


PTHB Board

Thu 11 July 2024, 09:45 - 10:45

Agenda

09:45 - 09:45 1. PRELIMINARY MATTERS

0 min

 Board_Agenda_11Jul2024 FINAL.pdf (2 pages)

1.1. Welcome and Apologies for Absence

Chair

1.2. Declarations of Interest

All

09:45 - 09:45 2. ITEMS FOR APPROVAL/DECISION

0 min

2.1. Audit Wales' Audit of Accounts Report, 2023/24

Chair


 Board_2.1_2023.24 ISA 260 PTHB 3 July submission.pdf (26 pages)

2.2. Recommendation from the Audit, Risk and Assurance Committee in respect of the Annual Report and Accounts 2023/24


Director of Corporate Governance

 Board_2.2_ARAC Recommendation_Jul24_.pdf (2 pages)

2.3. Annual Report and Accounts 2023/24

 Board_2.3_Annual Report and Accounts 2023-24_Cover paper.pdf (6 pages)

2.3.1. Part 1 and 2 Annual Performance Report and Accountability Report

 Board_2.3a_App1_PTHB Performance and Accountability Report 2023-24.pdf (161 pages)

2.3.2. Part 3 Annual Financial Statements

 Board_2.3b_App2_Powys Health Board 2023-24 Final Accounts post audit.pdf (75 pages)

2.3.3. Letter of Representation

 Board_2.3c_App3_Letter of Representation Audit Committee 11 July 24.pdf (3 pages)

09:45 - 09:45 3. OTHER MATTERS

0 min

3.1. Any Other Urgent Business

Chair

Patricia Simpson-Liz
10/07/2024 12:29:36

3.2. Close

3.3. Date of the Next Meeting:

24 July 2024

Patterson Liz
10/07/2024 12:29:36

**POWYS TEACHING HEALTH BOARD
BOARD MEETING
TUESDAY 11 JULY 2024
09:45 – 10:45
TO BE HELD VIA MICROSOFT
TEAMS**



**GIG
CYMRU
NHS
WALES**

Bwrdd Iechyd
Addysgu Powys
Powys Teaching
Health Board

AGENDA

Time	Item	Title	Attached / Oral	Presenter
1: PRELIMINARY MATTERS				
09:45	1.1	Welcome and Apologies for Absence	Oral	Chair
	1.2	Declarations of Interest	Oral	All
2: ITEMS FOR APPROVAL/DECISION				
09:50	2.1	Audit Wales' Audit of Accounts Report, 2023/24	Attached	Deputy Chief Executive /Director of Finance, Capital and Support Services and External Audit
10.00	2.2	Recommendation from the Audit, Risk and Assurance Committee in respect of the Annual Report and Accounts 2023/24	Attached	Chair of Audit, Risk & Assurance Committee
10.05	2.3	Annual Report and Accounts 2023/24:		
		Part 1: Performance Report Part 2: Annual Accountability Report Part 3: Annual Financial Statements Letter of Representation	Attached	Deputy Chief Executive /Director of Finance, Capital and Support Services and Director of Corporate Governance / Board Secretary
3: OTHER MATTERS				
10.20	3.1	Any Other Urgent Business	Oral	Chair
	3.2	Close		
	3.3	Date of the Next Meeting: ▪ 24 July 2024 Via Microsoft Teams		

MESSAGE TO THE PUBLIC:

Powys Teaching Health Board is committed to openness and transparency and conducts as much of its business as possible in a session that members of the public are normally welcome to attend and observe. At present Board meetings are held virtually and livestreamed. Members of the public are able to view the livestream or view the uploaded copy of the meeting on demand.

Papers for the meeting are made available on the website in advance and a copy of the minutes are uploaded to the website once agreed at the following meeting.

Whilst Board meetings are not public meetings, questions are invited and welcome from members of the public – please submit these at least 48 hours in advance of the meeting so a response can either be incorporated into the Board meeting or be provided directly to the requester. Please submit any questions to PowysDirectorate.CorporateGovernance@wales.nhs.uk.

DRAFT

Patterson Liz
10/07/2024 12:29:36

Audit of Accounts Report – Powys Teaching Health Board

Audit year: 2023-24

Date issued: July 2024

Document reference:

Patterson Liz
10/07/2024 12:29:36



This document has been prepared as part of work performed in accordance with statutory functions. Further information can be found in our [Statement of Responsibilities](#).

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities each with their own legal functions as described above. Audit Wales is not a legal entity and itself does not have any functions.

No responsibility is taken by the Auditor General, the staff of the Wales Audit Office or, where applicable, the appointed auditor in relation to any member, director, officer or other employee in their individual capacity, or to any third party.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 Code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales, the Wales Audit Office and, where applicable, the appointed auditor are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Patterson, Liz
10/07/2024 12:29:36

About Audit Wales

Our aims and ambitions

Assure



the people of Wales that public money is well managed

Explain



how public money is being used to meet people's needs

Inspire



and empower the Welsh public sector to improve



Fully exploit our unique perspective, expertise and depth of insight



Strengthen our position as an authoritative, trusted and independent voice



Increase our visibility, influence and relevance



Be a model organisation for the public sector in Wales and beyond

Patterson, Liz
10/07/2024 12:29:36

Contents

Introduction	5
Your audit at a glance	6
Detailed report	
Financial statements' materiality	7
Ethical compliance	8
Proposed audit opinion	9
Issues arising during the audit	10
Appendices	
Appendix 1 –Proposed audit report	11
Appendix 2 – Letter of representation	17
Appendix 3 – Summary of corrections made	20
Audit quality	23
Supporting you	24

Patterson Liz
10/07/2024 12:29:36

Introduction

I have now largely completed my audit in line with my Detailed Audit Plan 2024. However, at the time of drafting this report there was still some work outstanding on:

- Manager and Engagement Lead final review.

This Audit of Accounts Report summarises the main findings from my audit of your 2023-24 Annual Report and Accounts. My team have already discussed these issues with the Executive Director of Finance, Capital and Support Services and Deputy Chief Executive, and his team.

I am very grateful to your officers for their support in undertaking this audit.



Adrian Crompton

Auditor General for
Wales

Patterson Liz
10/07/2024 12:29:36

Your audit at a glance



Audit opinions

We are proposing to give an unqualified true and fair opinion but a qualified regularity opinion. In line with last year, the regularity opinion is qualified as the Health Board did not meet its revenue resource limit over the 3 years to 2023-24.

We have nothing to report under the other sections of my report, ie those relating to going concern; other information; other matters; or matters I report by exception.

We are also proposing to issue a substantive report because in line with the prior year, the Health Board did not meet its first and second financial duties to operate within its revenue resource allocation over the three-year period ending 2023-24, and to have an approved three-year integrated medium-term plan.



Significant issues

There are no uncorrected misstatements or significant issues (other than the regularity opinion qualification) to report.

Last year we found several errors relating to payables and accruals and made a recommendation for improvement. We are pleased to confirm we found no errors in our testing of the balances or transactions relating to these areas for the year ending 31 March 2024.

