20-25	0	25	45-50	95-100	0	39	130-135
Julie Rowles – Director of Workforce and Organisational Development (Commenced 1st March 2014)	5-10	0	0	5-10	0	0	0	0
Bruce Whitear – Interim Director of Planning	70-75	0	12	80-85	65-70	0	32	95-100
Sumina Azam- Interim Director of Public Health (From 1st April 2012 to 30th June 2013)	25-30	0	-12	10-15	100-105	0	129	230-235
Catherine Woodward – Director of Public Health (Commenced 6th April 2013)	145-150	0	7	155-160	0	0	0	0
<b>Independent members</b>								
Mel Evans – Chairman	45-50	0	0	45-50	40-45	0	0	40-45
Jo Mussen – Vice Chair (Until 31st March 2014)	30-35	0	0	30-35	30-35	0	0	30-35
Rosemarie Harris – Local Authority (Until 16th June 2013)	0-5	0	0	0-5	5-10	0	0	5-10

Melanie Davies – Local Authority (Commenced 1st December 2013)	0	0	0	0	0	0	0	0
Gloria Jones-Powell – Third Sector (Until 31st March 2014)	5-10	0	0	5-10	5-10	0	0	5-10
Andrew Leonard –Voluntary Sector/Community	5-10	0	0	5-10	5-10	0	0	5-10
Gyles Palmer – Capital Estates	5-10	0	0	5-10	5-10	0	0	5-10
Roger Eagle – Legal	5-10	0	0	5-10	5-10	0	0	5-10
Paul Dummer – University	5-10	0	0	5-10	5-10	0	0	5-10
Gareth Jones – Finance	5-10	0	0	5-10	5-10	0	0	5-10
Mark Baird – ICT	5-10	0	0	5-10	5-10	0	0	5-10
Jackie Walters – Trade Union (to 31st December 2012)	0	0	0	0	5-10	0	0	5-10

This year for the first time the Remuneration Report must include a Single Total Figure of Remuneration, prior year comparatives have been provided for 2012/13.

This is a different way of presenting the remuneration for each individual for the year. The table used is similar to that used previously and the salary and benefits in kind elements are unchanged. The amount of pension benefits for the year which contributes to the single total figure is calculated in a new way, similar to the method used to derive pension values for tax purposes, and is based on information received from NHS BSA Pensions Agency.

The value of pension benefits is calculated as follows: (real increase in pension\*x20)+(real increase in any lump sum)-(contributions made by member)

\*excluding increases due to inflation or any increase or decrease due to a transfer of pension rights

This is not an amount which has been paid to an individual by PtHB 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 persons salary, whether or not they choose to make additional contributions to the pension scheme from their pay and other valuation factors affecting the pension scheme as a whole.

## Salary and pension entitlements of senior managers

Name and Title	Real increase in pension at age 60	Real Increase in pension lump sum at aged 60	Total accrued pension at age 60 at 31 March 2014	Lump sum at aged 60 related to accrued pension at 31 March 2014	Cash Equivalent transfer value at 31 March 2014	Cash Equivalent transfer value at 31 March 2013	Real increase in Cash equivalent transfer value	Employer's contribution to stakeholder pension
	£2.5k bands £000	£2.5k bands £000	£5k bands £000	£5k bands £000	£000	£000	£000	£000

### Executive directors

Andrew Cottom – Chief Executive (Until 25th October 2013)	0.0-2.5	0.0-2.5	55-60	175-180	1,243	1,174	25	0
Robert Hudson – Chief Executive (Commenced 25th November 2013)*	0.0-2.5	0	10-15	0	150	114	14	0
Brendan Lloyd – Director of Medical Services	0.0-2.5	0.0-2.5	45-50	140-145	1,076	887	169	0
Rebecca Richards – Director of Finance	0.0-2.5	0.0-2.5	25-30	85-90	436	406	21	0
Carol Shillabeer – Director of Nursing	0.0-2.5	0.0-2.5	20-25	70-75	467	348	111	0
Amanda Smith – Director of Therapies and Health Science	0.0-2.5	0.0-2.5	20-25	70-75	465	427	28	0
Joanna Davies – Director of Workforce and Organisational Development (from 16th January 2012 to 30th June 2013)	0.0-2.5	2.5-5.0	30-35	95-100	613	492	27	0
Julie Rowles – Director of Workforce and Organisational Development (Commenced 1st March 2014)	0.0-2.5	0.0-2.5	30-35	90-95	524	488	2	0
Bruce Whitear – Interim Director of Planning (from 1st January 2012)	0.0-2.5	2.5-5.0	20-25	65-70	372	340	25	0
Sumina Azam – Interim Director of Public Health (from 1st April 2012 to 30th June 2013)	0.0-(2.5)	0.0-(2.5)	10-15	40-45	181	192	-4	0
Catherine Woodward – Director of Public Health (Commenced 6th April 2013)	0.0-2.5	2.5-5.0	50-55	160-165	1,020	950	49	0

As Non-Officer members do not receive pensionable remuneration, there will be no entries in respect of pensions for Non-Executive members.

The above calculations are provided by the NHS Pensions Agency and are based on the standard pensionable age of 60.

For Directors marked \* figures relate to pensionable age of 65

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures and their other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV – This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

<b>Reporting of other compensation schemes - exit packages</b>		
<b>Exit package cost band</b>	<b>Total number of exit packages by cost band Number 2013-14</b>	<b>Total number of exit packages by cost band Number 2012-13</b>
<£10,000	0	4
£10,000 to £25,000	0	9
£25,000 to £50,000	1	7
£50,000 to £100,000	0	4
£100,000 to £150,000	0	0
£150,000 to £200,000	0	0
£200,000+	0	0
Total number of exit packages by type	1	24
<b>Total resource cost £</b>	<b>41,420</b>	<b>689,142</b>

## Remuneration Relationship

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 PtHB in the financial year 2013-14 was £145,000 - £150,000 (2012-13, £135,000 - £140,000). This was 5.7 times (2012-13, 5.4) the median remuneration of the workforce, which was £25,839 (2012-13, £25,609)

In 2013-14, 1 (2012-13, 1) employees received remuneration in excess of the highest-paid director. Remuneration for staff ranged from £1,500 to £161,500 (2012-13 £700 to £161,000).

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.

Overtime payments should be included for the calculation of both elements of the relationship.

## Public Sector Payment Policy – Measure of Compliance

### 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 day of delivery.

	2013-14 Number	2013-14 £000	2012-13 Number	2012-13 £000
<b>NHS</b>				
Total bills paid	2,779	123,657	2,381	113,689
Total bills paid within target	2,422	120,318	1,889	110,277
Percentage of bills paid within target	87.2%	97.3%	79.3%	97.0%
<b>Non-NHS</b>				
Total bills paid	31,306	84,016	63,515	36,484
Total bills paid within target	29,161	82,892	60,453	34,763
Percentage of bills paid within target	93.1%	98.7%	95.2%	95.3%
<b>Total</b>				
Total bills paid	34,085	207,673	65,896	150,173
Total bills paid within target	31,583	203,210	62,342	145,040
Percentage of bills paid within target	92.7%	97.9%	94.6%	96.6%

PtHB has not met the administrative target of payment of 95% of the number of non-NHS creditors within 30 days this year. PtHB has seen a decrease in achievement of this target during 2013/14 due to new methodology being implemented during the year (backdated to 1st April 2013) which has seen a change in the calculation for contractor services transactions which were previously recorded as individual payments are now only included as one payment if paid together in one payment (i.e. one payment recorded – even if there are numerous transactions within that payment made). This new methodology has been implemented on an All-Wales basis to ensure consistency of calculation for NHS Wales.

### The Late Payment of Commercial Debts (Interest) Act 1998

	2013-14	£	2012-13	£
Amounts included within finance costs from claims made under this legislation	0		0	
Compensation paid to cover debt recovery costs under this legislation	0		0	
<b>Total</b>	<b>0</b>		<b>0</b>	

### Related Party Transactions

Total value of transactions with Board members and key senior staff in 2013-14

	Payments to related party £	Receipts from related party £	Amounts owed to related party £	Amounts due from related party £
During the year none of the board members or members of the key management staff or other related parties has undertaken any material transactions with PtHB	0	0	0	0

There have been no related party transactions with Welsh Ministers.

The Welsh Government is regarded as a related party. During the year PtHB has 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;

	<b>Payments to related party £000</b>	<b>Receipts from related party £000</b>	<b>Amounts owed to related party £000</b>	<b>Amounts due from related party £000</b>
Welsh Government	10	263,637	1	170
Abertawe Bro Morgannwg University Local Health Board	10,830	1,369	435	198
Aneurin Bevan Local Health Board	20,013	929	2,519	721
Betsi Cadwaladr Local Health Board	5,419	697	774	200
Cardiff & Vale University Local Health Board	2,260	38	365	2
Cwm Taf Local Health Board	1,511	34	421	18
Hywel Dda Local Health Board	7,923	620	570	174
Public Health Wales	128	217	6	31
Velindre NHS Trust	1,997	383	114	99
Welsh Ambulance Services NHS Trust	521	68	70	62
Welsh Risk Pool (hosted by Betsi Cadwaladr University Health Board)	0	0	0	0
WHSSC (hosted by Cwm Taf Local Health Board)	28,876	208	888	109

A number of PtHB's Board members had interests in related parties this year as follows:

<b>Name</b>	<b>Details</b>	<b>Interests</b>
Councillor Rosemarie Harris	Independent Member	Councillor, Powys County Council
Councillor Melanie Davies	Independent Member	Councillor, Powys County Council
Gloria Jones-Powell	Independent Member	Trustee / Director – Powys Association of Voluntary Organisations Vice-President - Powys Carers Service Vice President – Powys Carers Service
Amanda Lewis	Associate Member	Strategic Director of People, Powys County Council
Jeremy Patterson	Associate Member	Chief Executive – Powys County Council

The value of transactions with these bodies are as follows:

Powys Associations of Voluntary Organisations	£0.131M
Powys County Council	£5.170M

PtHB has hosted the following functions on behalf of NHS Wales on which it receives income from the Welsh Government and other Local Health Boards;

- Residual Clinical Negligence,
- Community Health Councils,
- Continuing Care Case Administration,
- National Institute for Social Care and Health Research (NISCHR).

