

POWYS TEACHING HEALTH BOARD

CONFIRMED

MINUTES OF THE MEETING OF THE BOARD

HELD ON WEDNESDAY 10 JUNE 2021, AT 10.00AM

VIA TEAMS

Present

Vivienne Harpwood	PTHB Chair
Carol Shillabeer	Chief Executive
Melanie Davies	PTHB Vice Chair
Trish Buchan	Independent Member (Third Sector Voluntary)
Matthew Dorrance	Independent Member (Local Authority)
Susan Newport	Independent Member (TUC)
Ian Phillips	Independent Member (ICT)
Mark Taylor	Independent Member (Capital & Estates)
Tony Thomas	Independent Member (Finance)
Rhobert Lewis	Independent Member (General)
Frances Gerrard	Independent Member (University)
Stuart Bourne	Director of Public Health
Jamie Marchant	Director of Primary, Community Care and Mental Health
Hayley Thomas	Deputy Chief Executive and Director of Planning & Performance
Kate Wright	Medical Director
Alison Davies	Director of Nursing & Midwifery
Pete Hopgood	Director of Finance and IT
Julie Rowles	Director of Workforce, OD & Support Services

In Attendance

Rani Mallison	Board Secretary
Lucie Cornish	Assistant Director of Therapies & Health Sciences
Katie Blackburn	Chief Officer, CHC
Derwyn Owen	Audit Wales – Audit Director
Alison Butler	Audit Wales
Liz Patterson	Corporate Governance Manager
Caroline Evans	Head of Risk and Assurance

Apologies for absence

Claire Madson	Director of Therapies & Health Sciences
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PRELIMINARY MATTERS

RESOLVED THAT due to the unprecedented health emergency of COVID-19, and the clear Public Health instruction to practice social distancing, meetings will run by electronic means as opposed to in a physical location. This decision had been taken in the best interests of protecting the public, staff and Board Members.

The meeting was live-streamed and uploaded to the website after the meeting for viewing on demand.

PTHB/21/21 WELCOME AND APOLOGIES FOR ABSENCE

The Chair welcomed all participants to the meeting noting that a number of observers were present as outlined in the attendance record. Apologies for absence were noted as recorded above.

PTHB/21/22 DECLARATIONS OF INTEREST

No new declarations of interest were made.

PTHB ANNUAL REPORT AND ACCOUNTS 2020-21

PTHB/21/23 TO RECEIVE WALES' AUDIT OF ACCOUNTS REPORT, 2020-21

The Audit Director - Audit Wales presented the key conclusions from the Audit Report outlining their responsibility to provide an opinion on the Financial Statements and Remuneration and Staff Report regarding are the accounts a true reflection of income and expenditure and that any expenditure is regular. The final checks of the revised accounts were being undertaken and confirmation had been received that the Remuneration and Terms of Service Committee had met and approved an additional payment, and the work outstanding on the drugs estimate had been completed. The audit process had been difficult to undertake remotely within the covid restrictions but it was now nearly complete and it was the intention to provide an Unqualified Audit Report. Attention was drawn to one mis-statement that had not been corrected by management and Audit Wales looked forward to receiving an explanation for the non-correction of this misstatement however, this did not cause a problem with the audit. All other mis-statements had been corrected and were listed within Appendix 3 of the report. A number of significant issues arose during audit. Firstly there was an issue

regarding pay in lieu of notice for an Executive Director where payment had not been approved but this had now been approved, and a procedural weakness which had resulted in an overpayment which was now being actively pursued. The Remuneration and Staff Report was a key document setting out salaries and remuneration of senior staff. This had taken a protracted audit resulting in a number of amendments. The revised document was a true and fair reflection of the position but it was the view of the Audit Director that the Health Board would need to reflect on its arrangements when preparing next year's report.

The matter regarding Clinicians Pensions tax was an all Wales matter, also prevalent in last years accounts and PTHB had disclosed the contingent liability in the same way as other Welsh Health Boards. The Auditor General wished to draw public attention to this by way of an Emphasis of Matter note along with more general comments regarding the all Wales position on Clinicians Pensions Tax.

Thanks were expressed to the Director of Finance and IT and team for the support provided during the audit process.

The Director of Finance and IT confirmed the organisation's commitment to learning and improvement from the audit process this year to improve in future years. It was confirmed the accounts had been presented to the Audit, Risk and Assurance Committee however, there had been a number of changes since then, attention to which would be drawn in the following items. Thanks was expressed to the new Audit Wales team for their support in working through issues which had been particularly challenging in the virtual environment.