Patterson Liz
10/07/2024 12:29:36

Financial statements' materiality



Materiality £4.46 million

My aim is to identify and correct material misstatements, ie those that might otherwise cause the user of the accounts to be misled.

Materiality is calculated using:

- 2023-24 gross expenditure of £446 million
- Materiality percentage of 1%

I apply the materiality percentage to gross expenditure to calculate materiality.

I will report to you any misstatements above £223,000, calculated as 5% of materiality (called the 'trivial level').



Areas of specific interest

There are some areas of the accounts that may be of more importance to the user of the accounts. We set lower materiality levels for these as follows:

- Remuneration report - remuneration £5,000 banding, pension disclosures £1,000
- Related party disclosures - personal interests £5,000

Patterson, Liz
10/07/2024 12:29:36

Ethical compliance



Compliance with ethical standards

We believe that:

- we have complied with the ethical standards we are required to follow in carrying out our work;
- we have remained independent of yourselves;
- our objectivity has not been comprised; and
- we have no relationships that could undermine our independence or objectivity.

Patterson Liz
10/07/2024 12:29:36

Proposed audit opinion



Audit opinion

We intend to issue an unqualified true and fair opinion and a qualified regularity audit opinion on this year's accounts once you have provided us with a Letter of Representation (see below).

The regularity opinion will be qualified following the failure to meet its financial duty to break-even against its revenue resource limit over the 3 years to 2023-24.

Our proposed audit report is set out in **Appendix 1**, along with our proposed substantive report which explains the basis of the regularity qualification.



Letter of representation

A Letter of Representation is a formal letter in which you confirm to us the accuracy and completeness of information provided to us during the audit. Some of this information is specified as being necessary by auditing standards; other information may relate specifically to your audit.

◀ The letter we are requesting you to sign is included in **Appendix 2**.



Patterson, Liz
10/07/2024 12:29:36

Issues arising during the audit



Misstatements

A misstatement arises where information in the accounts is not in accordance with accounting standards.

Uncorrected misstatements

There are no uncorrected misstatements identified in the accounts which remain uncorrected.

Corrected misstatements

During our audit, we identified misstatements that have been corrected by management, but which we consider should be drawn to your attention.

These are set out in Appendix 3.

Patterson Liz
10/07/2024 12:29:36

Appendix 1

Proposed audit report

The Certificate and report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Powys Teaching Health Board for the year ended 31 March 2024 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 and Statement of Changes in Taxpayers' Equity and related notes, including a summary of material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion, in all material respects, the financial statements:

- give a true and fair view of the state of affairs of Powys Teaching Health Board as at 31 March 2024 and of its net operating costs for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; 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, except for the matter described in the Basis for Qualified Regularity Opinion section of my report, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for Qualified Opinion on regularity

I have qualified my opinion on the regularity of the Powys Teaching Health Board's financial statements because the Health Board has breached its resource limit by spending £18.905 million over the amount that it was authorised to spend in the three-year period 2021-22 to 2023-24. This spend constitutes irregular expenditure.

Further detail is set out in my Report on page xx.

Basis for opinions

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my certificate.

My staff and I are independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for Powys Teaching Health Board is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Chief Executive is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, the part of the remuneration report to be audited has been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

In my opinion, based on the work undertaken in the course of my audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers' directions; and;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Powys Teaching Health Board and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and the other unaudited parts of the Accountability Report or the Annual Governance Statement.

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

- I have not received all the information and explanations I require for my audit;
- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements and the audited part of the Accountability Report 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;
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made or parts of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities, the Directors and the Chief Executive are responsible for:

- maintaining adequate accounting records
- the preparation of financial statements and annual report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the annual report and financial statements as a whole are fair, balanced and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Directors and Chief Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Health Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless the Directors and Chief Executive anticipate that the services provided by the Health Board will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the National Health Service (Wales) Act 2006.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Health Board's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Powys Teaching Health Board policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: expenditure recognition, posting of unusual journals and management override.
- Obtaining an understanding of the Health Board's framework of authority as well as other legal and regulatory frameworks that the Health Board operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Health Board; and
- Obtaining an understanding of related party relationships.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, those charged with governance and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board; and

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Powys Teaching Health Board controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Other auditor's responsibilities

I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

Please see my Report on page xx.

Adrian Crompton
Auditor General for Wales
12 July 2024

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Patterson, Liz
10/07/2024 12:29:36

Report of the Auditor General to the Senedd

Introduction

Under the Public Audit Wales Act 2004, I am responsible for auditing, certifying and reporting on Powys Teaching Health Board's (the Health Board's) financial statements. I am reporting on these financial statements for the year ended 31 March 2024 to draw attention to two key matters for my audit. These are the failure against the first financial duty and consequential qualification of my 'regularity' opinion and the failure of the second financial duty. I have not qualified my 'true and fair' opinion in respect of any of these matters.

Financial duties

Health Boards are required to meet two statutory financial duties – known as the first and second financial duties.

For 2023-24, the LHB failed to meet both the first and the second financial duty.

Failure of the first financial duty

The **first financial duty** gives additional flexibility to Health Boards by allowing them to balance their income with their expenditure over a three-year rolling period. The three-year period being measured under this duty this year is 2021-22 to 2023-24.

As shown in Note 2.1 to the Financial Statements, the Health Board did not manage its revenue expenditure within its resource allocation over this three-year period, exceeding its cumulative revenue resource limit of £1,194.459 million by £18.905 million.

Where a Health Board does not balance its books over a rolling three-year period, any expenditure over the resource allocation (i.e. spending limit) for those three years exceeds the Health Board'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.

Failure of the second financial duty

The **second financial duty** requires Health Boards 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. A Health Board will be deemed to have met this duty for 2023-24 if it submitted a 2023 to 2026 Plan approved by its Board to the Welsh Ministers, who were required to review and consider approval of the plan.

As shown in Note 2.3 to the Financial Statements, the Health Board did not meet its second financial duty to have an approved three-year integrated medium-term plan in place for the period 2023 to 2026.

Adrian Crompton

Auditor General for Wales

12 July 2024

Appendix 2

Letter of representation

Auditor General for Wales

Audit Wales

1 Capital Quarter

Tyndall Street

Cardiff

CF10 4BZ

xx July 2024

Representations regarding the 2023-24 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Powys Teaching Health Board for the year ended 31 March 2024 for the purpose of expressing an opinion on their truth and fairness, their proper preparation and the regularity of income and expenditure.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

As Chief Executive and Accountable Officer I have fulfilled my responsibility for:

- preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, I am required to:
 - observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
 - make judgements and estimates on a reasonable basis;
 - state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; andprepare them on a going concern basis on the presumption that the services of Powys Teaching Health Board will continue in operation.
- ensuring the regularity of any expenditure and other transactions incurred.

- the design, implementation and maintenance of internal control to prevent and detect error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects Powys Teaching Health Board and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements;
- the identity of all related parties and all the related party relationships and transactions of which we are aware; and
- our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Representations by Powys Teaching Health Board

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by Powys Teaching Health Board on 11 July 2024.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Signed by:

Chief Executive

Chair of the Health Board

Date:

Date:

Patterson Liz
10/07/2024 12:29:36

Appendix 3

Summary of corrections made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention.

