

POWYS TEACHING HEALTH BOARD



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WALES

Bwrdd Iechyd
Addysgu Powys
Powys Teaching
Health Board

ANNUAL REPORT AND ACCOUNTS 2015/16



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This document makes reference to and draws upon the following documents which are available on our website:

Annual Quality Statement www.powysthb.wales.nhs.uk/annual-report-aqs

Integrated Medium Term Plan www.powysthb.wales.nhs.uk/IMTP

Full Financial Accounts www.powysthb.wales.nhs.uk/annual-report-aqs

Hearts and Minds Strategy www.powysthb.wales.nhs.uk/heart-and-minds

About this Annual Report

The key sections of this Annual Report

Powys Teaching Health Board is required, as are all Welsh NHS bodies, to publish an Annual Report and Accounts. Copies of previous year's reports can be accessed from our website at: www.powysthb.wales.nhs.uk/annual-report-aqs

For the 2015-16 financial reporting year the Welsh Government issued revised guidance for the preparation of annual reports and accounts. For the first time NHS bodies are required to publish, as a single document, a three part annual report and accounts document, which must include:

Part 1 The Performance Report

- An overview of the health board and a summary of its performance
- An analysis of the health board's performance

Part 2 The Accountability Report

- Corporate Governance Report
- Remuneration and Staff Report
- Parliamentary Accountability and Audit Report

Part 3 The Financial Statements

A summary of our financial statements is published in this report. The full financial accounts can be found online at www.powysthb.wales.nhs.uk/annual-report-aqs

What will you find out in this Annual Report?

The Annual Report tells you about what we do and how we are working to deliver high quality healthcare as well as planning for future generations.

It explains how important it is for us to work with and listen to the people of Powys, so that we can deliver services that meet their needs. It also provides information on areas where we know that we need to make further improvements and explains how we will be doing this.

Our priorities for 2015/16 were set out in our Integrated Medium Term Plan (IMTP) for 2015-18, which also details our strategic objectives and provides a detailed analysis of our performance in 2015/16. This report will show how progress is being made against this plan.

To find out more about the IMTP, please visit our website www.powysthb.wales.nhs.uk/IMTP

Our Annual Quality Statement

Published at the same time as the Annual Report, our Annual Quality Statement (AQS) provides further detail on what we have done to improve the quality of our services and to deliver safe effective care for the people of Powys. It also describes some of the challenges we have faced, areas where we know improvements can be made, and how these have shaped our priorities for 2016/17.

Introduction and highlights of our performance

We are delighted to introduce Powys Teaching Health Board (PTHB)'s Annual Report and Accounts for 2015/16.

The aim of PTHB is to lead the improvement of the health and wellbeing of the people of Powys and to deliver excellent healthcare. Our vision is to provide 'truly integrated care centred on the needs of the individual' and in this Annual Report, we are pleased to share a number of key developments from 2015/16 that are helping this to be a reality.

Last year we set out in our Integrated Medium Term Plan (IMTP) for 2015-18, the steps that we would take to meet the population's health and healthcare needs. Following scrutiny by the Welsh Government the plan was approved, demonstrating confidence that the needs of the Powys population had been taken into account and that the health board had the capability of delivering what it had said that it would do. This was a significant achievement, providing a platform for continuous improvement.

Good progress has been made in implementing the key actions we set out to achieve and the difference for patients and citizens is evident. General improvements in health indicators, improved access to local services, excellence in many service areas as judged by patients, greater engagement of staff in our collective work, increased integration with Powys County Council and a balanced budget all demonstrate the way in which we have worked with partners and the public.

In this report we highlight the progress that has been made, as well as looking at where we need to improve.

Performance

The Board receives a performance report supported by a performance dashboard each time it meets. Performance is also scrutinised by the Board's Finance, Planning and Performance Committee.

Highlights

We continue to live in a period of austerity so are pleased to report that we achieved a successful break-even financial position for the second year running. The financial climate remains challenging and we recognise that sometimes we will need to take difficult decisions to make sure we spend money prudently.

We know how important it is to have the best possible start in life and it has been heartening to see the impact made by our healthy schools scheme and innovations such as Sblash a Spri, which encourages parents and babies into the water as early as possible. This Ystradgynlais project was recognised nationally when its founders, Sue Grounds and Ann Bamsey, were given the Royal College of Nursing Community Nurse of the Year Award.

We have also made real progress with immunisation uptake, particularly in relation to childhood vaccination and flu vaccinations in pregnant women and children. More staff than ever before have also taken up the flu vaccine, with PTHB having the highest percentage of staff immunised in any health board in Wales. This shows a commitment to improve both their own health and protect their patients, families, colleagues and communities against the illness. It would be great if we could build even further on this during 2016/17.

Ensuring people can easily access services that meet their needs is a continual focus for us and during the past year we have brought new services into Powys as well as continuing to provide as much care as possible close to home.

The introduction of a specialist eye care service in Brecon Hospital, ensures treatment can be provided locally rather than having to travel out of county.

We have also rolled out our award winning Virtual Ward that enables frail and elderly patients to be cared for safely and effectively at home, avoiding unnecessary admission to hospital.

It is pleasing to report that we are meeting waiting time targets for treatment in Powys with all patients seen within 26 weeks of referral. We recognise however, that there is room for improvement for waiting times with our external providers in neighbouring areas of Wales and England. Reducing waits, particularly in ophthalmology and diagnostics, will be a key focus for 2016/17.

We are also improving mental health services and have brought back direct management of some services into Powys. This improvement work will continue over the coming year and beyond.

All our health board staff strive for excellence in everything we do, whether that is in relation to clinical services or non-clinical such as catering, portering and transport. Our staff excellence awards, which were bigger and better than ever, reflected this with colleagues from all areas being recognised for the work they do, day in day out, to improve care for our patients.

It was good to see that patients recognise the work; in the 2015 patient survey, 600 people who were receiving care in 43 clinical areas, reported an overall satisfaction rate of 98%. Their feedback, alongside the valuable information we receive from patient stories and complaints, help us to improve. We have already identified priorities including improving mouth care and providing a better sleep environment in our hospitals.

As we look ahead we will be concentrating on key priorities from our IMTP, including continuing to improve our estate, ensuring we have the right numbers of skilled staff, developing a long term health and care strategy, and working with partners to plan and provide more integrated care.

Finally, we know that success fundamentally relies on working together with the people of Powys as we build on a more integrated approach to delivering services. Our ever-closer relationship with Powys County Council is very important to us and we look forward to continuing to push forward together improvements for the people of Powys.

We also particularly value our relationship with the Community Health Council and the voluntary sector across Powys, including the League of Friends. Their help in planning and providing services that meet the needs of patients is vital and we would like to thank them all for their support.

We hope that our annual report provides you with reassurance that we are making progress and that we are committed to delivering safe, quality care consistently across all our services.

Carol Shillabeer, CEO (left)
Viv Harpwood, Chair (right)



Carol Shillabeer *Viv Harpwood*

About us

Powys Teaching Health Board (PTHB) was established in 2003. It is responsible for improving the health and wellbeing of the 133,000 people who live in Powys and providing them with high quality, effective healthcare services.

The health board is governed by a board comprising Executive Directors and Independent Members. Further details of these arrangements can be found in the accountability section of this report on P50

Powys is a mainly rural area covering a quarter of Wales, but with less than 5% of the total overall population spread thinly across a large area it is vital that services are accessible and provided as close to home as possible.

While the health board's unique profile generates complexities and challenges, it also drives the strategic direction of PTHB in developing a rural service model that balances prevention, integration with other public services and care closer to home, with the need to achieve economies of scale, sustainable service delivery and access to specialised services.

Commissioning

The largest proportion of our budget is devoted to commissioning NHS services. Much of this care is provided in the community by primary care contractors such as General Practices, dental practices, Pharmacists, Optometrists and Nurses in Powys. Other community based services, such as community hospitals, are provided through the health board's own service provider function.

As we don't have a District General Hospital, we buy a range of services from other healthcare organisations in Wales and England to ensure we meet the needs of the population. This includes general surgery and hospital led maternity services. Our out of county activity is equivalent to that of a District General Hospital with 400 beds.

The table below illustrates the annual spend by provider and the funding flows to our main secondary care providers.

Table 1: External Funding Flows

External Funding Flows – Main Secondary Care Providers	
Betsi Cadwaladr UHB	£2M
South Staffordshire Trust	£1M
Robert Jones & Agnes Hunt Hospital	£9M
Shrewsbury & Telford Trust	£23M
Wye Valley Trust	£13M
Aneurin Bevan UHB	£18M incl £6M Mental Health
Cwm Taf UHB	£1M
Cardiff & Vale UHB	£1M
Abertawe & Bro Morgannwg UHB	£8M
Hywel Dda UHB	£7M
WHSSC	£32M

Key Facts and Figures 2015

Employs **1,360**
FTE staff members*



...who last year



Served a population
of **133,000**



Dispensed **3,360,406**
prescription items*



Helped with **36,078**
outpatient
attendances*



Undertook **117,547**
courses of treatment and
units of dental
activity*

Included **98** GPs
working with the
Health Board across
3 clusters*



Carried out **25,622** sight
tests paid for by the NHS*

Issued **7,406** primary
immunisation courses*

Made **250,530**
GP referrals*



Powys Teaching Health Board is spread over a large rural area of Mid East Wales. Powys THB's core aim is to improve the quality and range of services available to local people and to ensure timely access to safe and appropriate health services where needed.

Working with a range of other organisations, including partnership with Powys County Council, Community Health Councils and voluntary sector organisations, the Teaching Health Board is responsible for providing local services to reflect the needs of the people of Powys.

This is mainly through GPs and other primary care services, community hospitals and community services.


*No comparisons between UHBs or Trusts should be made
For further information please contact the Welsh NHS Confederation.
© The NHS Confederation 2016. Images designed by Freepik*

There is no large acute hospital in Powys, there are however nine community hospitals and four Minor Injury Units.

More information is available at www.powysthb.wales.nhs.uk

References:

*All data from Stats Wales for the period of 2014-2015 or 2015
All other data provided by Powys Teaching Health Board

Welsh NHS Confederation
Tŷ Phoenix, 8 Cathedral Road, Cardiff, CF11 9LJ
Tel: 02920 349850
www.welshconfed.org  @WelshConfed

We work closely with the Voluntary Sector (voluntary, charity and community organisations) and commission more than £1.7M worth of services from them. We also contract with nursing homes for long term care.

We also work in partnership with Welsh Health Specialised Services Committee (WHSSC) to commission specialised and tertiary care services, and the Emergency Ambulance Services Committee (EASC) for the provision of emergency ambulance and transport services. Further details can be found on P64

We are committed to ensuring requirements unique to Wales, such as the Welsh Language and the Specific Equality Duties for Wales, are factored into these arrangements.

Community services

PTHB directly provides non-specialist healthcare services through its network of community services and community hospitals. There is also provision of an increasing range of consultant-led outpatient sessions, day theatre and diagnostics in community facilities, bringing care out of the acute hospital setting.

A local community healthcare model is operationally delivered by the health board through two locality management teams; North Powys and South Powys. Increasingly this model benefits from the clinical leadership of the three Primary Care clusters in Powys in the design and delivery of local services and on the commissioning of specialist services.

The fragility of the rural service model continues to be a major risk to the delivery of health and care in Powys. Recruitment to the medical workforce has been a challenge to the health board, however General Practice partners have actively contributed to ensure continued provision of local services. The fragility of primary care is in itself a risk for the continued local delivery of safe services. An overview of the health board's risk profile is provided on P74-77

Finance

PTHB spends the biggest proportion of its funding on secondary care service with organisations outside of our borders. The remaining funding is being spent on its own employed activities in delivering community care and securing a full range of primary care through independent contractors.

Having had a long history of financial difficulty, the health board received strategic financial assistance in 2015/16 which removed the legacy of deficit and put the health board onto a firm financial footing going forward and for as long as the strategic assistance remains in place.

Workforce

PTHB has a unique workforce profile when compared with the rest of Wales. The health board spends 19% (£56.2M) of its total revenue budget on the paybill (including on costs and with variable pay element of approximately 6%), compared with other NHS Wales Organisations whose pay costs typically account for 70-80% of total budgets.

This represents a staff headcount of 1,741 people (Dec 2015), which equates to 1,335.95 Full Time Equivalent (FTE) posts excluding hosted services. There has been an increase of 144.36 FTEs compared with the same period last year, the majority as a result of the transfer of Adult Mental Health staff on 1 December 2015 from Betsi Cadwaladr and Abertawe Bro Morgannwg University Health Boards (UHB) which amounts to 96.29 FTEs.

At the end of March 2015, we had 75.15 FTE GPs (93 Headcount) and 43.53 FTE (68 Headcount) Practice Nurses working across 17 practices in Powys. In addition, we have the following staff employed within the Machynlleth Practice:

- Machynlleth (health board managed)
 - Admin/Dispenser x 15
 - GP x 3
 - Clinical staff x 6
- Agency staff
 - Pharmacist x 1
 - Advanced Nurse Practitioner x 1

We also had 78 Dentists (Headcount) working across 22 Practices.

Integrated working

As the only health board in Wales to be coterminous with a single local authority, the health board has forged strong partnership arrangements with Powys County Council. The organisations are key partners in the One Powys Plan, Local Service Board (LSB) and the LSB Transformation Board and have a history of effective collaboration in developing shared support functions.

PTHB and Powys County Council have an over-arching Section 33¹ agreement through which the organisations manage joint arrangements for Information Communication Technology (ICT) services, reablement services, Glan Irfon Integrated Health and Social Care project, joint equipment and substance misuse services. Mental health services, services for people with learning disabilities, older people, carers and children's services are also key joint areas for integrated working.

Powys' Voluntary Sector provides a wide range of services and activities that directly or indirectly contribute to the health and general wellbeing of our citizens.

The strong foundation that co-terminosity and a history of successful collaboration has established provides PTHB and the County Council with significant opportunities to develop services and teams which provide integrated care centred around the individual. As such, both organisations have fully committed to further explore options of large scale integration of health and social care services at all levels.

Cross border working

PTHB is in a unique position in Wales in managing care over the five main health systems that span its borders. Each of these systems link into their own wider health economies to facilitate access to tertiary services such that residents of Powys are required to travel as far as Stoke, Birmingham, Cheltenham, Cardiff and Swansea.

Links to Europe and Africa

PTHB is one of six pilot sites across Europe participating in European projects. The two projects currently underway are focused on Integrated Care Coordination Pathways, Patient Empowerment and Home Support Pathways, and the implementation of online supportive cognitive behavioural therapy (CBT).

Beyond Europe, PTHB is an active partner in the Wales for Africa programme and has continuing active links with Molo in Kenya, primarily focussed on maternal and child health.

¹ A Section 33 Agreement provides a formal basis for partnership working

We are pleased to be able to announce that we have received a £20,000 grant from THET¹ for children's disability work in Molo, Kenya. The grant will enable us to continue our work on 'getting to know Cerebral Palsy' that we have undertaken over the past year.

We have also been working in Nyahururu, Kenya, to establish a disability programme including the making of assistive devices from paper based technology for children.

Participation in such international projects expands the health board's opportunities for learning, innovation and increased partnership working.

Welsh Language

Recent work to understand the linguistic profile of our staff has started to show good results. Of 1,100 or so front line staff, 263 have reported having Welsh language skills. It is anticipated that this number will increase as the staff record is more fully completed. 31% of new appointments are Welsh speakers.

Working with others features strongly in Powys with the establishment of a multi-agency group to promote, monitor and implement the Welsh Language across the county. Launched by the Welsh Language Commissioner, the group includes the health board, the county council, the 3rd Sector, and other public services including Dyfed Powys police and the fire service.

Equality Duty

We are strengthening our approach to assessing the equality impact (as described in legislation) of any key service changes or significant policy changes, to ensure that we can understand and where possible mitigate impact on the groups defined in the equalities legislation.

Continuing Health Care

Mental health needs account for around half the "continuing health care" (CHC) expenditure of the health board. PTHB is seeking to develop core services and "supporting living" in Powys to prevent out of county and independent sector admissions where possible. PTHB is currently funding 80 people out of county in nursing homes, rehabilitation units and secure units.

Host organisations

The health board also provides leadership and support in its role as host of three functions on behalf of NHS Wales:

- The seven Community Health Councils (CHC) in Wales, and the national Board that oversees the CHCs. The hosting role relates mainly to financial and human resource processes.
- Health and Care Research Wales which facilitates collaboration between NHS organisations, higher education institutions and the industry sector across Wales.
- The Continuing Healthcare Retrospective Project and its 56 staff.

Information on how the health board is run and operates can be found in the Accountability and Governance section of this report (see P50-97)

The population we Serve

The demographic trends for Powys present a significant challenge to the health board in delivering a sustainable health care system. There is currently a greater proportion

¹ THET is the UK support agency for Health Links between health institutions in Africa, Asia and elsewhere in the world and their counterparts in the UK

of people aged over 50 years and a smaller proportion of working age adults (20 to 39 year olds) compared with Wales as a whole. Further, population projections for Powys show that by 2033, the over 65 age group is set to increase dramatically, with an 80% increase between 2008 and 2033.

There is hidden poverty in Powys associated with rural communities, with pockets of poverty in larger towns such as Ystradgynlais, Brecon, Llandrindod and Newtown. In 2003, 2008, and 2013, earnings in Powys were below the Welsh average with the gap widening.

A further dimension in Powys is the impact of rurality on health status, in particular within this, housing issues and access to healthcare services.

The ambition to reduce health inequalities in Powys is an important aspect of our work that is outlined in our IMTP. A detailed analysis of the health inequalities found across Powys, the lifestyle and health status of Powys residents together with details of the mental health needs of the Powys population and health service utilisation can be found in our IMTP for 2016-2019, this can be accessed at www.powysthb.wales.nhs.uk/IMTP

What we said we would do in 2015-16

As stated earlier in this report, the health board's vision is 'to provide truly integrated care centred on the needs of the individual'. For 2015/16, we set ourselves six aims to help us to deliver this vision:

- Improving health and wellbeing
- Ensuring the right access
- Striving for excellence
- Involving the people of Powys
- Always with our staff
- Making every pound count

Our 2015-18 Integrated Medium Term Plan set out how we would achieve these aims by increasing primary care and community services, strengthening our commissioning of services from other organisations and taking an integrated approach by working closely with our partners. A copy of the 2015-2018 IMTP can be accessed online at www.powysthb.wales.nhs.uk/IMTP

There have been many areas of achievement and progress throughout 2015-16 and in the following sections we provide an analysis of our performance.

Your health board and the population it serves - at a glance

- PTHB commissions a range of services from a number of Welsh and English NHS organisations, managing complex arrangements of care across five health economies in England and Wales.
- Community and primary care services are where care is predominantly accessed, with primary care practitioners providing clinical leadership to the health board's operational management of care.
- PTHB has a strong history of partnership and integrated working with Powys County Council and there is great potential for further integration of health and social care.
- The health board's workforce is small and largely clinical. The greatest challenges stem from the ageing workforce and the implications for Medical, Dental, Nursing and Midwifery services.
- Geography and rurality mean that health and care services are more fragile and access more difficult.
- There is a greater proportion of people aged over 50 in Powys compared with Wales as a whole.
- The over 65 age group in Powys will increase by 80% by 2033.
- The number of those aged over 65 and 75 will rise faster in Powys compared with Wales as a whole.
- Economic wellbeing is above the Welsh average but there is hidden poverty associated with rural communities and in the larger towns.
- 13% of children are living in poverty.
- On average, Powys residents earn consistently less than many other Welsh Local Authorities, ranking third lowest in Wales.
- Powys is the most deprived Local Authority in Wales in terms of access to services.
- Between 2004 and 2013, there has been a reduction in the proportion of Year 11 leavers not in education, employment or training.
- Housing in Powys is less affordable compared with most of Wales.

Welshpool Hospital



Our Performance: Summary

NHS Outcomes and Delivery Framework

For 2015-16 the Welsh Government developed the NHS Wales Outcomes and Delivery Framework. Its aim was to ensure a greater focus on the improvement of population outcomes. The framework was based around seven domains that have been identified through extensive public and stakeholder engagement, these were identified by the public as an important way for them to help understand how their NHS is doing at delivering the services they require and the associated improvements in population health and well being.

The table below provides Welsh Government's summary of the health board's performance against the NHS Wales Outcomes and Delivery Framework. It highlights that the health board improved its performance against 22 of the NHS Wales Outcomes and Delivery measures and sustained its performance against a further 14 measures and targets. We are pleased to note that 11 of the 14 measures, where performance is highlighted as having been sustained, relate to areas where the health board has continued to achieve full compliance with the target set by the Welsh Government.

Powys Teaching Health Board	Improved performance	Sustained performance	Decline in performance	Target Summary
STAYING HEALTHY - I am well informed & supported to manage my own physical & mental health	11 measures	0 measures	6 measures	↑
SAFE CARE - I am protected from harm & protect myself from known harm	3 measures	6 measures	1 measure	↑
EFFECTIVE CARE - I receive the right care & support as locally as possible & I contribute to making that care successful	2 measures	3 measures	2 measures	→
TIMELY CARE - I have timely access to services based on clinical need & am actively involved in decisions about my care	0 measures	4 measures	6 measures	↓
INDIVIDUAL CARE - I am treated as an individual, with my own needs & responsibilities	3 measures	1 measure	1 measure	↑
OUR STAFF & RESOURCES - I can find information about how the NHS is open & transparent on use of resources & I can make careful use of them	3 measures	0 measures	1 measure	↑
SUMMARY	22 measures	14 measures	17 measures	↑

The three further measures where sustained performance has been noted relate to research and specifically the health boards participation in studies; this is an area where we recognise further improvement is needed.

A decline in performance has been highlighted for 17 of the measures. The health board met the target required in the following areas, although performance above that target does vary (figures contained in the first three bullet points relate to services provided by PTHB):

- In each of the last twelve months in excess of 99.5% (target 95%) of patients waited less than 4 hours in an emergency department ;
- At the end of the year no patients had been waiting more than 26 weeks for treatment (target 95%);
- At the end of the year 99.8% (target 100%) of patients had received the specific diagnostic tests they required in less than eight weeks; and
- At the year end 66.1% of red ambulance calls had been responded to in 0-8 minutes (target 65%).

The actions set out below and the broader efforts to improve delivery of care across services have contributed to positive performance against the majority of NHS Outcomes Framework Indicators. The health board's progress is summarised against our six key aims and our 12 strategic objectives below. Further details of our performance can be found in the subsequent sections of this report and in our IMTP which can be found online at www.powysthb.wales.nhs.uk/IMTP.

Aim 1: Improving Health and Wellbeing

Strategic Objective 1: Improve health now and lay the foundations for maintaining good health for the future

- The national smoking prevalence target has been achieved in Powys. However efforts continue to improve local delivery of the Public Health Wales smoking cessation service
- Immunisation rates in Powys show an improvement trend. For example, flu performance during the 2015/16 season showed improvements in absolute/relative performance on a number of the measures
- The proportion of reception class children who were recorded as being overweight or obese in the 2014/15 child measurement programme was 23.6% compared with 23.9% the previous year

Strategic Objective 2: Improve the emotional wellbeing and mental health of the people of Powys.

- Delayed Transfers of Care (DToC) in mental health have reduced to their lowest level since 2010
- Work continues to improve compliance with parts 1&2 of the Mental Health Measure
- Patient environments have been improved on Clywedog and Felindre wards and new premises established for the community mental health team in Ystradgynlais
- The implementation of the Hearts and Minds Strategy is on track, to include refreshing of the Dementia Plan addressing Ministerial priorities, and partnership working remains strong. Further details at www.powysthb.wales.nhs.uk/hearts-and-minds

AIM 2: ENSURING THE RIGHT ACCESS

Strategic Objective 3: Increase the capacity, capability and resilience of primary and community care

- Powys as a provider has consistently performed well with under 26 week Referral to Treatment Times (RTT) waits, at no point during 2015/16 did they drop below 98% compliance
- Therapy waiting times performed well with a low number of patients breaching the 14 week target, these occurred in audiology, speech and language and physiotherapy
- Powys Minor Injury Units consistently performed above the 99% target for patients seen within four hours
- Diagnostic waits have also demonstrated an improved position with only Sonography exceeding a wait of eight weeks, with action taken to deliver an improving position across year

Strategic Objective 4: Develop whole system commissioning to ensure appropriate access to effective services across the whole health system

- A Commissioning Assurance Framework has been developed and approved. Further information provided on P66-67 of this report
- There remain areas of challenge, including full compliance with referral to treatment times targets, ambulance response times, mental health services performance and delayed transfers of care that feature highly in this Plan to ensure we provide the best care for patients

AIM 3: STRIVING FOR EXCELLENCE

Strategic Objective 5: Ensure robust systems and processes are in place to deliver continuous improvement in safety, quality and patient and carer experience in all settings

- The effective management and resolution of complaints has been a critical workstream to enhance patient experience and health board reputation. The significant backlog of complaints has been addressed, with improved compliance in 30 day turnaround time. Further information is provided on P66 of this report
- Clostridium Difficile rates remain low, which is positive, but there is much work to do to address antimicrobial resistance within primary care and this will be a focus during 2016
- The new Health and Care Standards are being implemented, with a vibrant steering group in place. A quality check toolkit has been piloted on a number of community hospital sites in response to the 'Trusted to Care' report developed with the Voluntary Sector
- 46 cases of pressure damage were reported in 2015/16
- PTHB is 100% compliant with all patient safety and safety solution measures
- There were no 'never events' recorded by PTHB during 2015/16

Strategic Objective 6: Develop an estate that is fit for purpose and progressing to meet service needs

- PTHB completed a Strategic Outline Programme (SOP) to outline a five year programme of capital investment to address the considerable concerns in respect of health and safety compliance in the health board's estate
- PTHB secured an additional £2M in capital investment to both address compliance matters and rationalise the estate, and this programme of work continues
- The Llandrindod Wells Hospital Reconfiguration project to improve the front elevation of the hospital and birthing centre was taken forward

Strategic Objective 7: Secure innovative ICT solutions, built on a stable platform

- A Joint ICT Strategy was refreshed in partnership with Powys County Council;
- The health board's key milestones within the National ICT plan have been implemented; including GP systems implementation
- Joint project management arrangements have been established for the implementation of WCCIS (Welsh Community Care Information System), Powys being the first region in Wales to proceed to joint implementation

Strategic Objective 8: Ensure a well governed organisation

The improvements made to governance arrangements during 2014-15 were acknowledged by the WAO in its 2015 Structured Assessment of the health board. The WAO reported that:

- Planning and performance management arrangements have improved
- A comprehensive Governance Improvement Programme and revised Executive portfolios provide a better position from which the health board is able to deliver its strategic objectives
- The Board has made good progress in relation to the strengthening of its overall effectiveness although further work is required before it can demonstrate sustained good practice and innovation

A detailed account of our Corporate Governance structures and processes is provided on P69

AIM 4: INVOLVING THE PEOPLE OF POWYS

Strategic Objective 9: Develop an integrated health and care strategy through effective partnership working and continuous engagement with citizens of Powys, patients, carers, staff and stakeholders

- A new Stakeholder Engagement Strategy was approved at the August 2015 Board;
- The health board is currently reviewing the arrangements for the Transformation Programme with a view to identifying opportunities to further align this with the integration plans with Powys County Council

AIM 5: MAKING EVERY POUND COUNT

Strategic Objective 11: Implement effective financial management to ensure statutory break-even and best value for money

- We are pleased to report that we achieved a successful break-even financial position for the second year running

AIM 6: ALWAYS WITH OUR STAFF

Strategic Objective 12: Develop a sustainable, skilled and engaged workforce fit to meet the needs of the population of Powys

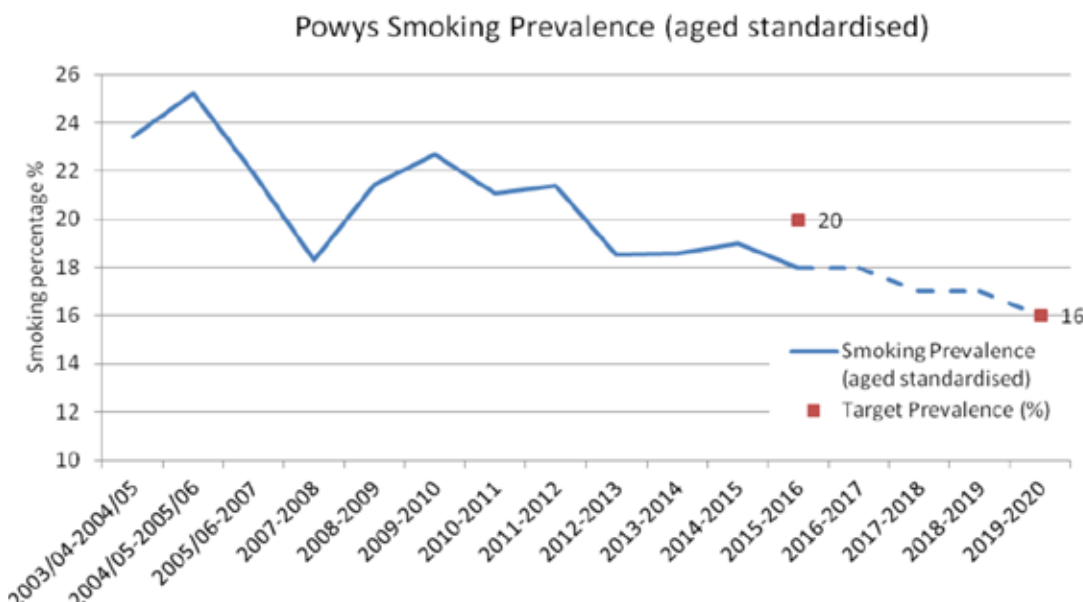
- Sickness rates have continued to fall, consistently falling below the 4.42% set target
- At the end of the financial year, 96% of Medical staff had received an appraisal

Our Performance: Improving health and wellbeing

Measure		Target	End of Year
NHS Outcomes Framework	% estimated LHB smoking population treated by NHS smoking cessation services	5%	2.29%
	% Smoking Prevalence	20%	19% (2014)
	% smokers treated by NHS smoking cessation services who are CO-validated as successful	40%	40.1%
	% uptake of the influenza vaccine in the following groups:		
	Over 65s	75%	64%
	Under 65s in at risk groups	75%	44.2%
	Pregnant women	75%	54%
	Healthcare workers	50%	56%
	% uptake of childhood scheduled vaccines up to the age of 4:		
	5 in1 age 1	95%	98%
	MenC age 1	95%	98%
	MMR1 age 2	95%	94.4%
	PCV age 2	95%	95%
	HibMenC Booster age 2	95%	95.6%
	% of reception class children (aged 4/5) classified as overweight or obese	Annual reduction	23.6%

Helping People to Stop Smoking

PTHB is on track to meet the national target to drive down adult smoking rates to 20% by the end of 2016. The most recent findings from the Welsh Health Survey - <http://gov.wales/statistics-and-research/welsh-health-survey> show a smoking prevalence figure of around 19% for Powys. Notwithstanding this trend, smoking remains the leading cause of preventable illness and premature death and it is crucial that current efforts to curtail tobacco use are continued.