The Chief Executive also expressed thanks to Audit Wales noting it was the first year that they had provided financial audit services to PTHB, which had previously been contracted to Grant Thornton. It was recognised that there were not usually outstanding matters at this late stage and this would be reflected on as part of a de-brief.

The Board RECEIVED the Audit of the Accounts Report for 2020/21.

TO RECEIVE A RECOMMENDATION FROM THE AUDIT, RISK AND ASSURANCE COMMITTEE IN RESPECT OF PTHB'S ANNUAL REPORT AND ACCOUNTS 2020-21

The Chair of the Audit, Risk and Assurance Committee thanked both Audit Wales and colleagues in PTHB for the work in undertaking the annual accounts process. The Committee Chair confirmed that the Committee had received the Annual Report and Accounts for consideration on 8th June and therefore presented the recommendations of the Audit, Risk and Assurance Committee as follows:

The Audit, Risk and Assurance Committee RECOMMENDED to the Board that it:

- APPROVES the Annual Report and Accounts 2020-21, which includes
 1. The Performance Report;
 2. The Annual Accountability Report; and
 3. The Financial Statements
- APPROVES the Letter of Representation; and
- AUTHORISES the Chair, Chief Executive and Director of Finance and IT to sign them where required.

The Board NOTED the recommendations of the Audit, Risk and Assurance Committee.

TO CONSIDER FOR APPROVAL, PTHB'S ANNUAL REPORT AND ACCOUNTS 2020-21:**Part 1: Performance Report**

The Director of Planning and Performance presented the report drawing attention to the extraordinary year that it covered. Reporting requirements had been streamlined but given the importance of these elements the report provided the fullest update available. Additionally, whilst there was no requirement to report on sustainability, key elements had been provided. A forward look had also been included as the annual plan was nearing completion. The organisation should feel proud of what had been achieved over the last year. There were a number of commendations throughout the report along with details of staff appreciation awards. It should be noted that this had been achieved by working in partnership.

On page 65 of the agenda pack it is noted that the total number of patients waiting, whilst did increase during the

last year has now decreased to a similar level to April 2020. Is it expected that this will increase again as a result of delayed presentation?

The Director of Planning and Performance noted that this information was unvalidated but that generally there had been an increase in waits of over 52 weeks and over 36 weeks in provided care and commissioned care in England and Wales. It had been necessary to provide trajectories to Welsh Government to access recovery monies and PTHB were in discussion with surrounding Health Boards and Trusts regarding their planned trajectories. There was uncertainty regarding latent demand and this would be tracked over the year.

On page 66 of the agenda pack details of wait times for English and Welsh Providers are outlined. Whilst the percentage of people waiting up to 26 weeks are higher in England as wait times increase, the English providers have fewer people waiting than the Welsh providers. Is this a long-term trend?

The Director of Planning and Performance acknowledged there were differences but it was difficult to show the detail in a high-level report. The detail could be provided in a detailed report to the Planning and Resources Committee.

Action: Director of Planning and Performance

The Director of Primary, Community Care and MH acknowledged that it had been a challenge and it was disappointing that the targets had only been met once in the last 18 months despite less handover delays during COVID-19. The organisation was examining what can be done to improve this.

The Board APPROVED the Performance Report for signature, in-line with requirements set by Welsh Government.

Part 2: Annual Accountability Report

a) Corporate Governance Report

b) Remuneration and Staff Report

c) Parliamentary Accountability and Audit Report

The Board Secretary outlined the three sections of the Annual Accountability Report with the Corporate Governance Report which explained the composition, the organisations governance structure and the arrangements for achieving organisational objectives. The Remuneration and Staff Report contained information regarding the remuneration of senior managers, fair pay ratios and sickness absence rates. Detail in the Parliamentary Accountability and Audit Report was included in Audit Wales Audit of Accounts Report which was presented earlier. It was proposed to take the Remuneration and Staff Report in Part 3 as there had been some changes which would be outlined by the Director of Finance and IT.