Value of correction	Accounts areas	Explanation
£8,370k	Note 3.4 Losses, Special Payments, and Irrecoverable Debts	Structured Settlements transferred to Welsh Risk Pool (WRP) of £8,370k was omitted from both movement in provision and income received from Welsh Risk Pool on the note. There is no net impact on the Financial Statements as a result of this issue.
	Note 23 Losses and Special Payments	The structured settlement provision transferred to Welsh Risk Pool was also incorrectly included in Note 23.
£1,520k	Note 9 Employee Benefits and Staff Numbers	£1,520k of staff costs included as expenditure in Note 3.1 had not been disclosed in Note 9 resulting in an understatement.
£1,513k	Note 3.2 Expenditure on healthcare from other providers	Misclassification of £1,513k between 'Goods and services from other NHS Wales Trusts' and 'Goods and services from WHSSC/EASC' as a result of miscoding.
£612k	Note 22 Capital Commitments	Our audit work identified that the capital commitments note was understated by £612k.
£545k	Note 24 - Right of Use leases obligations	Split of minimum lease payments and present value of minimum lease payments included in current and non-current borrowings were omitted in error.
£361k	Note 21.1 Contingent Liabilities	Remote contingent liabilities of £361k were included in the contingent liabilities note which was inconsistent

		with the requirements of IAS 37 and the Manual for Accounts.
£346k	Note 21.1 Contingent Liabilities	£346k of contingent liabilities incorrectly classified as primary and secondary care instead of defence costs.
Various	Remuneration Report	<p>Our audit identified a number of amendments throughout the report relating to senior officer remuneration, to ensure that disclosures complied with the requirements of the underlying accounting framework. These include:</p> <ul style="list-style-type: none"> ○ The inclusion of taxable benefits received by Non-Officer Members. ○ Changes to figures within the tables, in particular the Single Total Figure of remuneration and pension benefits tables. ○ Amendment to the benefits in kind figured including a restatement of prior year figures.
Various	Various	<p>Our audit work identified a number of minor narrative or disclosure errors that required correction. These have all been agreed with the client.</p> <p>Notes to the accounts where this was required include:</p> <p>Note 1 - Accounting Policies Note 2 - Financial Duties Performance Note 9 - Employee Benefits and Staff Numbers Note 11 - Property, Plant and Equipment Note 18 - Payables Note 20 - Provisions Note 23 - Losses and Special Payments Note 24 - Right of Use leases obligations. Note 32 - Pooled Budgets</p>

Patterson Liz
10/07/2024 12:29:36

Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by QAD*, and our Chair acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2023](#).

Our People



The first line of assurance is formed by our staff and management who are individually and collectively responsible for achieving the standards of audit quality to which we aspire.

- Selection of right team
- Use of specialists
- Supervisions and review

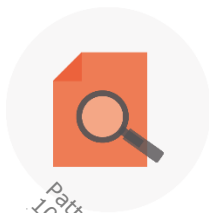
Arrangements for achieving audit quality



The second line of assurance is formed by the policies, tools, learning & development, guidance, and leadership we provide to our staff to support them in achieving those standards of audit quality.

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support

Independent assurance



The third line of assurance is formed by those activities that provide independent assurance over the effectiveness of the first two lines of assurance.

- EQCRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring





* QAD is the quality monitoring arm of ICAEW.

Patterson, Liz
10/07/2024 12:29:36

Supporting you

Audit Wales has developed a range of resources to support the scrutiny of Welsh public bodies and to support those bodies in continuing to improve the services they provide to the people of Wales.

Visit our website to find:

	our Good Practice work where we share emerging practice and insights from our audit work in support of our objectives to assure, to explain and to inspire.
	our newsletter which provides you with regular updates on our public service audit work, good practice, and events.
	our publications which cover our audit work completed at public bodies.
	information on our forward performance audit work programme 2023-2026 which is shaped by stakeholder engagement activity and our picture of public services analysis.
	various data tools and infographics to help you better understand public spending trends including a range of other insights into the scrutiny of public service delivery.

You can find out more about Audit Wales in our [Annual Plan 2024-25](#) and [Our Strategy 2022-27](#).

Patterson, Liz
10/07/2024 12:29:36

Patterson Liz
10/07/2024 12:29:36



Audit Wales
1 Capital Quarter
Tyndall Street
Cardiff CF10 4BZ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

BOARD MEETING		Date of Meeting: 11 July 2024
Subject:	RECOMMENDATION FROM THE AUDIT COMMITTEE TO THE BOARD IN RESPECT OF THE ANNUAL ACCOUNTS 2023-24	
Approved and Presented by:	Rhobert Lewis, Chair of Audit, Risk & Assurance Committee	
Prepared by:	Director of Corporate Governance/ Board Secretary Interim Corporate Governance Manager	
Other Committees and meetings considered at:	Summary of Business discussed at a meeting of the Audit, Risk and Assurance Committee on 9 July 2024	

PURPOSE:

The purpose of this paper is to provide the Board with a recommendation from the Audit, Risk and Assurance Committee, which met on the 9 July 2024, regarding the approval of the Annual Report and Accounts for 2023-24.

RECOMMENDATION(S):

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

- APPROVES the Annual Report and Accounts 2023-24, 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.

Approval/Ratification/Decision	Discussion	Information
✓	✗	✗

Patterson, Liz
10/07/2024 12:20:35

EXECUTIVE SUMMARY:

The Audit, Risk and Assurance Committee (ARAC) confirms that, in accordance with its Terms of Reference, it met on 11 July 2024 to consider:

- the Draft Annual Report and Accounts 2022-23, which includes:
 - The Performance Report;
 - The Annual Accountability Report; and
 - The Financial Statements
- the Audit of Accounts Report (2023-24) of External Audit (Audit Wales); and
- the Letter of Representation for 2023-24.

The ARAC confirms that it is not aware of any matters that should be drawn to the Board's attention which are not included in the reports presented to the Board in respect of the Annual Report and Accounts 2023-24.

Therefore, the Audit, Risk and Assurance Committee RECOMMENDS to the Board that it:

- APPROVES the Annual Report and Accounts 2023-24, 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.

Patterson, Liz
10/07/2024 12:20:35

Agenda item: 2.3

BOARD MEETING		Date of Meeting: 11 July 2024
Subject:	PTHB Annual Report and Accounts 2023-24	
Approved and Presented by:	Director of Corporate Governance / Board Secretary Deputy Chief Executive / Executive Director of Finance, Estates and Support Services	
Prepared by:	As above	
Other Committees and meetings considered at:	Earlier versions of components of the Annual report considered throughout April to July 2024 by: Performance report - Delivery and Performance Committee Accounts and Accountability Report - Audit Risk and Assurance Committee.	

PURPOSE:

To present the Board with the Final Draft of:

1. The Performance Report (appendix 1);
2. The Accountability Report, including (appendix 1):
 - a. A Corporate Governance Report
 - b. A Remuneration and Staff Report
 - c. A Parliamentary Accountability and Audit Report; and
3. The Financial Statements 2023-24 (appendix 2)
4. Letter of Representation (appendix 3)

for formal approval ahead of submission to Welsh Government on 15 July 2024 in-line with HM Treasury Requirements.