Due to the harm caused by tobacco use, reducing smoking prevalence in Powys remained a key priority for the health board in 2015/16. The number of treated smokers in Powys increased (improved) slightly during 2015/16 compared to 2014/15, although (as in other health boards) the national activity target was not achieved.

Actions taken forward by the health board during 2015-16 included:

Tobacco Control

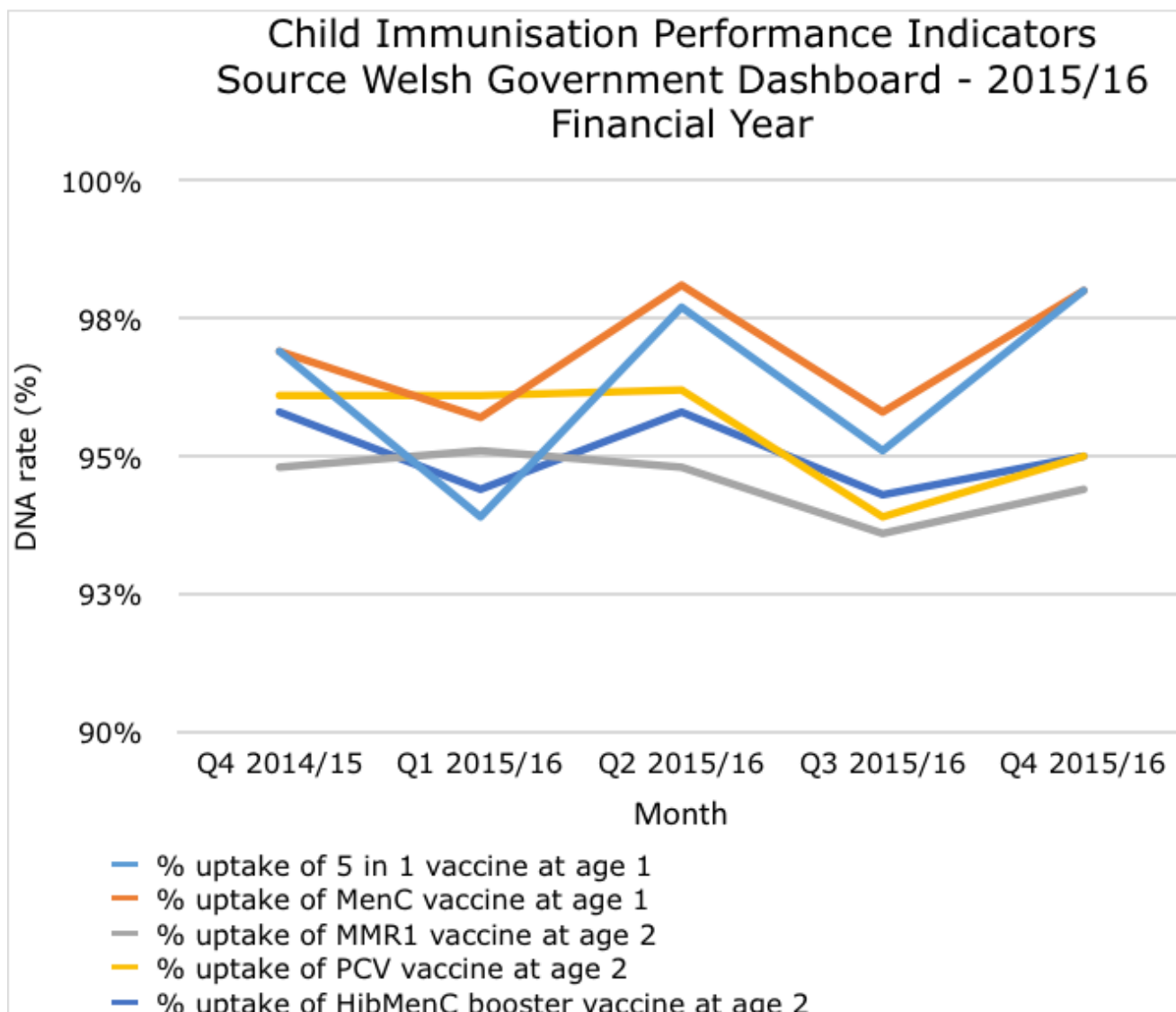
- The establishment of a Multi-agency Tobacco Control Alliance
- The implementation and commencement of a revised Tobacco Control Strategy and action plan
- The development of a revised PTHB Smoke Free Policy. This was developed in line with new requirements of national Corporate Health Standard "Platinum" level (including staff consultation) (to be presented to Board in May 2016).
- The launch of Smoke Free playgrounds.

Smoking Cessation

- Making Every Contact Count (MECC) training includes smoking cessation services referral advice. Early evaluation suggests MECC training has increased referral rates into cessation services by PTHB midwives.
- Provision of stop smoking training for midwives. Every midwife has been provided with a CO monitor in line with NICE guidelines. This supports the improved referral of pregnant women who smoke, in to smoking cessation services.
- In addition, health visitors working in the Flying Start areas were issued with CO monitors, to support women who have already stopped smoking, through the post-natal period.
- An in-house GP surgery smoking cessation service pilot is in development.
- Ongoing support for stop smoking services in community pharmacies
- Supporting public promotion campaigns, including Stoptober and No Smoking Day
- Supporting GP practices, for example, to develop more efficient referral systems into local cessation services

Immunisation Coverage: Children

Local immunisation rates remained comparable to the national position, although not all national targets were achieved in Powys during 2015/16.



The latest figures for MMR uptake (January to March 2016) show that 83.7% of 16 year olds have received both doses of their MMR vaccination, a reduction from the same period in the previous year (91.0%). Work aimed at increasing coverage of MMR vaccination in all children and young people is being undertaken as a priority during 2016/17, as part of the overall plan to further improve local immunisation rates.

Immunisation Coverage: 'Flu

The health board's Occupational Health Service achieved high levels of flu immunisation amongst staff and were worthy winners of two national Flu Fighter Awards during 2015/16: 'Flu Fighter Best Communications Team' and 'Flu Fighter Cymru Champion'. While the uptake of flu vaccination increased amongst staff, pregnant women and eligible children during 2015/16 compared to 2014/15 the rates of immunisation amongst under 65s at risk and the over 65s requires improvement. Specific issues to note are that:

- PTHB was best performing health board in Wales in relation to staff uptake of flu immunisation, having increased uptake by over 9%.
- 60.1% of staff in direct patient contact were vaccinated– the only HB or Trust in Wales to achieve 60% staff uptake.

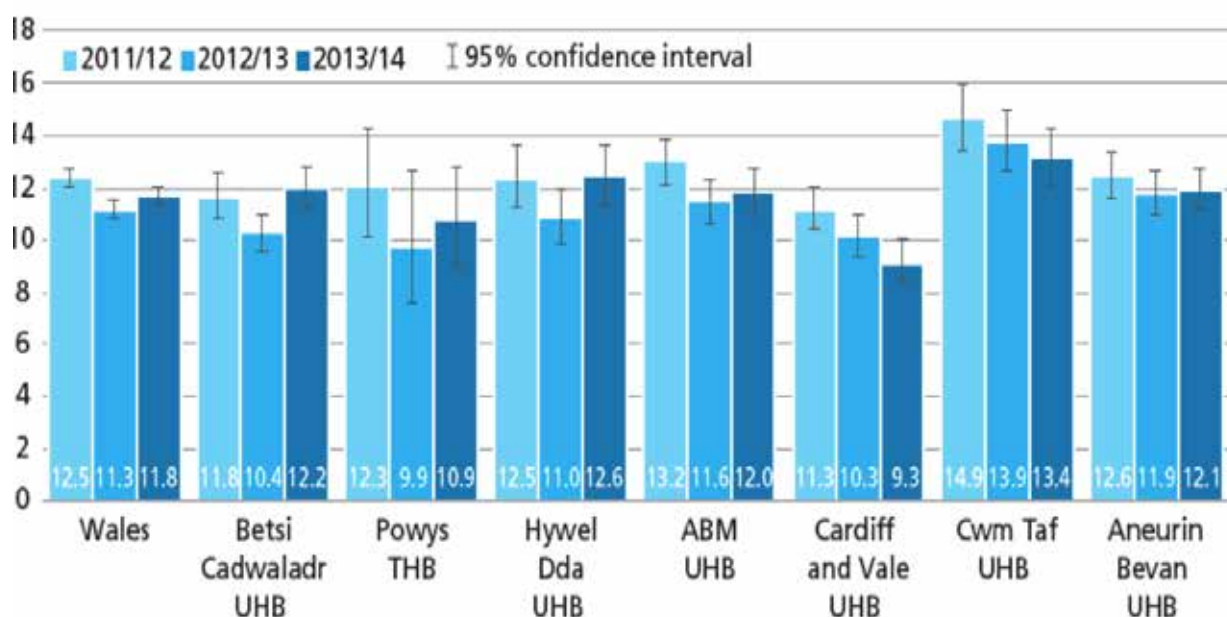
- PTHB was the best performing health board in Wales for flu immunisation amongst pregnant women and was the second best performing health board for uptake amongst children.
- PTHB had the second highest uptake amongst 2-3 and 4-6 year olds.
- Uptake in under 65s at risk was 2.3% lower than the Welsh average.
- Uptake by 65s and over was 2.2% lower than the Welsh average.
- A workshop was held in April 2016 to review progress during 2015/16 and to explore options for a “transformative approach” for further increasing uptake in 2016/17 and 2017/18.

Childhood Obesity

Reducing childhood obesity continues to be a key priority for the health board. Based on the latest intelligence, the proportion of Powys children in reception year who are overweight or obese is 23.6%. There has been a slight reduction year on year, but almost one in four children are still starting school overweight or obese.

Proportion of children aged 4 to 5 years who are obese, Wales and health boards, Child Measurement Programme for Wales, 2011/12, 2012/13 and 2013/14

Produced by Public Health Wales Observatory, using CMP data (NWIS)



The health board continues to support a range of initiatives to enhance rates of physical activity and healthy eating.

- PTHB Healthy Weight Action Plan refreshed using a life-course and obesity pathway approach
- Established workstreams, focused on:
 - i) Pregnancy/pre-school.
 - ii) School-age children.
 - iii) Adults/older people (focusing on reviewing local obesity pathways leading to the development of a business case for L2 and L3 services during 2016/17).
- Review of weight management interventions in the context of the national pathway approach.
- Promotion of healthy weaning – training and resources provided for health visitors and other staff e.g. using a “weaning party” approach.

- Extension of parent/baby swimming with health visitor input across Powys, following the success of 'Sblash a Sbri' in Ystradgynlais.
- Evaluation/roll-out of Healthy Pre-school Scheme, focusing on healthy weight in existing and newly recruited settings.
- Roll out of Walk Leader Training to increase access for parents/young children/pregnant women across Powys to lead walks.
- Health Visitors and Midwives acting as 'walk leaders' for pregnant women and parents with babies/toddlers
- Provision by Powys Community/Public Health Dietetic team of a range of the award-winning Agored Cymru courses, including an Early Years Nutrition Course.
- The piloting of 'FRESH' in Ystradgynlais - a new programme aimed at supporting families with primary school-aged children to take more exercise and eat healthily.
- Health visitors promoting healthy weaning through the holding of 'weaning parties' .

Powys Healthy Schools

In 2015/16, Powys Healthy Schools continued to build on previous developments, achieving 100% membership of the scheme among primary, secondary and special schools in Powys. The national target for 95% of schools to attain Phase 3 of the Healthy Schools Award was also achieved. In addition, a number of schools received more intensive training and support from the local Healthy Schools Team, in preparation for the Powys Excellence Award for Healthy Schools (a "stepping stone" to the National Quality Award, see below). The schools achieving the local award were:

- Buttington-Trewern County Primary School, Welshpool
- Gladestry Church in Wales School, Presteigne
- Gungrog Nursery and Infants School, Welshpool
- Llanfaes County Primary School, Brecon
- Trefonnen Church in Wales School, Llandrindod Wells

A further 10% of schools have now started working towards the local Excellence Award.

The National Quality Award (NQA) is the highest accreditation which can be gained through the Welsh Network of Healthy School Schemes. This award is only possible after a school has been accredited for at least nine years and is gained following thorough independent assessment. By the end of 2015/16, the following Powys schools held NQA status:

- Llanfyllin High School
- Llangorse Church in Wales School
- Newbridge on Wye Church in Wales School
- Carreghofa Primary School

Three further schools have since applied for the National Quality Award and will be assessed during 2016.

Making Every Contact Count – Supporting Healthier Choices

Through the Public Health Team, the health board has continued to build on Making Every Contact Count (MECC), a national approach which encourages and supports staff engagement with patients on behaviour change. Patients are supported to lead healthier lifestyles, in particular:

- Smoking cessation
- Reducing alcohol consumption
- Increasing physical activity

- Healthy eating
- Improving mental wellbeing
- Encouraging immunisation

To date, more than 250 health board staff have received MECC Level 2 training to enable them to have the knowledge, skills and confidence to discuss health behaviour change more frequently with their clients and/or patients. So far, the training programme has included PTHB community hospital staff, dieticians, health visitors, midwives, therapy teams and GP practices.

The MECC Level 1+ course has also been provided for non-clinical health board and Voluntary Sector staff. So far, 80 staff have been trained including staff from the fire service, Mid-Powys MIND, Pont Hafren, Kaleidoscope and in pre-school settings.

A monthly MECC bulletin is distributed to all staff who have received MECC training. The bulletin keeps staff up to date with key health messages, upcoming events and developments in the MECC programme; refresher tips for motivational interviewing are also included.

Priorities for 2016/17

We have set ourselves the following priorities for the year ahead:

- Reduce smoking prevalence through the Tobacco Control Plan
- Improve weight management of adults and children through the Healthy Weight Plan
- Increase population resilience against communicable illness through improved immunisation uptake
- Reduce health inequalities by developing and implementing a Health Inequalities Action Plan
- Implement the Healthy Child Wales Programme locally, through a local implementation plan

Further information

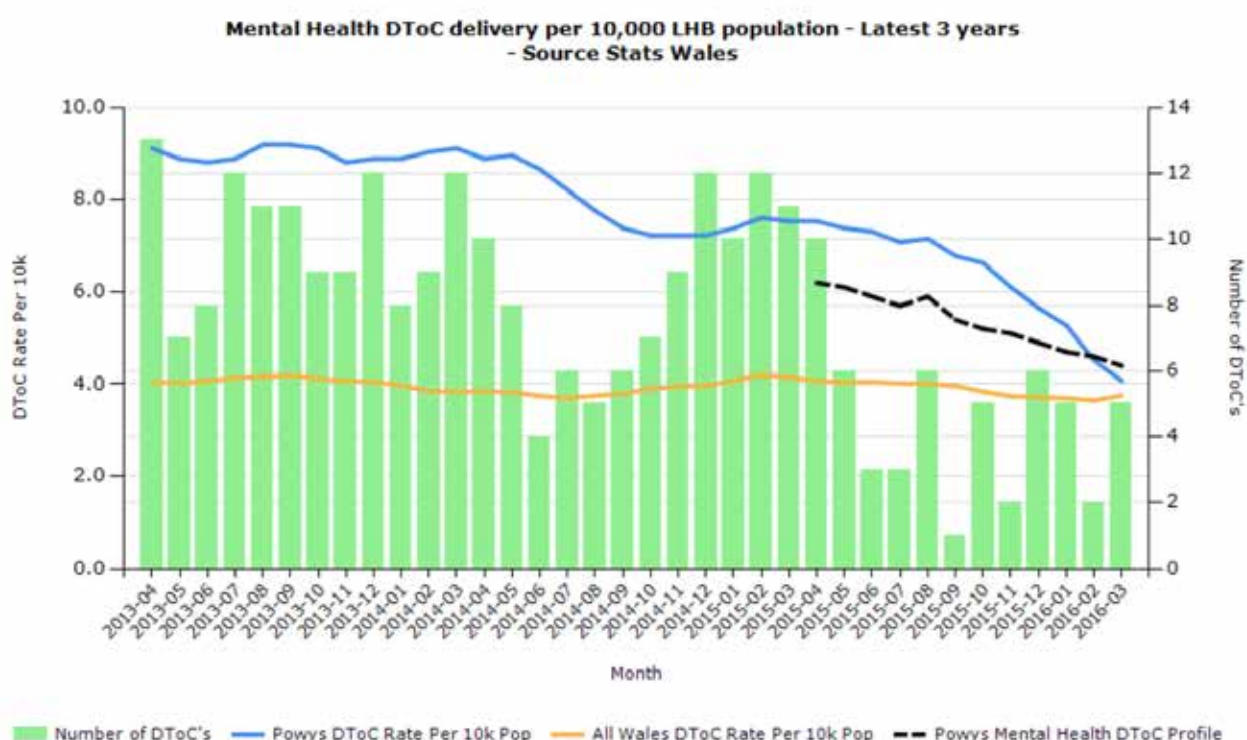
Further information in relation to the health and wellbeing of the people of Powys can be found in the Annual Report of the Director of Public Health, which can be accessed online at www.powysthb.wales.nhs/annual-report-aqs

Mental Health and Wellbeing

NHS Outcomes Framework	Measure	Target	End of Year
	DToC delivery per 10,000 LHB population - mental health	Reduction (rolling 12m)	4.1 [Achieved]
	% of assessments by the LPMHSS undertaken within 28 days from the date of referral	80%	84.6%
	% of therapeutic interventions started within 28 days following assessment by LPMHSS	80%	69%
	% of LHB residents (all ages) to have a valid CTP completed at the end of each month	90%	95%
	% LHB residents sent their outcome assessment report 10 working days after assess	100%	100%
	% of hospitals with arrangements to ensure advocacy available to qualifying patients	100%	100%

The above measures provide an insight into the efficiency and effectiveness of our mental health services and we are pleased to note that overall there was improvement across all measures. The figures highlight that:

- Delayed Transfers of Care (DToC) in mental health were reduced to the lowest level since 2010. Powys's performance exceeded the Welsh national average in March 2016 with a figure of 4.1 per 10,000, this is largely due to the implementation of weekly reviews of DToCs through phone calls with providers and Social Services
- Mental Health Measure Part 1: The % of assessments undertaken within 28 days has exceeded the target with a figure of 84.6%. The performance of interventions within 28 days has improved to 69% but is still below the target of 80%
- Mental Health Measure Part 2: At the end of March 2016 95% of Health Board residents who are in receipt of secondary mental health services have a valid Care and Treatment Plan. The health board's performance exceeded the national target set for 15/16
- Access to psychological therapies was an issue that was escalated to the Board. Long waits for such services was a concern and action was taken to address the matter as a priority
- Crisis and Home Treatment services (CRHTT) are provided to people living in the community who require intensive, daily support and who may otherwise be likely to be admitted to in-patient care. All Powys CRHTTs are fully functioning across Powys and have significantly reduced hospital admissions. Over the last 12 month period, 90% of referrals to the CRHTTs in Powys have resulted in an assessment being undertaken which is an improvement on the previous years performance



During the year a number of initiatives were implemented and steps taken to improve performance across our mental health services, these included:

- The implementation of mechanisms to ensure that designated staff link with each GP practice as well as monitoring and feedback activity on the levels of referral and their appropriateness
- A new online Cognitive Behavioural Therapy programme launched in March 2015 as part of the Mastermind Project known as Beating the Blues. This has received 245 referrals. Beating the Blues teaches the individual how to recognise and tackle

problems and has been proven to work especially on depression and anxiety. Uptake is steadily growing, with ongoing effort made to support those referred to complete the programme

- Strengthened leadership and governance arrangements and a revised Board level Mental Health Services Assurance Committee has been established.
- A pilot of on-call psychiatry, re-establishing access for the first time in six years in the north of Powys
- Improvements to patient environments on Clywedog and Felindre wards and new premises established for the community mental health service in Ystradgynlais.
- The implementation of the Hearts and Minds Strategy, including refreshing of the Dementia Plan addressing Ministerial priorities, and partnership working remains strong
- Psychological therapies – A EU funded Mastermind project is progressing
- In September 2015, the Community Intensive Treatment Team (CITT) became fully operational. The CITT is part of Child and Adolescent Mental health Services (CAMHS) to provide flexibility in provision of services to meet the day to day requirements of young people and offer an alternative for hospital admission for children and young people with serious conditions such as eating disorders. Recruitment to this team took place in April 2015 with children and young people very firmly part of the process
- During 2015/16, PTHB has received confirmation from Welsh Government of funding for several initiatives for Dementia Care

To ensure that we drive further improvements to our mental health services and the outcomes of those using the services during the year we took steps to transfer mental health services back to Powys. We are now directly managing within the county around 141 staff including existing staff, new appointments and those who transferred in Local Primary Mental Health Support Services; Community Mental Health Teams; Crisis Resolution Home Treatment Teams; Mental Health wards within Powys hospitals (for adults of all ages); and associated clinical psychologists and occupational therapists.

Overall approximately £10.7 million was spent with neighbouring health boards of which £10.3 million is returning to direct management within Powys.

Priorities for 2016/17

During 2016/17 we will:

- Improve mental health service provision including waiting times for mental health interventions, crisis response, care and resolution (all ages).
- Improve the support available for people with dementia and for those caring for people with Dementia.
- Improve mental health and resilience of the people of Powys (All ages).
- Improve compliance with Deprivation of Liberties standards.
- Successfully manage the transition of Adult Mental Health services to PTHB.

Our Performance: Striving for excellence

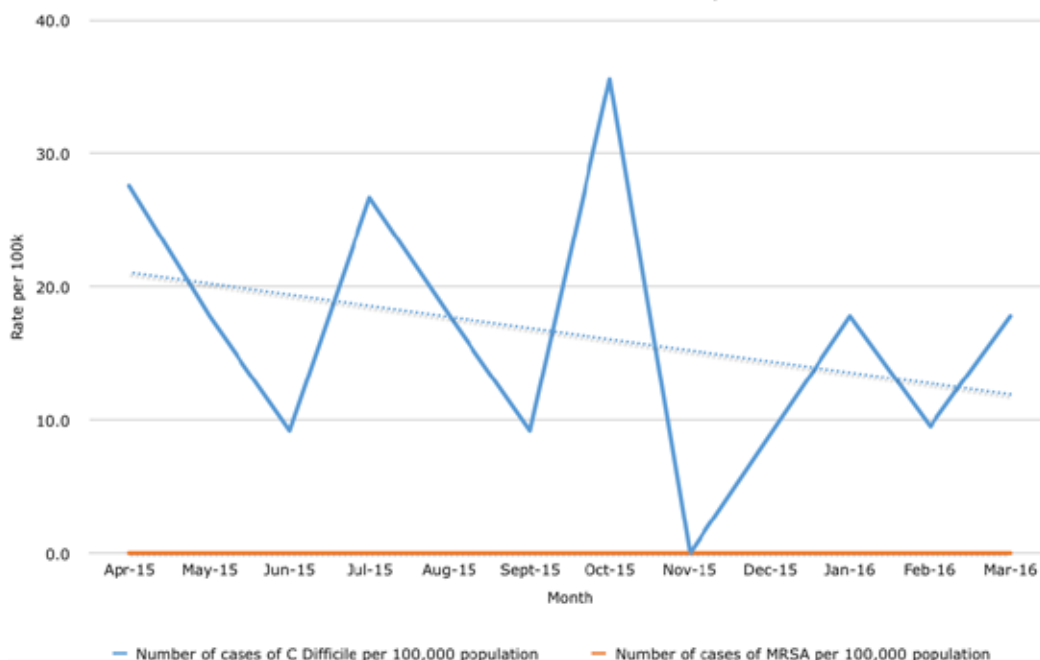
NHS Outcomes Framework	Measure	Target	End of Year
	Number of cases of C Difficile per 100,000 of the population	Fewer than 28 per 100,000	17.8
	Number of cases of MRSA per 100,000 of the population	Fewer than 20 per 100,000	0
	% procedures postponed on >1 occasion, had procedure <=14 days/earliest convenience	Improvement (12m trend)	0%
	Number of healthcare acquired pressure sores in a hospital setting	Reduction (12m trend)	46
	% compliance with National Patient Safety Agency Alerts issued prior to Apr-14	100%	100%
	% compliance with National Patient Safety Agency Rapid Response Reports issued prior to Apr-14		100%
	% compliance with Patient Safety Solutions Wales Alerts issued after Apr-14		100%
	% compliance with Patient Safety Solutions Wales Notices issued after Apr-14		100%
	Of the Serious Incidents due for assurance within the month, % which assured in agreed timescale	90%	0%
	Number of new Never Events ¹	0	0
	% of new patients spend no longer than 4 hours in A&E	95%	99.9%
	Number of patients spending 12 hours or more in A&E	0	0
	Number of NISCHR Clinical Research Portfolio Studies	NA	7
	Number of commercially sponsored studies	NA	0
	Number of patients recruited into NISCHR Clinical Research Portfolio Studies	NA	93

As a health board we strive for excellence in everything we do whether that's in clinical services or non-clinical like catering, porters and transport. The above measures are used by us to assess the delivery of continuous improvement in the safety and quality of the care we provide. We are pleased to report that generally there was improvement across all measures during 2015/16, albeit that we recognise that there is more to do.

¹ Never events are incidents that all NHS organisation should have robust systems and processes in place to prevent.

Healthcare acquired infections

Powys THB Health Care Acquired Infections
Source Welsh Government Dashboard - 2015/16 Financial Year



During 2015-16, we had no MRSA bacteraemia cases and 22 cases of C difficile were reported. In more than 80% of these reported cases the Clostridium Difficile infection was picked up outside of our hospitals.