PtHB also has material transactions with English NHS Trusts with whom it commissions healthcare including;

- Shrewsbury and Telford NHS Trust
- Wye Valley NHS Trust
- The Robert Jones and Agnes Hunt Orthopaedic Hospital NHS Foundation Trust

PtHB has also received items donated from the PtHB Charitable fund, for which the Board is the Corporate Trustee.

## Audit Arrangements

The Auditor General for Wales (AGW) provides external audit services to Powys teaching Health Board under the Public Audit (Wales) Act 2004. The fee for these services in 2013/14 was £262,000 (£277,000 in 2012-13).

Under the Public Audit (Wales) Act 2004, the AGW is required to satisfy himself that the health board has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. To discharge this duty, he undertakes Performance Audit work using his powers under the Government of Wales Act 1998 & 2006. The cost of this work is included within the total audit fee of £262,000.

## Directors' Declaration

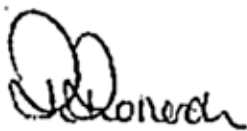
"As far as we are aware, there is no relevant audit information of which the NHS body's auditors are unaware and we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the tHB's auditors are aware of that information".



Bob Hudson  
Chief Executive



Catherine Woodward  
Executive Director of Public Health &  
Strategic Planning



Rebecca Richards  
Executive Director of Finance



Amanda Smith  
Executive Director of Therapies and Health  
Sciences



Brendan Lloyd  
Executive Medical Director



Julie Rowles  
Executive Director of Workforce and  
Organisational Development



Carol Shillabeer  
Executive Director of Nursing



Bruce Whitear  
Executive Director of Planning

# PtHB Annual Governance Statement

## 1 - Scope of Responsibility

The Board is accountable for Governance and Internal Control. As Accountable Officer and 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 this organisation's assets for which I am personally responsible. These are carried out in accordance with the responsibilities assigned by the Accounting Officer of NHS Wales.

In addition to the functions relating to the health and well being of the population of Powys, Powys teaching Health Board (PtHB) is also accountable for the Community Health Councils in Wales and clinical negligence claims of the former Health Authorities in Wales. PtHB also hosts functions of Continuing Care Case Administration and National Institute of Social and Health Care Research (NISCHR) for which it receives funding from the Welsh Government.

As Accountable Officer I have a prescribed accountable link to the Director General, NHS Wales, for the delivery of key regulatory and performance measures against which the organisation is assessed. These have taken the form of meetings between our Executive Teams (Health Board and Welsh Government) and individual performance review with the Director General based on agreed objectives. At these, achievements and risks to performance targets are discussed and action to address adverse performance and their associated impacts are agreed.

## 2 - Governance of PtHB

### 2.1 The Board

The principal role of PtHB Board is to exercise strong leadership, direction and control, including:-

- Setting the strategic direction of the organisation;
- Establishing and upholding the governance and accountability framework, including its values and standards of behaviour;
- Ensuring delivery of the aims and objectives of the organisation through effective challenge and scrutiny of PtHB performance across all areas of responsibility.

The Board functions as a corporate decision making body, Executive Directors and Independent Members being full and equal members and sharing corporate responsibility for all the decisions of the Board.

The Board is supported by the Corporate Governance Manager, who acts as principle advisor on all aspects of corporate governance within the Health Board.

All Health Boards in Wales must agree Standing Orders for the regulation of proceedings and business. They are designed to translate the statutory requirements set out in Local Health Boards (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 delegations 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.

Although as Chief Executive I retain accountability, the Scheme of Delegation as approved by the Board reflects the responsibilities and accountabilities delegated to Executive Directors for the delivery of the Health Board's objectives, whilst ensuring that high standards of public accountability, probity and performance are maintained.

The governance structure of the Health Board accords with the Welsh Government's Governance e-manual & Citizen Centred Governance Principles in that the seven principles together with their key objectives provide the regulatory framework for the business conduct of PtHB and define its 'ways of working'. These arrangements support the principles included in H M Treasury's "Corporate Governance in Central Government Departments: Code of good practice 2011".

The Board has been constituted to comply with the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009. In addition to responsibilities and accountabilities set out in terms and conditions of appointment, Board members also fulfil a number of Champion roles where they act as ambassadors for these matters.

The Board Members and their role as champions and on the board's committees are set out in **Appendix 1**.

During 2013/14, the Board received a number of documents/strategies for approval, discussion documents to inform the strategic direction of the organisation and documents providing the Board with assurances in respect of its work. The key documents approved by the Board (April 2013) were the Annual Plan 2013/14 and the 3-Year Plan 2013-16. The Annual Plan articulated the organisation's ambitions and high-level strategic objectives for 2013/14. The 3-year Plan set out the strategic vision and direction of the organisation.

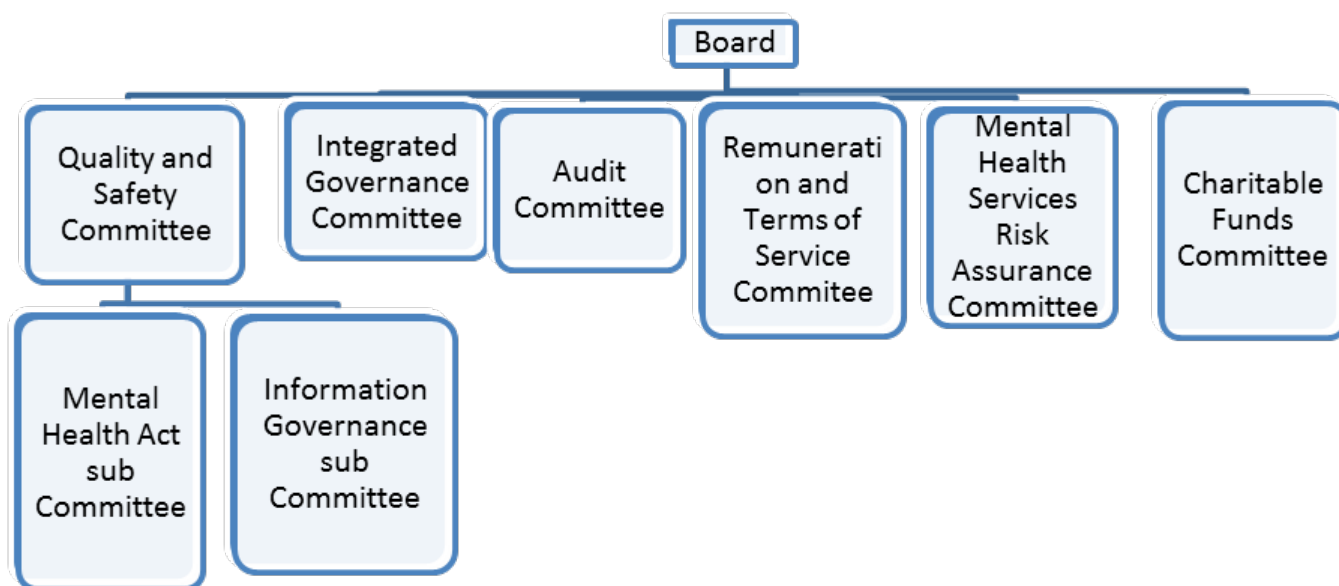
The Board, functioning as a corporate decision making body, has regularly considered assurance reports on the financial position, integrated performance and risks, whilst also receiving updates on key issues such as Public Health Initiatives, Mental Health Services and Stroke Services. It also received regular assurance reports, via the Quality and Safety Committee, which provided a progress update in relation to innovations and

interventions which have resulted in an improvement in the quality and safety of care delivered by services across the Health Board at all levels of the organisation.

The Board is accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and has been supported in this role by the work of its main assurance committees.

## 2.2. Committees of the Board

During 2013/14 there were six Board Committees and sub-Committees in the discharge of functions as set out in diagram 1 below:



### Quality & Safety Committee

The Committee plays a pivotal role in providing advice and assurance to the Board in relation to its responsibilities with regard to the quality and safety of healthcare. The Committee is supported by a comprehensive sub-committee structure. It provides scrutiny on the arrangements for safeguarding and improving the quality and safety of patient centred healthcare in accordance with its stated objectives and the requirements and standards determined for the NHS in Wales. It aims to do this through 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 healthcare.

The Quality & Safety Committee approved its Workplan for 2013/14 in July 2013

The Chair of the Quality and Safety Committee prepared an Annual Report for 2012/13 (June 2013). The purpose of which is to provide the Board and the public with assurance that the organisation has effective arrangements in place for the delivery of safe and high quality services for its population and that, where these arrangements are not effective, action is identified to make the required improvements.

## **Integrated Governance Committee**

Chairs of the Board's Assurance Committees (Quality & Safety and Audit) come together with the Board's Vice Chair and an additional Independent Member as the Integrated Governance Committee. This Committee provides the Board with assurance in respect of the organisation's performance against delivery of its strategic objectives and maintains an oversight of the work of the Board's Assurance Committees, ensuring integration of governance work across all business of PtHB and all issues which fall outside or between the work of the Committees are addressed.

During the latter part of 2013/14, the Integrated Governance Committee began discussions regarding its future workplan and commenced a programme of assurance mapping to identify any gaps in assurance at Board level. The Board will consider its future assurance model upon conclusion of this work during 2014/15.