Final Draft versions incorporate all comments and feedback received from Welsh Government, Auditors and Board Members.

Draft and Final versions have been reviewed by the Audit, Risk and Assurance Committee and a recommendation to the Board to approve the reports is included as a separate paper within the agenda. Appendix 1 and 2

Patterson
10/07/2024 15:39:36

will be incorporated into one document in readiness for signing pending Board approval.

RECOMMENDATION(S):

The Board is asked to:

- **APPROVE** the Annual Report and Accounts 2023-24 in readiness for submission to Audit Wales and Welsh Government; and
- **APPROVE** the Letter of Representation for signing by the Chair and Chief Executive, on behalf of the Board.

Approval/Ratification/Decision	Discussion	Information
✓	✓	x

THE PAPER IS ALIGNED TO THE DELIVERY OF THE FOLLOWING STRATEGIC OBJECTIVE(S) AND HEALTH AND CARE STANDARD(S):

Strategic Objectives:	1. Focus on Wellbeing	✓
	2. Provide Early Help and Support	✓
	3. Tackle the Big Four	✓
	4. Enable Joined up Care	✓
	5. Develop Workforce Futures	✓
	6. Promote Innovative Environments	✓
	7. Put Digital First	✓
	8. Transforming in Partnership	✓
Health and Care Standards:	1. Staying Healthy	✓
	2. Safe Care	✓
	3. Effective Care	✓
	4. Dignified Care	✓
	5. Timely Care	✓
	6. Individual Care	✓
	7. Staff and Resources	✓
	8. Governance, Leadership & Accountability	✓

EXECUTIVE SUMMARY:

THE PERFORMANCE REPORT

The purpose of the performance section of the annual report is to provide information on the entity, its main objectives and strategies and the principal risks that it faces. The requirements of the performance report are based on the matters required to be dealt with in a Strategic Report as set out in Chapter 4A of Part 15 of the Companies Act 2006. Public entities should comply with the Act as adapted in the Financial Reporting Manual (FRM) and this Manual: i.e. they should treat themselves as if they were quoted companies. The main features of the performance report should flow from the organisation's agreed plan and

Patterson
10/07/2024 17:29:36

demonstrate how they have delivered against that plan in the year of reporting.

The performance report must provide a fair, balanced and understandable analysis of the entity's performance, in line with the overarching requirement for the annual report and accounts to be fair, balanced and understandable. Where NHS bodies judge that users of the Performance Report would benefit from further information then it is acceptable to include hyperlinks to any other relevant reports such as the organisations IMTP or other published performance statistics.

Auditors have reviewed the performance report for consistency with other information in the financial statements.

The performance report shall be signed and dated by the Accountable Officer/Chief Executive.

THE ACCOUNTABILITY REPORT

The purpose of the accountability section of the annual report is to meet key accountability requirements to the Welsh Government. 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.

The requirements of the Companies Act 2006 have been adapted for the public sector context and only need to be followed by entities which are not companies to the extent that they are incorporated into this Manual.

Auditors will review the accountability report for consistency with other information in the financial statements and will provide an opinion on the following disclosures which should clearly be identified as audited within the accountability report:

- Single total figure of remuneration for each director
- CETV disclosures for each director
- Payments to past directors, if relevant
- Payments for loss of office, if relevant
- Fair pay disclosures (Included in Annual Accounts)
- Exit packages, (included in Annual Accounts) if relevant and
- Analysis of staff numbers.

The Accountability Report is required to have three sections:

a) Corporate Governance Report

The purpose of the Corporate Governance Report is to explain the composition and organisation of the entity's governance structures and how they support the achievement of the entity's objectives.

b) Remuneration and Staff Report

Patterson, Liz
10/07/2024 12:39:36

The FReM requires that a Remuneration Report shall be prepared by NHS bodies. The Remuneration Report contains information about senior manager's remuneration. The definition of "Senior Managers" for these purposes 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."

c) Parliamentary Accountability and Audit Report

The Parliamentary Accountability Report should contain disclosure on the following:

- Regularity of expenditure
- Fees and charges (if applicable)
- Remote Contingent liabilities
- Audit Certificate and Auditor General Wales Report

The Accountability Report shall be signed and dated by the Accountable Officer/Chief Executive, the Director of Finance and the Chair of the Board.

THE FINANCIAL STATEMENTS

In the published version of the Annual Report, NHS bodies should present the full Financial Statements, of the organisation- There is no longer an option to present Summarised Financial Statements.

Financial targets and statutory duties

The Health Board has achieved/not achieved the following financial targets and statutory duties for 2023/24:

- Operational in-year financial balance has **NOT** been achieved, reporting a deficit of £11.983M (Achievement of Operational Financial Balance, Note 2.1 page 27).
- Cash contained within cash limit (Statement of Cash Flows, page 7) – Achieved.
- Capital financial balance (Note 2.2. page 27) – Achieved.

The Health Board has **NOT** achieved the 3-year duty to ensure that its expenditure does not exceed the aggregate funding allotted to it over a 3-year period in regard to Revenue Funding but has achieved this in relation to Capital Funding. (Note 2.1 & 2.2 Page 27) for both revenue and capital resource limits.

The Health Board has not met the following administrative (not statutory) target:

- The Health Board performance at 92.5% did not meet the administrative target of payment of 95% of the number of non-NHS creditors within 30 days this year. (Note 2.4 page 28).

Changes from the Draft Annual Accounts

There have been no adjustments to the accounts that has impacted on the reported performance against the Health Board revenue resource limit from that reported at draft submission.

There have been a number of amendments which have been made to the annual accounts which are outlined in Audit Wales Audit of Accounts Report (ISA260) item 2.1 of the agenda contained within these papers. In addition, there are also a number of minor amendments that have been made which serve to improve the reading of the accounts. Neither of the set of adjustments have any impact of the overall achievement of the organisation's financial targets.

As outlined in Exhibit 2 of the Audit Wales ISA 260 document there are no transactions that remain uncorrected.

Other Matters to bring to the Boards attention.

Basis for Qualified Opinion on regularity

The Auditor General for Wales has qualified his opinion on the regularity of the Powys Teaching Health Board's financial statements because the Health Board has breached its resource limit by spending £18.905million over the £1,194,459 million that it was authorised to spend in the three-year period 2021-2022 to 2023-24. This spend constitutes irregular expenditure.

In his opinion, except for the matter described in the Basis for Qualified Regularity Opinion section of his report, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

There are no other matters to draw to the Boards attention that are not included within the Audit Wales ISA 260 report or Letter of Representation considered as part of this meeting's agenda.

The Health Board has met the target dates for preparing and submitting the draft annual accounts to Welsh Government and Audit Wales by 3rd May 2024.

The Health Board is on course to meet the target date to submit the audited accounts to be approved Health Board on 11th July 2024 and Welsh Government by the final submission date of 15th July 2024.