Since April 2015, we have secured access to specialist infection prevention and control (IPC) advice and microbiologist support for Powys. Alongside our Senior Nurse for infection prevention control this has ensured an improved and sustainable service Powys-wide for advice and support to staff and the care of patients with regards to infection prevention and control. We have seen this positively impacting on inpatients, their safety and care as a result of regular, rigorous, unannounced environmental checks of cleanliness which have seen real improvements in standards within our community hospitals. Applying the principles of prudent health and care¹, action has been taken to only do what is needed according to current evidence, using everyday practices consistently and also reviewing the cleaning products we use to ensure we reduce variation and making stronger links with domestic services. Work has also been undertaken to strengthen other areas, namely:

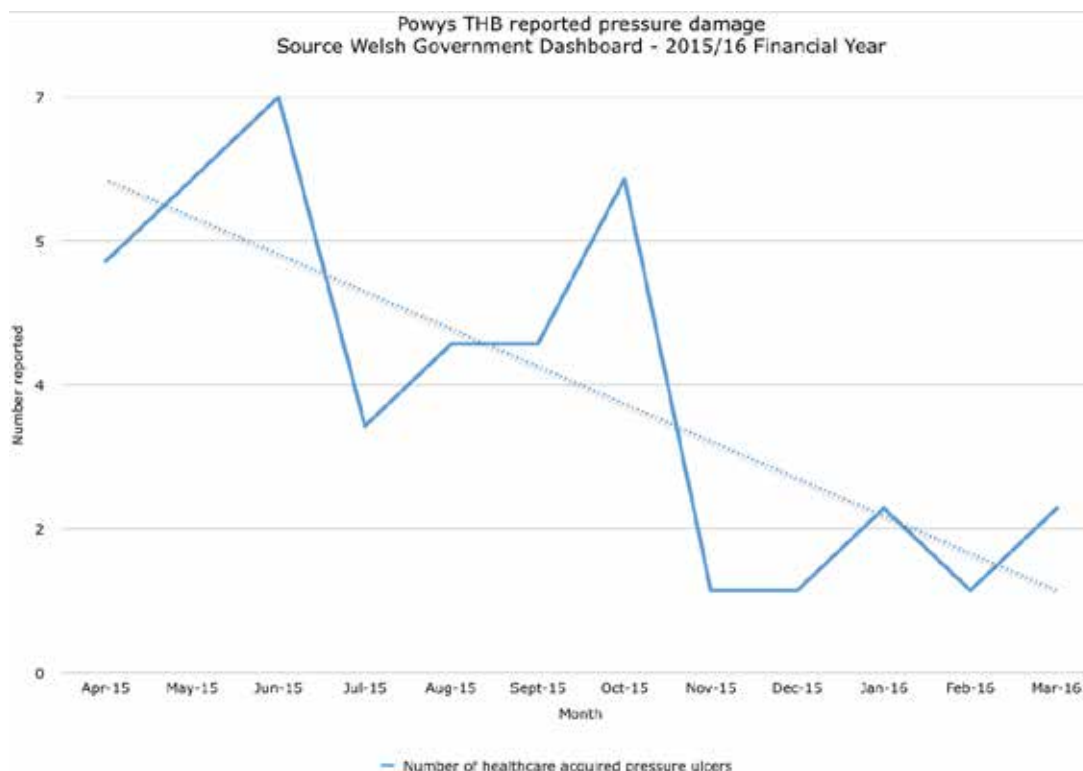
- A system is now in place to receive timely results on alert organisms from Welsh laboratories;
- Considerable efforts have been undertaken to carry out hand hygiene audits in a consistent and appropriate way throughout our organisation. Study sessions carried out, amnesty and validation meant we saw an initial fall in compliance; now we have more authentic results and although low, provide a realistic baseline for improvement.

A key focus for 2016 is antimicrobial prescribing in primary care, to further reduce community acquired clostridium difficile.

Pressure Damage

46 cases of pressure damage were reported with the numbers tapering towards the end of the year due the high priority that the Director of Nursing placed on making improvements in this area. We are continuing to concentrate on this area across both community and home settings.

¹ Prudent Health and Care is defined as that conceived managed and delivered in a cautious and wise way to achieve tangible benefits and quality outcomes for patients.



Patient Safety Alerts and Incidents

We are pleased to report that PTHB is compliant with all National Patient Safety Agency alerts, rapid response reports and National Patient Safety Solutions Wales Notices. We had no never events during 2015/16 and worked closely with Welsh Government to report and learn from serious incidents.

Further information in relation to the work that has been taken forward in relation to a range of areas related to patient safety and dignified care, including patient falls, safety notices and alerts, serious incidents and never events are outlined in our Annual Quality Statement that can be accessed online at www.powysthb.wales.nhs/annual-report-aqs

Research

Research, and the evidence produced from it, shapes the care we provide. Participation in research is known to produce better outcomes for patients, regardless of whether they are receiving treatments under test, or normal care. Research activity in Powys is limited compared with other parts of Wales, but work continues to increase the access to participants.

The Research and Development (R&D) Office have been working hard to increase activity within Powys. We have an increasing number of GP practices making a commitment to be involved in primary care research with four PICRIS (Primary Care Research Incentive Scheme) registered practices, up from two registered in the previous year.

The overriding principle is to ensure that PTHB and its partners improve the health and wellbeing of the population of Powys, through developing the evidence base on appropriate areas of practice and by supporting high quality research initiated elsewhere – ensuring that the needs of rural patients are also part of the research outcomes.

Powys as an innovative organisation

During the year we continued our efforts to develop innovative ways of working. Three recent examples of this are the projects which have been chosen as Exemplars by the Bevan Commission. The first project describes an innovative approach to redesigning a patient care pathway; improving quality through better use of resources for the management of carpal tunnel syndrome. The second project, Chat to Change, is a staff engagement

programme designed “to make Powys a great place to work”. This co-production designed initiative will enable staff to be at their best through the embedding of the health board’s values and behaviours into every strategy, system and processes. The final project engages directly with the public allowing them much stronger interaction with their partners in health care through a texting and e-referral project.

We also worked with academic partners to develop the role of Physician Assistant in primary care. These individuals will support the General Practitioner community to meet the care needs of citizens in those rural areas that are increasingly challenged by difficulties in medical recruitment and an ageing population base.

We continued to support the Improving Quality Together initiative which seeks to spread improvement skills throughout NHS Wales. Powys has already achieved a significantly high completion rate for the bronze level award and has successfully supported nine members of staff to a fully accredited silver level, a significant number for a small organisation.

Other Key Developments

During the year a number of key developments were taken forward that contributed to the quality and safety agenda and our drive for excellence, specifically:

- The co-produced Patient Experience Strategy was approved at the February 2016 meeting of the Board, it will strengthen our approach to listening and learning from patient experience.
- The new Concerns Policy was signed off by the Board in October 2015.
- An Internal Audit review of Putting Things Right highlighted an improved assurance rating with their assessment moving from ‘limited assurance’ to ‘reasonable assurance’, together with a ‘reasonable assurance’ rating for the management of WRP (Welsh Risk Pool) claims.
- The All Wales Quality Check Toolkit was trialled in response to Trusted to Care.
- Annual HealthCare Standards Audit resulted in a patient satisfaction score of 95.15% across our Community Hospitals and 97.05% across District Nursing services.
- A Commissioning Assurance Framework was developed.

Priorities for 2016/17

- Continue to strengthen the approach to Infection and Prevention Control, with a focus on Anti Microbial Resistance (AMR) to reduce C.Difficile.
- Approve and implement a revised policy for the management and prevention of pressure ulcers, taking into consideration Welsh Wound Innovation Centre (WWIC) wound audit results.
- Strengthen steering groups for inpatient and community falls, producing management and prevention plans to reduce injurious falls.
- Secure improvements in the management of health and safety, compliance rates to mandatory and statutory training and risk management.
- Produce a trajectory for the continuous improvement in turnaround times for complaints and enhance reporting of turnaround times, grading, themes and learning to Quality and Safety Committee.
- Finalise the implementation plan to support delivery of the Patient Experience Strategy.
- Evaluate the implementation and impact of the Commissioning Assurance Framework.
- Increase our collaboration with the Health and Care Research Wales infrastructure and Aneurin Bevan UHB to increase our research portfolio (both commercial and non-commercial);
- Work collaboratively with North Wales Organisation for Randomised Trials in Health (NORTH).

Our Performance: Ensuring the right access

NHS Outcomes Framework

Measure	Target	End of Year
Of those practices set up to use MHOL, % who are offering appointment bookings	Improvement (12 month trend)	70.6% [Achieved]
Of those practices set up to use MHOL, % who are offering repeat prescriptions	Improvement (12 month trend)	82.4% [Achieved]
% GP practices offering appointments between 17:00 and 18:30 at least 2 days a week	Annual improvement	100%
% of GP practices open during daily core hours or within 1 hour of the daily care hours	Annual improvement	100%
% people aged 50+ who have a GP record of blood pressure measurement in the last 5 yrs.	Annual improvement	91% [Achieved]
Patients treated by an NHS dentist in the last 24 months as % of population	Improvement (12m trend)	60.2% [Not Achieved]
% of patients waiting less than 26 weeks for treatment – all specialties	95%	100%
Number of 36 week breaches – all specialities	0	0
% of patients waiting less than 8 weeks for diagnostics	100%	99.8%
DToc delivery per 10,000 LHB population - non mental health	Reduction (rolling 12m)	245.4 [Not Achieved]
Number of follow-up appointments delayed past their target date (booked & not booked)	Annual improvement	1304
New OP DNA rates for selected specialties (E&P measure)	Reduction (12m trend)	5.1%
Follow up OP DNA rates for selected specialties (E&P measure)	Annual improvement	6.8%

NHS Outcomes Framework	Measure	Target	End of Year
	Cancer Welsh Providers % of patients referred as non-urgent suspected cancer seen within 31 days	98%	100%
	Cancer Welsh Providers % of patients referred as urgent suspected cancer seen within 62 days	95%	100%
	Cancer English Providers decision to treat to first definitive treatment (31 days)	96%	95.6%
	Cancer English Providers urgent GP referral for suspected cancer to first treatment (62 days)	85%	84.0%
	% of Red 0-8 min Ambulance responses	65%	66.1%

Work has continued to further improve patient care across Powys, with new services established and more care provided closer to home. Here are some of the highlights of progress made during the past year.

Access to GPs

During the year there was an increase in the number of GP practices offering the facility for patients to book appointments and order repeat prescriptions on-line. The provision of such services helps to improve the timeliness of access to services.

The health board undertook the direct management of Machynlleth GP practice last year, implementing a new multi-disciplinary clinical model with great success. It will work with primary care clusters to share learning from this and see how it can impact in other areas across Powys.

A new telephone service to help patients who feel they need medical care on the day was also introduced into Newtown Medical Practice in November 2015.

The nurse-led triage service, which is being delivered by ShropDoc, ensures patients are directed to the most appropriate person for their needs. This could be a GP, nurse, physiotherapist, minor injuries or pharmacist.

It will help Newtown Medical Practice to continue to deliver an efficient, effective and sustainable service while it continues to actively seek recruitment of GPs to the area.

GP blood pressure measurements

The number of people aged over 50 who have a GP record of blood pressure measurement in the last five years continues to increase.

Access to Dentists

A number of improvements have been made to dental services for patients including better access and specialist care such as;

- All dental practices participating in annual quality self-assessment to enable them to see what's working well and what needs to improve
- Establishing a consultant led community oral maxillofacial service in mid Powys
- Training more dental therapists in dental inhalation sedation so the service is available to more patients
- Appointing a specialist care dentist to enable more patients to be treated

New eye care service for patients

The introduction of a specialist eye care service in Brecon Hospital, ensures treatment can be provided locally rather than having to travel out of county. The new service provides care for patients with wet age related macular degeneration, which causes problems with central vision.

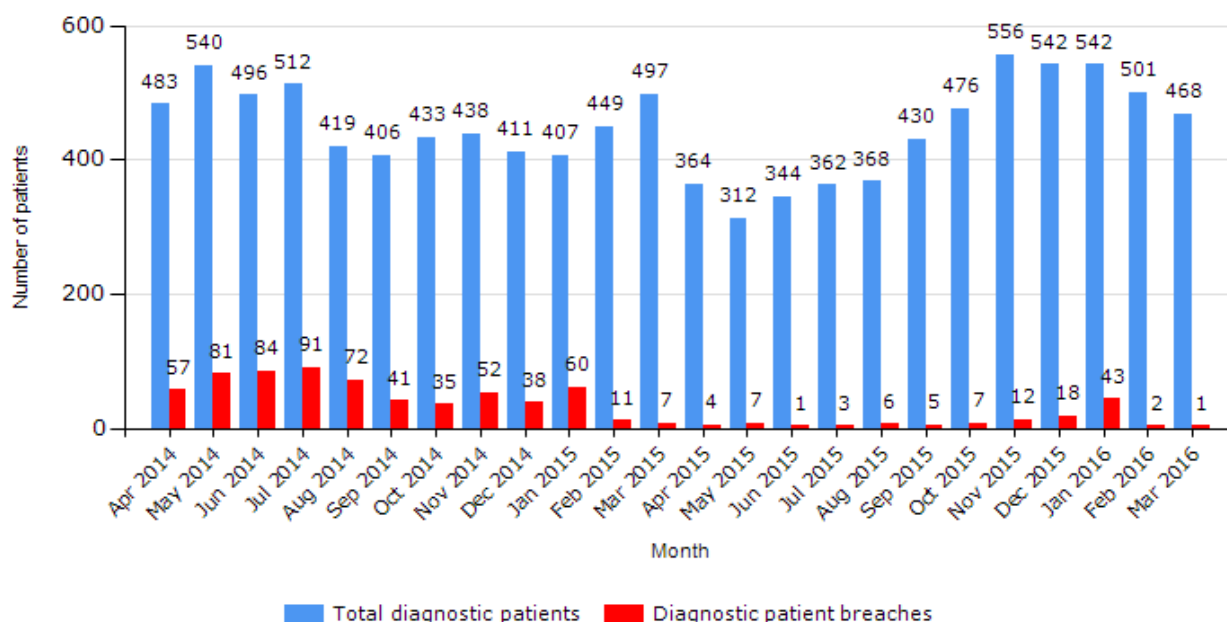
Planned care and diagnostic services

Patients accessing the services provided directly by PTHB during 2015-16 were treated within 26 weeks, and no patients in 2015/16 breached 36 weeks.

However, providers from whom we commission services did not meet the 95% target during 2015/16. Specifically:

- The position at the end of March showed that 249 patients were waiting over 36 weeks with an under 26 week performance of 83.3%. Despite intervention to manage over 52 weeks waiters, 53 patients breached this target at the end of March 2016
- English providers from whom we commission services did not meet the 95% target between April and February 2016. The aggregate under 26 week performance is at 92.3% with 73 patients waiting in excess of 36 weeks
- Although 42 patients were contacted with an offer of moving to an alternative provider, only 17 accepted
- Diagnostic waits have demonstrated an improved position with only Sonography ultrasound scans exceeding a wait of eight weeks, with action taken to deliver an improving position across the year
- Therapy waiting times performed well with a low number of patients waiting beyond the 14 week target. These breaches occurred in audiology, speech and language and physiotherapy

Total number of diagnostic patients and number of patients breaching the <8 week diagnostic target - Powys Provider - Source Myrddin



Improved Endoscopy & Gastroenterology Services for Patients

Patients across Powys are benefitting from improved services in endoscopy and gastroenterology that are enabling them to receive care closer to home.

Additional sessions in Brecon Hospital have led to patients receiving appointments for endoscopic investigations sooner and the reintroduction of the service into Llandrindod

Wells War Memorial Hospital means patients no longer have to travel to Wye Valley Trust for treatment. New Gastroenterology clinics have also been introduced in Brecon, Llandrindod Wells and Ystradgynlais also enabling patients to be treated closer to home and not having to travel out of the county for care.

The clinics are run by the newly appointed Consultant Nurse and a specialist consultant. Prior to the appointment of the consultant nurse there were no gastroenterology services available in Powys.

Cancer services

We commission cancer services from both Welsh and English providers.

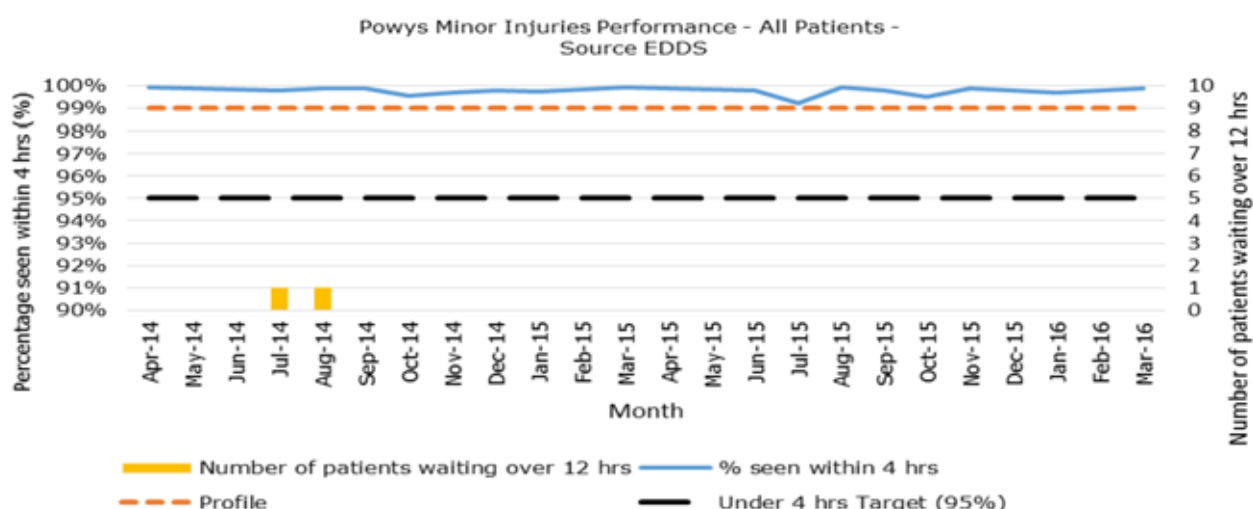
Welsh provider waiting times

- Both targets were met with 100% of patients being treated within the 31 day pathway and 100% of patients being treated within the 62 day pathway. The cancer performance for Powys patients in Welsh providers has shown improvement since month 8 2015/16 in both 31 and 62 day pathways with only 2 patients breaching within the same period

English Provider waiting times

- In February 2016, fewer than five patients breached the 31 day performance target for English providers. This is being escalated within the provider
- 62 day performance remained below target, although in March 2016 there were fewer than five breaches, which were particularly complex cases.
- Our rolling 100 day Cancer improvement plan continues to be implemented

Unscheduled care



Our Minor Injury Units (MIU) consistently perform above the 99% target that has been set nationally in relation to patients being seen within 4 hours. A number of steps have been taken to ensure that patients are seen in the most appropriate setting these include:

Help me choose

- Powys People Direct - a single point of access for all enquiries for adults and children's services has been established utilising the Infoengine online Directory of Services. www.infoengine.wales
- A Flu Vaccination Direct Invitation System - direct requests to vulnerable people are made using a three request approach.

Answer my call

- An in-Hours Nurse led GP Triage Pilot was taken forward in 2015/16. This primary care project was put in place to deliver new sustainable routes for accessing GMS services and making better use of MIU facilities
- Shropdoc In Hours Triage – this looked at extending the traditional out of hours triage model to in-hour's period in 4 practices
- Care Coordination Centre – A one stop shop for urgent care was put in place, providing pathway coordination between primary and secondary care and re-directing emergency admissions wherever possible to local services

Come to see me/Give me treatment:

- Community Resource Teams and Virtual Wards were implemented
- Integrated Care Home Brokerage – a single point of access for care Practitioners to access Care Home capacity was established
- Alternative Welsh Ambulance Service Trust (WAST) Pathways were developed to include Minor Injuries Units; referral to Out of Hours GP Service; use of Care Coordination Centre

Ambulance Performance

Although performance against the national target for red calls has improved, there is still considerable variation in weekly performance. Analysis has shown that there are three main factors influencing this:

- Small numbers, as on average there are two Red 1 calls per day across Powys
- Delayed handovers and ambulances being allocated to out of county calls which impact on the in-county capacity
- Geography and population density. There are only five towns in Powys with a population over 10,000. The majority of people live in more isolated areas where the drive time is considerably more than the allotted six minutes for Red 1 calls

Delayed Transfers of Care

Although the number of bed days lost to delayed transfers of care has reduced, from an average of 849 per month in 2014/15 to an average of 771 in 2015/16, this still represents a loss of community hospital capacity to alleviate acute care bed pressures. Analysis has shown that there are four main factors influencing this:

- Limited care home capacity, particularly in north Powys;
- Limited domiciliary care capacity, particularly in south Powys;
- Variable performance of multi disciplinary teams in managing discharge;
- Lack of clear pathways for community hospital patients.

An Unscheduled Care Board, which includes representatives of each partner organisation, as well as General Practice and the public, is responsible for developing and implementing a range of improvement actions .

Other key Developments

During the year we put in place a number of actions to improve access to and the timeliness of our services:

General Practice

- We strengthened the role of Voluntary Sector agencies
- All three GP clusters have produced plans for 16/17 and have a focus on sustainability in care closer to home
- Virtual Ward and Community Resource Team roll out is complete across the health board

- Management of Machynlleth GP practice - A new multidisciplinary clinical team was put in place, a positive HIW inspection was undertaken and a very positive patient experience survey has just reported
- A new clinical model of care in place in Newtown Practice
- A social Enterprise model was established in Powys

Diagnostics

- An ongoing trial of a mobile MRI scanning service was well received with fewer missed appointments and represented a major improvement in patient experience
- Funding was awarded to establish ultrasound provision in Powys
- Near Patient testing was trialled in out of hours period and through one practice in north Powys linked to the Virtual Ward

Oral Health

- The community dental service now has dedicated domiciliary sessions across Powys, which helps ensure that patients have timely access to urgent dental treatment.
- Three dental therapists have now been trained in inhalation sedation, this enables more patients to access this service and in so doing, reduces waiting times
- Dental officers, supported by consultants, are enabling more patients to be treated and referred in county
- Dental therapists are now also operating as stand alone practitioner as part of a Direct Access Pilot

Eye Care

- Pathway changes have been put in place to encourage GPs to avoid direct eye care referrals into the hospital eye service, instead directing them to accredited optometrists working in primary care
- Accredited optometrists who have the capacity, also undertake cataract post-operative eye examinations

Medicines Management

- The health board has the lowest, age weighted, prescribing costs in Wales.
- Clinical Pharmacists and Pharmacy Technicians have been recruited, providing new levels of support to Powys community hospitals and Community Resource Teams, including Virtual Wards
- A project to develop enhanced asthma management through community pharmacy is being implemented. The work is a result of co-production focused around improving access to and the accessibility of Asthma check ups and reviews

Priorities for 2016/17

- Implement the Commissioning Assurance Framework.
- Implement information and support services that promote a preventative approach.
- Develop and implement a Diagnostics Strategy to enable a greater proportion of care to be delivered locally.
- Implement the Primary Care Plan to ensure sustainability of General Medical Services
- Implement the key actions of the Joint Carers' Commissioning Strategy to ensure the appropriate support for carers is available.

Our Performance: Involving the People of Powys

We are committed to involving local people and partners in our planning of services to ensure they are meeting individual's needs. We will be building on this engagement, particularly in relation to our IMTP, during 2016/17. Here are some areas of progress and further detail can be found in our Annual Quality Statement.

Learning from Patient Stories

Listening to patient stories and experiences is so important for the health board as it not only offers an opportunity to hear first-hand about the level of care and attention received, it also crucially lets us know what we could and should be doing better to ensure the best possible care is delivered at all times across Powys.

A patient story is presented at each Board meeting to enable discussion, reflection and to act on the feedback to drive service change and improvement. A number of actions have been taken to improve services as a result of patient stories.

Our commitment to involving patients was further underlined when the Board approved a Patient Experience Strategy in February 2016 following a consultation workshop with staff and stakeholders. An implementation plan is now being developed in partnership with stakeholders.

Working with Children and Young People

Powys has several well established mechanisms and forums to support and facilitate the engagement and participation of young people. These include:

- The Powys Youth Forum
- The Junior Safeguarding Board (known as: Eat Carrots, Be Safe From Elephants)
- The Junior Corporate Parenting Group (focused around those in care)
- The Care Leavers Group (Focused on those leaving care)
- School Councils (a statutory requirement for each Secondary and primary school)
- The Young Carers groups (facilitated by Powys Carers service)
- Other organisations participation for a e.g. Young Farmers Councils

Both the Youth Forum and the Junior Safeguarding Board undertake their own research which is fed back to the Children and Young Peoples Partnership and Local safeguarding board.

Child and Adolescent Mental Health Services (CAMHS)

We involve young people and families in the annual review of our services. Young people are contacted directly by phone or in person in order to gather their views and experiences of the service. This information is fed in to the audit and helps shape the future of the service.

Working with mental health service users and their families

The Powys Mental Health Planning and Development Partnership brings together key stakeholders including Powys County Council, Dyfed-Powys Police, Powys Teaching Health Board, Powys Community Health Councils, Powys Association of Voluntary Organisations, and representatives of people using services and those close to them.

During 2015/16, we continued to take great care to try to involve people who use services, parents and carers in the ongoing planning and in the delivery of the Hearts and Minds

Strategy. Later in the year a report will be produced bringing together the views of people of all ages using services and the agencies working to improve people's emotional and mental health in Powys; and the Partnership in Powys has taken an approach of drawing from broad routes of participation embedded in our work through the year.

Dementia – Working Together

We have established with key agencies a Joint Dementia Action Group. This group is chaired by the Director of Nursing and has developed a Powys Joint Dementia Action Plan. The Dementia Plan builds upon past achievements and includes the new priorities identified by Welsh Government (April 2015) but, importantly, it remains focused on firming foundations and ensuring fundamentals are in place.

Brecon was the first community in Wales to be officially recognised by the Alzheimer's Society as 'working towards a Dementia Friendly Community'. Several other towns in Powys are now making good progress towards becoming dementia friendly with the Knighton Initiative for Dementia Action (KINDA), launched in February 2015.

Working with Powys County Council

We are building on our integration work with Powys County Council to deliver, in particular, closer relationships between health and social care to improve support for people.

Effective collaboration has resulted in shared services including Information Communication Technology (ICT), reablement and substance misuse.

Building upon the platform of the One Powys Plan¹, a joint Director of Workforce and Organisational Development and a joint Director of Transformation have been appointed during 2015/16. Both will work across the two organisations to support and progress integration.

Mental health services, services for people with learning disabilities, older people, carers and children's services are also key joint areas for integrated working along with the wide range of services provided by our Voluntary Sector colleagues.

Working with the Voluntary Sector

There are 4,400 different Voluntary Sector organisations currently operating in Powys, many of whom provide services and activities beneficial to citizen wellbeing; this represents a massive contribution towards the fulfilment of the strategic health agenda for the county.

Capitalising upon the diverse and large scale contribution that the Sector makes to the delivery of public services through the maintenance and evolution of a strong working relationship framed around common goals, is a challenge to all public sector bodies. Powys Association of Voluntary Organisation (PAVO) exists to grow and facilitate the Voluntary Sector through which engagement with patients and citizens happens. A Voluntary Sector event was held in February 2016. An open invitation was issued to Voluntary Sector organisations operating in Powys to attend the event to discuss the strategic direction articulated in the IMTP and explore opportunities for greater partnership and integrated working between the health board and the Voluntary Sector.

¹ A plan for change developed by all of the partners of the Powys Local Service Board

Volunteering

Voluntary Sector organisations are predominantly volunteer-involving and it is estimated that there are currently over 26,000 volunteer roles in Powys. The value of volunteering to the physical and emotional wellbeing of an individual is in itself a valuable contributor.

This volunteer capacity is also essential in supporting the delivery of existing Voluntary Sector services (or in the development of new ones) that support PTHB's agenda for increased activity to assist prevention, self-care and crucially, community intervention. Through the One Powys Plan, PTHB is committed to strengthening communities' role in supporting citizen health and wellbeing, and to support the growth of volunteering in the county, to strengthen PTHB's corporate social responsibility.

Community Capacity

The IMTP acknowledges the role that strong communities have in supporting the general wellbeing of citizens and the capability to lead independent lives. Supporting community development is a key priority for the health board and LSB partners.

PTHB will work increasingly closely with PAVO to plan and support work in this field.

Working with Powys Community Health Council

We continue to work closely with Powys Community Health Council (CHC), an independent statutory organisation that acts as a voice for patients and the public. It is also an NHS watchdog for all aspects of care and services. We work together to discuss the development and delivery of the services we provide and are grateful for their ongoing advice, challenge and support. To find out more visit www.wales.nhs.uk/sitesplus/1144/home

Mid Wales Collaborative

We continue to support and work closely with the Mid Wales Healthcare Collaborative, which was commissioned by Welsh Government to identify the issues and solutions for providing accessible, high quality, safe and sustainable healthcare services best suited to meet the needs of those living in Mid Wales.

A number of successful community events were held early in 2016 with good participation from the public.

