

POWYS TEACHING HEALTH BOARD

CONFIRMED

MINUTES OF THE MEETING OF THE BOARD

HELD ON TUESDAY 14 JUNE 2022

VIA TEAMS

Present

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| Vivienne Harpwood | Independent Member (Chair) |
| Kirsty Williams | Independent Member (Vice Chair) |
| Carol Shillabeer | Chief Executive |
| Ian Phillips | Independent Member (ICT) |
| Mark Taylor | Independent Member (Capital & Estates) |
| Tony Thomas | Independent Member (Finance) |
| Rhobert Lewis | Independent Member (General) |
| Ronnie Alexander | Independent Member (General) |
| Cathie Poynton | Independent Member (Trade Union) |
| Hayley Thomas | Deputy Chief Executive and Director of Primary, Community Care and Mental Health |
| Kate Wright | Medical Director |
| Claire Roche | Director of Nursing & Midwifery |
| Pete Hopgood | Director of Finance and IT |
| Claire Madsen | Director of Therapies & Health Sciences |
| Stephen Powell | Interim Director of Planning and Performance |

In Attendance

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| James Quance | Interim Board Secretary |
| Jamie Marchant | Director of Environment |
| Mark McIntyre | Deputy Director of Workforce and OD |
| Gareth Lucy | Audit Wales |
| Alice Rushby | Audit Wales |
| Liz Patterson | Interim Head of Corporate Governance |
| Stella Parry | Interim Corporate Governance Manager |

Apologies for absence

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| Frances Gerrard | Independent Member (University) |
| Matthew Dorrance | Independent Member (Local Authority) |
| Julie Rowles | Director of Workforce and OD |
| Alison Merry | Deputy Director of Public Health |

| PRELIMINARY MATTERS | |
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| <p>RESOLVED THAT due to the unprecedented health emergency of COVID-19, and the clear Public Health instruction to practise 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.</p> <p>The meeting was live-streamed and uploaded to the website after the meeting for viewing on demand.</p> | |
| PTHB/22/20 | <p>WELCOME AND APOLOGIES FOR ABSENCE</p> <p>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.</p> |
| PTHB/22/21 | <p>DECLARATIONS OF INTEREST</p> <p>There were no declarations of interest.</p> |
| ANNUAL REPORT AND ACCOUNTS 2021-22 | |
| PTHB/22/22 | <p>AUDIT WALES' AUDIT OF ACCOUNTS REPORT, 2021-22</p> <p>The Director of Finance and IT introduced the item and welcomed Gareth Lucy, Audit Manager for the Annual Accounts audit to the meeting. It was noted that Audit Wales had provided an audit opinion on the accounts in relation to two separate matters: the truth and fairness of income and expenditure, which had been found to be satisfactory and the regularity of expenditure, for which a qualified opinion had been provided with regard to the regularity of 'Scheme Pays' expenditure for clinicians. The Audit Manager assured the Committee that the qualification was in respect of a Ministerial Direction issued in December 2019, therefore any NHS organisation in Wales with the expenditure within their accounts would receive a qualified opinion. It was also reported that there had been an uncorrected misstatement in relation to indexation of land and building assets (£999,000), this was due to an updated All Wales indexation from the District Valuer in late March 2022, for which the accounts had not been updated. It was again noted that this was an issue across Wales.</p> |

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| | <p>The Chair welcomed the overview and noted that the Audit, Risk and Assurance Committee had considered the audit findings on 13 June 2022. The Chief Executive noted the regulatory opinion and highlighted the extraordinary circumstances in the pandemic which had led to the introduction of Scheme Pays, which sought to ensure senior clinicians were not penalised for working additional hours and it was confirmed that there was no further action the health board could have taken in relation to the Ministerial Direction. The Chief Executive confirmed that as Accountable Officer it was felt that the accounts had been prepared to a good standard.</p> <p>The Board welcomed the report and expressed their thanks the Audit Wales colleagues for their support and contribution.</p> |
| PTHB/22/23 | <p>RECOMMENDATION FROM THE AUDIT, RISK AND ASSURANCE COMMITTEE IN RESPECT OF THE ANNUAL RESPORT AND ACCOUNTS 2021-22</p> <p>The Vice Chair of the Audit Risk and Assurance Committee presented the item and highlighted that the Committee had considered a suite of documents in relation the Annual Accounts and Annual Report 2021-22 on 13 June 2022. The Committee had supported the Annual Report and Accounts and confirmed a recommendation to the Board for approval.</p> <p>The Board welcomed the recommendation and expressed their thanks to the Committee.</p> |
| PTHB/22/24 | <p>PART 1: PERFORMANCE REPORT</p> <p>The Chief Executive introduced the item and noted that the sections of the Annual Report would be available in a more accessible format at the Annual General Meeting, due to be held on 27 July 2022.</p> <p>It was reported that the draft Performance Report provided an overview of the 2021-22 financial year, during which an Annual Plan had been in place. The Annual Plan focused on three key areas: the pandemic response, the provision of essential healthcare and the establishment of a renewal and recovery programme. The Director of Planning and Performance noted the level of detail within the report and suggested that the Highlights of the Year on p16 of the report provided an overview of the work undertaken despite the pandemic. It was noted that report had been scrutinized by</p> |