The Auditor General for Wales will be required to sign the auditor's statement and submit the full signed accounts to Welsh Government on 15th July 2024.

NEXT STEPS

- To complete the Signing of Financial Statements, Annual Report and Letter of Representation following Board approval and submitted to the Auditor General for Wales.
- The components parts of the annual report will be merged together and a further page reference and proof check completed prior to submission.
- The Auditor General for Wales will sign the 2023/24 Audited Annual Accounts on 12 July 2024.
- Following Board and Auditor General for Wales approval, the 2023/24 Audited Annual Report and Accounts are to be submitted to Welsh Government by 17 July 2024 by Audit Wales.

Patterson, Liz
10/07/2024 12:29:36



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd
Addysgu Powys
Powys Teaching
Health Board

Annual Report 2023/2024

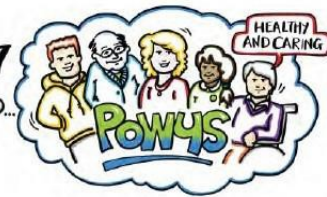
THE HEALTH AND CARE STRATEGY FOR POWYS 'AT A GLANCE'



WE ARE DEVELOPING
A VISION OF THE
FUTURE OF HEALTH
AND CARE IN POWYS...



To
2027
AND
BEYOND...



WE AIM TO DELIVER
THIS VISION THROUGH-OUT
THE LIVES OF THE PEOPLE
OF POWYS...



WE WILL SUPPORT
PEOPLE TO IMPROVE
THEIR HEALTH AND
WELLBEING THROUGH...



OUR PRIORITIES AND
ACTION WILL BE
DRIVEN BY CLEAR
PRINCIPLES...



THE FUTURE OF
HEALTH AND CARE
WILL IMPROVE
THROUGH...



Illustration: Liz
07/2024

Foreword – Statement of Chief Executive and Chair

Our Annual Report for 2023/2024 sets out our continued work to recover from the impacts of the COVID-19 pandemic but also reflects a very challenging context for the NHS both nationally and locally.

In positive news at the start of the year, the World Health Organisation made the official declaration of the end of global emergency status in May 2023.

However, the impacts of that period are still very keenly felt by our patients and communities, and by our staff and partners, both in relation to the health and wellbeing impact and through unacceptably long waiting times that continue to be experienced for routine care. These impacts are compounded by the socio-economic consequences of the ongoing conflict between Russia and Ukraine, cost of living and inflationary pressures, and a challenging recruitment and retention environment particularly affecting sectors such as domiciliary care. 2023/2024 also saw ongoing industrial action in the NHS in both England and Wales, with a number of national pay disputes continuing through the year.

Notwithstanding these challenges, we have been able to continue our journey from pandemic response to a focus on the medium-to-long term strategic goals set out in our Health and Care Strategy:

Focus on Wellbeing, Early Help and Support, Tackling the Big Four, Joined Up Care; enabled through

Workforce Futures, Digital First, Innovative Environments, Transforming in Partnership

Our Annual Report, therefore, outlines important areas of progress that reflect the spirit of co-production and partnership here in Powys. We are making progress to improve population health through the development and implementation of our Whole System Approach to Healthy Weights action plan. Improvements have been made in childhood immunisation, with the achievements of our team being recognised at the national Vaccination Saves Lives awards. The PTHB Primary and Community Care Academy has been fully established to support training and education for Primary Care Contractors. The first phase of a new community cardiology service has been delivered with further roll out under way. Progress on Getting It Right First Time (GIRFT) reviews is helping us to focus on maximising value for patients and the NHS in areas such as orthopaedics and ophthalmology. The new NHS 111 Press 2 service has been successfully launched to provide early intervention on mental health issues, and we have continued to host the national SilverCloud service providing online Cognitive Behavioural Therapy to people across Wales. A revised Falls Prevention Pathway is in place to reduce harm associated with falls.

These are just a few examples of the continued progress by our staff and partners to “do what matters” for the people of Powys.

More information about our progress and performance to deliver our plans in 2023/24 can be found in the Performance Report at Section One of this Annual Report.

Last year's Annual Report set out the growing financial challenges facing the health and care sector, and the Health Board ended 2022/23 in a deficit position for the first time since 2015. Those challenges have increased into 2023/24 and, whilst the Health Board successfully achieved the control total set by Welsh Government this still represented a year-end deficit of £11,983m.

Given this financial position as well as the continued work to recover waiting times, Welsh Government escalated the Health Board from "routine arrangements" to "enhanced monitoring" for planning and finance in September 2023. We remained in "routine arrangements" for all other aspects of Health Board delivery.

This brought a higher level of scrutiny from Welsh Government for our delivery and performance, including more frequent Integrated Quality, Performance and Delivery Meetings.

More information about our financial performance in 2023/24 can be found in the Financial Statements at Section Three of this Annual Report.

There have been a number of changes in Board membership during the year, and we would like to thank the outgoing members and welcome new members. In May 2023 our previous Chief Executive Carol Shillabeer joined Betsi Cadwaladr University Health Board on secondment before securing the role on a permanent basis. Following an open recruitment process, Hayley Thomas was appointed as our substantive Chief Executive in February 2024 having held the role on an interim basis during Carol's secondment.

We received sad news in October 2023 that Independent Member Mark Taylor had died after a short illness in October 2023, and we share our thanks for his service to the Board. Later in the year we were joined by Mick Giannasi as Independent Member on a fixed term basis to August 2024, with Steve Elliot joining us as Independent Member on a four-year term shortly after year-end.

More information about the Board and our governance arrangements can be found in the Accountability Report at Section Two of this Annual Report.

Importantly, 2023/2024 has been a year of continued planning for the future. During February and March, PTHB teams alongside Powys County Council colleagues visited communities across Powys to hear about their hopes and concerns for the future. This forms part of an open and frank conversation about the future shape and content of service provision.

It is vital that together we galvanise and harness the skills and assets of people, communities and organisations across Powys to respond to the pressures resulting from the changing demographic needs of the people of Powys:

- Powys is a sparsely populated area where a third of people live alone; and loneliness can increase the risk of dementia and other conditions and is a key reason why people seek help
- The increasing age of our population means there are growing needs for health and care; people are experiencing a greater burden of ill health, and more people have multiple conditions. This includes the 'big four' reasons for ill health in Powys: cancer, respiratory conditions, circulatory diseases, and mental health
- The proportion of people of working age is reducing and we already see significant workforce gaps in areas such as home support
- The workforce and financial challenge require strategic and systematic change to enable sustainable services into the future, at national, regional and local level

As we look ahead to 2024/25 and beyond we will all need to refresh and review the public's relationship with the health and care system, and to focus on services that "do what matters" and "do what works" for the people of Powys whilst responding to the additional challenges of a rural county.

We look forward to continuing this conversation with you and co-producing a health and care service fit for the future.

As highlighted above, in this report we see excellent examples that give us hope for that future. Our staff have continued to innovate and improve, our communities have brought their time and skills as volunteers and carers supporting their families and neighbours, our partners have worked with us so that our combined achievements are much greater than the sum of their parts, and the people of Powys continue to inspire the passion and pride that makes this such a special county in which to live and work.