On the first anniversary of the Collaborative in March 2016, the Centre for Excellence in Rural Health and Social Care was launched. In collaboration with partner organisations, this will inform the development of services that deliver appropriate access to services, based on informed patient choice, prevention, diagnosis and self-care.

More information about the Mid Wales Healthcare Collaborative is available from their website at www.midwalescollaborative.wales.nhs.uk

Priorities for 2016/17

- An engagement strategy was approved by the Board in October 2015 and early work has commenced around stakeholder mapping and our programmed approach to engagement.
- If you would like to know more about this work and how to become involved please contact Yvonne.Owen-Newns@wales.nhs.uk

Knighton Hospital



Our Performance: Always with our Staff

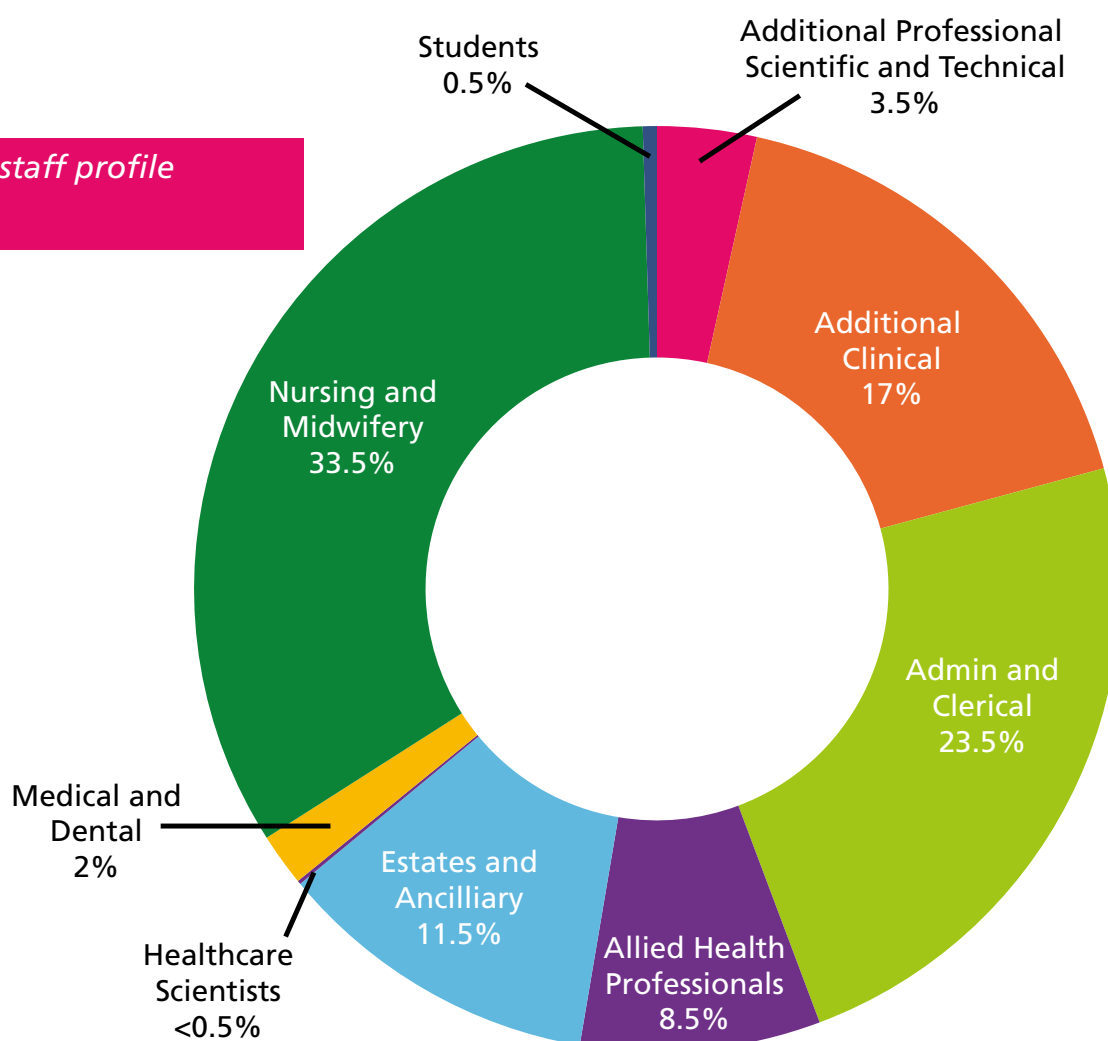
NHS Outcomes Framework	Measure	Target	End of Year
	% staff absence due to sickness	Reduction (12 m trend)	4.2%
	% of total medical staff undertaking performance appraisals	Annual improvement	96%
	% of total non medical staff undertaking performance appraisals	Annual improvement	65%

Our staff are our biggest asset and we are committed to caring for and investing in them to ensure we can support the high quality services we strive to achieve. We want to make Powys a great place to work and somewhere that makes a real difference to our patients and staff.

Staff Profile

We have a workforce of 1,725 people (as of March 2016) which equates to 1,360.53 Full Time Equivalent (FTE) posts. The health board spends 19% (£56.2M) of its total revenue budget on staff costs, compared with other NHS Wales organisations whose pay costs typically account for 70-80% of total budgets.

Our staff profile



Chat to Change

Chat to Change, our flagship staff engagement programme has continued to make a positive impact. It has been identified as one of three Bevan exemplars within Powys.

Its aim is to 'make Powys a great place to work" and our staff have told us that they want to be listened to and want action on what is heard.

Through Chat to Change, we have developed our values and identified the behaviours that uphold these values. We have reviewed the way we do appraisals to embed a values based approach and we have done this with our staff, listening to and involving them.

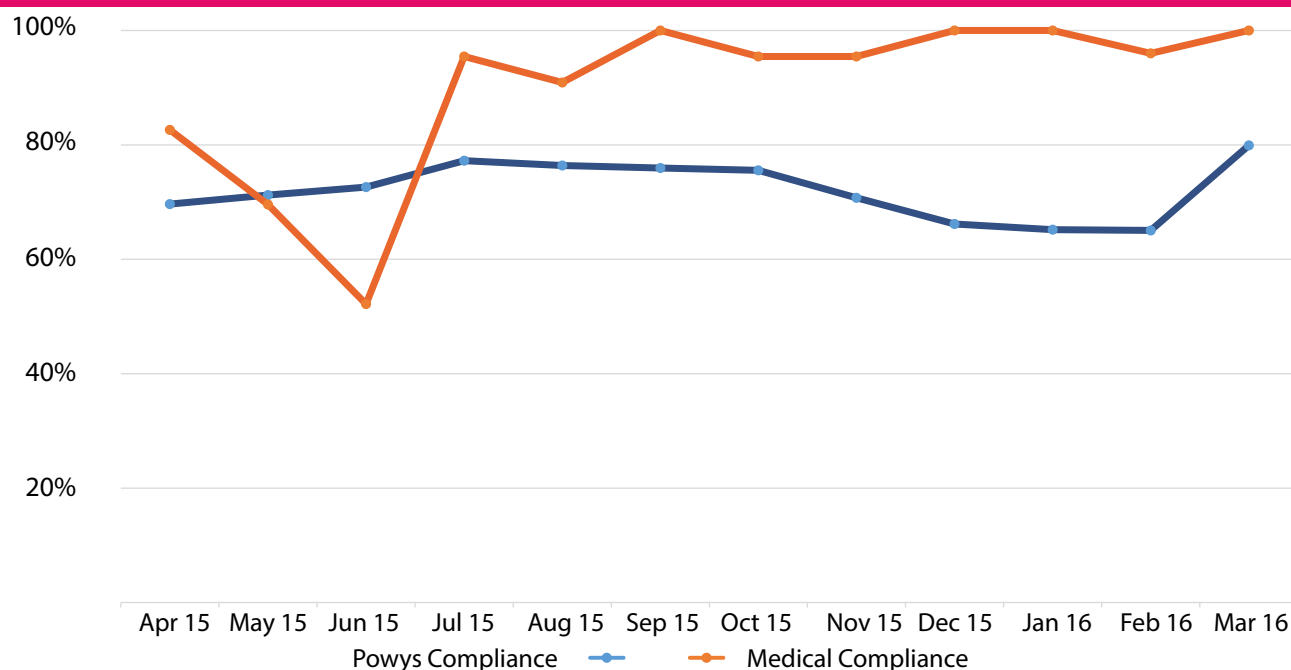
Other areas of progress include;

- further development of the Staff Excellence Awards with a 38% increase in nominations from 2014 to 2015 for staff to be recognised (see more on P43)
- 26 staff enrolled on the joint leadership and management development framework
- improved staff communications including more informal interaction between directors and staff and a review of the information technology infrastructure

Staff Appraisals

For every member of staff to understand their role and the contribution they make to the success of the health board it is vital that staff have an annual appraisal and regular opportunities to meet with their manager to discuss their role and development needs. This has been an area of focus for the board in 2015/16 and we are pleased with the progress we have made. Staff personal appraisal development reviews (PADR) as of the 31st March were 79.90% with medical at 100%. We anticipate further progress in 2016/17.

Appraisals are an important tool to ensure that our staff are able to develop and perform their roles effectively.

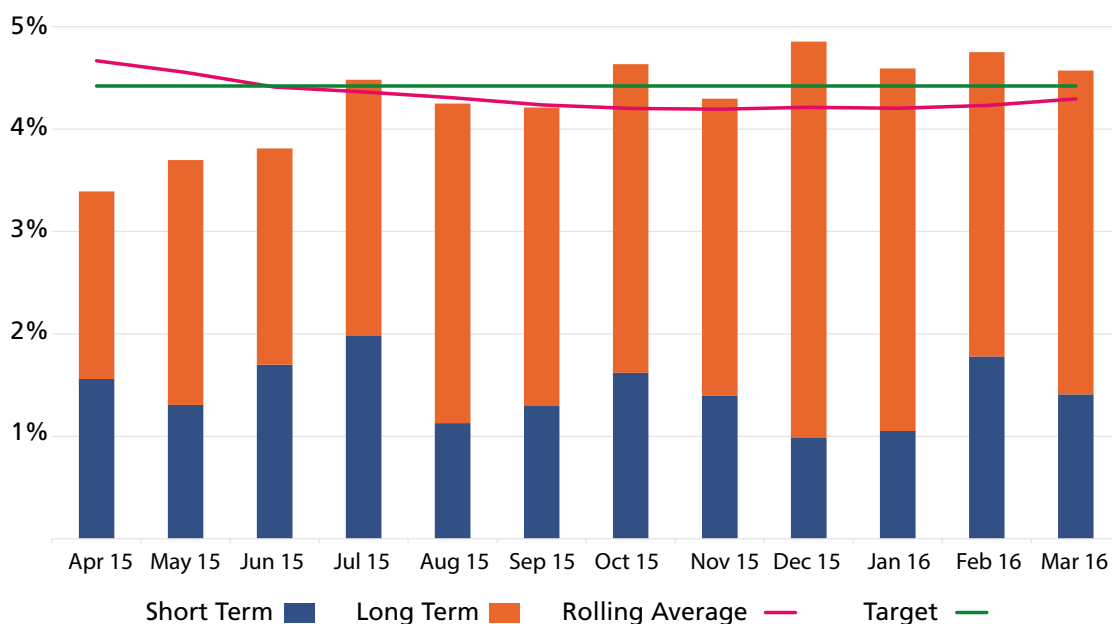


Sickness Absence

Ensuring wellbeing and providing support for staff who are unable to be in work as a result of illness is a top priority. A detailed approach is taken to ensure all sickness and absence is closely monitored to enable staff to get the support they need and return to work as soon as they able.

The rolling Sickness Absence Rate as of the 31st March 2016 was 4.28%, which means that sickness has fallen below the national target set by Welsh Government for the last 10 months.

Sickness rates among staff



Values and Behaviours Framework

Our Values and Behaviour Framework was endorsed and approved by the Board in June 2015. This journey began because staff said they wanted “a common culture of care, openness, honesty, dignity, kindness and respect” as part of the presentations undertaken in response to the Francis Report into the Mid-Staffordshire NHS Foundation Trust. This feedback was linked to our NHS Staff Survey results and as a result the Chat to Change Programme was created with the focus on “turning talk into action”. Development of the Values and Behaviour Framework came out of the Chat to Change workshops in September and October 2014 which later involved extensive consultation with staff, Local Partnership Forum and our Chat to Change Champions. Putting into practice our values and behaviours will lay a strong foundation for the way that we do things in Powys.

Our values help to define the way that we work with each other and with our patients



Staff Side Forum

Working in partnership with our staff is key to the success of the health board and we have continued to develop the all Wales approach of having a Local Partnership Forum where staff meet regularly with directors and senior managers.

Our joint work has led to a number of achievements during 2015/16 including;

- joint Leadership day in Theatr Brycheiniog
- continued learning and development in Chat to Change, and recognised as one of the Bevan Exemplars across NHS Wales.
- successful revalidation of Gold Corporate Health Standard Award.
- successful recruitment drive for the Job Evaluation team
- recruitment of new Trade Union representatives
- development of robust Health & Safety audits
- repatriation of Mental Health staff in North and South Powys
- successful hosting arrangements for Health & Care Research Wales
- supported the Staff Excellence Awards with one Trade Union sponsoring the Supportive Colleague Award
- pay progression implementation

We will be looking to build on this next year by further developing a number of areas including appointing a Trade Union Non Officer role on the Board, joint working with Powys County Council and their staff partners, and progression of leadership training.

Staff Excellence Awards

This year's Staff Excellence Awards were our biggest and best yet, bringing together staff and volunteers from across Powys to celebrate the great work they do to improve patient care and services. Nearly 80 nominations were received, more than in the previous year, demonstrating the extent of developments and good practice taking place across the health board.

Achievements were recognised in nine award categories, with this year seeing the addition of a new Chair's Award.

The winners were;

- Leading the Way – Kate Davies, Child and Adolescent Mental Health Services Manager, Bronllys Hospital for completing three major projects in nine months
- Volunteer - Peta Brabner and her dog Jack for the therapeutic impact made in improving patients' wellbeing at Bronllys Hospital
- Health, Safety and Wellbeing – Gary Perkins, Maintenance Assistance, Brecon Hospital, for his work in maintaining the grounds
- Making a Difference – Lyndsey Price, Nursery Nurse, Knighton for setting up a health visiting Facebook page and Ystradgynlais Community Nursing Team for increasing the availability of end of life care
- Seamlessly Working Together – Inspector Brian Jones, Dyfed Powys Police for improving mental health and dementia work
- Learning – EpAID Research Group for a study into improving care for adults with learning disabilities and epilepsy
- Supportive Colleague – Samantha Gibbs, Palliative Care Nurse, Newtown for caring for a colleague at the end of her life
- Team of the Year – Estates and Property, for working together to improve systems and training
- Chair's Award – Gareth Davies, Domestic Assistant, Bronllys Hospital for his hard work and dedication

The ceremony at the Royal Welsh Showground in Builth Wells also saw 28 staff who have worked in the NHS for 30 years recognised and celebrated with long service awards.

Virtual Ward wins two NHS Wales Awards

We are delighted that our Virtual Ward project to help elderly patients receive better care and remain at home, avoiding admission to hospital, won two NHS Wales Awards.

The health board was named overall winner of the Awards, receiving the Outstanding Innovation in Care accolade. It also scooped the Improving Quality Through Better Use of Resources Award, supported by Royal Pharmaceutical Society Wales.

NHS Wales Awards judges praised the innovative Virtual Ward project for bringing together health and social care staff in South Powys to discuss the most appropriate care for a patient.

The new co-ordinated approach, has led to a 12% drop in emergency admissions to hospitals, resulting in a £342,000 saving for the health board which has been reinvested in community nurses. The project has now been rolled out across Powys

Royal College of Nursing Community Nurse of the Year

The founders of the successful Sblash a Spri project in Ystradgynlais were recognised on the national stage when they were awarded the Royal College of Nursing Community Nurse of the Year.

Ann Bamsey and Susan Grounds, both Health Visitors and also part of the Flying Start scheme, won for their work developing swimming sessions for babies and their parents

Research shows that classes such as these help babies to develop mobility, coordination, cognitive awareness and speech and language skills.

Other Key Developments

Primary Care Workforce

- A Primary Care Workforce and Organisational Development Group has been established
- A Workforce Plan has been developed and we are working to deliver this in line with the National Strategy
- A focus has been the integration of community teams to provide seamless care for the population of Powys
- New roles and ways of working to support alternative models of care and practice e.g. Physician Assistants, Nurse Injectors in Ophthalmology services; workforce developments in rural practice, including the Primary Care Workforce, Advanced Practitioners and Health Care Support Workers
- Alternative practice models have been introduced in Machynlleth

Integration PTHB & PCC

- Director of Workforce and Organisational Development is working across both the health board and the county council
- Joint appointment with PCC to the post of Director of Transformation
- The development and implementation of a joint shared Learning Organisational approach and framework aligning leadership, management and coaching and development approaches
- Shared approach to developing Talent Management, Succession Planning, Graduate and Apprenticeship approaches

Priorities for 2016/17

- Develop workforce capability through workforce planning and ensuring robust mechanisms of accountability and responsibility.
- Enhance the competency of the workforce through a culture of innovation and leadership and appropriate training and development.
- Develop workforce capacity to ensure robust sustainable services focusing on recruitment and retention.
- Enhance the composition of the workforce through developing new workforce models and roles to support rural integrated care.
- Strengthen clinical leadership across the organisation.



Ystradgynlais Hospital

Looking Forward

Our IMTP sets out our plans for the next three years. The following is a extract from our 12 page IMTP summary. The full IMTP can be read at www.powysthb.wales.nhs.uk/IMTP

Leading the way across Wales

We aim to lead the way across Wales in:

- Primary and Community Care
- Commissioning
- Integration

These are the main programmes in our Strategic Change Programme. They are supported by our programmes on Business Intelligence, Workforce and Organisational Development, Estates and Technology.

Primary and Community Care

The majority of healthcare provided in Powys is primary and community care – GP practices, dentists, opticians, community hospitals, pharmacists, clinics, community nursing and therapies and much much more besides. Our goal is to make sure that our primary and community care services are thriving, compassionate and fit for the future.

- Providing more outpatient, diagnostic and day surgery services in the county, reducing the need for patients to travel elsewhere.
- Expanding our use of telehealth to provide more care at home or close to home.
- Strengthening urgent care and clinical triage to ensure more people can receive the right care in the right place at the right time from the right health or care professional.

Life's Journey

Here at Powys Teaching Health Board we make a positive impact at every stage in life's journey. Here are just some examples of how we plan to make a positive difference during 2016/17.

The development of **day assessment and ultrasound access in county** will be supported by the improvement of midwifery led units as well as the development and enhancement of skills across the midwifery led workforce.

This will help more women to be supported throughout their pregnancy in Powys, and to birth in Powys with their local midwives.



To help ensure children get the healthiest possible start in life **weight management services** for overweight and obese children will be established and developed and local obesity prevention services will be reviewed and improved.

Unjust differences in health outcomes between people due to social and economic conditions will be tackled across health prevention and improvement. These actions will be outlined in the development of the all age health inequalities action plan.



Early years are a critical and influential period of life. Priorities include actions to reduce exposure to tobacco smoke, reducing childhood and maternal obesity and supporting the **Healthy Pre-school scheme**.

A pilot to enable health visitors and GPs to follow up with children who have missed scheduled vaccinations will be undertaken.



Child and Adolescent Mental Health Services (CAMHS) will continue to work to ensure that children who need extra help with their mental health do not have to wait too long for the right care and where possible alternatives to hospital admission are in place, so that lengthy stays away from family, friends and community are reduced.

- Increasing our support and diagnostics so that patients – particular those who are frail or have chronic conditions – have a reduced need for hospital admission and can regain their independence as quickly as possible following inpatient care.
- Making sure we have a clear plan to sustain primary care services.

Commissioning

Commissioning is a process of understanding the needs of our communities, reviewing the care that will address those needs, delivering services ourselves and purchasing services from other organisations. Our goal is to make sure we commission services that are high quality, effective, accessible and offer value for money.

- Rolling out our Commissioning Assurance Framework – this helps us to know how our providers are performing (Access To Care, Quality and Safety, Finance and Activity, Patient Experience) so that we can agree action to improve where needed.
- Working more closely with Powys County Council so that our patients and service users experience joined up care with fewer gaps and less frustration.
- Bringing clinicians and patients to the heart of how we commission services, so that we have a better understanding of what people need and what will work for them.

Integration

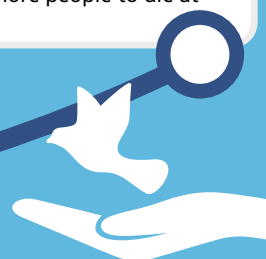
This means “being more joined up” for the people we are here to serve. We know that we can focus more of our resources in providing care if we work together better behind the scenes.

- Offering people a joined up experience of health and care – for older people, for emotional wellbeing and mental health, for people with learning disabilities, for children and their families & carers, in care homes and home care.
- Joining up our back office services so that even more of our resources can be invested in frontline care.
- Encouraging everyone to think “One Powys” so that our education, training, workforce planning and development, communication and engagement helps to ensure a thriving Powys for future generations.

The health board is committed to ensuring the sustainability of primary care services and GP Practices in Powys. The health board undertook the direct management of the Machynlleth GP practice last year. The implementation of a new **multi-disciplinary clinical model** has been successful and the health board, working with the primary care clusters, will seek to deploy the learning from this new model across Powys.



End of life care is as important as care at any other stage of life both for the individual and family. The further development of hospice at home services in partnership with the Voluntary Sector will allow more people to die at home.



Building on the success of Wales' first **Dementia Friendly community** in Brecon, the health board will continue to support people living with dementia and those caring for people living with dementia through improving care in our community hospitals and care homes, improving early assessment and care in the community and working in partnership to support more dementia friendly communities throughout Powys.

Our plan for 2016/17

TRULY INTEGRATED CARE CENTRED ON THE NEEDS OF THE INDIVIDUAL

Improving Health and Wellbeing



1. Improve health now and lay the foundations for maintaining good health for the future.
2. Improve the emotional wellbeing and mental health of the people of Powys.

Ensuring the Right Access



3. Increase the capacity, capability and resilience of primary and community care.
4. Develop whole system commissioning to ensure appropriate access to effective services across the whole health system.

Striving for Excellence



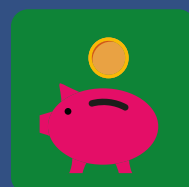
5. Ensure robust systems and processes are in place to deliver continuous improvement in safety, quality and patient and carer experience in all settings.
6. Develop an estate that is fit for purpose and progressing to meet service needs.
7. Secure innovative ICT solutions, built on a stable platform.
8. Ensure a well governed organisation.

Involving the People of Powys



9. Develop an integrated health and care strategy through effective partnership working and continuous engagement with citizens of Powys, patients, carers, staff and stakeholders.
10. Maximise opportunities for integrated working with partners, particularly Powys County Council.

Making Every Pound Count



11. Implement effective financial management to ensure statutory breakeven and best value for money.

Always with our Staff



12. Develop a sustainable, skilled, content and engaged workforce fit to meet the needs of the population of Powys.

Partnership Working

Working closely with partners and stakeholders is vital to every aspect of delivering health and care services and the health board will continue to develop collaborative approaches, greater integrated working and productive engagement at every opportunity. This includes:

- Full and committed participation in the Public Service Board and Regional Partnership Board;
- A 'Powys Voluntary Sector Scheme' which sets out the commitments and arrangements between local partner organisations;
- Jointly investigating the opportunities for co-location of services with all its partners where appropriate;
- Continuous engagement through workshops, events and regular formal and informal arrangements.

PAVO and the Voluntary Sector

- Maximise opportunities for engaging with service users, carers and the public.
- Utilising social and community leaders, informal hubs and networks to promote health issues, campaigns and signposting and referral to community services.
- Sharing skills, information and development opportunities.
- Engage fully with the Voluntary Sector in planning, doing and reviewing future commissioning activities.
- Developing Performance and outcome measures and indicators relevant to the Voluntary Sector.

Powys County Council

- Greater integration: Integrating Front Line Services; Integrating Professional and Business Services; Organisational and Integration Development.
- Priorities for older people, mental health, children, learning disabilities and carers are jointly owned, managed and delivered through the joint One Powys Plan.
- During 2016, PTHB and Powys County Council plans to launch an engagement process with the people of Powys to discuss the future health and care strategy in Powys .

NHS Partners

- Continue to engage and lead areas of the Mid Wales Healthcare Collaborative's work.
- Ensure robust approach to external change programmes is in place so that the future of services in Powys is benefited and the voice of Powys drives the multiple change agendas around our borders.
- Work closely with All Wales Committees to ensure specialised services and Emergency Ambulance services meet the needs of the Powys population

Patient, Public and Carers

- Maximising use of patient and carer experience feedback and learning from complaints of health care services in and out of Powys to improve services.
- Develop increasingly effective and appropriate means of engaging with the many and varied stakeholders in ways which meet the needs and expectations of our stakeholders.
- Strengthen how we report outcomes so that people understand how well we are performing, whether we are listening, taking the right action and learning from good and not so good experiences.

Accountability Report

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The purpose of the Accountability Report

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

In turn, the Corporate Governance Report is intended to set out clearly and concisely the governance structures and arrangements that were in place across Powys Teaching Health Board during 2015-16, and explain how they supported the achievement of its vision, aims and strategic objectives. In line with requirements set out in the Companies Act 2006 the Corporate Governance report includes:

- The Directors' Report
- The Statement of Accounting Officer's Responsibilities
- The Annual Governance Statement

THE DIRECTORS REPORT

Part 2 of The Local Health Boards (LHB) (Constitution, Membership and Procedures) (Wales) Regulations 2009 sets out the membership of LHB Boards, the appointment and eligibility requirements of members, the term of office of non-officer members and associate members.

In line with these Regulations the members of Powys Teaching Health Board comprises:

- a chair;
- a vice-chair;
- officer members; and
- non-officer members.

The members of the health board are collectively known as "the Board" or "Board members"; the officer and non-officer members (which includes the Chair) are referred to as Executive Directors and Independent Members respectively. All members have full voting rights.

In addition, the Welsh Ministers may appoint up to three associate members. Associate members have no voting rights.

Before an individual may be appointed as a member or associate member they must meet the relevant eligibility requirements, set out in Schedule 2 of The Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009, and continue to fulfil the relevant requirements throughout the time that they hold office.

The Regulations can be accessed via the following link: www.legislation.gov.uk/wsi/2009/779/pdfs/wsi_20090779_mi.pdf

Voting Board Members

During 2015-16, the following individuals were voting members of the Board of Powys Teaching Health Board:

Executive Directors

- **Carol Shillabeer**, Chief Executive (also Director of Nursing up to 5 April 2015)
- **Alan Lawrie**, Deputy Chief Executive and Director of Primary and Community Care
- **Amanda Smith**, Director of Therapies and Health Sciences (up to 29 February 2016)
- **Bruce Whitear**, Director of Planning and Performance (up to 31 May 2015)
- **Catherine Woodward**, Director of Public Health (also Acting Medical Director up to 30 September 2015)
- **Hayley Thomas**, Interim Director of Planning and Performance (from 6 June 2015)
- **Julie Rowles**, Director of Workforce and Organisational Development
- **Rebecca Richards**, Director of Finance
- **Rhiannon Jones**, Director of Nursing, (Interim from 6 April 2015, Substantive from 21 September 2015)
- **Stephen Edwards**, Interim Medical Director (from 1 October 2015)

Independent Members

- **Vivienne Harpwood**, Chair
- **Melanie Davies**, Vice Chair
- **Andrew Leonard** (up to 6 June 2015)
- **Gareth Jones** (up to 30 April 2015)
- **Gyles Palmer** (up to 31 July 2015)
- **Mark Baird**
- **Matthew Dorrance**
- **Owen James** (from 9 September 2015)
- **Paul Dummer**
- **Roger Eagle**
- **Sara Williams** (from 9 September 2015)
- **Tony Thomas** (from 1 June 2015)
- **Trish Buchan**

The following individuals were appointed as Associate Members of the Board. Whilst they take part in public Board meetings they do not hold any voting rights:

- **Amanda Lewis**, Strategic Director of People, Powys County Council
- **Veronica Jarman**, Older Peoples' Champion

Short biographies of all our Board members can be found on our website at: www.powysthb.wales.nhs.uk/board-membership

Members of the Audit Committee

The Audit Committee supports the Board and Accountable Officer by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and integrity of financial statements and the annual report.