## **Audit Committee**

The Audit Committee supports the Board by critically reviewing governance and assurance processes on which the Board places reliance. It undertakes these duties by providing advice and assurance to the Board on the effectiveness of arrangements in place around strategic governance, assurance framework and processes for risk management and internal control. The Committee independently monitors, reviews and reports to the Board on the processes of governance and where appropriate, facilitates and supports the attainment of effective processes. In discharging its duties, the Audit Committee, working to an agreed annual work programme, reviewed the following areas:

- 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 which are supported by the Head of Internal Audit Opinion and other opinions;
- The adequacy of relevant policies, legality issues and the Codes of Conduct, underpinned by review of the Health Board's Hospitality Register and Single Tender Actions summary;
- The policies and procedures related to fraud and corruption, together with information on particular cases and outcomes;
- That the system for risk management is robust in identifying and mitigating risks.

In providing the above assurance to the Board, the Audit Committee has specifically:

- Approved risk based Internal Audit plans and considered the opinions given on reports with Executive/Assistant Directors held to account where appropriate;
- Considered the Head of internal Audit Opinion for 2013/14 on the overall adequacy and effectiveness of the organisation's risk management, control and governance processes;
- Discussed and approved for recommendation to the Board, the Health Board's audited financial statements and Auditor General's Opinion.

- Received reports on areas of focus by Wales Audit Office under their structured assessment programme and sought assurance on issues which required further improvement

The Audit Committee approved its Workplan for 2013/14 in July 2013.

## **Remuneration and Terms of Service Committee**

The purpose of the Remuneration & Terms of Service Committee is to provide advice to the Board on remuneration and terms of service for the Chief Executive, Executive Directors and other senior staff within the framework set by the Welsh Government; and assurance to the Board in relation to PtHB's arrangements for the remuneration and terms of service, including contractual arrangements, for all staff, in accordance with the requirements and standards determined for the NHS in Wales. During 2013, the Committee approved appointments for a new Chief Executive and a new Director of Workforce and Organisational Development.

## **Mental Health Services Risk Assurance Committee**

At its meeting on 16 October 2013, the Board received an update from the Director of Nursing in respect of the need for improvements in the provision of Mental Health Services in the North of Powys. As a result of these discussions, PtHB Chairman agreed that a Mental Health Services Assurance Committee should be established to provide the Board with assurances in respect of the issues, until such time that the Board is assured that matters are resolved. Subsequently, the Board approved the establishment of a Mental Health Services Risk Assurance Committee in December 2013.

## **Charitable Funds Committee**

Powys teaching Local Health Board was appointed as corporate trustee of the charitable funds by virtue of the Local Health Boards (Establishment and Dissolution) (Wales) Order 2009 and the Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 and that its Board serves as its agent in the administration of the charitable funds held by PtHB. The purpose of the Charitable Funds Committee is to make and monitor arrangements for the control and management of PtHB's Charitable Funds. The Director of Finance has prime responsibility for PtHB's Charitable Funds as defined in PtHB's Standing Financial Instructions. The Committee recommended to the Board for approval the Charitable Funds Annual Report and Accounts for the year ended 31 March 2013 in December 2013.

Table 1 below sets out the schedules of dates by which the board and its committees met. All meetings were quorate, however, had there been any meetings which were inquorate, escalation arrangements were in place to ensure that any matters of significant concern that could not be brought to the attention of the Committee, could be raised with PtHB Chair.

## Schedule of meetings 2013/14

Board	24 April		19 June		4 Sept	16 Oct		18 Dec		19 Feb
Audit	2 April	7 May	4 June	2 July	3 Sept		5 Nov		21 Jan	
Charitable Funds					3 Sept		5 Nov		21 Jan	
Quality & Safety		16 May		11 July	12 Sept		14 Nov			18 Feb
Integrated Gov.		16 May		11 July			27 Nov			11 Feb
RATS		2 May		10 July	1 Aug	16 Oct				4 Feb
Mental Health Risk							20 Nov	12 Dec		19 Feb
										20 Mar

### 2.3 Other Delegated committees

Within the board's scheme of delegation, it uses committee and boards hosted by other organisations within which PtHB are full members. These committees and boards are used to discharge a range of functions delivered on behalf of the Health Board and as set out below.

#### WHSSC

PtHB continues to work as part of the Welsh Health Specialised Services Joint Committee. The Joint Committee was established in April 2010 for the purpose of jointly exercising those functions relating to the planning and securing of certain specialised and tertiary services on a national all-Wales basis, on behalf of each of the seven Local Health Boards in Wales.

#### NWSSP

A Shared Services Partnership Committee (SSPC) has been established under Velindre NHS Trust which is responsible for exercising Velindre's shared services functions including the management and provision of Shared Services to the NHS in Wales. The Velindre National Health Service Trust Shared Services Committee (Wales) Regulations 2012 provide that the committee be comprised of the chief officers of each Local Health Board and NHS Trusts in Wales (or their nominated representative), the Director of Shared Services together with a Chair who is to be appointed by the Committee in accordance with the SSPC Standing Orders. This is to ensure that the views of all NHS organisations are taken into account when making decisions in respect of shared services activities. A Memorandum of Co-operation is in place between all Local Health Boards and NHS Trusts in Wales setting out the obligations of the NHS bodies to participate in the SSPC

and to take collective responsibility for the delivery of those services. It is considered important to ensure that responsibility for the exercise of the shared services functions does not rest with the Board of Velindre NHS Trust but is a shared responsibility of all NHS bodies in Wales in order to ensure that notwithstanding the fact that Velindre NHS Trust is providing the legal framework for the exercise of the shared services functions. PtHB's Audit Committee considers internal audit reports in relation to the controls in place to deliver those services provided on its behalf, as well as taking assurances from the Head of Internal Audit's Annual Opinion in respect of the NHS Wales Shared Services Partnership.

## **Joint Partnership Board**

Within its Scheme of Delegation, the Board has delegated powers to the 'Joint Partnership Board' – a delegated function of Powys teaching Health Board and Powys County Council. The Joint Partnership Board (JPB) is responsible for the management of the partnership arrangements established under the Section 33 Agreement, tracking delivery of individual partnership scheme aims and objectives within defined resources and approving any changes to scope. Membership of the JPB includes the Chief Executives of the two organisations, a member of the Powys County Council Cabinet and an Executive Officer of the Health Board. The JPB operates within its determined Terms of Reference and Operating Arrangements and reports to each Board respectively.

## **2.4 Advisory Groups**

In support of the Board, the teaching Health Board is also required to have three Advisory Groups. These are:-

- Stakeholder Reference Group
- Local Partnership Forum
- Healthcare Professionals' Forum

### **Stakeholder Reference Group (SRG)**

The SRG's role is to provide independent advice on any aspect of PtHB business, which may include:

- early engagement and involvement in the determination of PtHB's overall strategic direction;
- provision of advice on specific service proposals prior to formal consultation;
- feedback on the impact of PtHB's operations on the communities it serves.

### **Local Partnership Forum (LPF)**

The LPF's role is to provide a formal mechanism where PtHB, as employer, and trade unions/professional bodies representing PtHB employees work together to improve health services for the citizens served by PtHB - achieved through a regular and timely process of consultation, negotiation and communication.

## Healthcare Professionals' Forum (HPF)

The HPF's role is to provide a balanced, multi disciplinary view of healthcare professional issues to advise the Board on local strategy and delivery. Its role does not include consideration of healthcare professional terms and conditions of service.

Excluding the Healthcare Professionals' Forum, which is yet to be established, these Advisory Groups are fully established and operating in accordance with Standing Orders.

I can confirm that, other than the need to establish its Healthcare Professionals' Forum, the Health Board is fully compliant with the required Governance Framework for the year ended 31 March 2014 and up to the date of approval of the statement of accounts.

### 3. The system of internal control

The system of internal control in operation within the Health Board is designed to manage risk to a reasonable level rather than 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 and objectives of the Health Board, 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 2014 and up to the date of approval of the annual report and accounts.

### 4. Capacity to handle risk

In safeguarding residents within Powys, PtHB has continued its commitment to improving fundamental safety and quality standards. The overall responsibility for the management of risk lies with the Chief Executive Officer (CEO) as Accounting Officer for the Health Board. The Director of Therapies and Health Science, Quality and Safety has delegated risk management responsibilities and leads Risk Management on behalf of the CEO.

All activities are risk assessed and any identified risks are documented and high level risks are publicly available via our publication scheme.

The role of the Risk Management Committee is to oversee delivery and implementation of the Board's Risk Management Strategy, ensuring that effective systems and processes are embedded throughout the organisation and should therefore be taken forward by management. The Risk Management Strategy was updated and approved by the Board in December 2013 and subsequently presented to the Board of Directors together with a supporting implementation plan in January 2014.

In terms of assurance to the Board in respect of risk management, the Audit Committee has maintained its role in providing the Board with assurance in respect of the effectiveness of the organisation's system of good governance, risk management and internal control (both clinical and non-clinical) supporting the achievement of the

organisation's objectives. Therefore the Chair of the Risk Management Committee has provided reports to the Audit Committee on the Committee's work and assurances in respect of risk management arrangements.

The Risk Management Committee has continued to evolve, and all areas are now reporting risks scoring above 15 or new and amended risks, these are discussed by the Risk Management Committee for assessment and decision whether they go on the Corporate Risk Register.

The Board of Directors have been mindful of the fact that stakeholder and public perception of risk and their confidence in the ability of PtHB to identify and mitigate risk successfully can change rapidly. To support this, the Board of Director's attitude to risk has been communicated to the whole organisation and applied in all decision making. The Corporate Risk Register is publicly available twice a year, via our Publication Scheme.

The Audit Committee received assurances on the robustness of risk management systems and processes in September 2013 and January 2014.

The top risks on the corporate risk register agreed in November 2013 are available via the internet at: <http://www.wales.nhs.uk/sitesplus/867/page/62605>.