Thank you.



Carl Cooper
Chair



Hayley Thomas
Chief Executive

Paersonp
10/07/2024 12:29:36

Contents

SECTION ONE: THE PERFORMANCE REPORT	6
SECTION TWO: THE ACCOUNTABILITY REPORT	47
PART A: CORPORATE GOVERNANCE REPORT.....	51
1. THE DIRECTORS' REPORT 2023/2024	52
2. STATEMENT OF ACCOUNTABLE OFFICER RESPONSIBILITIES: 2023/2024	59
3. STATEMENT OF EXECUTIVE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS FOR 2023/2024.....	61
4. ANNUAL GOVERNANCE STATEMENT	63
THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL.....	86
CAPACITY TO HANDLE RISK AND KEY ASPECTS OF THE CONTROL FRAMEWORK	86
THE RISK MANAGEMENT FRAMEWORK.....	87
MANAGEMENT OF RISKS DURING 2023/2024.....	89
EMBEDDING EFFECTIVE RISK MANAGEMENT	89
RISK APPETITE	90
Review of Effectiveness of System of Internal Control	117
Internal Audit.....	118
PART B: REMUNERATION AND STAFF REPORT	141
PART C: SENEDD CYMRU/WELSH PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT.....	160

Patterson, Liz
10/07/2024 12:29:36

SECTION ONE: THE PERFORMANCE REPORT

Patterson Liz
10/07/2024 12:29:36

Introduction

Statement from the Chief Executive

This performance report provides information on the organisation and its purpose, how the organisation developed its plan for 2023 – 2024 and progress against delivery of that plan.

At the close of the 2023/24 financial year, the Health Board reports that key areas of challenge remain across planned and unscheduled care access in both provider and especially commissioned service providers.

The Powys Teaching Health Board (PTHB) planned care service has experienced capacity challenges which has impacted on PTHB Referral to Treatment Times (RTT) and diagnostic delivery. PTHB ambitious trajectories set for Ministerial priority access measures have not been achieved.

Key challenges remain for those patients waiting to access planned care services in PTHB commissioned service providers, long waits remain a challenge particularly within NHS Wales providers. There has been improvement from Welsh providers albeit slow against key Ministerial priorities, however the challenge of equity remains when on average waits for NHS England's pathways result in a quicker treatment than those within NHS Wales.

Cancer performance remains poor against the 62-day targets in both English and Welsh commissioned services and remains under continued scrutiny at a national level.

Mental Health performance has improved however has not met all required targets. Neurodevelopment assessment for children is also a key area of challenge because of significant and ongoing referral demand pressure, the service unable to meet the required access target.

Key themes of challenge across planned care in NHS Wales and NHS England providers include ongoing recovery from the Covid-19 pandemic, industrial action, staffing pressures due to sickness and/or vacancies, as well as access to theatre capacity and beds. For Powys residents specifically there is a challenge of equity to access by their geographical location in the county, with Powys residents waiting on average longer in Wales than those equivalent specialties in English provider services.

Unscheduled care services in Powys continue to perform well with PTHB Minor Injury Units consistently exceeding national waiting times. However, all acute units in both England and Wales report challenging performance with extreme system flow pressure. Welsh performance in this aspect is slightly better for Powys residents, however a significant number of patients wait beyond four hours within emergency care departments. For unscheduled care key challenges are like those for planned care including increased demand, and acute site patient flow bottlenecks resulting in long ambulance handover times.

Further rurality, and ability to access points of care impacts on patient access/response times and outcomes.

In 2023/24, the Health Board has continued to work closely with neighbouring Health Boards and NHS Trusts as well as with private insource providers to meet key targets for the provision of care to its residents but also to ensure quality outcomes of care across both its provided and commissioned services.

About the Organisation

PTHB is responsible for improving the health and well-being for circa 133,000 people in Powys, a largely rural county which covers a quarter of the landmass of Wales and is therefore sparsely populated.

The Health Board is both a provider as well as a commissioner of healthcare for the people of Powys who access services in both England and Wales.

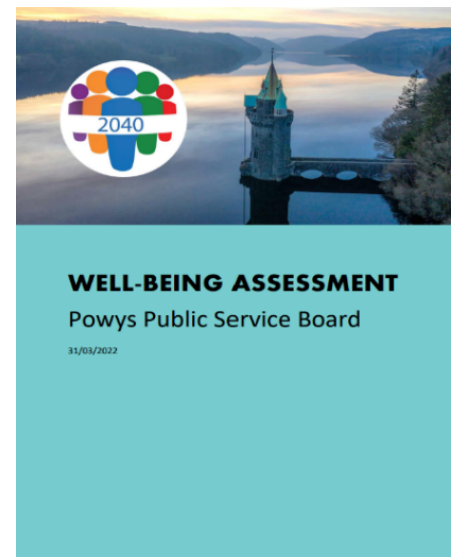
About Powys

During 2022/23 the Powys Population Assessment and Powys Wellbeing Assessments were updated. They provided a refreshed understanding of life in the County and insights from these two sources of analysis were used to inform the refresh of the Powys Area Plan, Wellbeing Plan and individual partner plans, including the PTHB Integrated Plan.

Key findings include:

- Powys is at the forefront of the issue of ageing population. The average age is higher than Wales and UK, with 28% of the population over 65 years old and this is predicted to increase.
- 75% of areas in Powys are in the top 30% most deprived in Wales. This is in the context of a rural economy with low income employment. 79.2% of people are economically active and 17.8% are self-employed, but unemployment has grown and 5% of working-age people are unemployed.
- The average household income is lower in Powys at £33,458 (compared to Wales £34,700, UK £40,257). 55% of households in Powys earning below the County average. Most concerning is that 4,088 families live in absolute poverty.

In relation to the quality of housing, 48% of homes have a poor energy rating. The Housing Demand register indicates unmet need for affordable housing of the right size and geographies. Powys has the worst quality of broadband coverage in Wales.



Patterson, Liz
10/07/2024 12:20:36

- Surveys of wellbeing often show high levels of people feeling happy and in good health. There is an increasingly thriving Welsh culture with 19% able to speak Welsh in Powys.
- Life expectancy for men and women is higher than the Wales average but there are variations in the county. People in Powys live longer in good health than the population of Wales and the UK overall, however there are inequalities between groups.
- A third of households are single occupants; this is predicted to rise by 4.2% over ten years.
- 20% of those seeking support from PAVO (Powys Association of Voluntary Organisations) described loneliness and isolation. 12% of the population are unpaid carers.
- Powys has a low population density of 26 people per square km (compared to Wales 153 per km² and Cardiff 2,620 per km²).
- All of Powys is within 300m of greenspace; half of residents live within 10km of accessible greenspace.
- However, there are energy efficiency issues with a reliance on solid fuel and multiple car use linked to rurality and limitations of public transport.