The following independent members formed the Audit

Committee during 2015-16:

- Gareth Jones, Chair (up to 1 June 2015)
- Tony Thomas, Chair (from 1 June 2015)
- Roger Eagle, Vice Chair
- Mark Baird
- Gyles Palmer (up to 31 July 2015)
- Sara Williams (from 9 September 2015)

Members of Board Committees

Section 2 of Powys Teaching Health Board's Standing Orders provides that:

"The Board may, and where directed by the Welsh Government must, appoint Committees of the health board either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions."

In addition to the Audit Committee the Board has established seven committees to enable the scrutiny and review of a range of matters, to a level of depth and detail not possible in Board meetings. Details of the membership of all our Board committees are provided in Table 1 that follows.

Table 1: DETAILS OF BOARD COMMITTEE MEMBERS								
	Audit	Charitable Funds	Finance & Performance	Information Governance	Mental Health Assurance [from 01/05/15]	Quality & Safety	Remuneration Terms & Service [from 01/05/15]	Workforce and Organisational Development
Vivienne Harpwood		✓	✓ Chair to 26/10/15		✓ from 26/10/15		✓ Chair	Chair to 26/10/15
Tony Thomas	✓ Chair from 01/06/15	✓ from 01/06/15 Chair from 26/10/15	✓ Vice Chair from 01/06/15			✓ from 01/06/15	✓	✓ from 01/06/15
Melanie Davies					✓ Chair	✓	✓	✓ Vice Chair to 26/10/15
Trish Buchan				✓	to 26/10/15	✓ Vice Chair from 26/10/15	✓	✓ Chair from 26/10/15
Sara Williams	✓ from 09/09/15	✓ from 09/09/15	✓ from 26/10/15	✓ from 09/09/15			✓	✓ from 09/09/15 Vice Chair from 26/10/15
Owen James		✓ from 01/09/15 Vice Chair from 26/10/15		✓ from 09/09/15 Vice Chair from 26/10/15			✓	
Mark Baird	✓		✓	✓ Chair	✓ from 26/10/15		✓	✓
Matthew Dorrance			✓ Chair from 26/10/15	✓	✓		✓	
Roger Eagle	✓ Vice Chair		to 26/10/15		✓ Vice Chair	✓ Chair	✓	
Paul Dummer						✓ Vice Chair to 26/10/15	✓	
Gareth Jones	Chair to 30/04/15	Vice Chair to 30/04/15	Vice Chair to 30/04/15			to 30/04/15		To 30/04/15
Gyles Palmer	to 31/07/15	to 31/07/15		to 31/07/15				
Andrew Leonard		Chair to 06/06/15		Vice Chair to 06/06/15				To 06/06/15

The 2015-16 annual reports of the Board Committees can be found on our website at: www.powysthb.wales.nhs.uk/sub-committees. These reports set out details of the terms of reference, work programmes, membership of each Committee and the attendance of members and executive directors. Further details in relation to the work of the health board's Committees is provided in the Annual Governance Statement.

Declarations of Interest

Details of company directorships and other significant interests held by members of the Board which may conflict with their responsibilities are maintained and updated on a regular basis. A Register of Interests is available and can be accessed via the following link www.powysthb.wales.nhs.uk/lists-and-registers or a hard copy can be obtained from the Board Secretary on request.

The Annual Governance Statement and Annual Report

Information on personal data related incidents where these have been formally reported to the information commissioner's office and details of how the risks to information are managed and controlled are detailed in the Annual Governance Statement.

In addition, in line with the disclosure requirements set out by the Welsh Government and HM Treasury, information on environmental, social and community issues, and published sickness absence data are included in the staff section of this Annual Report.

Statement of disclosure to auditors

"As the Accountable Officer of Powys Teaching Health Board I can confirm that as far as I am aware, there is no relevant audit information of which the health board's auditors are unaware. I have taken all appropriate steps to make myself aware of any relevant audit information and to establish that the health board's auditors are aware of that information. I can confirm that the annual accounts as a whole are fair, balanced and understandable and I take personal responsibility for the accounts and the judgments required for determining that they are fair, balanced and understandable."

Carol Shillabeer, Chief Executive Officer.

STATEMENT OF ACCOUNTABLE OFFICER RESPONSIBILITIES

"It is a condition of my appointment to the role of Chief Executive, Powys Teaching Health Board, that I must also be formally designated as the Accountable Officer.

The Accountable Officer Memorandum for Chief Executives of Local Health Boards (LHBs) makes it clear that I am personally responsible for the propriety and regularity of the public finances for which I am answerable. As the Accountable Officer for Powys Teaching Health Board I am responsible for:

- the overall organisation, management and staffing of the health board and its arrangements related to quality and safety of care as well as matters of finance, together with any other aspect relevant to the conduct of the health board's business in pursuance of the strategic direction set by the health board's Board, and in accordance with its statutory responsibilities;*
- ensuring that all items of expenditure, including payments to staff, fall within the legal powers of the Board;*
- acting within the scheme of delegations and ensuring that they comply with guidance on classes of payment that they should authorise personally;*
- ensuring that in delegating functions to officers I am satisfied of their ongoing capacity and capability to deliver on those functions, facilitating access to the information they need, ongoing training and development, as well as professional or specialist advice where appropriate;*
- prudent and economical administration, for the avoidance of waste and extravagance, and for the efficient and effective use of all resources;*
- ensuring that the assets for which I am responsible are properly safeguarded;*
- ensuring that, in the consideration of policy proposals relating to the expenditure or income for which I have responsibility, all relevant financial considerations (including any issues of propriety, regularity or value for money) are taken into account;*
- ensuring that risks to the achievement of the health board's objectives and fulfilment of its statutory responsibilities are identified, that their significance is assessed, and that a sound system of internal control is in place to manage them;*
- implementing an appropriate framework of assurance covering all aspects of health board business, ensuring that research and evaluation work is planned so that strategic objectives and spending programmes for which I have responsibility are routinely evaluated to assess their effectiveness and value for money;*
- ensuring, as a key source of internal assurance, that I establish arrangements for internal audit in accordance with the International Standards for the professional practice of Internal Audit as adopted by the NHS in Wales, Welsh Assembly Government and HM Treasury, and ensuring that appropriate action is taken in response to reports produced by Internal Audit;*
- ensuring that there are appropriate arrangements for counter fraud and that procedures for dealing with suspected cases of fraud are complied with;*
- ensuring that the health board co-operates fully with external auditors, regulators and inspectors - including the Wales Audit Office (WAO), Healthcare Inspectorate Wales (HIW), and the Care and Social Services Inspectorate Wales (CSSIW), and ensuring that appropriate action is taken in response to any reports produced by such bodies;*
- signing the health board's accounts and, in doing so, accepting personal responsibility for their proper presentation fully supported by sound financial procedures and records, and in accordance with the health board Accounts Directions issued by Welsh Ministers, ensuring that losses or special payments are properly identified and handled in accordance with defined requirements.*

To the best of my knowledge and belief, during 2015-16, I have properly discharged these responsibilities as set out in the Accountable Officer Memorandum and my letter of appointment as an Accountable Officer.

Carol Shillabeer, Chief Executive Officer.

PART A:

ANNUAL GOVERNANCE STATEMENT

My responsibilities as Accountable Officer

As set out in the Corporate Governance section of the Accountability Report, as the Accountable Officer of Powys Teaching Health Board, I have clearly defined responsibilities as set out in the Accountable Officer Memorandum and my letter of appointment. These responsibilities relate to 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. Most importantly I am responsible for ensuring the quality and safety of the services that the health board provides and commissions on behalf of the people of Powys.

I am held to account for my performance by the Chair of the Powys Teaching Health Board and the Chief Executive and Accounting Officer for the NHS in Wales. I have formal performance meetings with both the Chair and the Chief Executive of NHS Wales. Further, the Executive Team of the health board meet with the senior leaders of the Department of Health and Social Services on a regular basis.

The system of internal controls

The system of internal control operating across Powys Teaching Health Board is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of policies, aims and objectives of the health board, to evaluate the likelihood of those risks being realised and to manage them efficiently, effectively and economically. I can confirm the system of internal control has been in place at the health board for the year ended 31 March 2016 and up to the date of approval of the annual report and accounts.

In line with my Accountable Officer responsibilities I have put mechanisms in place for the review, on an on-going basis, of the effectiveness of the systems of internal control operating across all functions of the health board. As in previous years my review and evaluation of the adequacy of the system of internal control has been informed by executive officers who have responsibility for the development, implementation and maintenance of the internal control framework; the work of the committees established by the Board; the health board's internal auditors and the feedback and views of external auditors set out in their annual audit letter and other reports.

As Accountable Officer, I also have overall responsibility for risk management and report to the Board on the effectiveness of risk management across the health board. My advice to the Board is again informed by executive officers, feedback received from Board Committees; in particular the Audit Committee and Quality and Safety Committee. I have provided detailed comments on the organisation's risk framework and key risks later in this statement.

I am pleased to say that during the year some important appointments were made to the Executive Team (interim and permanent), further details are provided in the Directors' report in the Accountability Report which can be found on our website. Such strengthening of the Executive Team meant that I was able to gain greater assurance in relation to the effectiveness of internal controls, risk management arrangements and assurance mechanisms.

The Governance Framework of the health board

To be effective governance structures must be clear, transparent and integrated. They must be designed to facilitate, support and drive prudent health and care, co-production and integration. For these reasons the health board's governance and assurance arrangements have been aligned to the requirements set out in the Welsh Government's Governance e-manual and the Citizen Centred Governance Principles. The seven Citizen Centred Governance Principles provide the framework for the business conduct of the health board and define its 'ways of working'. Care has been taken to ensure that governance arrangements also reflect the requirements set out in HM Treasury's 'Corporate Governance in Central Government Departments: Code of Good Practice 2011'.

Like all health boards in Wales, Powys Teaching Health Board has agreed Standing Orders for the regulation of proceedings and business. These are designed to translate the statutory requirements set out in the health board (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.

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.

During 2015-16, the health board developed with its staff a Values and Behaviours Framework, which was approved by the Board in June 2015. The Values and Behaviour Framework was developed as part of the 'Chat to Change'¹ initiative.

Early in 2016-17, we will confirm the organisational governance model to ensure clarity over delegated levels of authority and accountability. This has started with a review of Standing Orders, Standing Financial Instructions, Scheme of Delegation and the portfolios of executive directors.

The Board

Robust governance is reliant upon effective and efficient Board and committee arrangements that ensure a balance of focus between strategic development, gaining assurance and scrutiny.

The Board sits at the top of the organisation's governance and assurance systems. Its principal role is to exercise effective leadership, provide strategic direction and control. The Board is accountable for governance and internal control in the organisation, and I, as the Chief Executive and Accountable Officer, am responsible for maintaining appropriate governance structures and procedures. In summary, the Board:

- Sets the strategic direction of the organisation within the overall policies and priorities of the Welsh Government and the NHS in Wales;
- Establishes and maintains high standards of corporate governance;
- Ensures the delivery of the aims and objectives of the organisation through effective challenge and scrutiny of performance across all areas of responsibility;
- Monitors progress against the delivery of strategic and annual objectives; and

¹ Chat to Change is the staff engagement programme that was developed as a consequence of the findings from the NHS Staff Survey 2013 and the findings arising from the Francis Review.

- Ensures effective financial stewardship by effective administration and economic use of resources.

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 generally meets on alternate months in public and comprises individuals from a range of backgrounds, disciplines and areas of expertise. Details of those who sit on the Board are published on our website at: www.powysthb.wales.nhs.uk/board-membership

The Directors' Report (see Accountability Report on our website), also provides details of the composition of the Board and its legislative basis.

During 2015 -16 the Board held:

- Seven meetings in public (including one extraordinary meeting);
- One Annual General Meeting; and
- Six development sessions.

Attendance at Board and Board committee meetings is formally recorded within the minutes, detailing where apologies have been received and deputies have been nominated. The agenda and minutes of all public meetings can be found on our website at: www.powysthb.wales.nhs.uk/board-meetings

All meetings of the Board and its Committees held in 2015-16 were appropriately constituted with a quorum. Table 2 on the following page sets out the level of attendance at such meetings.

Table 1
Board – Public and Private Meetings (not including development sessions or AGM)

Member	Notes	Possible Number of Meetings*	Number Attended
Vivienne Harpwood, Chair	-	28	24*
Melanie Davies, Vice Chair	-	30	27**
Roger Eagle, Independent Member	-	35	34
Mark Baird, Independent Member	-	36	32
Paul Dummer, Independent Member	-	19	12
Trish Buchan, Independent Member	-	27	27
Matthew Dorrance, Independent Member	-	26	19***
Tony Thomas, Independent Member	In post from 1 June 2016	26	25
Sara Williams, Independent Member	In post from 9 September 2016	19	16****
Owen James, Independent Member	In post from 9 September 2016	9	8
Gareth Jones, Independent Member	In post until 30 April 2015	4	4
Andrew Leonard, Independent Member	In post until 6 June 2015	3	3
Gyles Palmer, Independent Member	In post until 31 July 2015	9	8

* four meetings were missed due to the independent member being engaged on Powys Teaching Health Board Chair responsibilities

**three meetings missed due to the independent member being engaged on Powys Teaching Health Board Vice Chair responsibilities

***five of the seven meetings were missed due to the independent member being engaged on pre-existing Powys County Council responsibilities

****two meetings were missed due to the independent member being involved in induction meetings

Coverage of Work 2015-16

During 2015-16, key areas of focus for the Board have been:

- Setting the aims and strategic direction;
- Developing the Integrated Medium Term Plan;
- Reviewing operational and strategic risks;
- Considering and developing proposals for integration with Powys County Council (PCC);
- Partnership working, including involvement in collaboratives with neighbouring health boards;
- Agreeing the way forward in relation to the Board Assurance Framework;

- Reviewing performance against key national targets and internal targets; and
- Financial planning and performance, management and delivery of the health boards savings plans.

Board Composition

During the financial year the following substantive appointments were made as voting members of the Board:

- Rhiannon Jones, Director of Nursing
- Owen James, Independent Member
- Sara Williams, Independent Member
- Tony Thomas, Independent Member

Early in 2016-17 succession plans will be developed to take account of these changes and future changes to Board members.

Strengthening the Board

During 2015-16 we strengthened Board and its committee arrangements by:

Ensuring appropriate coverage and focus by:

- Establishing new committee arrangements. The Mental Health Service Assurance Committee was established in May 2015;
- Reviewing the effectiveness of the Board and its committees;
- Refocusing the Board's agenda on the Board's strategic objectives, ensuring these are reviewed on a cyclical basis;
- Reviewing the information needs of the Board and its committees;
- Revising the annual planning process and performance management framework; and
- Strengthening engagement with patients and staff by developing a Board programme of assurance visits and walkabouts.

Ensuring the effectiveness of Board members by:

- Ensuring that all independent members had access to health board information technology and systems so that they can receive information safely and securely and have easy access to mandatory training.

The Corporate Governance Code and the Board's Self-assessment of its Effectiveness

The Corporate Governance Code is reflected within key policies and procedures. Further, within our system of internal control, there are a range of mechanisms in place which are designed to monitor our compliance with the code, these include:

- Self-assessment;
- Internal and external audit; and
- Independent reviews.

The Board is clear that it is complying with the main principles of the Code, and is conducting its business openly and in line with the Code.

During the latter part of the year the Board and its Committees undertook self-assessments of their effectiveness and development needs. A Board Development Session was held on 17 March 2016 and this gave Board members the opportunity to reflect on areas where progress had been made and improvement is needed. The outcomes of this day are being used to inform the future development of the Governance Improvement Programme and a Board Development Programme.

In early 2016-17 we will:

Strengthen engagement by

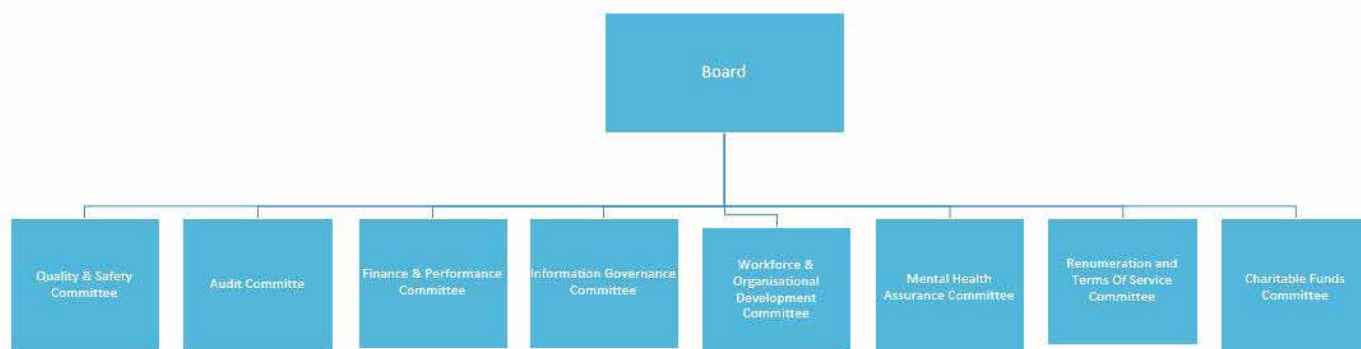
- establishing a Stakeholder Reference Group and a Health Professions Forum.

Ensure effective meetings by

- Reviewing the timing of Board and committee meetings; ensuring alignment with Executive Team Meeting; and
- Ensuring a clear focus on risk and assurance.

Committees of the Board

As referenced in the Directors' report to meet its responsibilities the Board has established eight key committees, each chaired by an Independent Member, which report directly to the Board:



In addition, the Executive Team, which is led by the Chief Executive, meets in formal session once a month and also reports directly to the Board. The committees and Executive Team play a key role in relation to the system of governance and assurance, decision making, scrutiny, development discussions, the assessment of current risks and performance monitoring.

Each committee has clear terms of reference and at the start of the year each produced a work programme setting out the areas they would focus on during the year. All committee terms of reference and work programmes can be viewed via the following link www.powysthb.wales.nhs.uk/sub-committees

During 2015-16, the committees considered and scrutinised a range of reports and issues relevant to the matters delegated to them by the Board. Reports considered by the committees included a range of internal audit reports, external audit reports and reports from other review and regulatory bodies, such as Healthcare Inspectorate Wales and Powys Community Health Council. The committees consideration and analysis of such information has played a key role in my assessment of the effectiveness of internal controls, risk management arrangements and assurance mechanisms.

The committees have also considered and advised on areas of local and national strategic developments and new policy areas. Board Members are also involved in a range of other activities on behalf of the Board, such as Board development sessions (at least six a year), meetings of committees of the Board, quality and safety 'walkrounds', shadowing and a range of other internal and external meetings.

Throughout the year, the Chair of each committee reported to the Board on the committees' activities. Further, in line with the health board's Standing Orders, each committee has produced an annual report, for 2015-16, setting out a helpful summary of its work. These annual reports were considered in a public session of the Board and can be accessed via the following link www.powysthb.wales.nhs.uk/sub-committees

There is cross representation between committees to support the connection of the business of committees and also to seek to integrate assurance reporting. The health board is continuing to develop the ways in which its committees work together to ensure the Board has assurance on the breadth of the health board's work to meet its objectives and responsibilities.

An overview of the key areas of focus for each of the core governance committees is set out in Table 2 below:

Table 2	
Quality and Safety Committee	<ul style="list-style-type: none"> • Performance against key patient experience, quality and safety indicators • The Annual Quality Statement • Reports on matters such as infection control, safeguarding • Risk management and assurance • Internal and external audit and inspection reports
Audit Committee	<ul style="list-style-type: none"> • Internal and external audit reports • Risk management and assurance • Annual accounts • Governance Improvement Programme
Finance and Performance Committee	<ul style="list-style-type: none"> • Budgets and savings plans • Financial performance • Performance against national outcomes framework • Commissioning

Advisory Groups

In line with Standing Orders the health board is also required to have three advisory groups in place. These allow the Board to seek advice from and consult with staff and key stakeholders. They are the:

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

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

The Board's Local Partnership Forum is fully established and operating in accordance with Standing Orders. This Advisory Group has played a significant role in considering the Board's strategic vision, aims and objectives prior to Board approval.

At the time of writing, the Board does not have in place its Stakeholder Reference Group or Healthcare Professionals' Forum. The establishment of these Groups was articulated as a strategic priority within the Board's Annual Plan for 2015-16.

Once established the:

The Stakeholder Reference Group's (SRGs) role will be 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; as well as
- feedback on the impact of the health board's operations on the communities it serves.

The Healthcare Professionals' Forum's (HPFs) role will be to provide a balanced, multi disciplinary view of healthcare professional issues to advise the Board on local strategy and delivery. Its role will not include consideration of healthcare professional terms and conditions of service.

It is intended that the chairs of each of the above forums attend Board meetings to ensure that equality issues are central to the health board's agenda. The roles of these forums will become increasingly important as the Board takes forward its transformation programme and works towards closer integration with Powys County Council.

Joint Committees: Welsh Health Specialised Services Committee (WHSSC) & Emergency Ambulance Services Committee (EASC)

The Welsh Health Specialised Services Committee and the Emergency Ambulance Services Committee are joint committees of Welsh Health, established under the Welsh Health Specialised Services Committee (Wales) Directions 2009 (2009/35) and 2014 (2014/9 (w.9)) (the WHSSC Directions) and the Emergency Ambulance Services Committee (Wales) Directions 2014 (2014/8 (W.8)) (the EASC Directions).

The function of the Welsh Health Specialised Services Joint Committee is to plan and secure specialised and tertiary services. The specialised and tertiary services are listed as an annex to the WHSSC Directions and are subject to variations to those functions agreed from time to time by the Joint Committee.

The function of the Emergency Ambulance Services Joint Committee is to plan and secure emergency ambulance services. Emergency ambulance services include responses to emergency calls via 999; urgent hospital admission request from general practitioners; high dependency and inter-hospital transfers; major incident response; and urgent patient triage by telephone.

The Joint Committees are hosted by the Cwm Taf University Health Board on behalf of the seven health boards in Wales. As Chief Executive Officer, I represent the health board on the Joint Committees and reports prepared by the Chairs are taken to public meetings of the Board.

NHS Wales Shared Services Partnership Committee

A NHS Wales Shared Services Partnership Committee (NWSSPC) has been established under Velindre NHS Trust which is responsible for exercising shared services functions including the management and provision of Shared Services to the NHS in Wales.

The 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.

A Memorandum of Co-operation in place between all Local Health Boards and NHS Trusts in Wales setting out the obligations of the NHS bodies to participate in the NWSSPC and to take collective responsibility for the delivery of those services.

The health board'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: Integrated governance arrangements

We continue to work with Powys County Council (PCC) to ensure that the services we provide are increasingly integrated. Both organisations have agreed to look at ways in which integration can be quickly but safely escalated. During the year ahead the health board's governance arrangements will be further strengthened to ensure that they continue to be fit for purpose and also support the integration work. The key driver for this integration work is the commitment of both organisations to ensuring that the health and care needs of the people of Powys are served in the most efficient and effective way.

Powys has been made a region in its own right under Part 9 of the Social Services Well-being (Wales) Act 2014. In light of this and combined with the requirements of the Well-being of Future Generations Act (Wales) 2015 and the collective drive towards increased integration between the health board and PCC, a review of the governance arrangements aligned to the joint agendas was taken forward during the later part of 2015-16.

Building on the outcomes of this review, in February 2016, PTHB and PCC established a Joint Partnership Board. This brings together nominated strategic leaders from PCC and the health board to ensure effective partnership working across organisations within the county for the benefit of the people of Powys.

The Joint Partnership Board is responsible for oversight of the integration agenda. Formal terms of reference are in place and a collaborative agreement between the health board and PCC has been signed.

Joint scrutiny arrangements are in the process of being developed and will be taken to the Board of Powys Teaching Health Board and the Cabinet of Powys County Council for ratification.

Quality Governance

The Board has collective responsibility for quality and during 2015-16 a number of steps were taken to ensure that quality is high on the Board's agenda. There is a clear quality governance structure with the Quality and Safety Committee holding executives to account and receiving reports on assurance and risks linked to patient experience, quality and safety.

In tandem with the publication of the 2015-16 Annual Report the health board will publish its Annual Quality Statement, which brings together a summary of how the organisation has been working over the past year to improve the quality of all the services it plans and provides. The report can be found here on the health board's website: www.powysthb.wales.nhs.uk/annual-report-AQS

At each meeting of the Board a patient story is presented at the start. Paper based reports have their place, however, the use of first hand patient stories, that act of hearing and having an opportunity to connect with people using services, has enabled

not just a more emotional connection with the impact of decisions made in the organisation but has also helped drive specific improvements in services.

Quality Indicators

The Quality and Safety Committee has overseen the development of quality indicators and a Quality and Safety Dashboard. In this respect the Older Persons Commissioner for Wales has strengthened the focus on monitoring outcomes for older people through 12 key areas that are stated to be important to older people. Having started to report these in 2015 -16 to the Board and the Quality & Safety Committee, we recognise the challenge in monitoring outcomes and showing whether we are achieving high standards of care consistently. There is a need to strengthen how we report outcomes and develop the narrative around them so that residents understand how well we are performing, that we are listening, taking the right action and learning from good and not so good experiences.

Complaints and Concerns

In 2015, we refreshed the Patient Experience Steering Group, focusing on listening and learning from patient experience and 'using the gift of complaints'¹ to improve the experience of care for Powys residents. This alongside the launch of the Patient Experience Strategy (February 2016) will set the direction for 2016-17.

The health board has been on a journey of improvement following receipt of Internal Audit Reports signalling 'limited assurance' and Welsh Risk Pool Audits, which highlighted areas for improvement. Our aim as set out in our Annual Quality Statement for 2014-15, is to reduce the number of concerns waiting more than 30 days for a response and to demonstrate, with evidence, learning that takes place as a result of concerns. We approved our new Complaints Policy in December 2015 and the Claims Policy in 2015 and these both make roles and responsibilities clear. We have also taken action to strengthen our serious incident processes and are currently working to improve compliance with investigation timescales.

The number of open concerns improved generally throughout the year, as did the compliance to the 30 day turnaround time.

A follow up review by Internal Audit of Putting Things Right saw improvement from Limited Assurance to Reasonable Assurance in March 2016 and Management of Welsh Risk Pool Claims received a 'reasonable assurance' rating.

The top three themes of complaints received by the health board over the last year are as follows:

- Access, Appointment, Admission, Transfer, Discharge
- Treatment and Intervention
- Attitude of Staff

Commissioning development and assurance

Quality and safety improvement is a golden thread underpinning our planning and commissioning processes. The health board is strengthening the links with providers of services to Powys residents. We recognise that we need to put arrangements in place with our providers to ensure that we gain assurance on the quality and patient safety of services they provide.

Our Commissioning Development Programme has been developed to confirm the future design of the commissioning model and ensure alignment with the

¹ A Review of Concerns (Complaints) Handling in NHS Wales: "Using the Gift of Complaints". A review by Keith Evans (2014)

revised organisational structure. It will oversee the implementation of a system of commissioning, securing and reviewing services to ensure our commissioned services are robust, assured and quality services.

Work has started on developing a suite of high level indicators to provide assurance on services commissioned on our behalf.

A new Commissioning Assurance Framework and an internal assurance group have been put in place aligned to new performance and escalation framework. This will strengthen the capability and systems around commissioning for quality for both Welsh and English providers, care homes and primary care.

Assurances in relation to specialist services will be reported to our Board through reports from the Welsh Health Specialised Services Committee strategic quality framework and assurance on Emergency Ambulance Services through the Emergency Ambulance Services Committee. This will link to strengthening the capability and systems around commissioning for quality for both Welsh and English providers, care homes and primary care.

Health and Care Standards

Following the launch of the new Health and Care Standards in April 2015, the health board developed and put into action an implementation plan to support their roll out across the organisation. This set out expectations around the embedding of the new standards, recognising that during year one of implementation there was a need to engage staff and support them in taking forward the standards at a local level.

Regular review meetings were held throughout the year to review progress in relation to the embedding of the standards. This approach has been key to driving progress and improvement and sustaining the passion that has come with the launch of the new standards. This approach has proved successful as it has given staff the opportunity to discuss each standard, the outcomes of their self-assessments, to share good practice and to highlight any areas of concern.

Some of the key points identified during discussions around governance, leadership and accountability include the following:

- Lines of accountability could be improved, particularly in relation to the escalation of issues; and
- Although systems are in place for monitoring contracts and service level agreements, some improvements need to be made to provide the health board with assurance it is receiving high quality efficient services.

A review of Health and Care Standards implementation is currently being undertaken by Internal Audit and the findings will be reported to the Audit Committee upon receipt.

Patient Safety and Quality Walkrounds

Building on peer reviews of ward and department areas following the 'Trusted to Care'¹ reports, we have trialled the quality check toolkit on a number of community hospital sites. Positive feedback has demonstrated how we can use both qualitative and quantitative approaches in determining how patients are being cared for. Going forward this toolkit will form part of our suite of methods used to provide quality assurance.