Throughout 2013-2014, we have improved our reporting of all types of risks and their subsequent management and improvement actions. Two key risk areas addressed in year include:

- Estates compliance – a group has been established chaired by the Chief Executive Officer, its aim to provide a platform for the periodic reporting of compliance risk and progress towards overall compliance of the estate as highlighted through internal audit reports and other assurance mechanisms.
- Escalation arrangements relating to mental health services provided to Powys residents in the north of the county have been put in place strengthening commissioning and governance arrangements across all providers and the Board at their February 2014 meeting agreed and approved a strategic way forward.

In view of our financial position being noted as the highest risk to the organisation, the Health Board had already put controls processes in place and also during 2013/14, two independent reviews of the financial position and the internal processes were carried out.

The reviews were complete by September 2013 and received by the full board. Their recommendations have been taken into consideration in revising our programme management arrangements and in preparing our financial plans going forward.

## 5. The control framework

The Health Board draws upon a range of processes to operate its controls framework. The key features of our arrangements and areas for improvement are set out in the section that follows.

### 5.1 The Quality Assurance Framework

Work is underway in respect of an emerging Quality Assurance Framework. Powys tHB recognises that it needs to strengthen its approach to receiving assurances regarding the quality and safety of all services secured and provided for Powys residents. Safe Care Compassionate Care, the National Governance Framework to Enable High Quality Care in NHS Wales (Welsh Government, 2013) provides the enabling framework to support the development of systems and processes that should underpin a robust Quality Assurance Framework. In developing the model for the framework, account has been taken of the recommendations of the Francis Report and the subsequent report Delivering Safe Care, Compassionate Care: Learning for Wales from The Report of the Mid Staffordshire NHS Foundation trust Public Inquiry (Welsh Government, 2013), which support a review of the approach taken to commissioning for high quality and safe services.

### 5.2 Corporate Governance

PtHB reviewed compliance with its standing orders during 2013/14 and areas for improvement were monitored by the Audit Committee. In reviewing its governance arrangements and taking into account its assessment against the Governance & Accountability Module, the Health Board is clear that it is operating in accordance with the relevant principles of the Corporate Governance Code of Good practice 2011 (HM Treasury).

### 5.3 Welsh Risk Pool Services (WRPS) Assessment

In 2013 the annual Welsh Risk Pool Services (WRPS) Assessment process changed to further align it with issues inherent within claims. The new approach involves a rolling programme of review in high risk areas placing greater emphasis on the patient pathway and implementation of documented arrangements. For the period 2013/14 the assessment was undertaken in respect of the surgical pathway and considered surgical patients from preoperative assessment through to post operative follow up.

The assessment comprised a documentation review and focused on implementation through staff interviews, whose role involves management and treatment of patients on surgical wards, to gauge awareness of the documented arrangements and the extent of their implementation.

Powys Teaching Local Health Board's overall compliance was 94%, based on a breakdown score of 100% for documentation and 89% for interviews. Significant good practice was identified and few recommendations made.

In May 2013, the revised Concerns and Compensation Claims Management Standard was formally assessed. This was the first year PtHB had been involved in this process, as previously the Welsh Risk Pool had managed all compensation claims on Powys' behalf; the responsibility transferring back in June 2012.

Powys scored 56% in May 2013, a reduction from the previous mock assessment score of 70%. Identified areas for improvement included policies and procedures for concerns and compensation claims management, compliance with the Regulations in respect of timeframes, content of responses and the learning and sharing of lessons.

An action plan identifying areas of improvement is currently being progressed but its implementation has been delayed by exceptional capacity issues that have impacted the team.

The final reports are reported to the Risk Management Committee, Board of Directors, Audit Committee, Quality & Safety Committee and the Board.

#### **5.4 Standards for Health Services in Wales**

The organisation uses the Doing Well, Doing Better: Standards for Health Services in Wales as its framework for gaining assurance on its ability to fulfil its aims and objectives for the delivery of safe, high quality health services. This involves self assessment of performance against the standards across all activities and at all levels throughout the organisation. Internal Audit have tested the extent to which the organisation has embedded the Standards for Health Services for the period 2013/14 and their draft report demonstrates 'reasonable assurance'.

The overarching 'Governance and Accountability Module' complements the service specific standards and is focused at organisational level. This involves self assessment of performance against the standards across all activities and at all levels throughout the organisation. As part of this process, the Board has completed the Governance & Accountability assessment module and has:

- openly assessed its performance using the maturity matrix
- put plans in place to achieve the improvement actions identified within clearly defined timescales proportionate to the risk

The outcome of the Governance and Accountability self assessment is set out in the table below; this has been reviewed by Internal Audit and the outcome for 2013/14 is:

### Governance and Accountability Self Assessment Score 2013/14

Governance and Accountability Module	do not yet have a clear, agreed understanding of where they are (or how they are doing) and what / where they need to improve.	are aware of the improvements that need to be made and have prioritised them, but are not yet able to demonstrate meaningful action.	are developing plans and processes and can demonstrate progress with some of their key areas for improvement.	have well developed plans and processes and can demonstrate sustainable improvement throughout the organisation / business.	can demonstrate sustained good practice and innovation that is shared throughout the organisation/ business, and which others can learn from.
Setting the Direction				X	
Enabling Delivery			X		
Delivering results achieving excellence			X		
Overall Maturity Level			X		

The priorities identified for improvement by the Board for 2013/14 were mapped to the organisation’s three year plan to ensure they were addressed. These improvement priorities and their RAG rating for 2013/14 are set out in **Appendix 2**. This demonstrates that progress has been made across all planned improvement actions.

The completed self –assessment for 2012/13 was formally presented to a public Board meeting in April 2013. The completed version for 2013/14 was presented in May 2014 following review of the priorities for improvement for the coming year.

Within the organisation, all teams are expected to adhere to the principles set out in the 26 standards of Standards for Health Services in Wales. The Standards for Health Services Steering Group, accountable to the Quality and Safety Committee, provides a focus for the organisation in how this is approached, and to support teams across the organisation to embed the standards into everyday working. This also follows a self-assessment process, in which teams are asked to identify improvement actions to support them to meet the standard in full.

## 5.5 Governance and Assurance relating to quality of care

The outcome of quality and safety activity is reported through the Improving Patients involvement and Experience Committee, Risk Management Committee, Corporate Health & Safety Committee and the Infection Prevention and Control Committee and assurance provided to the Board through the Audit Committee and Quality and Safety Committee.

The Board approved the publication of the Annual Quality Statement 2013/14 (AQS), this set out what PtHB had achieved during 2013/14 and what the priorities for service improvement were for 2014/15. This provided the organisation the opportunity to reflect on work and demonstrate the commitment towards evidence-based quality improvement going forward.

The AQS can be accessed at: <http://www.wales.nhs.uk/sitesplus/867/page/69625>

The following sections set out the range of work the Health Board has focussed on over the past year in order to ensure sound governance and assurance around the quality of care to patients.

- The Board had been an enthusiastic participant in the 1000 Lives Plus Patient Safety Programme and achieved success in a number of safety and quality improvement areas.
- The Board continues to strengthen its own capacity for quality improvement. Already, 31.5% of staff have undertaken the Bronze Level Improving Quality Together (IQT) course, the highest percentage of staff involvement of any Health Board in Wales.
- We have delivered Francis presentations to 76.4% of staff across all sites. The feedback from the discussions have informed further actions by the teaching Local Health Board.
- The 'concerns' team has continued to embed 'Putting Things Right' across the organisation, however, exceptional circumstances affecting capacity in the latter 6 months due to long term sickness of key staff has impacted on compliance statistics in year. Independent reviews of the Patient Experience/ Concerns team were undertaken in May 2013. The reviews reported in July 2013 and both short term and long term recommendations were identified and improvements are currently being implemented.
- The Fundamentals of Care Audit continually reports high levels of compliance. The results for this last year have reflected similarities in the findings of the NHS Wales survey. The combined results for all user experience survey questions demonstrate that the patients surveyed were satisfied with the standards of care that they received from Powys teaching Local Health Board, with 98% stating either always or usually.
- The Medical Devices work programme has continued throughout 2013-2014. The new McKinley syringe drivers were introduced in September 2013 in support

of the Rapid Response Report on ambulatory syringe drivers promoting patient safety. Going forward we are placing greater emphasis on contracts and their renewal dates, particularly from a patient safety perspective to ensure that our medical equipment is serviced appropriately for patient's use, alongside reinforcing the responsibility and accountability for medical devices at Locality and Service Directorate level.

- The teaching Health Board continues to work in partnership, particularly with Powys County Council in safeguarding children and young people and vulnerable adults. PtHB plays its full role in the Powys Safeguarding Children's Board and the Powys Adult Protection Committee. PtHB is working in partnership to progress the regionalisation agenda set out in the Social Services and Wellbeing (Wales) Bill. The infrastructure in PtHB has been strengthened in order to improve the way in which all staff work with each other to protect vulnerable people whether in a hospital or community setting. A recent inspection from CSSIW Looked After Children (LAC) Inspection evidenced that there was good multi agency working between social care workers, the LAC education co-coordinators, LAC nurses and housing officers.
- Care Home Governance work continues to progress. Following the care homes (with nursing) joint services contract monitoring visit in 2012/13, improvement action plans were developed. These were reviewed later in the year and overall the majority of homes had achieved over 70% of the actions. Systems are being developed to strengthen the pre contract checks with the development of a data base. Care home staff are encouraged to join training where ever possible such as Tissue Viability, Nursing Conference and NEWS training.
- PtHB agreed to a consensual audit by the Information Commissioner's Office (ICO) of its processing of personal data. The audit took place during October 2013 and covered 'Data protection governance, security of personal data and data sharing'. The ICO issued their final audit report giving an overall conclusion of 'Limited Assurance' and their published Executive Summary report ([http://ico.org.uk/what\\_we\\_cover/audits\\_advisory\\_visits\\_and\\_self\\_assessments/audits](http://ico.org.uk/what_we_cover/audits_advisory_visits_and_self_assessments/audits)) was supplemented by a response from Powys to key 'Areas for Improvement' identified within the report, these were:
  - Representation/ attendance at Integrated Governance related committees
  - Information Asset Register and Data Mapping
  - Data Sharing
  - Training

The teaching Local Health Board is taking actions in respect of the recommendations. The follow-up ICO audit process is based on an update of the agreed action plan in 6 months' time (July 2014). Of the initial 42 recommendations, 18 have been completed and a further 24 are being progressed.