The Corporate Governance Report included the Directors Report which included composition of the Board and Members details, membership of the Audit, Risk and Assurance Committee, information on the management of Declarations of Interest and personal data related incidents, relevant information on environmental, social and community issues and covid-19. It also included a statement for public sector information holders which confirmed that the Health Board had complied with the costs allocation and charging requirements set out in HM Treasury guidance during the year and the Statement of Accountable Officers Responsibilities which explained the Accountable Officers Responsibilities for preparing the financial statements. Within this section the Accountable Officer had confirmed that as far as she was aware there was no relevant audit information that the auditors were unaware and the Accountable Officer had taken the necessary steps to make herself aware of any relevant audit information. The Accountable Officer also confirmed the Annual Report and Accounts was fair, balanced and understandable and she took personal responsibility for the Annual Report and Accounts and the judgements required for determining so. The Annual Report and Accounts included a Statement of Directors Responsibilities regarding

the accounts. This would be signed by the Accountable Officer and the Director of Finance and IT on behalf of the Directors. This statement confirmed the accounts gave a true and fair view of the state of affairs of the Health Board and of the income and expenditure and that the Board was clear regarding its responsibilities to keep proper accounting records that disclose the financial position of the health board and to ensure the accounts complied with the requirements set by Welsh Government

The Chief Executive introduced the Annual Governance Statement (AGS) noting this had been an unprecedented year and the AGS reflected the need to be able to modify governance arrangements without losing sight of the requirement to uphold public expectations around governance and conduct including the appropriate use of resources. Gratitude was expressed to colleagues who had assisted in providing assurance both externally and internally to demonstrate a high standard of governance through most challenging times. Business had been held in an open and transparent way which was evidenced by the livestreamed Board meetings. The Internal Audit opinion was Reasonable with one draft Limited Assurance rating which related to the Llandrindod Wells Project. The Chief Executive believed these findings, even if they remain limited, would not have a material impact on the AGS. Thanks were extended to Internal Audit colleagues who had worked with PTHB throughout the year.

The Chief Executive believed the Board and Executive Directors were alert to accountabilities in respect of internal control and the Board has had during the year a system of providing assurance aligned to corporate objectives that had assisted in managing risk. As a result of the internal control arrangements PTHB continued to be at a routine level of monitoring under the Welsh Government escalation and intervention arrangements which continue to be under review by Government. PTHB have been taking forward an annual governance programme which will help improve our system of internal control. The organisation will continue to mature recognising areas of strength and whilst there are no significant areas of control or governance to address the organisation will continue to develop and will be

considering a revised organisational development framework in due course. Thanks were extended to PTHB staff and partners for the support given through the pandemic.

The Board APPROVED the Annual Accountability Report for signature, in-line with requirements set by Welsh Government.

Part 3: Annual Financial Statements

a) Summary Presentation

b) Detailed Annual Accounts

The Director of Finance and IT presented the Annual Accounts as previously presented to the Audit, Risk and Assurance Committee subject to a number of amendments as outlined below. The agenda pack also includes a summary presentation for an easy read version of the accounts. It was confirmed that the statutory duty to remain within the revenue resource limit and capital resource limit was met which was an achievement given the events of the last year.

The following amendments were made although it was confirmed that none of the amendments have an impact on the bottom line:

- Page 2 of the accounts the word 'restated' is added to the 2019/20 column
- Page 28 notes 3.1 and 3.2 the word 'restated' is added to the 2019/20 column header in both notes
- Page 55 note 21.1 a figure of £16.561M has been changed to £16.889M in the middle of the paragraph
- Page 55 note 22.2 header text changed from 'Scheme Pays' to 'Pensions tax annual allowance – Scheme Pays arrangements 2019/20'
- A number of amendments in the Salary and Pension Disclosure Table – Salaries and Allowances including adjustment to the banding categories and additional narrative, further detail included regarding the Chair's role as Chair of WHSSC until 30 September 2020 and restatement of some comparative information to correct errors from previous years

These adjustments would be included in the final submitted approved accounts.

The Annual Accounts and the Remuneration and Staff Report were APPROVED for signature, , in-line with requirements set by Welsh Government, subject to the changes as outlined by the Director of Finance and IT.

Letter of Representation

The Director of Finance and IT outlined the requirement of the organisation to submit a Letter of Representation to the Auditor General for Wales based on a template provided by Audit Wales colleagues. The Audit, Risk and Assurance Committee had recommended this for approval.

The Letter of Representation was APPROVED for signature.

The Chair extended thanks to Audit Wales colleagues for their conscientious work over the past weeks during a difficult time.

OTHER MATTERS

PTHB/21/26 ANY OTHER URGENT BUSINESS

There was no other urgent business.

PTHB/21/27 DATE OF THE NEXT MEETING:

29 June 2021, 10:00 via Teams

28 July 2021 (Annual General Meeting)