¹ Report of the external independent Review of the Princess of Wales Hospital and Neath Port Talbot Hospital at Abertawe Bro Morgannwg University Health Board (2014) and a follow up review undertaken in 2015. The Reviews were led by Professor June Andrews, Director of the Dementia Services Development Centre, University of Stirling and Mr Mark Butler, Director of The People Organisation.

The 15 Steps Challenge (NHS Institute) has been formally adopted as one of the Board's approaches to reviewing care provision enabling a focus on quality and safety from the perspective of patients, their families and carers. Six out of nine wards were visited during the year:

- Twymyn Ward, Machynlleth Hospital on 25 September 2015
- Maldwyn Ward, Welshpool Hospital on 1 October 2015
- Adelina Patti Ward, Ystradgynlais Hospital on 18 January 2016
- Claerwen Ward, Llandrindod Wells Hospital on 9 February 2016
- Graham Davies Ward, Llanidloes Hospital on 18 February 2016
- Llewellyn Ward, Bronllys Hospital on 22 February 2016

Visits to Brecon Hospital and Knighton Hospital were postponed due to unforeseen circumstances. These will be rescheduled for the near future. Similar Patient Experience Walkrounds will also be rolled out to Mental Health Wards. The following key themes have emerged from the visits:

- Signage is not clear – externally and internally.
- Storage space is inadequate resulting in items and equipment being stored inappropriately in bathrooms for example.
- Little evidence is available on how patients/carers could access Welsh Language information.
- Toilets being used as unisex at time of visit.
- Leaflets and information available on wards out of date.
- Some information governance concerns regarding the security of mail pigeon holes in one area.

Action plans have been developed by each and progress against the locally-developed action plans is being followed up and will be reported to the Quality and Safety Committee. Some areas are subject to a pan-Powys work programme, for example signage.

It is pleasing to note that the number of Walkrounds increased during the year.

Community Shadowing

This year, in addition to the inspections of ward areas, shadowing sessions in the community have been introduced. A number of Executive Directors and Independent Members have spent half a day each with a Community Nursing Team gaining valuable insight into what a day in the life of a community nurse looks like, observing the teams at work in key areas such as the Virtual Ward, Leg Clubs and clinical visits. Moving forward the shadowing sessions will be rolled out across other disciplines including Women's and Children's and Therapies services.

Health and Safety

The revised Health and Safety Strategy and Implementation Plan was approved by the Board in October 2015. It is aimed at ensuring we provide a safe and healthy environment for all employees, patients, visitors, contractors and other members of the public who have contact with the organisation. In determining whether we had the right model in place for managing health and safety across the organisation and in supporting our employees and managers to understand that everyone has a responsibility for health and safety, we commissioned an external review of health and safety arrangements which commenced in October 2015. We are taking actions to implement the findings and this will involve reviewing current workforce capacity and capability and provide training to ensure staff are supported with the right skills, knowledge and experience that meets organisational need. This is also an area where we are considering the potential of integrating services with PCC.

Corporate governance structures and processes

As highlighted earlier in this paper to be effective governance structures must be clear, transparent and integrated. They must be designed to facilitate, support and drive prudent health and care, co-production and integration.

The improvements made to governance arrangements during 2014-15 were acknowledged by the Wales Audit Office (WAO) in its 2015 Structured Assessment of the health board. The WAO reported that:

- Planning arrangements had improved, with the IMTP setting a clear vision with scope to sharpen its content in the next iteration;
- A comprehensive Governance Improvement Programme and revised Executive portfolios provide a better position from which the health board is able to deliver its strategic objectives;
- The Board has made good progress in relation to the strengthening of its overall effectiveness although further work is required before it can demonstrate sustained good practice and innovation; and
- Board members demonstrate a clear commitment to openness, constructive challenge and quality improvement.

However, I recognise that there are further improvements to be made in order to ensure that governance arrangements continue to be fit for purpose and are embedded throughout the organisation. Therefore, the Board has started to take further steps to ensure that the health board's governance and related assurance arrangements are aligned to the following principles:

- Visible leadership and clear strategic direction.
- Clarity of purpose, accountabilities, roles and responsibilities (delegation and reservation).
- Effective internal and external relationships - the consideration and involvement of all stakeholders.
- Constructive challenge.
- Openness and transparency.
- Sound arrangements for managing risks and ensuring compliance.
- Sound knowledge of the health board and the communities it serves.
- Competent decision making.
- Organisational effectiveness.

The Board has taken clear steps to:

- Set the culture and articulated the key steps that are needed to deliver its vision. It will ensure that quality and safety is consistently delivered by embedding prudent approaches to health and care, co-production and integration; the golden threads that will run through all that the health board does.
- Increase the further effectiveness of the Board and the committees of the Board (the committees) and put in place an integrated and holistic development programme for Board members (independent members and executive directors).
- Further improve governance structures and processes.
- Embed sound risk management and assurance arrangements.
- Ensure that governance arrangements take account of all statutory and legislative requirements.

Early in 2016-17, following review, we will confirm the organisational governance model to ensure clarity over delegated levels of authority and accountability. This will start with a review of the health board's Standing Orders, Standing Financial Instructions, Scheme of Delegation and the portfolios of executive directors.

In addition, we will continue to work with PCC to ensure that the services we provide are increasingly integrated. Both organisations have agreed to look at ways in which integration can be quickly but safely escalated. During the year ahead our governance arrangements will be strengthened to ensure that they continue to be fit for purpose and also support the integration work. The key driver for this integration work is the commitment of both organisations to ensuring that the health and care needs of the people of Powys are served in the most efficient and effective way.

Setting the culture and articulating key steps

Driving tangible and sustainable improvement in the quality and safety of the services provided and commissioned by the health board is a key priority. However, to do this in a meaningful way that ensures patients and the population of Powys are at the centre of any plans and staff are empowered, requires clear strategic direction, strong and consistent leadership, the right culture and a meaningful plan that is owned by all.

In 2015-16 a number of steps were taken to ensure that the culture of the health board supports the delivery of the Board's vision, and the key steps/milestones are articulated. Such steps included the:

- Establishment of a clear annual planning model and cycle, which is still evolving. These arrangements will ensure the delivery of our IMTP in line with agreed milestones and timescales. Further they help the Board to:
 - Implement a clinically led planning environment for service planning, annual planning and medium term (three year horizon) planning; and
 - Meet requirements of the NHS Wales Planning Framework to integrate our service, workforce and financial planning into a continuous cycle.
- The introduction of the 'Chat to Change' programme, which is designed to ensure that we develop and maintain the values and behaviours required to deliver excellent care;
- Development of the values and behaviours that describe the "way we do things in Powys". The values and associated behaviours were developed at a series of Chat to Change workshops held in late 2014;
- Strengthening of the health board's approach to the development of this Integrated Medium Term Plan, by improving engagement with staff and key stakeholders; and
- Implementation of a performance management framework

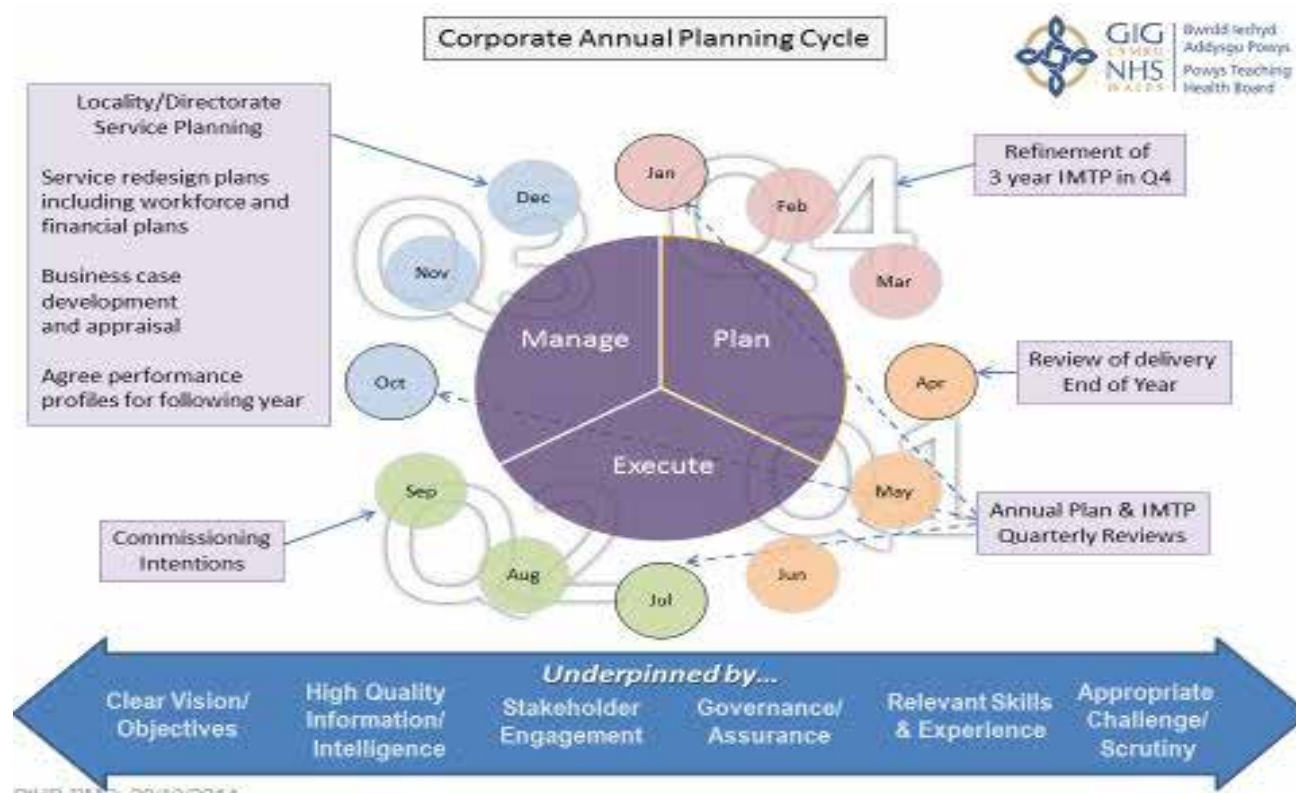
Planning and the Integrated Medium Term Plan

Our planning approach has been designed as a three-fold process. Developing Primary Care Clusters/Locality Plans 'bottom up' and in parallel developing plans based on cross cutting themes and other organisation wide plans. Working with our partners, the One Powys Plan has driven a number of the strategic priorities being taken forward by the health board over the next three years. The building blocks of our integrated planning are closer integration between service, quality, performance, IT, estate, workforce and financial plans. Our intention is to further strengthen our planning and delivery approach together with PCC as part of our journey towards integration.

Key principles of the process are to ensure:

- There is a clinically led planning environment with multi professional input;
- Patients are at the centre of service design and delivery;
- There is whole system planning, ensuring alignment with neighbouring providers plans;
- There is a transformation of commissioning and provider functions;
- Promotion of integration at a strategic and service level;

- There are internal relationships including staff side/trade unions;
- There are external relationships with key stakeholders;
- There are Community Health Council planning links.



The development of the IMTP was an iterative process underpinned by formal and informal engagement processes and feedback. In the course of the year, a series of public engagement events took place to shape the health board's ongoing priorities and plans. Further, the joint priorities contained within the One Powys Plan and health board's plan were approved by the Powys Local Service Board.

Many of the objectives set out in the 2015-18 IMTP have been met and details of what we did and didn't deliver will be set out in the Annual Report to be published in September. We prepared a refreshed IMTP for 2016-19 and are awaiting confirmation of ministerial approval.

The engagement process

The health board's approach to stakeholder engagement has matured during 2015 with the approval of the Board's Stakeholder Engagement Strategy. This ensures a multi-disciplinary clinically led approach to developing the Integrated Medium Term Plan; with an appropriate balance between Powys-wide and locality/directorate groups; empowerment of staff and local decision making.

The following table provides a summary of the health board's key stakeholder groups:

Summary of our key stakeholder groups			
			
Our key external stakeholders			
Patients & Public Engage via existing engagement mechanisms in place with the public i.e. Stakeholder Reference Group/Joint LA/HB forums.	CHC & Patient Forums CHC Planning Committee.	Politicians Engage via existing meetings at CEO/Exec level.	PAVO & 3rd Sector Engage via USB discussions.
Our Clinical Stakeholders			
Lead GPs *Actively engage via existing locality/directorate arrangements.	Clinicians Lead Clinicians actively engaged via the service groups and existing management arrangements.	Expert Secondary Care Advice External secondary care expertise through existing management arrangements.	External Providers Engage via the Directors of Planning Forum to ensure alignment and via strategic review programme board representation e.g. Futurefit, Wye Valley, Mid Wales Review etc.
Our Staff			
Executives *Actively engage via a structured engagement on a fortnightly basis and sign off process at the Executive meetings. *Leadership and support to the work streams to deliver IMTP/Annual Plan.	PtHB * CEO to brief Health Board at board development sessions before formal approval at public board.	Locality/Directorate Managers *Actively engage via the directorate/ locality management arrangements. *Responsible for engaging with the external local patient groups, politicians.	Our Staff *Engage with staff side via Local Partnership Forum and Chat to Change events.

PtHB PMO: 20/10/2014

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Engagement is embedded in Powys at a local level, however the health board recognises that it needs to strengthen its overall corporate arrangements for continuous engagement and this will be undertaken in 2016-17 in conjunction with partners in the Local Service Board. There is reference to considerable engagement throughout our IMTP.

Integrated performance management

The health board approved its Performance Management Framework for 2015-16, which set out the overarching principles and approach to developing a high performing organisation.

The Framework has been developed to ensure that the Board successfully delivers national standards for quality, performance, finance and patient experience as laid down in the NHS Wales Outcomes Framework. The Performance Management Framework also sought to encompass achievement of broader strategic objectives contained within the Board's Annual Plan, and other key enabling strategies. It was set within the context of the overall Planning Framework to ensure a clear line between national requirements, contractual obligations and the strategic business priorities of the health board.

Capacity to handle risk

Overall responsibility for making sure that risks are properly managed rests with the Board. Reporting mechanisms are in place to ensure that risk issues are reported through the health board's management structures in accordance with the Risk Management Strategy and Policy. Management and ownership of risk is delegated to the appropriate level from Director down through the health board's structures.

Through discussion and the receipt of reports the Board has identified, and managed a range of risks during 2015-16, notably the risks in relation to Wye Valley NHS Trust in light of the imposition of a section 29A¹ via the Care Quality Commission; and capital and estates issues.

The Board and its Committees identify and monitor risks within the organisation. Specifically, the Executive Team meetings present an opportunity for the executives to consider, evaluate and address risk and actively engage with and report to the Board and its committees on the organisation's risk profile.

As a result of reviewing the strategic objectives, critical success factors and risk management structure, the Board developed and agreed its risk appetite statement in February 2016 and the principles and approach that will underpin the development of the health board's Assurance Framework. Robust risk management is an integral to good management and the aim is to ensure it is integral to the health board's culture. It is an increasingly important element of the health board's planning, budget setting and performance processes. The risk management process is underpinned by a number of policies which relate to risk assessment including incident reporting, information governance, training, health and safety, violence and aggression, complaints, infection control, whistle blowing, human resources, consent, manual handling and security.

Risk Management

Embedding effective risk management remains a key priority for the Board as it is integral to enabling the delivery of our objectives, both strategic and operational, and most importantly to the delivery of safe, high quality services.

The health board requires all clinical and non-clinical incidents, including near misses, to be formally reported. Members of staff involved in, or witnessing such an incident, are responsible for ensuring that the incident is reported.

When an incident occurs and there is a remaining risk, all practical and reasonable steps are taken to prevent re-occurrence. The line manager is responsible for the provision of primary support for staff involved in the incident and this is made available to them immediately.

Any incidents which are considered serious are escalated as appropriate and a decision is taken as to whether the incident should be treated as a Serious Incident (SI) and reported to the Welsh Government. All SIs must be investigated using the Root Cause Analysis (RCA) methodology.

¹ Under provisions set out in section 29A of the Health and Social Care Act 2008, the Care Quality Commissions can issue Warning Notices to NHS Trusts and Foundation Trusts where it appears to us that significant improvement is required.

An internal audit of our risk processes was undertaken towards the end of the 2015-16 financial year and this resulted in a 'limited' assurance report. Over the coming months steps will be taken to strengthen risk management across the organisation; this work will include commissioned and contracted services. We will embed sound risk management and assurance arrangements by:

- Developing and embedding the health board's assurance framework.
- Implementing a strengthened risk strategy and policy with easy to use processes and documentation.
- Identifying and regularly reviewing the strategic risks linked to the strategic objectives and priorities set out in this IMTP.
- Clarifying the role of the committees of the Board in relation to the 'assurance framework' and risk management.

Board and Committee work plans will also be agreed with a view to ensuring that they receive adequate assurance in relation to how risk is being managed throughout the year. Risks are reported locally at divisional level through the divisional management structure. The use of DATIX, an electronic reporting system, enables the timely reporting and management of incident reporting.

Going forward, the Board will be involved in the continual development of the Assurance Framework, and this will be formally reviewed on a quarterly basis during 2016-17.

Risk Identification and Evaluation

Risks are identified via a variety of mechanisms, which are briefly described below. All areas within the health board report incidents and near misses in line with the health board's Incident Reporting Policy.

Risk Assessments, including Health and Safety and Infection Control Audits are undertaken throughout the health board. Identified risks at all levels are evaluated using a common methodology based on a 5 x 5 risk scoring matrix as shown below:

Risks are categorised into 4 levels as follows:

- **Low** – with a score between 1 and 3
- **Moderate** – with a score between 4 and 6
- **High** – with a score between 8 and 12
- **Extreme** – with a score between 15 and 25

Other methods of identifying risks include:

- Complaints and concerns
- Health and Safety visits
- Clinical audit
- Quality Walkrounds
- Medico-legal claims and litigation
- External benchmarking
- Inquest findings and recommendations from HM Coroners

Identified risks are added to the Risk Registers and reviewed to ensure that action plans are being carried out and that risks are being added or deleted as appropriate. High level risks are reported to the Executive Team and the Board.

Health Board's Risk Profile

The key risks to the achievement of our strategic objectives should be captured in the Board's 'Corporate Risk Register'. This was last received by the Board when it met in May 2016 and can be accessed at www.powysthb.wales.nhs.uk/board-agenda-25-

may-2016 However, it is recognised that further work is needed to better align the Corporate Risk Register with the revised strategic objectives agreed as part of the IMTP for 2016-19.

Risk Registers are used to identify and manage significant risks within the health board. In addition internal and external reports/reviews are used to inform the framework and register in terms of new risks or amendments to existing risks.

Achieving financial balance was a moderate risk for the health board through the year until the fourth quarter when the risk decreased. Subject to audit, the draft financial position shows financial balance.

At the end of March 2016 there were a number of continuing risks of concern to the health board which are highlighted below:

- Estates compliance issues
- Commissioning issues in relation to Wye Valley NHS Trust
- Financial control risks, particularly in relation to capital and estates.

There are also number of high level risks associated with the strategic change programmes and these include:

- Engagement/consultation requirements
- Demand and activity assumptions
- Commissioning

The Board has a series of controls in place to manage and mitigate these risks.

The Audit Committee monitors and oversees both internal control issues and the process for risk management and internal and external auditors attend Audit Committee meetings. The Board and its Committees receive reports that relate to the identification and management of risks.

Information Governance Risks

Risks relating to information are managed and controlled in accordance with the Trust's Information Governance Policy through the Information Governance Committee, chaired by an independent member.

The Medical Director, as Caldicott Guardian, is responsible for the protection of patient information. All information governance issues are escalated through the Information Governance Committee.

The Senior Information Risk Owner (SIRO) provides an essential role in ensuring that identified information security risks are addressed and incidents properly managed. During the first part of the year the SIRO was the Director of Therapies and Health Sciences, and the role passed to the Director of Finance for the second part of the year.

During the year the Chair of the Information Governance Committee escalated concerns to the Board in relation to the poor take-up of information governance training and the lack of progress made in relation to the addressing of on-going and long term risk and control issues. One data breach was reported to the Information Commissioner's Office (ICO). We are waiting the outcome of the ICO's judgement.

Information in relation to the outcomes of information governance audits is provided as part of the Head of Internal Audits opinion.

Financial Risks

The organisation's financial control framework is set out within the Standing Financial Instructions (SFIs) of the organisation. SFI's set out the regulation of financial proceedings and business and are designed to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability in the conduct of business. They translate statutory and Assembly Government financial requirements for the NHS in Wales into day to day operating practice. Together with the adoption of Standing Orders (SOs), a scheme of decisions reserved to the Board and a scheme of delegations to officers and others, they provide the regulatory framework for the business conduct of the health board.

In addition to Standing Orders and Standing Financial Instructions there are a series of Financial Control Procedures that cover the core financial systems and processes in the health board including a budgetary control policy that sets out the detailed arrangements for the delegation and effective management of budgetary performance within the organisation.

There are many other control systems within the health board that contribute to good financial control. The Audit Committee provides assurance to the board that the organisation's systems of internal control are effective. In seeking assurance as to their effectiveness the Audit Committee approve a programme of internal audit of systems and processes to seek assurance and to drive improvement. Internal Audit is provided by NWSSP Audit and Assurance. Further assurance is also gained from external audit work provided by Wales Audit Office in relation to their role in providing an opinion on the organisation's statutory accounts and their work on structured assessment and performance reviews.

Delivery of the financial plan for the year is monitored through the Finance Director's monthly meetings with lead directors. In line with the Budgetary Control Procedure meetings also take place between line managers and delegated budget holders on a regular basis as part of the effective management of budgets. These sessions provide both challenge and support to budget holders in the delivery of their plan and also follow the escalation process as set out in the budgetary control procedure where required. During early 2016/17 Internal Audit will review budgetary management and control arrangements, as part of the assurance process. Financial performance is routinely reported to the Board and Finance & Performance Committee to ensure that the Board/Committee are able to gain assurance and provide an appropriate level of challenge in the management of financial risks and delivery of financial targets.

The Executive Team receives a monthly financial report at its Delivery and Performance meeting. These reports both set out key financial performance and risk issues and progress on achieving a resolution to outstanding issues.

During the year issues that arose in capital and estates highlighted concerns in relation to the culture and financial controls in place in various departments and levels of the organisation. As a result, these have been reviewed and actions have already been put in place to start addressing these concerns.

Strategic Risks

The Assurance Framework maps the strategic level risks that may impact upon the achievement of the health board's strategic objectives. These are linked to the Annual Plan. Once complete this process will ensure that the Board is informed about the most serious risks faced by the health board.

During 2016-17, critical success factors, strategic risks, terms of measurement and sources of assurance will be mapped. This work will continue to develop during 2016

with the inclusion of quarterly review of strategic objectives at Board meetings on a cyclical basis.

Additional Disclosures

Pensions Scheme

I can confirm that 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, employers' contributions and payments into the Scheme are in accordance with Scheme rules and that the member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Welsh Language, Equality and Diversity

Measures are in place to ensure that the organisation complies with the requirements of the Welsh Language, equality, diversity and human rights legislation are complied with. However, further work is needed to ensure that such legislation is properly embedded. Assurance is provided to the health board through the Workforce and Organisational Development Committee.

The health board is required to implement its Welsh Language Scheme and the Welsh Language Framework, "More than Just Words", and implementation is monitored by Welsh Government and the Welsh Language Commissioner. The Workforce and Organisational Development committee of the Board has oversight of Welsh Language and provides assurance to the Board.

Activity is well underway to ensure that:

- We understand the linguistic profile of the workforce by recording language competency onto ESR. Together with the analysis of the population, and service users this will inform the language skills strategy. The strategy will address identified workforce shortfalls through a combination of training, recruitment and partnership arrangements with other organisations to ensure as complete an implementation of the Active Offer as possible. One service, Speech and Language Therapy, has already identified a shortfall and are seeking support from a neighbouring health board to address this in the short term.
- Welsh Language needs are picked up as part of the needs assessment process, Welsh Language is included as part of the Equality Impact Assessment requirement embedded into needs assessment processes. Examples of this are the South Wales Programme Equality Impact Assessment

Civil Contingencies

The Civil Contingencies Act 2004 (CCA) outlines a single framework for civil protection in the United Kingdom. Part 1 of the Act establishes a clear set of roles and responsibilities for those involved in emergency preparedness and response at a local level. During 2015-16 we:

- Established a new Civil Contingencies Steering Group to ensure that there are effective operational governance arrangements in place to ensure delivery of the duties placed on the health board as part of the CCA.
- Established regular progress reporting arrangements for Executive Directors.
- Developed a business continuity toolkit, which provides a step by step guide to assist service areas in the development of service level business continuity plans. This has been implemented across the Primary and Community Care Directorate.
- Achieved compliance with statutory exercising duties, including the undertaking of a live exercise.

- Introduced a new Civil Contingencies planning page on the PTHB staff intranet; this has helped to improve communications across the organisation and provides an area to store and share plans and other resources relating to Civil Contingencies.

Carbon Reduction

As a way of addressing our impact on the environment and the carbon cycle we are mitigating the effects of climate change by:

- assessing the risks;
- planning for the future;
- implementing fully worked up strategies to cope with extreme events;
- developing plans for reducing water and energy demands, reducing waste and increasing recycling.

The Civil Contingencies Act 2004 (CCA) establishes a clear set of roles and responsibilities for those involved in emergency preparation and response at the local level. It requires 'Category 1 Responders'; organisations including the emergency services, NHS bodies and local authorities, to prepare for adverse events and incidents. To achieve this, PTHB is a member of the Dyfed Powys Local Resilience Forum (LRF). The CCA and the Regulations bring responders together through the forum, to have a collective responsibility to plan, prepare and communicate in a multi-agency environment.

Dyfed Powys LRF has recently completed its assessment of the risks outline in the National Risk Assessment Guidance at a local level. Each individual risk is regularly assessed and evaluated in terms of preparedness. Whilst carbon reduction is not specifically listed within the National Risk Assessment Guidance, the impact i.e. inclement weather is considered by the Dyfed Powys Severe Weather and Business Continuity Groups. Multi-agency Response Plans, training and exercising activities are developed and delivered through this forum.

The Climate Change Act 2008 puts in place the legislation needed to plan and manage Wales' natural resources in a more proactive, sustainable and joined-up way and includes a commitment by the Welsh Government to reduce carbon emissions by at least 80% lower than the baseline by 2050.

The Wellbeing of Future Generations (Wales) Act 2015 sets out seven top level goals which all public bodies will have to set targets and report against, this is a new act as such the health board is yet to establish targets. A number of these goals relate to carbon emissions and their management and reduction.

As a way addressing our carbon emissions and compliance with relevant Environmental Acts the health board has put in place and recently reviewed an Environment Policy which publicly commits it to reducing carbon emissions by 5% by 2019.

To help managing and reduce our energy demands we have committed to achieving ISO14001 environmental management system. As a result the health board now has in place an Environment and Sustainability Manager who will ensure compliance with environmental legislation whilst also developing strategies to see the 5% reduction by 2019 come to fruition.

It is recognised that the health board has been slow to act in this area and is behind other health boards though is committed to redressing the balance swiftly in the coming years. As part of this 'Initial Environmental Reviews' will be carried out during 2016.

Key documents issued by Welsh Government

The Welsh Government has issued Non-Statutory Instruments and reintroduced Welsh Health Circulars in 2014/15. Details of these and a record of any ministerial directions given is available at: <http://wales.gov.uk/legislation/subordinate/nonsi/nhswales/2013>

During 2016-17 we will strengthen our arrangements for administering these important documents and checking compliance.

Post Payment Verification

In accordance with the Welsh Government directions the Post Payment Verification (PPV) Team, (a role undertaken for the health board by the NHS Shared Services Partnership), in respect of General Medical Services Enhanced Services, General Ophthalmic Services and Community Pharmacy Services has carried out its work under the terms of the service level agreement (SLA) and in accordance with NHS Wales agreed protocols.

Review of Economy, Efficiency and Effectiveness on the Use of Resources

The National Health Service Finance (Wales) Act 2014 amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. The Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of three financial years; and
- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is responsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the three year statutory duty under section 175 (1) will take place at the end of 2016-17, being the first three year period of assessment

Subject to audit, the health board achieved the two new financial duties in 2015-16.

Review of Effectiveness of System of Internal Control

As Accountable 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 process applied in maintaining and reviewing the effectiveness of the system of internal control includes:

- The maintenance of an overview of the overall position with regard to internal control by the Board through its routine reporting processes and its work on corporate risks;
- The embedding of the Assurance Framework and the receipt of internal and external reports on the internal control processes by the Audit Committee; and
- Personal input into the controls and risk management processes by all executive directors, senior managers and individual clinicians.