- During the year there have been no lapses in data security reported other than trivial ones.

Continuing to ensure the quality of care for treatment outside of Powys, internal work has progressed on strengthening the quality assurance framework. A draft proposed model for a quality assurance framework for Powys in respect of both provided and commissioned services was presented to the Quality & Safety Committee in November 2013 and included in the January 2014 Board Development Session. Examples of how we have worked with other NHS organisations who care for our patients include:

- Powys observer representation on the panel involved in the rapid response review into the quality of care and treatment provided by Wye Valley NHS Trust.
- Going forward into 2014/15 representation on the Wye Valley NHS Trust Clinical Review Forum aimed at supporting and monitoring the quality of services provided by the Trust.
- Discussions ongoing with Herefordshire Clinical Commissioning Group to explore how we can share information across commissioners to help provide assurance and minimise duplication.
- Formal links with the Director of Nursing, Shrewsbury and Telford Hospital NHS Trust to develop and agree a data set to provide assurance.
- Updating of the Quality and Patient Safety Assurance LTA schedules in readiness for 2014/15

With regard to quality governance arrangements within a primary care setting:

- GP practices have completed and continue to participate in the General Practice clinical governance self- assessment tool kit and our uptake rates continue to be the best in Wales. The self -assessment is discussed at annual Practice Review Visits and where a practice's self -assessment score requires improvement, PtHB offers guidance, training and support to help them progress/improve through the levels.
- Dental practices are required to participate in an annual Quality Self Assessment, The results of the survey are analysed by the All Wales Dental Public Health Team and areas that require improvement are picked up through a local traffic light dashboard by PtHB who offer guidance and support to help them progress/improve through the levels.
- GP practices complete annual audits linked to enhanced elements of care that they provide. Clinical outcomes are reviewed by PtHB to ensure a quality service is being provided and learning outcomes are shared across PtHB.

A review of General Practice access has been completed. The review looked at the total appointments being offered per week within each of the Practices. The access position within PtHB has improved within the past 12 months as additional practices are now offering increased appointments towards the end of the day. The review identified that improvement needs to be progressed in relation to non urgent appointment availability after 5:30pm in some practices. This work is currently being progressed as part of a wider access discussion through GP cluster forums with a view to improving access where possible.

## 5.6 Other control frameworks

### 5.6.1 Equality, Diversity and Human Rights

Control measures are in place to ensure that all the organisation's obligations under equality, diversity and human rights legislation are complied with.

### 5.6.2 Employment

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.

### 5.6.3 Sustainability

The organisation has undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements as based on UKCIP 2009 weather projections to ensure that the organisation's obligation under the Climate Change Act and the Adaptation Reporting requirements are complied with.

PtHB has assessed its key sustainability objectives in respect of:

- Promoting health and well-being
- Undertaking more activity in Powys and reducing the need for out of county travel for residents
- Achieving ISO 14001 accreditation
- Reducing energy consumption
- A Sustainability Committee, of the Board of Directors, has been agreed as the vehicle for setting, delivery and review of sustainability targets.

### 5.6.4 National Health Service Finance Wales Act 2014

Further to the National Health Service Finance (Wales) Act 2014 becoming law in Wales from 27th January 2014, new duties with regard to operational planning were placed upon the Local Health Boards. The legislative changes are effected to section 175 of the NHS Wales Act 2006. The majority of changes introduced by the Finance Act impact upon 2014/15 and future years. However, in order to comply with the planning duties it is a requirement that Local Health Boards have a plan prepared in accordance with the guidance issued in place by the end of the 2013/14 financial year for 2014/15 and subsequent years required to be covered by the planning guidance.

Powys teaching Health Board submitted its Integrated Medium Term Plan to Welsh Government in accordance with the required timetable by 31st March 2014 subject to full Board approval which took place on 16th April 2014.

Of main concern is the Health Board's very significant financial pressure. The independent reviews commissioned during the year had given external validation that financial balance within the current resource environment would be highly unlikely. The Health Board will continue its dialogue with Welsh Government regarding its financial position.

### 5.6.5 Ministerial Directions

A number of Ministerial Directions have been issued within the year which relate to PtHB operations. They are as follows:

Updates and amendments to Primary Care Fees and Charges:

- Directions to Local Health Boards as to the statement of Financial Entitlements (Amendment) Directions 2013 (2013 No.60) – These Directions implement the new Dispensing Doctors Feescales from 1st October 2013 and again from 1 April 2014.
- Directions to Local Health boards as the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2013 (2013, No 11). These Directions uplift NHS dental contract payments for 2013/14.
- Directions to Local Health Boards as the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2013 (2013, No.10). These Directions uplift NHS dental contract payments for 2013/14.
- Directions to Local Health Bards as the Statement of Financial Entitlements Directions 2013 (2013 No.8). These Directions formally implement the changes to the General Medical Services Contract for 2013/14
- The Pharmaceutical Services (Fees for Applications) (Wales) Directions (2013 No.9) – These Directions require Local Health Boards to charge a specified fee for applications for inclusion in or amendment to a pharmaceutical list.
- The Primary Medical Services (Directed Enhanced Services) (Wales Amendment) Directions 2013 (2013 No.4) – The amendment Directions update the severe mental illness scheme contained within the Primary Medical Services (Directed Enhanced Services) (Wales) Directions 2007.

Updates and amendments to Hospital Related Services:

- National Health Service (Cross-Border Healthcare) (Wales) Directions 2013 (2013 No.26) – These Directions require Local Health Boards to provide information to and consider applications made by resident patients relating to Cross Border Healthcare and Patient Mobility.
- National Health Service (Reimbursement of the cost of EEA Treatment) (Wales) (Amendment) Directions 2013 (2013 No.25 No. W.25) – These Directions require Local Health Boards to implement regulations relating to Cross Border Healthcare and Patient Mobility.
- Directions to Local Health Boards 2013 (2013 No. 3) – These Directions set out the maximum patient charge that patients have to pay for purchasing expensive lenses via the hospital eye service.

The following link is provided to the Ministerial Directions issued for further reference on their contents: <http://wales.gov.uk/legislation/subordinate/nonsi/nhswales/2013/?lang=en>

## 6. Review of Effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My 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 information that follows presents the summary information used to inform my review of effectiveness.

### 6.1 Head of Internal Audit Opinion

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

The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The Head of Internal Audit has concluded:

*“In my opinion 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.”*

Our internal audit work is designed to evaluate the effectiveness of governance, risk management and control processes across the Health Board as a whole. This is a common feature of every assurance review we undertake as this tests how well the systems and processes designed to keep the Health Board on track are working.

I have reviewed the individual assurance ratings for each assignment and plotted these within the assurance domains. This has led me to conclude an opinion of reasonable assurance for the primary assurance domains of Corporate governance, risk management and regulatory compliance; Financial governance and management; and Clinical governance quality and safety.

It is however the collective audit evidence gained from across the eight domains which has led to the overall assurance rating of limited assurance, even though there are no significant issues within the primary assurance domains. The wording for the limited assurance opinion is standard and reflects that our internal audit work is designed to evaluate the effectiveness of governance, risk management and control processes across the Health Board as a whole.

## 6.2. Internal Audit Assurance domains

The strategic and operational audit plans for 2013/14 were based upon locally determined risks and priorities but structured for the first time around eight key assurance domains. The planning of our audit work in this new format allows audit results to be similarly aggregated for reporting purposes.

The overall assessment across these assurance domains is summarised in Figure 2 below.

### Audit summary by assurance domain

#### Corporate governance, risk management and regulatory compliance

- review of the governance and accountability module and assessment against standards for health services indicate that corporate processes are proving effective. Risk management audit has identified improvement required in the use of Datix.

#### Strategic planning performance management and reporting

- Only one audit undertaken on performance management in this domain. Do not consider that enough work has been undertaken to rate this domain.

#### Financial governance and management

- The audits of the Health Board and NWSSP managed financial systems have confirmed that a generally sound system of internal financial control is in place with 5 of the financial audit reviews providing substantial assurance, 3 with reasonable assurance and 1 providing limited assurance .

#### Clinical governance quality and safety

- Improvements made in the area of CHC identified through follow up. Medicines Management was reasonable assurance and AQS was consistent with WG guidance. Improvement required in putting things right.

#### Information governance and security

- no audits were undertaken on information governance and security and therefore the domain cannot be rated

#### Operational service and functional management

- audit of North locality was limited assurance and limited progress made in follow up of last year's limited assurance locality review.

#### Workforce management

- positive reports on PADR, e-expenses, NWSSP Payroll. However, improvements required in payroll Health Board controls. We were also directed by management to review job evaluation as a result of issues identified during 2013/14.

#### Capital and estates management

- Pre-dominance of limited assurance reports in addition to a no assurance report issued in respect of fire precautions.