The full findings can be found at www.powysrpb.org ([Population Needs Assessment](#)) and <https://en.powys.gov.uk/article/5794/Full-Well-being-assessment-analysis>

Planning Framework

The NHS Planning Framework 2023-26 set out the broad requirements that underpinned PTHB's Integrated Plan. The Minister for Health and Social Services in Welsh Government set out a number of ministerial priorities in this framework. These were:

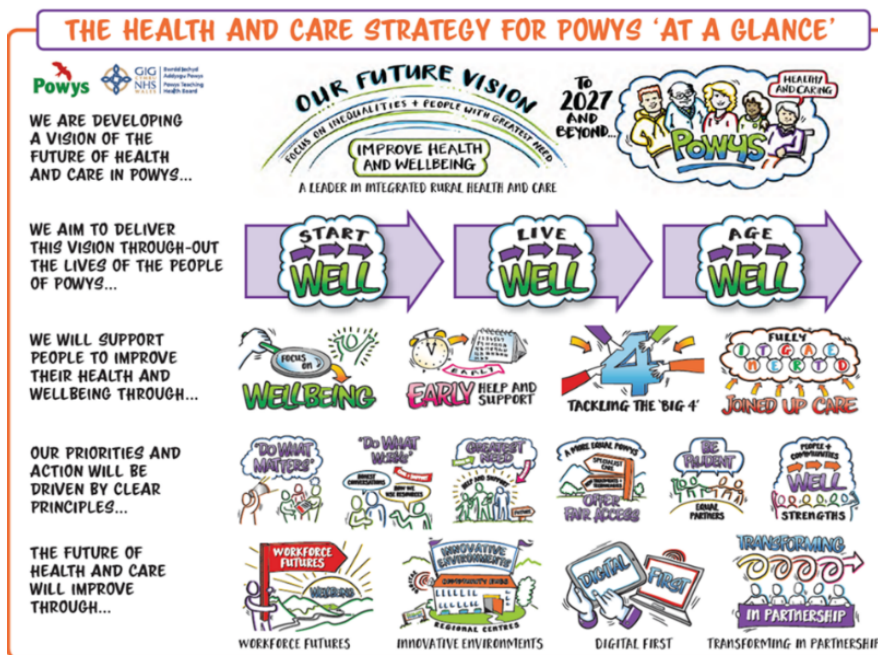
- A closer relationship between the NHS and local government
- Improving access to general practice, dentistry, optometry and pharmacy
- Urgent and emergency care
- Planned care and recovery
- Cancer services
- Mental health and child and adolescent mental health services

Also noted within the NHS planning framework as key enabling areas of delivery were digital, innovation, technology and transformation, alongside workforce, wellbeing, capital planning and robust financial management. The wider role of NHS organisations as anchor institutions within the foundational economy and contributors to decarbonisation and the 'net zero' target for the public sector in 2030 were noted in the context of the Well-being of Future Generations (Wales) Act.

Development of PTHB Integrated Plan 2023 - 2026

The Health Board responded to the NHS Wales planning framework and Ministerial priorities as well as the needs of the Powys population, and therefore the aims of the population, in developing its plan for 2023 – 2026. It marked an important point in relation to the changing nature of the Covid-19 pandemic and looking towards the future.

Central to the development of the plan was the continued commitment to the overall Health and Care Strategy for Powys. 2023 marked a half way point in the strategy and all partners made fresh commitments to the vision, objectives and principles acknowledging that whilst the context was changed, the goals remained important.



Therefore, the PTHB Integrated Plan for 2023 – 2026 remained aligned to the vision, well-being objectives, enabling objectives and principles of the Health and Care Strategy as above.

There is a strong connection between 'A Healthy Caring Powys' and the ambition for 'A Healthier Wales' set out by Welsh Government. This is set in the context of the ambitious goals in the Wellbeing of Future Generations (Wales) Act 2015 and the Social Services and Well-Being (Wales) Act 2014. Together these set out how health and care would be transformed in Wales, establishing the 'five ways of working' and the principle of sustainable development.

Similarly, the wider Public Services Board Wellbeing Plan was reviewed during 2022, taking an inter-generational view of the wider social, economic and environmental factors for the wellbeing of the Powys population. This also informed the priorities within the PTHB Integrated Plan for 2023 – 2026.

The plan sets out key areas of opportunity for Powys as a region in its own right and as a partner in the Mid Wales Joint Committee for Health and Social Care.

National Strategy and Plans

A Healthier Wales; Ministerial Priorities; NHS Wales Planning Framework
Six Goals for Urgent and Emergency Care; Five Goals for Planned Care; Six Models of Care linked to Regional Investment Fund, Accelerated Cluster Development and Strategic Programme for Primary Care

Regional Strategy and Plans

NHS Wales Collaborative and Regional Planning Groups
Mid Wales Health and Care Committee Strategic Intent and Plan

Powys Region and Local Plans

Powys Regional Partnership Board (RPB) Area Plan
Powys Public Services Board (PSB) Wellbeing Plan
Partner Plans – including PCC Corporate Plan and PTHB Integrated Medium Term Plan



There was also continuity with the previous year's plan, as recovering access to healthcare which had been impacted due to the pandemic remained a core goal and efforts to build a sustainable whole system approach as part of a longer term renewal had already commenced.

The Integrated Plan is available at [Integrated Plan 2023-26 - Powys Teaching Health Board \(nhs.wales\)](#) and provides further detailed information on how it responded to policy and legislative requirements including the newly introduced Health and Social Care (Quality and Engagement) (Wales) Act and Health and Care Act in England.

The Health Board revisited and refreshed the analysis of the context it operates within to form Integrated Plan. This analysis included Political, Economic, Social, Technological, Legislative and Environmental factors (PESTLE) and Strengths, Weaknesses, Opportunities and Threats (SWOT). This ensured a

balanced view across both internal organisational drivers, provider and commissioned services, and the wider external environment, including national policy and strategy across both England and Wales.

The analysis that underpinned the plan demonstrated that there were significant structural and system considerations to be taken into account. The plan set out the complex and challenging environment for healthcare and the evidence base on the impact of the pandemic, compounded by other complexities such as cost of living increases and the economic climate.

The plan described the case for change in relation to renewal and sustainability of healthcare in Powys and the continuation of work to develop an Accelerated Sustainable Model. This focused on building prevention into primary, secondary and tertiary healthcare provision, working with partners, communities and service users across the life course, to ensure a strong understanding of what health inequalities look like in Powys and how that is impacting on population wellbeing.

This enabled the PTHB Strategic Priorities to be set in the context of 'A Healthy Caring Powys' with points of alignment to the Ministerial Priorities as shown below:



Accelerated Sustainable Model – “Better Together” – “ Gwella Gyda’n Gilydd”

Work to ensure health and care in Powys is sustainable has been underway within a three-stage approach of: Discover, Design and Deliver. There are significant opportunities to improve outcomes and the experience of local people, using resources wisely, which is a shared challenge.

The “Discover” Phase compiled an analysis of the significant challenges, complexity and opportunity including:

- The increasing age of the population driving growing needs in relation to cancer, respiratory & circulatory conditions, frailty and dementia.
- More people living longer with multiple conditions, in a highly rural area, where a third of people live alone and loneliness is a key reason people seek help.
- The health, care and third sector workforce aging – together with significant gaps such as home support.
- Post pandemic waiting times for diagnosis and treatment remaining too long, with people delayed in hospital at risk of deconditioning (losing muscle strength and becoming confused).
- These complex challenges require both a response to immediate pressures and transformation to ensure sustainability.