I have also drawn on the work of the Board and its committees and the performance information available to me.

Internal Audit

Internal audit provide me as Accountable Officer and the Board through the Audit Committee with a flow of assurance on the system of internal control. I have commissioned a programme of audit work which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit Committee and is focused 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:

"The purpose of my annual Head of Internal Audit opinion is to contribute to the assurances available to the Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the system of internal control. The approved internal audit plan is biased towards risk and therefore the Board will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the Annual Governance Statement.

To provide improved definition and interpretation, the overall opinion has been formed by summarising audit outcomes across eight key assurance domains. The overall opinion is then based upon these grouped findings. In 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. This has led me to conclude an opinion of limited assurance for the primary assurance domain of Corporate governance, risk and regulatory compliance. The domains of Information Governance and security and of Workforce management also derived limited assurance, whilst the Capital and estates management domain has been assessed as providing no assurance.

The domains of Financial governance and management; Clinical governance, quality and safety; Strategic planning, performance management and reporting; and Operational service and functional management are rated as reasonable assurance.

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

In overall terms and considering the outcome of reviews undertaken, I can provide positive assurance to the Board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the following assurance domains:

- Financial governance and management;
- Strategic planning, performance management and reporting;
- Clinical governance quality and safety; and
- Operational service and functional management

However, the significance of the matters raised in those areas where there are clearly improvements to be made in governance, risk management and control impacts upon our overall audit assessment in the following assurance domains:

- Corporate governance, risk management and regulatory compliance;
- Information governance and security;
- Workforce management; and
- Capital & estates management.

I have agreed with PTHB remedial action to improve control in these areas."

Structured Assessment Conclusions

As referred to earlier in this report the improvements made to governance arrangements during 2014-15 were acknowledged by the Wales Audit Office (WAO) in its 2015 Structured Assessment of the health board. The conclusion section of the Structured Assessment States:

"During 2015, the health board has undertaken a broad range of activities to address shortcomings with its governance arrangements. Our overall conclusion from 2015 structured assessment work is that arrangements to support good governance and the efficient, effective and economical use of resources have strengthened considerably. The health board is in a stronger position to achieve financial balance and drive forward transformation, providing resilience and pace of change can be sustained.

The reasons for reaching this conclusion are set out below.

Financial planning and management

Following the injection of funding, the health board is likely to achieve financial balance in 2015-16 with good in-year management and scrutiny of performance. The health board needs to strengthen strategic financial planning to address the challenging financial environment.

Specifically, we found:

- *in 2014-15, the health board operated within its annual revenue and capital resource allocation; and*
- *at the end of September 2015, the health board was forecasting a balanced year-end outturn position against its annual revenue resource allocation although the financial environment remains challenging.*

Arrangements for governing the business

- *The Board has set a clear vision, strengthened Executive capacity, and made improvements to governance arrangements. The challenge going forward is to further refine, sustain and embed these arrangements throughout the organisation.*

In reaching this conclusion, we found:

- *planning arrangements have improved, as evidenced by Ministerial approval of the IMTP. The IMTP sets a clear vision with scope to sharpen its content in the next iteration;*
- *a comprehensive Governance Improvement Programme and revised Executive portfolios better position the health board to deliver their strategic objectives. The challenge is to ensure there is sufficient resilience and capacity within the Executive Team to maintain a sustainable pace of change, strengthen operational management capacity, and to ensure that it has the correct balance between locality specific and Powys-wide delivery arrangements;*

- *the Board has made good progress strengthening its overall effectiveness although further work is required before it can demonstrate sustained good practice and innovation. Board members demonstrate a clear commitment to openness, constructive challenge and quality improvement;*
- *the Board committee structure supports good governance and there is evidence of continual improvements to arrangements. However, some changes are still recent and therefore not embedded, and plans to address remaining gaps in quality governance need to be fully implemented;*
- *overall the Board receives adequate information to support effective scrutiny and decision making although further refinements to reporting are required;*
- *internal controls are now generally effective in meeting assurance requirements but some aspects, including risk management and the use of clinical audit, need further improvement; and*
- *the health board has strengthened its information governance arrangements with an updated strategy and implementation plan and its Information Governance Committee is functioning more effectively although more pace is required to address persistent high risk issues.*

Enablers of effective use of resources

- *The health board has set an ambitious change agenda and is working to strengthen its arrangements for communications, engagement and partnership working to support transformation but significant risks remain with the estate.*

In reaching this conclusion, we found:

- *the health board has articulated key elements of its transformation programme and needs to ensure that can drive the necessary changes to service delivery;*
- *the health board has made considerable progress to address the challenges with its estate and estates function, although extensive further work is required to address the poor condition of the estate; and*
- *partnership working with the local authority is progressing apace, communications with the public is becoming more transparent, but much more remains to be done to gather and learn from patient experience. "*

Quality of Data

During 2015-16 Internal Audit undertook three reviews related to information governance and security. One review, titled Information Governance, was given 'no' assurance, and two reviews, Information Commissioner Offices follow up, and Data Quality, were rated as 'Limited' assurance. These reports have been presented to the Audit Committee and the Information Governance Committee has been delegated responsibility by the Board for ensuring appropriate and timely action is taken.

Conclusion

I am aware, that there have been a number of areas that have received assessments of 'limited' assurance from Internal Audit during the last year; these are outlined in the Head of Internal Audit's Statement above. In each instance, management action has been taken forward to respond in these areas and progress monitored by the health board's committees, particularly the Audit Committee and the Board.

In addition, as highlighted earlier in this report a number of matters have arisen that have given cause for concern in relation to capital and estates, financial controls, procurement and certain corporate controls. During the year I took action to address these and I will continue to monitor the situation over the months ahead. The Board through its own self-assessment of effectiveness and the Health and Care Standards identified further areas for improvement, which have also been outlined in this Statement.

I have therefore concluded that while in many areas the Board has a generally sound system of internal control that supports the achievement of its policies, aims and objectives further strengthening and embedding of sound control, risk and assurance arrangements is needed. Together with the Board I will continue to drive improvements and will seek to provide assurance for our citizens and stakeholders that the services we provide are efficient, effective and appropriate and designed to meet patient needs and expectations.

Carol Shillabeer

Chief Executive

PART B: THE REMUNERATION AND STAFF REPORT

Background

The FReM requires that a Remuneration Report shall be prepared by NHS bodies providing information under the headings in SI 2008 No 410 <http://www.legislation.gov.uk/uksi/2008/410/contents/made> to the extent that they are relevant. The Remuneration Report contains information about senior manager's remuneration. The definition of "Senior Managers" is:

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

This section of the Accountability Report meets these requirements

The Remuneration Terms Of Service Committee

Remuneration and terms of service for Executive Directors and the Chief Executive are agreed, and kept under review by the Remuneration and Terms of Service Committee.

The Remuneration and Terms of Service Committee monitors and evaluates the annual performance of the individual Directors (with the advice of the Chief Executive).

The norm is for Executive Directors and Senior Managers salaries to be uplifted in accordance with the Welsh Government identified normal pay inflation percentage. There were no pay inflation uplifts for 2015/16.

If there were to be an up-lift over and above this level, this would always be agreed as a result of changes in roles and responsibilities and with advice from an independent consultancy with specialist knowledge of job evaluation and executive pay within the NHS.

The Remuneration and Terms of Services Committee would receive a detailed report in respect of issues to be considered in relation to any uplift to Executive Directors salaries (including advice from the Welsh Government) and having considered all the advice and issues put before them, would report their recommendations to the Board for ratification.

The Committee also reviews objectives set for Executive Directors and assesses performance against those objectives when considering recommendations in respect of annual pay uplifts. It should be noted that Executive Directors are not on any form of performance related pay.

All contracts are permanent with a three month notice period. Conditions were set by Welsh Government as part of the NHS Reform Programme of 2009. However, during the year there were two interim Directors in post; the Interim Director of Planning and Performance, and the Medical Director. The Remuneration and Terms of Service Committee has agreed to take forward steps to recruit to these posts on a permanent basis.

The Remuneration and Terms of Services Committee is chaired by the health board's Chair, and the membership includes all other Independent Members. Meetings are minuted and decisions fully recorded.

Independent Members' Remuneration

Remuneration for Independent Members is decided by the Welsh Government, who also determine their tenure of appointment.

Directors' and Independent Members' Remuneration

Details of Directors' and Independent Members' remuneration for the 2015/16 financial year, together with comparators are given in Table 2 opposite.

Salary and Pension Entitlements of Senior Managers

Remuneration

Table 2		Benefits in kind (to nearest £100)	Pension Benefits (to nearest £1,000)		
Remuneration details for 2015-16	Salary (Bands of £5,000)		1995 Scheme	2015 Scheme	Single Total Figure of Remuneration (Bands of £5,000)
Executive Directors					
Carol Shillabeer - Chief Executive (From 23 March 2015), Interim Chief Executive (From 9 February 2015 until 22 March 2015) and Director of Nursing (Until 5 April 2015)*	155 - 160	0	335	0	490 - 495
Robert Hudson - Chief Executive (From 25th November 2013 to 6th February 2015)	0	0	0	0	0
Catherine Woodward - Director of Public Health and Acting Medical Director (From 1 November 2014 until 30 September 2015)	155 - 160	0	62	0	215 - 220
Brendan Lloyd - Director of Medical Services (Until 31 October 2014)	0	0	0	0	0
Rebecca Richards - Director of Finance	95 - 100	0	0	24	120 - 125
Bruce Whitear - Director of Planning and Performance (Commenced 10 July 2014 - Until 31 May 2015) and Interim Director of Planning (Until 09 July 2014)**	35 - 40	0	10	0	45 - 50
Julie Rowles - Director of Workforce and Organisational Development	100 - 105	24	31	6	135 - 140
Amanda Smith - Director of Therapies and Health Science (Until 29 February 2016)***	105 - 110	0	21	0	125 - 130
Alan Lawrie - Director of Primary and Community Care (From 1 December 2014) ****	105 - 110	0	0	0	105 - 110
Rhiannon Jones - Director of Nursing (From 21 September 2015) and Interim Director of Nursing (From 6 April 2015 until 20 September 2015)	100 - 105	0	115	36	250 - 255
Stephen Edwards - Interim Medical Director (From 1 October 2015)*****	25 - 30	0	24	9	55 - 60
Hayley Thomas - Interim Director of Planning & Performance (From 6 June 2015)	70 - 75	0	118	33	220 - 225

Table 2		Benefits in kind (to nearest £100)	Pension Benefits (to nearest £1,000)		
Remuneration details for 2015-16	Salary (Bands of £5,000)		1995 Scheme	2015 Scheme	Single Total Figure of Remuneration (Bands of £5,000)
Independent Members					
Professor Vivienne Harpwood - Chair (From 1 October 2014)	40 - 45	0	0	0	40 - 45
Mel Evans - Chair (Until 31st August 2014)	0	0	0	0	0
Melanie Davies - Vice Chair (From 28 May 2014)	30 - 35	0	0	0	30 - 35
Matthew Dorrance - Independent Member (Local Authority - From 17 December 2014)	5 - 10	0	0	0	5 - 10
Patricia Buchan - Independent Member (Voluntary Sector - From 11 April 2014)	5 - 10	0	0	0	5 - 10
Paul Dummer - Independent Member (University)	5 - 10	0	0	0	5 - 10
Roger Eagle - Independent Member (Legal)	5 - 10	0	0	0	5 - 10
Andrew Leonard - Independent Member (Voluntary Sector/ Community - Until 6 June 2015)	0 - 5	0	0	0	0 - 5
Mark Baird - Independent Member (ICT)	5 - 10	0	0	0	5 - 10
Gyles Palmer - Independent Member (Capital and Estates - Until 31 July 2015)	0 - 5	0	0	0	0 - 5
Gareth Jones - Independent Member (Finance - Until 30 April 2015)	0 - 5	0	0	0	0 - 5
Sara Williams - Independent Member (Capital and Estates - From 9 September 2015)	5 - 10	0	0	0	5 - 10
Owen James - Independent Member (Voluntary Sector/ Community - From 9 September 2015)	5 - 10	0	0	0	5 - 10
Anthony Thomas - Independent Member (Finance - From 1 June 2015)	5 - 10	0	0	0	5 - 10

* Please note that Ms. Carol Shillabeer's salary remuneration for 2015/16 includes arrears of pay of £7,142.86 relating to 2014/15

** Please note that Mr. Bruce Whitear's salary remuneration for 2015/16 includes pay in lieu of notice of £23,867.11.

*** Please note that Dr. Amanda Smith's salary remuneration for 2014/15 includes arrears of pay of £5,000 relating to 2013/14 and long service award payment of £300. The salary remuneration for 2015/16 includes pay in lieu of notice of £21,863.33.

**** Please note with regards to Mr. Alan Lawrie NHS Pension Scheme (England & Wales) have advised that as the member is over normal retirement age the CETV calculation is not applicable.

***** Please note that Dr. Stephen Edwards is currently seconded for 2 days per week into the Medical Director role therefore the figures above reflect the pro rata contract.

Table 3					
Remuneration details for 2014-15	Salary (Bands of £5,000)	Benefits in kind (to nearest £100)	Pension Benefits (to nearest £1,000)		Single Total Figure of Remuneration (Bands of £5,000)
			1995 Scheme	2015 Scheme	
Executive Directors					
Carol Shillabeer - Chief Executive (From 23 March 2015), Interim Chief Executive (From 9 February 2015 until 22 March 2015) and Director of Nursing (Until 5 April 2015)*	105 - 110	0	8	0	115 - 120
Robert Hudson - Chief Executive (From 25 November 2013 to 6 February 2015)	125 - 130	0	42	0	170 - 175
Catherine Woodward - Director of Public Health and Acting Medical Director (From 1 November 2014 until 30 September 2015)	155 - 160	0	119	0	275 - 280
Brendan Lloyd - Director of Medical Services (Until 31 October 2014)	75 - 80	0	24	0	100 - 105
Rebecca Richards - Director of Finance	95 - 100	0	7	0	105 - 110
Bruce Whitear - Director of Planning and Performance (Commenced 10 July 2014 - Until 31 May 2015) and Interim Director of Planning (Until 9 July 2014)**	85 - 90	0	136	0	225 - 230
Julie Rowles - Director of Workforce and Organisational Development	95 - 100	14	152	0	250 - 255
Amanda Smith - Director of Therapies and Health Science (Until 29 February 2016)***	100 - 105	0	44	0	140 - 145
Alan Lawrie - Director of Primary and Community Care (From 1 December 2014) ****	30 - 35	0	0	0	30 - 35
Rhiannon Jones - Director of Nursing (From 21 September 2015) and Interim Director of Nursing (From 6 April 2015 until 20 September 2015)	0	0	0	0	0
Stephen Edwards - Interim Medical Director (From 1 October 2015)*****	0	0	0	0	0
Hayley Thomas - Interim Director of Planning & Performance (From 6 June 2015)	0	0	0	0	0

Table 3					
Remuneration details for 2014-15	Salary (Bands of £5,000)	Benefits in kind (to nearest £100)	Pension Benefits (to nearest £1,000)		Single Total Figure of Remuneration (Bands of £5,000)
			1995 Scheme	2015 Scheme	
Independent Members					
Professor Vivienne Harpwood - Chair (From 1 October 2014)	20 - 25	0	0	0	20 - 25
Mel Evans - Chair (Until 31 August 2014)	20 - 25	0	0	0	20 - 25
Melanie Davies - Vice Chair (From 28 May 2014)	25 - 30	0	0	0	25 - 30
Matthew Dorrance - Independent Member (Local Authority - From 17 December 2014)	0 - 5	0	0	0	0 - 5
Patricia Buchan - Independent Member (Voluntary Sector - From 11 April 2014)	5 - 10	0	0	0	5 - 10
Paul Dummer - Independent Member (University)	5 - 10	0	0	0	5 - 10
Roger Eagle - Independent Member (Legal)	5 - 10	0	0	0	5 - 10
Andrew Leonard - Independent Member (Voluntary Sector/Community - Until 6 June 2015)	5 - 10	0	0	0	5 - 10
Mark Baird - Independent Member (ICT)	5 - 10	0	0	0	5 - 10
Gyles Palmer - Independent Member (Capital and Estates - Until 31 July 2015)	5 - 10	0	0	0	5 - 10
Gareth Jones - Independent Member (Finance - Until 30 April 2015)	5 - 10	0	0	0	5 - 10
Sara Williams - Independent Member (Capital and Estates - From 9 September 2015)	0	0	0	0	0
Owen James - Independent Member (Voluntary Sector/Community - From 9 September 2015)	0	0	0	0	0
Anthony Thomas - Independent Member (Finance - From 1 June 2015)	0	0	0	0	0

The Single Total Figure of Remuneration 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.

Table 4 Pension Benefits	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 2016	Lump sum at aged 60 related to accrued pension at 31 March 2016	Cash Equivalent transfer value at 31 March 2016	Cash Equivalent transfer value at 31 March 2015	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								
Carol Shillabeer - Chief Executive (From 23 March 2015), Interim Chief Executive (From 9th February 2015 until 22 March 2015) and Director of Nursing (Until 5 April 2015)	15.0 – 17.5	45.0 – 47.5	40-45	120 - 125	655	468	247	0
Robert Hudson – Chief Executive (From 25 November 2013 to 6 February 2015)*	0	0	0	0	0	0	0	0
Catherine Woodward - Director of Public Health and Acting Medical Director (From 1 November 2014 until 30 September 2015)	2.5 - 5.0	10.0 - 12.5	60 - 65	190 - 195	1,269	1,184	85	0
Brendan Lloyd – Director of Medical Services (Until 31 October 2014)	0	0	0	0	0	0	0	0
Rebecca Richards – Director of Finance	0.0 - 2.5	0	30 - 35	90 - 95	489	468	21	0
Bruce Whitear - Director of Planning and Performance (Commenced 10th July 2014 - Until 31 May 2015) and Interim Director of Planning (Until 9 July 2014)	0.0 – 2.5	0.0 - 2.5	25 - 30	85 - 90	513	501	12	0
Julie Rowles - Director of Workforce and Organisational Development	0.0 - 2.5	5.0 - 7.5	40 - 45	120 - 125	716	672	44	0
Amanda Smith - Director of Therapies and Health Science (Until 29 February 2016)	0.0 - 2.5	2.5 - 5.0	25 - 30	85 - 90	567	533	34	0
Alan Lawrie - Director of Primary and Community Care (From 1 December 2014) **	0	0	0	0	0	0	0	0

Table 4 Pension Benefits	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 2016	Lump sum at aged 60 related to accrued pension at 31 March 2016	Cash Equivalent transfer value at 31 March 2016	Cash Equivalent transfer value at 31 March 2015	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
Rhiannon Jones - Director of Nursing (From 21 September 2015) and Interim Director of Nursing (From 6 April 2015 until 20 September 2015)	5.0 - 7.5	15.0 - 17.5	35 - 40	100 - 105	592	468	124	0
Stephen Edwards - Interim Medical Director (From 1 October 2015)***	0.0 - 2.5	2.5 - 5.0	35 - 40	105 - 110	575	449	126	0
Hayley Thomas - Interim Director of Planning & Performance (From 6 June 2015)	5.0 - 7.5	12.5 - 15.0	15 - 20	50 - 55	264	167	97	0

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

* Please note that with for Directors marked * figures relate to pensionable age of 65.

** The NHS Pensions Agency have confirmed that Mr. Alan Lawrie is over Normal Retirement Age in his existing scheme – therefore CETV and pension calculations are not applicable

*** Please note that Dr. Stephen Edwards is currently seconded for 2 days per week into the Medical Director role therefore the figures above reflect the pro rata contract for the Real Increase in Pension and the Real Increase in Pension Lump Sum for the role undertaken. All other values have not been subject to a pro rata calculation

As Independent Members do not receive pensionable remuneration, there will be no entries in respect of Non Executive members.

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 if 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.

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 2015-16 was £155,000 - £160,000 (2014-15, £155,000 - £160,000). This was 6.1 times (2014-15, 6.1) the median remuneration of the workforce, which was £25,948 (2014-15, £25,836).

In 2015-16, 0 (2014-15, 0) employees received remuneration in excess of the highest-paid director. Remuneration for staff ranged from £1,400 to £157,000 (2014-15 £190 to £156,000).

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.

	2015-2016	2014-2015
Band of Highest paid Director's Total	155 – 160	155 - 160
Remuneration £000		
Median Total Remuneration £000	25.948	25.765
Ratio	6.1	6.1

Reporting of other compensation scheme – exit packages

Exit packages cost band (including any special payment element)	2015-16 Number of compulsory redundancies Whole numbers only	2015-16 Number of other departures Whole numbers only	2015-16 Total number of exit packages Whole numbers only	2015-16 Number of departures where special payments have been made Whole numbers only	2014-15 Total number of exit packages Whole numbers only
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	1
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	1
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	2

Exit packages cost band (including any special payment element)	2015-16 Cost of compulsory redundancies £'s	2015-16 Cost of other departures £'s	2015-16 Total cost of exit packages £'s	2015-16 Cost of special element included in exit packages £'s	2014-15 Total cost of exit packages £'s
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	28,252
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	108,000
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	0	0	0	136,252

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). Exit costs in this note are accounted for in full in the year of departure. Where PTHB has agreed early retirements, the additional costs are met by PTHB and not by the NHS Pension Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

This disclosure reports the number and value of exit packages taken by staff leaving in the year.

Note: The expense associated with these departures may have been recognised in part or in full in a previous period.

Tax assurance for off-payroll appointees

The following table shows all off-payroll engagements as of 31 March 2016, for more than £220 per day and that last for longer than six months.

No. of existing engagements as of 31 March 2016	1
Of which...	
No. that have existed for less than one year at time of reporting.	0
No. that have existed for between one and two years at time of reporting.	0
No. that have existed for between two and three years at time of reporting.	1
No. that have existed for between three and four years at time of reporting.	0
No. that have existed for four or more years at time of reporting.	0
No. of new engagements, or those that reached six months in duration, between 1 April 2014 and 31 March 2015	0
No. of the above which include contractual clauses giving the department the right to request assurance in relation to income tax and National Insurance obligations	0
No. for whom assurance has been requested	1
Of which...	
No. for whom assurance has been received	1
No. for whom assurance has not been received	0
No. that have been terminated as a result of assurance not being received.	0

PTHB has received assurance from the relevant employing organisation that income tax and national insurance obligations are being accounted for the above individual.

There have been no off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2015 and 31 March 2016

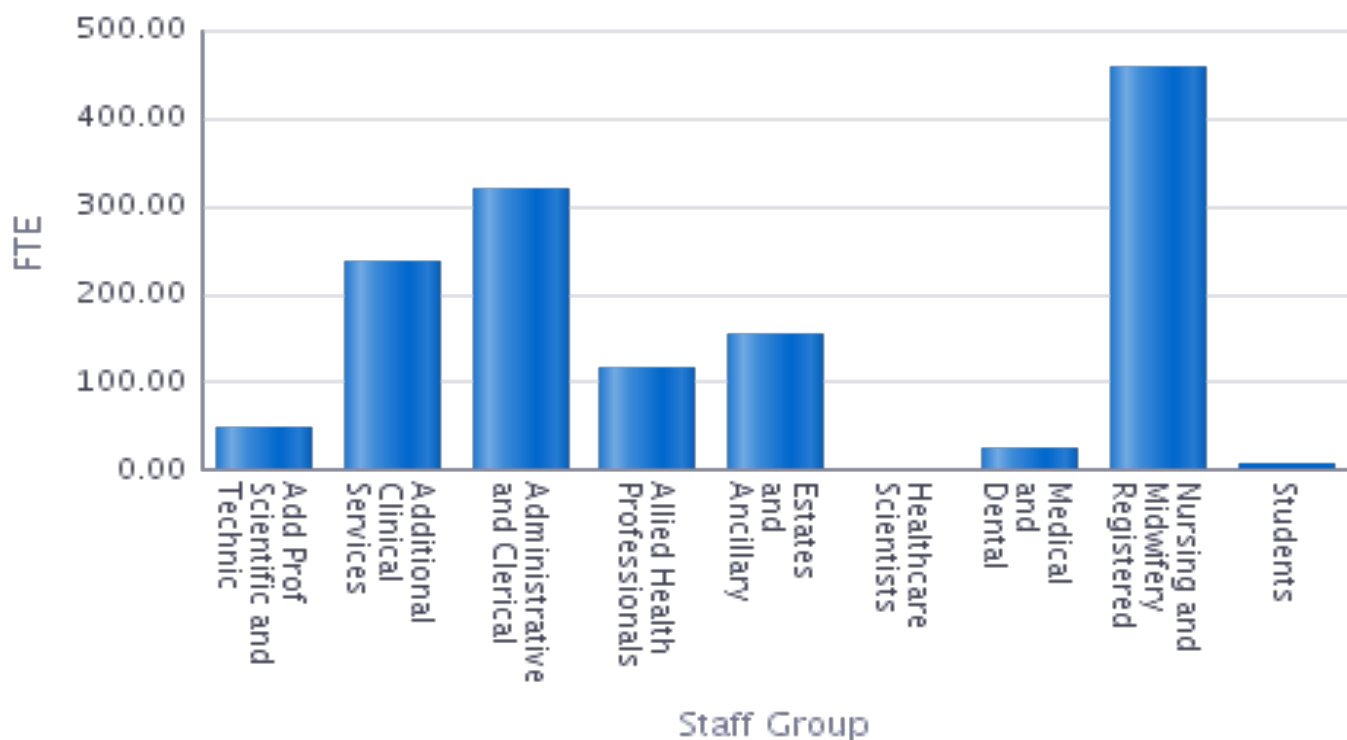
Sickness absence

Rolling sickness has fallen below the set target of 4.42% in the 2015/16 financial year to 4.23%. Actual sickness has fluctuated between 3.33% and 4.66% over the last twelve months.

In 2015/2016 19,699 working days were lost due to sickness which equates to approximately 54 members of staff being absent from work. This is a reduction of approximately three members of staff from 2014/15 when 20,703 working days were lost.

Staff profile

As of March 2016, the total number of staff employed by the health board stood at 1,361 Full Time Equivalent (FTE). The table below provides a breakdown of the staff groups we employ excluding hosted services.



Since April 2015 there has been an increase of 155.05 FTE mainly due to the transfer of Mental Health Staff from Betsi Cadwaladr University Health Board and Abertawe Bro Morgannwg University Health Board.

The pay bill accounts for approximately £46.6million or 16% of the total revenue budget.

Key characteristics of the workforce profile include:

- 61% of the workforce are part-time
- 60% of Nursing & Midwifery registered staff work part-time
- 24% of staff are aged over age 55.

PART C: THE PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

The Certificate of the Auditor General for Wales to the National Assembly for Wales

I certify that I have audited the financial statements of Powys Teaching Local Health Board for the year ended 31 March 2016 under Section 61 of the Public Audit (Wales) Act 2004. These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Cash Flow Statement, Statement of Changes in Tax Payers Equity and related notes. The financial reporting framework that has been applied in their preparation is applicable law and HM Treasury's Financial Reporting Manual based on International Financial Reporting Standards (IFRSs). I have also audited the information in the Remuneration Report that is described as having been audited.

Respective responsibilities of Directors, the Chief Executive and the Auditor

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities set out on pages 62 and 63, the Directors and the Chief Executive are responsible for the preparation of financial statements which give a true and fair view.

My responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to Powys Teaching Local Health Board circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors and Chief Executive; and the overall presentation of the financial statements.

I am also required to obtain sufficient evidence to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

In addition, I read all the financial and non-financial information in the Foreword and Annual Governance Statement to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent

with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view of the state of affairs of Powys Teaching Local Health Board as at 31 March 2016 and of its net operating costs for the year then ended; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Opinion on Regularity

In my opinion, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the National Assembly for Wales and the

financial transactions recorded in the financial statements conform to the authorities which govern them.

Opinion on other matters

In my opinion:

- The remuneration report has not been presented with these financial statements so I cannot provide an opinion on its proper preparation.
- the information contained in the Foreword and Annual Governance Statement is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- the Annual Governance Statement does not reflect compliance with HM Treasury's and Welsh Ministers' guidance;
- proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed; or
- I have not received all the information and explanations I require for my audit.

Report

I have no observations to make on these financial statements.

Huw Vaughan Thomas
Auditor General for Wales
28 June 2016

Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

Report of the Auditor General to the National Assembly for Wales

Introduction

On 1st April 2014 the NHS Finance (Wales) Act 2014 amended the NHS (Wales) Act 2006 and required LHBs to meet two new statutory financial duties.