## 6.3. Internal Audit Reports with limited or no assurance

### Internal Audit reviews with Limited Assurance

Review	Management response
Putting things Right – Complaints, Incidents and Redress	The existing action plan will be reviewed and updated to include recommendations. This will be aligned with recommendations from the Welsh Risk Pool assessment of Putting Things Right supporting the identification of one set of areas for improvement throughout 2014/15. Additional to this the Concerns/ Patient Experience team restructure is now complete and will embed going forward into 2014/15.
Locality Review (North) – Newtown Hospital	The timely review of Policies and Procedures and their implementation locally was highlighted as the key findings within this report. As a result the Executive Team is strengthening its governance around Policies within the organisation by introducing dedicated resource to oversee this on a corporate basis, to ensure policies are updated and reviewed as required. An action plan is being implemented by the locality to address the recommendations raised.
Asset Management Follow up	Although progress could be shown during the review, with many of the original recommendations partially implemented, there are still some actions to be delivered over the coming 6 months to achieve full compliance with the recommendations raised. These mostly relate to improvement regarding the regular update and completeness of information within the Datix Asset Register particularly for maintenance details, transfers and loans of equipment. A full verification exercise has been undertaken of all assets held on the Fixed Asset Register since the audit, and further work is ongoing within the localities in updating the maintenance detail for assets.
Payroll related processes (Health Board)	Since the publication of the draft audit a workshop has been held with Shared Services to agree a plan to address the identified actions. In addition a customer liaison group has been established to monitor key performance indicators. A revised approach to policy approval and development has been implemented to ensure any outdated policies are reviewed in a timely way to prevent policies being out of date. In addition the Workforce and Organisational Development team are reviewing the implementation of Self Service to ensure wherever possible transactions are completed electronically.

Asbestos	The main outstanding action is the availability of the asbestos register through the MiCAD system. PtHB has a management plan in place agreed with Health and Safety Executive. Paper versions of the register are available locally, the whole estate is in the process of being routinely re-assessed for Asbestos
Estates Assurance – Environmental	PtHB currently lacks the organisational capacity and expertise to address the full recommendations of this and related reports. This is being addressed through a review of the Estates and Works workforce.
Llandrindod Well Development	The Llandrindod Wells Project Board has actions in place to address the recommendations of this report.
Follow up Estates Assurance	Audit committee has agreed a risk based approach to prioritisation and taking forward estates related recommendations with a focus on Estates Compliance.

The following reports were issued with no assurance

### Internal Audit reports with no assurance

#### Review

#### Management response

Fire Precautions	Audit committee has agreed a risk based approach to prioritisation and taking forward estates related recommendations with a focus on Estates Compliance.
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## 6.2 External Audit

The Wales Audit Office undertook a Structured Assessment of the organisation during 2013. The process of which is to review corporate arrangements for governance (including quality governance and arrangements for measuring and improving patient/user experience), management of resources and financial management.

The 2013 review concluded that PtHB has made some progress in addressing the areas for development identified in the 2012 structured assessment, although specific challenges still remain. The report concluded:

- the current financial position of the Health Board is unsustainable, given its current configuration and commissioning model.
- the overall revenue is no longer sufficient to meet current and expected future demand for healthcare services.
- The Health Board's governance arrangements have improved, but as financial pressures increase, so do risks to service, which makes it more important that governance arrangements are strengthened further.
- The board's quality governance arrangements are continuing to improve. Further developments are needed however, particularly around the flow of assurances into the Quality and Safety Committee and from this committee to the Board.

- The Health Board has reasonable arrangements to capture and learn from information on user experience, incidents, complaints and staff concerns however the central team is under significant pressure, policies and procedures are not yet formalised, and the sharing of lessons learnt could be improved further.

The performance audit work has identified good overall performance and opportunities to improve in a number of key areas.

### **6.3 Counter Fraud and Post Payment Verification**

The Audit Committee continue to receive regular reviews of counter fraud and post payment verification activity.

The Counter Fraud resource during 2013/14 equated to 54.4 days, this was reduced from the planned 139 days due to sickness absence. However, during 2013/14 progress has been made in respect of the following;

- Continuity of service provided by the former nominated Lead Local Counter Fraud Officer for Powys teaching Local Health Board, with enhanced input from HDUHB
- A number of investigations successfully completed by the Counter Fraud Wales Service resulting in the successful prosecution of a dental practitioner
- Particularly notable is the areas of increased referrals and contact from staff and contractors for advice and guidance.
- A number of successful outcomes have also been achieved in relation to detection, prevention and deterrent activity
- Liaison has resulted in improved policies and procedures to prevent and deter fraudulent activity, sharing best practice /policy guidance, thereby reducing resource time in the creation of new documentation.
- The requirements of the WG Directions 2006 have been achieved and the provision of information for NHS Protect completed to facilitate national statistical monitoring.
- Continued liaison with related NHS and policing bodies has been achieved during the year, this can be evidenced in relation to the Local Intelligence Network which monitors and addresses pharmacy related risks. The outcome of this interaction has resulted in improved networking and information sharing practices both internal and external to the Health Board.

The NHS Protect Quality Inspection Assessment has been deferred for 2013/14 in view of unforeseen circumstances. However the Lead LCFS has retained close contact with the assessors to ensure the new guidance is applied.

The aim of the PPV process is to ensure propriety of payments of public monies by PtHB. The rolling 3 year programme continued as planned in 2013/14. Recoveries for overpayment have been achieved and learning outcomes shared with practices. Our benchmarking information identifies that there are no significant risk areas within Powys compared to the rest of Wales.

## 6.4 Data Quality for Corporate Reporting

WHC (2007)018 notified the service that PEDW was to be considered the definitive source of APC activity for all corporate reporting and the continued provision of high quality data is essential for PEDW to be relied upon to support such reporting processes. A programme of Data Accreditation was initiated via the Information Quality Programme that comprehensively examined provider performance across a range of issues relating to the collection, reporting and use of APC and outpatient activity information. Each organisation in Wales is required to ensure all data submissions conform to national data validity standards. In order to ensure that our data conforms to national standards the information team use the Validation at Source Service developed and run by NWIS to improve the quality of monthly data extracts. All dataset are submitted using this service. Where records fail to be loaded the information department contacts the department concerned stating the error with the data and requests that the record be updated to ensure that the record is fit for purpose. The record is updated within the main PAS system (Myrddin) and the data is resubmitted. Data validity performance monitoring reports are produced each month by NHS Wales Informatics Service Information Standards team and monitored against data validity standards. The Head of Information monitors these reports each month and will escalate any issues with data quality.

The information data warehouse holds national PEDW data for all Powys residents and reports are developed using this base data. To ensure consistency in reporting the information team are part of the All Wales Methodologies Group which look at developing and agreeing national standards for reporting. The Methodologies group has prioritised tier 1 targets and approval is sought from WGSBI.

## 7. Overall conclusion for 2013/14

Taking into consideration the issues presented in this statement, my conclusions on 2013/14 are as follows;

- Budgetary Control is effective and financial controls are generally sound with areas of weakness only within asset management which we will address in 2014/15.
- Governance and assurance is generally sound, further improvement will be made in 2014/15 through the introduction of the assurance dashboard
- Risk Management is generally sound, improvements noted within the past year
- Clinical Quality and Safety has been demonstrated to be generally sound through the oversight of the Quality and Safety Committee.
- Controls in place under the remit of NHS Wales Shared Services Partnership are generally sound but with improvements required in recruitment

- There are areas which require focussed improvement as highlighted through our internal audit and other reviews and these are around
  - local hospital controls,
  - capital and estates,
  - information governance,
  - use of datix,
  - payroll

We have developed improvement plans for implementation within 2014/15, although capital and estates issues are likely to take a longer time frame to fully implement and our approach will consider the appropriate management of risk during the next period rather than necessarily full resolution of issues identified.

## 8. Looking forward

Our financial position remains of significant concern. The independent reviews commissioned during 2013/14 identified that there was limited scope for further cost reductions over the short and medium term and as such the Health Board reported a year end deficit position of £19.2M.

We submitted our Integrated Medium Term Plan to Welsh Government within the required deadline of 31st March covering the period 2014/15 – 2016/17 which identified that our transformation programmes scoped to date would broadly limit the impact of zero growth funding but would not eradicate what is now considered to be a structural underlying deficit.

We have commissioned independent support during 2014/15 to further test our assumptions around cost and service solutions to demand and capacity going forward. We will also be taking a considered review of our approach to commissioning during the year with a view to ensuring we are structurally fit and have the right capacity / capability to meet the ongoing challenge of securing healthcare to the Powys population within the resources provided by Welsh Government.

Welsh Government to date have advised that they cannot approve our three year plan in view of the financial position and the various national reviews under consideration i.e. Williams and the Mid Wales Review. Instead we will be providing at their request an annual plan for their consideration by 2nd June 2014.

This remains a key area of discussion with Welsh Government in 2014/15 in determining the appropriate way forward.

Signed by:



Chief Executive: R. Hudson

Date: 25/06/14

## Appendix 1 Board Members 2013/14

Name	Position	Board committee membership	Champion roles
Mel Evans	Chair	(Chair) RATS	N/A
Jo Mussen	Vice Chair	Quality & Safety Committee RATS Integrated Governance Committee (Chair) Mental Health Act Sub – Committee	Mental Health, Older People, POVA
Gloria Jones Powell	Independent Member (Third Sector)	(Chair) Quality & Safety Committee Audit Committee Integrated Governance Committee	Children & Young People
Andrew Leonard	Independent Member (Community)	Audit Committee (Chair) Charitable Funds Mental Health Act Sub – Committee	Design, Sustainable Development
Roger Eagle	Independent Member (Legal)	(Vice Chair) Audit Committee RATS (Chair) Integrated Governance Committee Mental Health Act sub-Committee	Complaints
Paul Dummer	Independent Member (University)	(Vice Chair) Quality & Safety Committee	Welsh language, Equalities
Gareth Jones	Independent Member (Finance)	Quality & Safety Committee (Chair) Audit Committee Charitable Funds Committee RATS Integrated Governance Committee	N/A
Rosemarie Harris (to – June 2013)	Independent Member (Local Authority)	Audit Committee	Cancer
Melanie Davies (December 2013 onwards)	Independent Member (Local Authority)	Quality and Safety Committee	N/A