| | the Delivery and Performance Committee and Audit Risk and Assurance Committee prior to the presentation to the Board. | | | | | | | | | | | | | | | | |
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| PTHB/22/25 | <p>PART 2: ANNUAL ACCOUNTABILITY REPORT</p> <p>a) Corporate Governance Report</p> <p>b) Remuneration and Staff Report</p> <p>c) Parliamentary Accountability and Audit Report</p> <p>The Chief Executive introduced the item and highlighted the 'Reasonable Assurance' rating provided by the Head of Internal Audit Opinion and the Structured Assessment undertaken by Audit Wales. Thanks were expressed to audit colleagues for their contributions to the mechanisms of assurance. It was noted that detail of Board Remuneration was available within the Remuneration Report which provided transparency in relation to how the health board invests in leadership. The Board Secretary highlighted that the report provided an important opportunity to reflect and suggested that the Board should take assurance that good governance and systems of control were maintained throughout the year.</p> | | | | | | | | | | | | | | | | |
| PTHB/22/26 | <p>PART 3: ANNUAL FINANCIAL STATEMENTS</p> <p>A) Summary Presentation</p> <p>The Director of Finance and IT presented an overview of the Financial Statements 2021-22:</p> <ul style="list-style-type: none">• The draft position in relation to Revenue, Capital, and Public Sector Payment Policy (PSPP) was presented as below: <table><tr><th>Area</th><th>Financial KPI</th><th>Target</th><th>Delivery 2021-22</th></tr><tr><td>Revenue</td><td>To ensure that net operating costs do not exceed the revenue resource limit set by Welsh Government</td><td>Variance Against Revenue Resource Limit Deficit / (Surplus)</td><td>(£80k)</td></tr><tr><td>Capital</td><td>To ensure that costs do not exceed the capital resource limit set by Welsh Government</td><td>Variance Against Capital Resource Limit Deficit / (Surplus)</td><td>(£67k)</td></tr><tr><td>PSPP</td><td>To pay a minimum of 95% of all non-NHS creditors within 30 days of receipt of goods or a valid invoice</td><td>Cumulative Year End % of Invoices Paid within 30 days</td><td>87.50%</td></tr></table> | Area | Financial KPI | Target | Delivery 2021-22 | Revenue | To ensure that net operating costs do not exceed the revenue resource limit set by Welsh Government | Variance Against Revenue Resource Limit Deficit / (Surplus) | (£80k) | Capital | To ensure that costs do not exceed the capital resource limit set by Welsh Government | Variance Against Capital Resource Limit Deficit / (Surplus) | (£67k) | PSPP | To pay a minimum of 95% of all non-NHS creditors within 30 days of receipt of goods or a valid invoice | Cumulative Year End % of Invoices Paid within 30 days | 87.50% |
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| | <ul style="list-style-type: none"> • The health board has a statutory duty to ensure that its expenditure does not exceed the aggregate funding (Revenue Resource Limit – RRL) allotted to it over the 3 year period. The health board had achieved this requirement in 2021/22, and for the proceeding 2 years. • Welsh Government requires that health boards pay their trade creditors in accordance with the CBI Prompt Payment Code (PSPP) and Government Accounting Rules. The financial Target is to pay 95% of these non NHS invoices (number not financial value) within 30 days of delivery. The health board performance at 87.5% did not meet the target of 95% for the number of non NHS creditors paid within 30 days. This would be a key area of focus in 2022-23. • There were two property purchases (Llanwrtyd Health Centre and Land Adjoining Machynlleth Hospital) and no property disposals during 2021/22. The Capital Programme added £15.926m to the asset base during 2021/22. • As of 31st March 2022, the Pensions relating to other staff had been fully discharged with the support of Welsh Government. • As previously noted by Audit Wales, a new provision in year was created for 2019-20 Scheme pays. It is confirmed as part of the audit opinion provided by the Auditor General for Wales that the provision included within health board's accounts for the cost of Scheme Pays had led to a qualification of the health board's accounts, with the qualification being in respect of the regularity opinion. The view of the Auditor General for Wales was that any provision included within NHS Wales bodies accounts for the cost of Scheme Pays constitutes irregular expenditure. This had affected all NHS Wales Organisations with such provisions included within their Financial Statements including Powys health board. <p>B) Detailed Annual Accounts</p> <p>The Chief Executive thanked colleagues for the work undertaken to produce the accounts and highlighted the continued focus on the utilisation of public funds to provide the best value. The Committee welcomed and NOTED the Annual Financial Statements.</p> |
| PTHB/22/27 | TO CONSIDER FOR APPROVAL, THE ANNUAL REPORT AND ACCOUNTS 2021-22 |

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| | The Committee considered the recommendation of the Audit, Risk and Assurance Committee and APPROVED the Annual Report and Accounts 2021-22 and APPROVED the authorisation of the signing of the Annual Report 2021-22 by the Chair, Chief Executive and Director of Finance and IT. |
| PTHB/22/28 | LETTER OF REPRESENTATION The Board APPROVED the Letter of Representation for signing by the Chair and Chief Executive, on behalf of the Board. |
| ITEMS FOR DISCUSSION | |
| PTHB/22/29 | There were no items for discussion. |
| OTHER MATTERS | |
| PTHB/22/30 | ANY OTHER URGENT BUSINESS No other urgent business was declared. |
| PTHB/22/31 | DATE OF THE NEXT MEETING: 27 th July 2022, 9.30am, via Microsoft Teams |