I have decided to issue a narrative report alongside my audit certificate to explain the new duties, Powys Teaching Local Health Board's performance against them, and the implications for 2016-17.

Financial duties

The first financial duty gives additional resource flexibility to LHBs by allowing them to balance their income with their expenditure over a three-year rolling period, replacing the duty to balance their books over a one-year period. The first three-year period under this duty is 2014-15 to 2016-17, so LHBs' performance against this duty will not be measured until 2016-17.

Where an LHB does not balance its books over a rolling three-year period, any expenditure over the spending limit set for those three years exceeds the LHB's authority to spend and is therefore 'irregular'. In such circumstances, I am required to qualify my 'regularity opinion' irrespective of the value of the excess spend. For the 2015-16 financial year, any excess spend against annual financial allocations (set by the Welsh Government for financial management purposes) is not irregular expenditure and so does not affect my regularity opinion.

The second financial duty requires LHBs to prepare and have approved by the Welsh Ministers a rolling three-year integrated medium term plan. This duty is an essential foundation to the delivery of sustainable quality health services and delivery of the first financial duty. An LHB will be deemed to have met this duty for 2015-16 if it submitted a 2015-16 to 2017-18 plan approved by its Board to the

Welsh Ministers who had then approved it by the date that the Accountable Officer signed the 2015-16 Financial Statements.

LHB performance against duties

First Financial Duty

As set out above, the LHB will not be assessed against the first financial duty until 2016-17. Nevertheless it is expected to manage its finances to ensure it does not over spend against its annual revenue and capital allocations. This is because the LHB's annual performance impacts on the ability of the Health and Social Services Group to meet its own financial targets.

As shown in Note 2.1 and 2.2 to the Financial Statements, in 2015-16 the LHB:

- met its annual revenue resource allocation; and
- met its annual capital resource allocation.

Second Financial Duty

As shown in Note 2.3 to the Financial Statements, the LHB met its second financial duty to have an approved three-year integrated medium term plan in place for the period 2015-16 to 2017-18.

The integrated medium term plan was approved by the Minister on 2 June 2015.

Look ahead to 2016-17

The NHS Planning Framework 2016/17 set Welsh Government's expectation that the LHB should obtain Ministerial approval by 30th June 2016 for its three-year plan 2016-17 to 2018-19. While previously the planning process and timetable envisaged that plans would be reviewed and approved during the first quarter this was not specified, with the potential flexibility that plans could have been approved up to a point prior to the Accountable Officer signing of the financial statements for the first year of the plan.

The LHB's proposed integrated medium term plan running from 2016-17 to 2018-19 has been presented to the Welsh Government for Ministerial approval. The integrated medium term plan presents a balanced financial position for the period 2016-17 to 2018-19 but includes cumulative level of savings of £10.149 million over the three years (£4.615 million savings required in 2016-17).

At the end of April 2016, the Health Board is forecasting a balanced year end position for 2016-17.

Later this year I intend to publish a value for money study on the implementation by Welsh Government and NHS Wales of the NHS Finances (Wales) Act 2014.

Huw Vaughan Thomas
Auditor General for Wales
28 June 2016

Sustainability Report

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. It also recognises that there is an immediate need to reduce its impact on the environment and is working hard to see its vision for the future realised. This report documents sustainability performance for the year 2015-16.

The report presents an overview of the sustainability performance for the reported year including financial and non-financial information covering emissions and waste and resource consumption. It also identifies forward planning objectives. The report conforms to the public sector requirements set out in the Government Financial Reporting Manual (FReM), supplemented by HMT Guidance, 'Sustainability reporting in the Public Sector'.

Powys Teaching Health Board – Description of the organisation

Total Number of Sites:	10
Total Estate Site Footprint (m²):	45,214
Total Estate Site Land Area (Hectare):	39.52
Total Number of Staff Employed (FTE):	1,361
Hospitals:	9
Treatment Centres:	1

The PTHB Sustainability Committee is accountable to the Board and provides strategic direction to implement a structured approach to sustainability. By working towards a robust and effective Environmental Management System (EMS), supporting the principles of Sustainable Development and being a Good Corporate Citizen, we will meet internal and external targets whilst helping to improve the patient experience.

To facilitate the process of setting up the EMS, the Sustainability Committee is scheduled to meet monthly to work primarily on attaining ISO 14001 accreditation. It develops and maintains environment, utilities, transport and waste policies and procedures. It also investigates and sanctions both behavioural and engineering solutions to environmental issues, whilst ensuring new legislation is considered and adopted as required. It is the responsibility of the Committee to promote consistency and transparency in harmonising management of environmental issues across PTHB.

The Well Being at Work Group, which has locality representation, has some common areas within their agenda to support the Sustainability Committee's ambitions and social responsibility, particularly around staff travel and the reduction of single occupancy car travel.

Summary of performance

PTHB continues to support sustainability as a central organising principle within the Three Year Plan. During this reporting period the work of the Sustainability

Committee, which was originally established in May 2012, has been hampered to a degree by the re-prioritising of resources to reduce the level of non-compliance within the estate. An Environment and Sustainability Manager will commence employment shortly and will contribute to an improvement in the management of energy and sustainability in PTHB. A further permanent appointment to the post of Environment and Sustainability Manager in July 2016 will ensure a robust management structure is in place to fulfil commitments made by the health board.

Our priority is to review our current position in line with the requirements from WG, whilst ensuring we meet or exceed targets arising from existing and new legislation, maintain and enhance existing EMS, and gain accreditation to ISO 14001. This will enable the health board to more accurately monitor, assess and address its sustainability performance with regard to the environmental impacts of our activities and services.

Despite the high level sustainability agenda not being maximised, there has been a continued focus on sustainability in the reduction of energy and water consumption, staff business mileage, more efficient and sustainable recyclable waste streams and improvements in collaborative working with other Health Boards, the Local Authority and the private sector. This work has enabled cost savings to be realised.

The PTHB estate management performance is published on the NHS Estate in Wales reporting system. PTHB recognised that there was work to be undertaken to provide further confidence in the accuracy of elements of the data to support robust sustainability monitoring. This work has led to the adoption of more accurate calculation methodologies.

Future strategy to improve performance

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

The main areas identified to achieve these reductions are:

- Dedicated specialist management resource and organisational focus
- Further development of the EMS and setting a practical timetable for achieving ISO 14001 accreditation across the estate
- Identification and inclusion of key staff into the decision making process to achieve targets
- The development of a staff training and awareness programme to broaden awareness and understanding of issues and how they can affect change
- Further embedding of policy
- More robust systems for measuring performance and to explore the value of applying these methodologies to reported data for previous years given their wide variations

Greenhouse Gas Emissions		2012-13	2013-14	2014-15	2015-16
Non-Financial Indicators (1,000 tCO ₂ e)	Total Gross Emissions	19,459	13,826	Not Available	2,268*
	Gross Emissions Scope 1 (Direct)	4,955	4,584	Not Available	1,781**
	Gross Emissions Scope 2 & 3 (Indirect)	Not Available	Not Available	Not Available	486
Related Energy Consumption (million KWh)	Electricity: Non-renewable	4	2.8	3.1	2.6
	Electricity: Renewable	N/A	N/A	0	0
	Gas	15.3	11	9.2	9.6
	LPG	N/A	N/A	N/A	N/A
	Other***	0.186	0.034	0.082	0.027
Financial Indicators (£'000)	Expenditure on Energy	1,015	821	896	837
	CRC Licence Expenditure (2010 onwards)****	N/A	N/A	N/A	N/A
	Expenditure on accredited offsets (e.g. GCOF)****	N/A	N/A	N/A	N/A
	Expenditure on official business travel	Not Available	Not Available	Not Available	43

Commentary on greenhouse gas emissions

The appointment of a dedicated Environment and Sustainability Manager will see improved monitoring and reporting from 2015 onwards.

* Total tones of CO₂e including Gas Electricity and oil, exclusive all travel

** Total CO₂e of energy directly consumed by PTHB including gas and oil, exclusive of business miles

*** Other consumption relates to oil for Bronllys and Knighton only

**** In discussion with the Environment Agency, PTHB has confirmed that it does not meet the criteria required to enrol for the Carbon Reduction Commitment (CRC) scheme, Phase 2. The qualification period for Phase 2 was 1st April 2012 to 31st March 2013 with organisations required to assess whether or not they met the minimum criteria based on settled half hourly supplies during this time period. PTHB did not exceed the qualification threshold under the 6,000MWh per annum usage criteria and confirmed that NHS organisations are not 'mandated participants' under CRC. Licence expenditure on CRC is, therefore, not applicable.

Waste (tonnes)	2012-13	2013-14	2014 -15	2015 -16
Total Waste	757.6	819.2	874.6	289.1
Landfill	690.0	701.4	663.2	247.2
Reused/Recycled	67.6	117.8	211.3	58.0
Composted	0.0	0.0	0.0	0.0
Incinerated with energy recovery	0.0	0.0	26.9	16.1
Incinerated without energy recovery	4.3	4.2	6.0	4.2
Waste (£)				
Total Disposal Cost	115,549	127,255	159,499	118,598
Landfill	106,643	121,208	124,476	112,571
Reused/Recycled	8,907	8,213	35,023	6,027
Composted	0	0	0	0
Incinerated with energy recovery	0	0	25,498	13,110
Incinerated without energy recovery	19,283	15,898	23,744	17,465

Commentary on Waste

The 2015/16 data is based on that calculated for the year and reported on the Estates and Facilities Performance Management System (EFPMS). Where accurate weights are not available, the Waste and Resources Action Programme (WRAP) conversion methodology is used.

During this period we have seen the appointment of the Environment and Sustainability Manager who has recommended improvements to the methodology relating to the accuracy of the PTHB waste calculations. Most notably this has:

- Improved accuracy of estimates of bulk waste weights where they are not weighed on collection
- Realigned the various clinical wastes counts into the appropriate categories
- Increased waste incinerated with energy recovery by 50%
- Allowed validation of the submitted data

These factors make it difficult to benchmark performance on previous years, but does lay the foundations for more accurate future reporting. The following improvements are measurable:-

- Infectious clinical waste incinerated with energy recovery has increased from 46% to 94%
- An overall reduction of waste costs of 40K

The increased service activity for the additional responsibility for community healthcare waste in 2014 -15 has been largely mitigated by robust control systems and collaboration with local pharmacies providing an exchange sharps box collection for patients. PTHB have commenced a new confidential waste service this year and successfully diverted over 18 tonnes of waste for recycling for only a minimum administrative charge.

Improvement objectives for 2016 -17 will include further definition of our waste collections at source to divert waste away from landfill and take advantage of our reuse or recycle opportunities. We will also be continuing to monitor the accuracy of

Water Usage	2012-13	2013-14	2014-15	2015-16
Non-Financial Indicators (000m3)				
Total Water Consumption*	59,353	44,615	44,610	22,945*
Financial Indicators (£)				
Total Cost of Water	83,694	72,163	66,309	77,000

waste data which will allow us to focus on setting out our waste reduction targets for the coming years and map out how we intend to achieve them.

Other initiatives planned for 2016 are to further improve and increase segregation rates of recyclable materials from our general waste for landfill, and to fully roll out collections of food waste for energy generation. Waste management in 2016 will be enhanced by the appointment of an Environment and Sustainability Manager whose responsibilities will include performance against the waste hierarchy.

Commentary on water usage

The appointment of a dedicated Environment and Sustainability Manager will see improved monitoring and reporting from 2016.

* It is not currently possible to differentiate usage between Office and Non-Office.

EMS implementation achievement

PTHB is working toward gaining ISO 14001 accreditation. The EMS is under further development and we will work with an external auditing body to complete the pre-assessment of 3 sites before the end of 2016-17.

We will ensure gap analysis of the EMS system and the introduction of a detailed action plan for 2016-2017, to achieve accreditation.

2015-16 specific sustainability achievements and initiatives

- Completion of an 'Invest to Save' supported scheme to install LED Street Lights across PTHB estate - energy saving initiative
- Improved systems to more accurately measure waste
- The introduction of food waste recycling in collaboration with the local authority
- Increasing rates of recycling
- Transition in disposal regime for infectious hospital and community healthcare waste from incineration disposal to incineration with energy recovery
- Established a zero charge contract for a secure confidential waste and paper recycled disposal service in collaboration with a private local company
- Adopted Sustainable Procurement processes including food

* both Newtown and Llanidloes hospitals are 'rateable charges' and as a result it is not possible to determine water consumption for these sites

Llandrindod Wells Hospital



Summary Financial Statement

Living within our Means - Overview

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, PTHB needed to prepare a plan which identified how it would contain costs for the increasing demand for healthcare generated by our rapidly ageing population, within the allocation provided.

Given the health board's historic underlying financial pressures which for many years have been supported non-recurrently by Welsh Government, the health board's Integrated Medium Term Plan (IMTP), identified that the health board would be able to live within its means over the coming three year period.

Within the plan submitted to Welsh Government in March 2015, PTHB put together a £6.7M (2.5%) in-year savings programme (£15.4M over the life of the IMTP) which was focused on reducing unnecessary spend through improving the quality and standard of care provided to our population. The programme was built on the plans already in place within the health board and further refined through the independent review conclusions.

In June 2015 PTHB received Ministerial Approval of the IMTP.

Achievement of Statutory Duties

As referenced above, a new statutory duty for Health Boards in Wales came into effect from 1st April 2014 as set out in the National Health Service Finance (Wales) Act 2015. The Act amended the financial duties of Local Health Boards under Section 175 of the National Health Service (Wales) Act 2006. From the 1st April 2014 Section 175 of the National Health Services (Wales) Act places two financial duties on Local Health Boards.

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years.
- A duty under section 175 (2a) to prepare a plan in accordance with planning directions issues by the Welsh Ministers, to secure compliance with the duty under Section 175 (1) while improving the health of the people for whom it is responsible, and the provision of healthcare to such people, and for that plan to be submitted and approved by Welsh Ministers.

The first assessment of performance against the three year statutory duty under section (1) will take place at the end of 2016-17, being the first three year period of assessment. The health board achieved the two new duties in 2015/16.

Other statutory duties were met in year, these were

- Contain revenue costs within permitted limits (following in-year funding by Welsh Government)
- Contain capital costs within permitted limits
- Contain cash within permitted limits

PTHB did not meet the administrative target of payment of 95% of the number of non-NHS creditors within 30 days this year due to a change in methodology which has seen the removal of primary care contractor related payments from the calculations (impact of 5% reduction on performance). PTHB has undertaken many initiatives during the year to counteract this change in methodology which is increasing performance on a month by month basis and it is envisaged this improvement will continue into 2016/17.

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

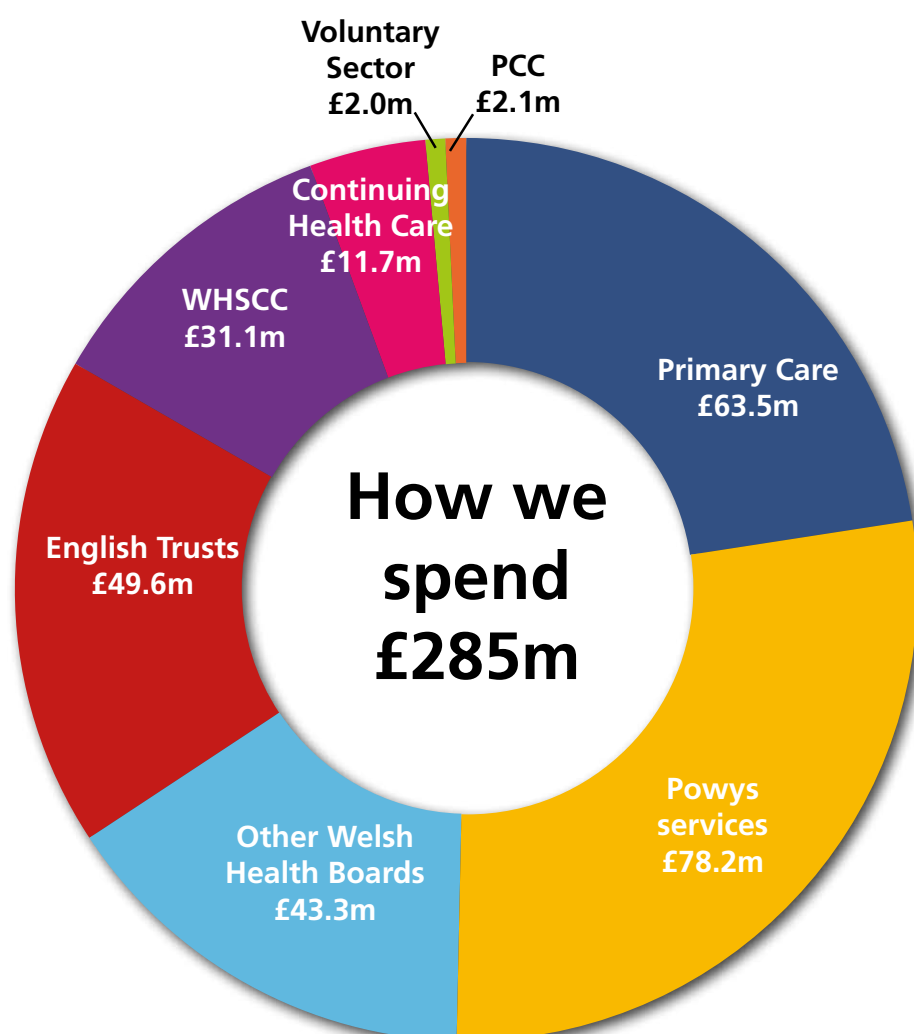
How we spend our money

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 2015/2016 was £285 million, this was split between:

- primary care services i.e. general practitioners, dentists, pharmacies and opticians,
- our own directly provided services
- a range of in-county services provided by other statutory and independent sector organisations
- healthcare secured from a range of NHS organisations beyond our borders.

We also host certain functions on behalf of the rest of Wales i.e. the Community Health Councils, Health and Care Research Wales, and All Wales Retrospective Continuing Health Care Reviews Project.

The graph below describes how our expenditure was split between these categories in 2015/2016.



Forward Look

The health board's Financial Strategy has for some time been based on a dual approach of ensuring efficiency in delivery in the context of current service delivery models and also seeking to structurally review how and where services are delivered, ensuring quality, sustainability as well as efficiency in any proposed solution.

As set out above, the savings programme in 2015/16 was reflective of the independent reviews previously commissioned which included an in-depth review with the remit of modelling at a more granular level the likely impact of growth and demand over the coming 10 years and the scale of opportunities to limit the impact through reviewing the health board's current compliance with recognised best practice and further challenging our existing service models for delivery to prepare for the coming 10 years. The results of the review did not materially change the overall health board's assumptions of the scale of opportunity for improvements, but did provide a more in-depth view of where the opportunities for improvement may lie.

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.

Net Operating Costs	2014-15 £'000	2015-16 £'000
Expenditure on Primary Healthcare Services	63,513	59,777
Expenditure on healthcare from other providers	143,721	147,056
Expenditure on Hospital and Community Health Services	78,210	74,085
	285,444	280,918
Less: Miscellaneous Income	13,197	13,990
LHB net operating costs before interest and other gains and losses	272,247	266,928
Investment Income	0	0
Other (Gains) / Losses	1	(9)
Finance Costs	103	137
Net Operating costs for the financial year	272,351	267,056

Achievement of Operational Financial Balance	2014-15 £'000	2015-16 £'000
The LHBs performance for the year ended 31 March 2016 is as follows:		
Net operating costs for the financial year	272,351	267,056
Less general ophthalmic services expenditure and other non-cash limited expenditure	-855	-811
Less revenue consequences of bringing PFI schemes onto SoFP	0	0
Total Operating Expenses	273,206	267,867
Revenue Resource Allocation	273,246	267,906
Under/ (over) spend against Revenue Resource Limit	40	39

Statement of Financial Position as at 31 March 2016	2014-15 £'000	2015-16 £'000
Non-current assets		
Property, plant and equipment	65,753	63,584
Intangible assets	0	0
Trade and other receivables	12,624	28,096
Other financial assets	0	0
Total non-current assets	78,377	91,680
Current assets		
Inventories	142	122
Trade and other receivables	16,448	5,539
Other financial assets	0	0
Cash and cash equivalents	666	902
	17,256	6,563
Non-current assets classified as "Held for Sale"	0	0
Total current assets	17,256	6,563
Total assets	95,633	98,243
Current Liabilities		
Trade and other payables	35,595	29,150
Other financial liabilities	0	0
Provisions	11,161	3,881
Total Current Liabilities	46,756	33,031
Net current assets / (liabilities)	(29,500)	(26,468)
Non-current liabilities		
Trade and other payables	0	0
Other financial liabilities	0	0
Provisions	19,343	35,315
Total non-current liabilities	19,343	35,315
Total assets employed	29,534	29,897
Financed by:		
Taxpayers' equity		
General Fund	(4,220)	(1,510)
Revaluation reserve	33,754	31,407
Total taxpayers' equity	29,534	29,897

The financial statements were approved by the Board on the 31st May 2016 and signed on its behalf by:

Chief Executive: Carol Shillabeer

Date: 31 May 2016

Statement of Changes in taxpayers equity for 2015-16	General Fund £000s	Revaluation Reserve £000s	Total Reserves £000s
Balance at 1 April 2015	(1,510)	31,407	29,897
Net operating cost for the year	(272,351)		(272,351)
Net gain / (loss) on revaluation of property, plant and equipment	0	2,482	2,482
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	135	(135)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	0	0	0
Total recognised income and expense for 2015-16	(272,216)	2,347	(269,869)
Net Welsh Government Funding	269,506		269,506
Balance at 31 March 2015	(4,220)	33,754	29,534

Statement of Cash flows for year ended 31 March 2016	2014-15 £'000	2015-16 £'000
Cash Flows from operating activities		
Net operating cost for the financial year	(272,351)	(267,056)
Movements in Working Capital	11,434	3,401
Other cash flow adjustments	(2,611)	6,379
Provisions utilised	(3,482)	(5,931)
Net cash outflow from operating activities	(267,010)	(263,207)
Cash Flows from investing activities		
Purchase of property, plant and equipment	(2,868)	(3,128)
Proceeds from disposal of property, plant and equipment	136	161
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
Net cash inflow / (outflow) from investing activities	(2,732)	(2,967)
Net cash inflow / (outflow) before financing	(269,742)	(266,174)
Cash flows from financing activities		
Welsh Government funding (including capital)	269,506	266,817
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	0
Net Financing	269,506	266,817
Net increase / (decrease) in cash and cash equivalents	(236)	643
Cash and cash equivalents (and bank overdrafts) at 1 April 2015	902	259
Cash and cash equivalents (and bank overdrafts) at 31 March 2016	666	902

Addendum to Statement of Cash Flows:	2014-15	2015-16
Other cash flow adjustments	£'000	£'000
Depreciation	2,882	2,533
Amortisation	0	0
(Gains) / Loss on Disposal	1	(9)
Impairments and reversals	(239)	(154)
Release of PFI deferred credits	0	0
Donated assets received credited to revenue but non-cash	(45)	(188)
Government Grant assets received credited to revenue but non-cash	0	0
Non-cash movements in provisions	(5,210)	4,197
Total	(2,611)	6,379

Movements in working capital	2014-15	2015-16
	£'000	£'000
(Increase) / decrease in inventories	(20)	24
(Increase) / decrease in trade and other receivables – non current	15,472	(1,852)
(Increase) / decrease in trade and other receivables – current	(10,909)	4,729
Increase / (decrease) in trade and other payables – non current	0	0
Increase / (decrease) in trade and other payables – current	6,445	1,037
Total	10,988	3,938
Adjustment for accrual movements in fixed assets – creditors	494	(569)
Adjustment for accrual movements in fixed assets – debtors	(48)	32
Other adjustments	0	0
	11,434	3,401

Cash and cash equivalents	2014-15 £'000	2015-16 £'000
Balance at 1 April	902	259
Net change in cash and cash equivalent balances	(236)	643
Balance at 31 March	666	902
Made up of:		
Cash held at GBS	645	941
Commercial banks	21	(39)
Cash in hand	0	0
Current Investments	0	0
Cash and cash equivalents as in Statement of Financial Position	666	902
Bank Overdraft – GBS	0	0
Bank Overdraft – Commercial Accounts	0	0
Cash and cash equivalents as in Statement of Cash Flows	666	902

Capital Resource Limit	2015-16 £'000	2014-15 £'000
PTHB is required to keep within its Capital Resource Limit:		
Gross capital expenditure	2,467	3,853
Add: Losses on disposals of donated assets	0	0
Less: NBV of property, plant and equipment and intangible assets disposed	(137)	(152)
Less: Capital Grants received	0	0
Less: Donations received	(45)	(188)
Charge against Capital Resource Allocation	2,285	3,513
Capital Resource Allocation	2,287	3,515
(Over) / Underspend against Capital Resource Allocation	2	2

Public Sector Payment Policy – 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.

The figures for 2015-16 exclude both the number and value of non-NHS bills paid to primary care services and contractor services. The comparators for 2014-15 have been restated to reflect this treatment

Prompt payment code – measure of compliance	2015-16 Number	2015-16 £'000	2014-15 Number	2014-15 £'000
NHS				
Total bills paid	2,981	129,740	2,660	130,990
Total bills paid within target	2,173	121,791	1,692	117,856
Percentage of bills paid within target	72.9%	93.9%	63.6%	90.0%
Non-NHS				
			Restated	Restated
Total bills paid	36,604	41,721	29,270	41,179
Total bills paid within target	33,126	35,686	24,648	30,560
Percentage of bills paid within target	90.5%	85.5%	84.2%	74.2%
Total				
			Restated	Restated
Total bills paid	39,585	171,461	31,930	172,169
Total bills paid within target	35,299	157,477	26,340	148,416
Percentage of bills paid within target	89.2%	91.8%	82.5%	86.2%

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 non-achievement of this target during 2015/16 mainly due to a change in methodology which has seen the removal of primary care contractor related payments from the calculation (impact of 5% reduction on performance). PTHB has undertaken many initiatives during the year to counteract this change in methodology which is increasing performance on a month by month basis and it is envisaged this improvement will continue into 2016/17.

The Late Payment of Commercial Debts (Interest) Act 1998	2015-16 £	2014-15 £
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
Total	0	0

Related Party Transactions

Total value of transactions with Board members and key senior staff in 2015-16	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 Powys Teaching Health Board	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 Powys Teaching Health Board 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;

	Payments to related party £'000	Receipts from related party £'000	Amounts owed to related party £'000	Amounts due from related party £'000
Welsh Government	52	273,806	49	2,086
Abertawe Bro Morgannwg University Local Health Board	9,624	1,612	490	196
Aneurin Bevan University Local Health Board	19,436	1,152	560	767
Betsi Cadwaladr University Local Health Board	4,717	961	584	177
Cardiff & Vale University Local Health Board	1,467	230	211	21
Cwm Taf University Local Health Board	1,663	240	87	224
Hywel Dda University Local Health Board	7,436	706	285	74
Public Health Wales NHS Trust	147	174	10	23
Velindre NHS Trust	2,078	355	69	29
Welsh Ambulance Services NHS Trust	742	56	17	56
WHSSC (hosted by Cwm Taf University Local Health Board)	31,131	222	1,346	188

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

Name	Details	Interests
Councillor Melanie Davies	Vice Chair	Councillor, Powys County Council
Councillor Matthew Dorrance	Independent Member	Councillor, Powys County Council
Councillor Tony Thomas	Independent Member	Councillor, Powys County Council
Patricia Buchan	Independent Member	Health & Social Care Facilitator – Powys Association of Voluntary Organisations
Amanda Lewis	Associate Member	Strategic Director of People, Powys County Council
The value of transactions with these bodies are as follows:		
Powys Association of Voluntary Organisations	£0.207M	
Powys County Council	£7.062M	

Powys Teaching Health Board 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,
- Health and Care Research Wales (HCRW)

Powys Teaching Health Board 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

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

This year has seen the introduction of an Accountability report which now contains details of many remuneration areas previously included within summary financial statement sections of the annual report. These are:

- Salary and pension entitlements of senior managers
- Reporting of other compensation scheme – exit packages
- Remuneration Relationship
- Tax assurance for off-payroll appointees

Glan Irfon Health and Social Care Centre



Find out more...

Thank you for reading our Annual Report

Our mission is to deliver high quality care and services to you. If you would like to comment on this publication you can contact us in the following ways;

Post: Powys Teaching Health Board
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Telephone: 01874 711661

Website: www.powysthb.wales.nhs.uk

Facebook: www.facebook.com/PTHBhealth

Twitter: [@PTHBhealth](https://twitter.com/PTHBhealth)

YouTube: www.youtube.com/PowysTHB

We welcome all comments and are happy to provide further information on request.



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