Gyles Palmer	Independent Member (Capital & Estates)	Charitable Funds Committee  Information Governance sub-Committee	Cleanliness
Mark Baird	Independent Member (Information, Communications & Technology)	Audit Committee  Quality & Safety Committee  (Chair) Information Governance sub- Committee	Violence & Aggression
Alan Austin	Associate Member, Chair) Stakeholder Reference Group		N/A
Amanda Lewis	Associate Member, Strategic Director for People - Powys County Council		N/A
Jeremy Patterson	Associate Member, CEO, Powys County Council		N/A
Dr Doug Paton	Associate Member, GP		NA
Andrew Cottom (to – November 2013)	Chief Executive		N/A
Bob Hudson (November 2013 onwards)	Chief Executive		N/A
Rebecca Richards	Executive Director of Finance	Charitable Funds Committee	N/A
Brendan Lloyd	Executive Medical Director		N/A
Carol Shillabeer	Executive Director of Nursing	Charitable Funds Committee	N/A
Bruce Whitear (Interim Appointment)	Interim Director of Planning		N/A
Sumina Azam (Interim Appointment) ( to June 2013)	Interim Director of Public Health		N/A
Catherine Woodward	Executive Director of Public Health & Strategic Planning		N/A
Amanda Smith	Executive Director of Therapies & Health Sciences		N/A
Joanna Davies (to June 2013)	Executive Director of Workforce & OD		N/A
Julie Rowles (March 2014 onwards)	Executive Director of Workforce & OD		N/A

## Appendix 2 Improvement priorities and progress made in 2013/14

Improvement priorities identified in Module 1 Theme 1.	Progress – RAG Rated (Red Amber Green)
<p>1. A full strategic approach to engagement is to be developed, identifying areas where the voice of the people should be stronger and sustaining high levels where this exists</p> <p>2. Developing and implementing an organisational behaviour framework as part of the team coaching work</p> <p>3. Continuing to develop partnership working with staff and their representatives</p> <p>4. Embedding values of equality and diversity through strengthening the implementation of Equality Impact Assessment and monitoring impact on patients</p>	<p>Engagement continues however a Board level strategy is yet to be developed.</p> <p>Framework yet to be developed. Aston team coaching cascading throughout the organisation.</p> <p>Local Partnership Forum meetings continue. Francis staff engagement events held.</p> <p>The new localised Equality Impact Assessment policy was approved in July 2013. This incorporates best practice guidance provided by the NHS Centre for Equality and Human Rights and includes an easy guide on how to undertake an Equality Impact Assessment. The process has been demystified and outcome reporting simplified, again modelled on best practice. Roll out of the policy is well underway and has targeted training and awareness raising. Monitoring the impact on patients is in its infancy but feedback from stakeholder events such as How Fair is Powys and the information gleaned from the increasingly commissioned patient satisfaction surveys are assisting with this. The new communications/ engagement hub will further help with this aspect.</p>
<p>5. Further work is to take place to demonstrate how UN Rights of the Child are being considered and applied</p>	<p>There is a safeguarding training strategy which ensures that the UN Rights of the child is included in the training delivered in Powys. e.g. Level 3 training for frontline staff includes UN Rights of the child.</p> <p>The Children’s Rights legislation from Welsh Government has been circulated via Powys announcements to all staff and will be the base for future legislation policy and practice.</p>
<p>6. Strengthen the planning and commissioning processes through development of a 3 year rolling plan that incorporates national planning priorities and demonstrates that the views of the citizens have been considered</p>	<p>3 Year Plan approved by Board</p>
<p>7. Strengthen strategic joint planning through a review of partnership arrangements under the Local Service Board</p>	<p>Review undertaken and revised partnership arrangements in place. LSB One Plan developed for 2014 onwards.</p>

## Theme 2. Enabling Delivery

1. Executive Directors working to fully delegate appropriate accountability to Teams and Locality and Directorate Managers, ensuring cohesion between teams (Supported by Team Based Working)

2. Develop a forward estates strategy

3. Ensure that the Programme Office is fully functioning to support Transformation Programmes such as Information Services and the clinical change programmes

4. Action plans to achieve key audit recommendations to be overseen by re-established Information Governance Committee

5. To adopt an ongoing approach which links the annual governance statement more closely to corporate priorities

6. Fully participate in development and application of new Workforce Tools to ensure vigour is applied to determining safe staffing levels

7. Continue to strengthen the approach for management of Board level risk.

8. Further work will be undertaken to build capacity for integrated planning across service, finance and workforce

Board level Scheme of Delegation in place. Accountability Frameworks for localities yet to be developed.

Significant work undertaken to improve estates compliance. A draft overarching Strategy is in place and will be finalised in the near future.

PMO established. Work underway to ensure required capacity within PMO to support required change agenda.

Information Governance Committee established. Recommendations used as the basis of Committee work plan.

Development of an assurance framework underway. Further work required to strengthen strategic risk management to inform corporate planning and performance management.

Organisational Professional Nursing & Midwifery Staffing Standard Operating Procedures approved in March 2014 for implementation going forward.

As for (5) above

PtHB undertook an engagement process with staff to build its approach to integrated planning and deliver the Integrated Medium Term Plan. This was supported by investing in PMO capacity and a demand and capacity modelling project has been commissioned to further strengthen PtHB's approach. PtHB has also strengthened its information team to inform planning, and undertaken a Transformation Project on information to underpin planning.

## Theme 3. Developing Results, Achieving Excellence

1. Development of an Assurance Framework which will determine all legal and other requirements placed upon the teaching Local Health Board and outline the sources of assurance available to the Board in satisfying itself that all are delivered.

Mapping exercise undertaken to determine assurance requirements. Work underway to identify assurance sources and gaps.

2. Development of a Quality Assurance Framework to provide greater robustness in the reporting of information relating to quality of service provision required from external providers. This will inform the Locality based contract review process and will be included in the Annual Quality Statement to be published from September 2013

3. Establish a consistent and systematic approach to reporting and learning from clinical audit across all services

4. Further develop consistency in approach and a systemic reporting mechanisms for QI (1000 Lives Plus) reporting

5. Further develop the Integrated Performance Report and supporting infrastructure to ensure focus and information have direct alignment with the Annual Plan

6. Further develop an internal communications strategy, to systematically gain, record and act on the views of staff

7. Participating in the national programme of work to build the skills of the workforce in quality improvement methodology

8. Development of a Board Business Cycle to determine reporting requirements of the Board

9. Surveying the reactions of users of external services

10. In light of the Francis Review, national work on professionalism to be considered and applied where appropriate – expand beyond nursing into other groups

The Quality Assurance Framework is being established as part of the overarching PtHB organisational performance framework and supported by PtHB commissioning management arrangements.

Powys tHB has developed an Audit strategy based on the best practice principles laid out in NHS Wales Audit Committee Handbook. The Strategy and six month Audit plan have been presented to the Quality and Safety Committee. PtHB participated in every audit for which it qualified on the National Clinical Audit and Outcome Review Plan and was unique in achieving 100% GP participation in the National Diabetes Audit.

The Nursing Director brought regular reports on the 1000 Lives Plus workstreams to the Quality and Safety Committee up to the closure of the 1000 Lives Plus Programme in October 2013.

Development of Integrated Performance Report undertaken. Further work required in developing performance framework.

The Workforce and Organisational Development Director is in the process of commissioning a review on Communication for the Health Board. A working group is being set up to progress the feedback from the Francis Presentations and the links with the Staff Survey.

PtHB became the first organisation in Wales to achieve 25% of Staff qualified to Bronze level under the national scheme to bring quality improvement skills to the workforce.

Work is underway to develop the Board Assurance Framework; once all assurance requirements are identified a business cycle can be produced.

The NHS service user experience framework and core question surveys have been implemented Powys-wide. Further work is underway to map patient experience activity. Work on walkabouts is progressing to include peer reviews.

All professional groups engaged in learning from Francis with over 75% of all staff participating in specific engagement sessions. Included strengthening awareness of professional responsibilities to ensure standards met both as individual professional and as part of multidisciplinary team.

# Appendix 3. Sustainability Report

## Overview

Powys teaching Health Board (PtHB) recognises the value of sustainability as a central organising principle within the Welsh Government (WG) and public sector bodies in Wales. In accordance, PtHB submits this report as documentation of its sustainability performance for the year 2013-14.

This report presents an overview of the sustainability performance for the reported year, financial and non-financial information covering emissions, waste and resource consumption and an overview of forward plans. The report prepared confirms to the public sector requirements as set out in the Government Financial Reporting Manual (FRM), supplemented by HMT Guidance 'Sustainability reporting in the Public Sector'.

## Powys teaching Health Board – Description

### Powys teaching Health Board Estate

Total Number of Sites	10
Community Hospitals	9
Treatment Centres	1
Total Estate Site Footprint (m <sup>2</sup> )	45,199
Total Estate Site Land Area (Hectare)	39.52
Total Number of Staff Employed (WTE)	1455

Asset and Age Profile	%
Age Profile – pre 1948	50
Age Profile – 1948 to 1954	0
Age Profile – 1955 to 1964	0
Age Profile – 1965 to 1974	0
Age Profile – 1975 to 1984	24
Age Profile – 1985 to 1994	0
Age Profile – 1995 to 2004	26
Age Profile – 2005 to Present	0

## Environmental Management Governance

The Sustainable Committee of PtHB, which is accountable to the Board of Directors, provides PtHB with a strategic direction to develop a structured approach to sustainability by developing and maintaining an Environmental Management System (EMS), supporting the principles of Sustainable Development and being a Good Corporate Citizen.

The Committee meets bi-monthly to work primarily on attaining ISO 14001 accreditation, developing and maintaining environmental, transport and waste policies and procedures and promoting consistency and transparency in harmonizing management of environmental issues across PtHB.

## Summary of Performance

### Initiatives 2013/14

PtHB has introduced sustainability as a central organising principle within the organisation as part of the Three Year Plan. The most significant impact has been the establishment of the Sustainability Committee in May of 2012 which has started the process of addressing specific issues of sustainability, and initiating processes and actions which will help further establish sustainability in Powys. The committee's first challenge will be in line with requirements from the WG, to set up an EMS and gain accreditation of ISO 14001. This will help PtHB to monitor, assess and address its sustainability performance with regard the environmental impacts of our activities and services.

There has been further progress over the past twelve months in the Energy and Water Consumption Policy, Travel Planning, Waste Management Policy and an Environment Policy. Work has continued to develop more efficient and sustainable recyclable waste streams and to advance collaborative working with other Health Boards and the County Council in this area. Key aims are to promote the minimisation of waste generated and reducing its environmental impact wherever possible by diverting waste from landfill and maximising recycling opportunities.

A Carbon Management Plan has been developed setting out where we stand, what we can achieve, how we can achieve it and the relative costs of taking action versus not, in relation to our Carbon Emissions. The Plan was presented to the Board of Directors early in 2013/14.

PtHB's estate management performance is published on the NHS Estate in Wales reporting system. PtHB recognises that there is further work to undertaken to provide confidence in the accuracy of elements of the data to support robust sustainability monitoring.

### Future Strategy

The Sustainability Committee has agreed to set an ambitious target of 5% carbon reduction year on year by 2016/17 from its 2011/12 baseline (higher than government targets of 3% reductions).

The main areas to tackle to achieve these reductions will be:

1. Awareness
2. Policy Implementation
3. Metering

<b>Greenhouse Gas Emissions</b>				
		<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
<b>Non-Financial Indicators (tCO<sub>2</sub>e)</b>	<b>Total Gross Emissions</b>	19,555,856	19,459,320	13,825,727
	<b>Total Net Emissions</b>			
	<b>Gross Emissions Scope 1 (direct)</b>	4,990,035	4,954,571	4,583,754
	<b>Gross Emissions Scope 2 &amp; 3 (Indirect)*</b>			
<b>Related Energy Consumption (KWh)</b>	<b>Electricity: Non-renewable</b>	1,745,896	4,000,242	2,814,289
	<b>Electricity: Renewable</b>	1,875,138	NA*	NA*
	<b>Gas</b>	14,200,222	15,272,938	10,977,519
	<b>LPG</b>	NA	NA	NA
	<b>Other</b>	1,734,600	186,139	33,919
<b>Financial Indicators (£)</b>	<b>Expenditure on Energy</b>	1,105,491	1,014,806	820,570

\* Renewable Electricity readings and billing cannot be separated from Total Electricity usage

Emissions are calculated using The Carbon Trust Conversion software where by conversion factors are as follows:

- Electricity – 0.52462
- Gas – 0.1836
- Oil – 0.27857

This data is taken from the Estates and Facilities Performance Management System (EFPMS) report for the WG. The data is calculated from utility invoices. There are insufficient meter reading capabilities across all PtHB sites at present. PtHB does not have the dedicated resources to be able to collect and validate energy data at present but is talking with energy providers and Water companies with regard smart metering systems and monitoring software.

Using the above data as a baseline PtHB is seeking to make 5% reductions in energy consumption year on year by 2016/17 as laid out in the Carbon Management Plan.

## Waste

Collection of waste data has now been implemented with reporting accuracy improving year on year.

Waste		2011-12	2012-13	2013-14
<b>Non-Financial Indicators (tonnes)</b>	<b>Total Waste</b>	780.32	757.56	819.18
	<b>Landfill</b>	672.08	689.99	701.39
	<b>Reused/Recycled</b>	108.24	67.57	117.79
	<b>Composted</b>	0	0	0
	<b>Incinerated with energy recovery</b>	0	0	0
	<b>Incinerated without energy recovery</b>	4.09	4.31	4.216
<b>Financial Indicators (£)</b>	<b>Total Disposal Cost</b>	114,845.56	115,549.43	127,254.63
	<b>Landfill</b>	108,716.74	106,642.91	121,208.46
	<b>Reused/Recycled</b>	6,128.82	8,906.52	8,213.32
	<b>Composted</b>	0	0	0
	<b>Incinerated with energy recovery</b>	0	0	0
	<b>Incinerated without energy recovery</b>	17,069.5	19,283.13	15,897.65

To support the management of our waste a "Sustainable Waste Management Procedure" has been approved and implemented by the Sustainability Committee.

The procedures aims are to ensure improvements around the:

- Categorisation, recording and segregation of waste
- Safe handling, storage and disposal of waste
- Transportation of waste
- Waste minimisation
- recycling of waste

## Travel Planning

A Travel Plan has been developed with a key aim to encourage staff and visitors to use alternatives to single-occupancy car-use. It has been recognised that a robust plan can offer real benefits, not only to the organisation and its employees, but also the community and environment that surrounds it.

To inform the plan, we have carried out a survey to obtain the views of staff at all our sites. Our plan is designed to be a dynamic process which will evolve and change over time to reflect our organisation, our employees and our sites.

It has provided an ideal opportunity us to evaluate and reconsider the current travel habits and covers the following elements:

- Commuter journeys
- Business travel
- Visitor travel
- Deliveries and contractors travel
- Fleet vehicles
- Working practices including the use of conferencing facilities

The results from the travel survey have enabled us to identify our key priorities as:

- Better lit paths and cycle ways
- Secure cycle parking
- Shower/changing facilities on site
- Discount schemes for bikes
- Improved public transport times, routes and discounted rates
- Availability of crown cars
- Availability of an organised car sharing scheme
- Ability to work from home
- Availability of VC facilities

These priorities have been worked up into a central corporate action plan with regional sections for each of the North, Mid and South Localities.

## Resource Consumption

Water usage has remained relatively constant over the last 3 years.

Finite Resource Consumption			2011-12	2012-13	2013-14
<b>Non-Financial Indicators (000m<sup>3</sup>)</b>	<b>Water Supplied</b>		NA***	NA***	NA***
	<b>Water Consumption (Office Estate)</b>	<b>Abstracted</b>	NA***	NA***	NA***
		<b>Per FTE</b>	NA***	NA***	NA***
	<b>Water Supplied</b>		NA***	NA***	NA***
	<b>Water Consumption (Non-Office Estate)</b>	<b>Abstracted</b>	NA***	NA***	NA***
	<b>Total Consumption</b>		<b>52,500</b>	<b>59,353</b>	<b>44,615</b>
<b>Financial Indicators (£million)</b>	<b>Water Supply Costs (Office Estate)</b>		NA***	NA***	NA***
	<b>Water Supply Costs (Non Office Estate)</b>		NA***	NA***	NA***
	<b>Total Cost</b>		<b>75,190</b>	<b>83,694</b>	<b>72,163</b>

\*\*\*Water consumption cannot be divided into office and non office estate due to lack of sub metering on sites and nature of mixed usage across sites. PtHB is committed to smart metering. Three sites remain on a rateable contract for water.

Resource consumption data is collected from utility invoices. The above table shows water consumption only and does not include sewerage costs.

## Environmental Management System (EMS)

### Implementation

PtHB is working toward 50% of the estate gaining ISO14001 accreditation. The EMS is under development and PtHB is in discussion with an external auditing body to begin the pre assessment of 3 sites which together comprise 50% of PtHB estate in internal floor area (Bronllys Community Hospital, Ystradgynlais Community Hospital and Brecon War Memorial Hospital). PtHB has engaged consultants to provide gap analysis of the EMS system and to provide a detailed action plan to achieve accreditation.

### Other Sustainability Initiatives

The Health Board is working toward the CHS Platinum Standard Award documenting the different projects undertaken that demonstrate a commitment to environmental sustainability and social responsibility. The case studies include:

- The establishment of community allotments within hospital sites (Welshpool)
- Tele-learning project, Telemedicine and conferencing projects to reduce travel impacts.
- Environmental awareness initiatives through Wellbeing at Work such as a live feed camera at bird nesting sites in Ystradgynlais Hospital.



# Report of the Auditor General for Wales to the National Assembly for Wales on the Summary Financial Statements

I have examined the summary financial statements contained in the Annual Report of Powys Teaching Health Board on pages 33 to 77.

## Respective responsibilities of the Accountable Officer and auditor

The Accountable Officer is responsible for preparing the Annual Report. My responsibility is to report my opinion on the consistency of the summary financial statements with the statutory financial statements, and the auditable part of the remuneration report. I also read the other information contained in the Annual Report and consider the implications for my report if I become aware of any misstatements or material inconsistencies with the summary financial statements and the full financial statements.

## Basis of opinion

I conducted my work in accordance with Bulletin 2008/3 'The auditor's statement on the summary financial statements' issued by the Auditing Practices Board for use in the United Kingdom.

## Opinion

In my opinion the summary financial statements are consistent with the statutory financial statements and the auditable part of the remuneration report of Powys Teaching Health Board for the year ended 31 March 2014. My opinion on truth and fairness of the statutory financial statements was unqualified, but my opinion on regularity was qualified because Powys Teaching Health Board breached its revenue resource limit by spending £19.264 million over the amount that it was authorised to spend in the year. This spend constitutes irregular expenditure.

I have not considered the effects of any events between the dates on which I signed my report on the full financial statements, 26 June 2014 and the date of this statement.

I placed a substantive report on the financial statements to explain the basis of the regularity opinion qualification and to provide further details about the financial position and planning arrangements of the Health Board. This report can be found with the statutory financial statements.

In my opinion the information contained in the Annual Report for the financial year for which the financial statements are prepared is consistent with both the summary and the full financial statements.

Huw Vaughan Thomas  
Auditor General for Wales  
10th September 2014

Wales Audit Office  
24 Cathedral Road  
Cardiff

## Stay Informed

To keep up to date with news from Powys teaching Health Board, you can follow us on Facebook, Twitter, or send your name and contact details and we will write to you with news.



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[@PowystHB](https://twitter.com/PowystHB)



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We welcome all comments and are happy to provide further information on request. Please contact us to request this report in a different format.

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