The Phase 2 emerging design work helped to identify key features of a sustainable approach, which were set out in the draft report “Better Together: Designing a Sustainable Approach for Powys” for the Planning, Partnerships and Population Health Committee in November 2023.

This was used as a basis of further engagement and communication work to help share, check and refine the challenges and emerging findings through presentations and discussion involving: Board development sessions; Health Board staff; the Regional Partnership Board; the Local Partnership Forum; the Joint Partnership Board; the Clusters; Llais; Powys Association of Voluntary Councils; workshops; events in conjunction with Powys County Council in the 13 localities across Powys; town and community councillors; and children and young people.

There has been recognition of the challenges being experienced and support for emerging features especially the more fundamental shift to prevention, better connection in the community, the development of frailty services, the response to people living with multiple conditions with a better join up across physical and mental health and faster diagnosis.

Work to accelerate some aspects of the approach in 2023/24 has included:

- Recruitment to a new frailty service for Powys
- A strengthened multiagency approach to falls prevention, following a pilot where the Welsh Ambulance Service being called out to incidents in care homes was reduced by 25%

Patterson, Liz
10/07/2024 12:29:36

- A community cardiology service led by a GP with an extended role, where 483 people have been seen and managed locally, with only 21 people requiring onward referral for a surgical solution.

Key to a sustainable approach in Powys is improving people's chances of living their "best life" at home in their community connected to what matters to them most. This means working together to promote wellbeing and to prevent difficulties escalating to a crisis through:

- A leading-edge approach to frailty – including falls prevention
- A more fundamental shift to prevention, particularly in relation to obesity and diabetes - to focus on people earlier in life
- Adapting to working with people with multiple conditions
- Joined up physical and mental health
- Improved co-ordination in the last year of life
- Strengthened primary and community care (including the join up with social care)
- A tiered approach to enhanced community care, with same day urgent care and step-up in geographical footprints that enable sustainable delivery at the right level
- Improved access to diagnostics within Powys
- Proactive planned care
- Efficient local theatres focused on low complexity day case surgery
- Third Rural Regional Centre North Powys
- Treatments which are the best value for investment and outcomes
- Proactive, person centred, co-ordinated approaches
- No "wrong door" when seeking help
- Home first recovery, rehabilitation and reablement ethos across the system
- Re-balancing care and support
- People, communities and professionals co-creating solutions
- Intergenerational solutions
- Cultural changes – true partnership and collaboration and trust building
- Quality as the golden thread, with proactive risk taking where appropriate
- Optimising digital and technological solutions
- Developing generalists, hybrid roles and flexible support worker roles
- Understanding how best to retain and support older workers

Issues and Risk Management

The Health Board's corporate risk register is the mechanism for identifying and managing strategic risk including the key risks to the delivery of the PTHB Integrated Plan. This has been robustly considered and reviewed in year to ensure its utility in a highly complex environment. It reflects the challenges faced by the Health Board and sets a level of risk tolerance in each case, which has been carefully and collectively moderated to reflect the key considerations notably:

- The delivery of quality, safe and effective care

- The response to the impact of the Covid-19 pandemic and recovery of healthcare access
- Ensuring that efforts were made to build the sustainability of delivery and mitigate fragility in service models both directly delivered and commissioned
- Challenges to key enablers including workforce and information technology
- Threat based risks including cyber security
- Fiscal and budgetary constraints
- The change in the financial position of the Health Board
- The submission of an integrated plan rather than an integrated medium-term plan (IMTP)

During 2022/23 the Board approved a revised Risk Management framework which was implemented in 2023/24, including:

- Annual Review of the Board's Risk Appetite Statement to ensure it remained reflective of the Boards risk approach and environment in which services are being delivered and commissioned
- Implementation of the Risk Management Improvement Programme
- Audit and Assurance Committee proactive role in oversight of the Health Boards' assurance framework, risk management and governance arrangements

Engagement and Communication

During 2023/24 the Health Board's engagement and communication team supported the wider Health Board activities as it continued with recovery following the COVID-19 pandemic whilst also addressing the significant financial challenges facing the public sector. PTHB's steps to engage with its population, users and staff included:

- Planning and delivery of engagement events to support the "Better Together" approach for the future of safe and sustainable health and care services in Powys
- Initial work as part of the national stroke review for Wales
- Decision making; mitigation planning and delivery following an application from Crickhowell Group Practice to close their branch surgery in Gilwern
- Support for the planning and delivery of three phases of national engagement by the Emergency Ambulance Services Committee on the future service model for the NHS Emergency Medical Retrieval and Transfer Services (EMRTS) in partnership with the Wales Air Ambulance Charity
- Partnership work with Public Services Board (PSB) and Regional Partnership Board (RPB) partners on a shared approach to co-production in Powys
- Public messaging to support access to services during changes related to industrial action in both Wales and England

Patterson, Liz
10/07/2024 12:29:36

- Work to support Powys residents to access the right care in the right place at the right time including Help Us Help You, promotion of NHS 111 Wales services, launch of NHS 111 Press 2 for access to mental health advice, and SilverCloud Wales which is hosted by PTHB on behalf of NHS Wales.
- A major programme of activity was also undertaken to connect with communities in the celebration of the 75th anniversary of the NHS in July 2023.

Submission and Approval of the Plan / Accountability Conditions / Escalation and Intervention Status

PTHB was unable to submit a financially balanced plan for 2023 – 2026 due to the complex and challenging factors facing the Health Board locally, as well as across Wales and the UK. The drivers for this included the recovery from the impact of the pandemic, demand for healthcare, capacity changes including those made to prioritise life essential and life critical care across commissioned providers, system pressures and socio-economic factors which resulted in a challenging fiscal position across the UK and for each Health Board.

During 2023/24 PTHB was placed in enhanced monitoring status for strategy, planning and finance within the national Joint Escalation and Intervention Arrangements – which is an escalation from its previous status of routine monitoring.

The organisation continues to operate as a going concern, the 2024/25 Integrated Plan was submitted to Welsh Government on the 31 March 2024 and the Health Board has received its Welsh Government Allocation letter for the financial year 2024/25. There continues to be a requirement for health services provision by the population of Powys and there continues to be joint working and partnership with the Local Authority, including a joint Health & Wellbeing Strategy.

The Health Board did not receive Accountability Conditions as such but did receive a series of correspondences from Welsh Government including an Accountability Letter on 25 August 2023 which noted a number of areas of focus. Progress against these is summarised below – and further detail is included in the Performance Analysis Section of this report.

Area noted in Letter	Progress Update
<p>Financial Position</p> <ul style="list-style-type: none"> • Robust Savings Plan / Opportunities Pipeline/ Mitigating Actions on Risks 	<ul style="list-style-type: none"> • PTHB was not able to submit a balanced IMTP for 2023-2026, however the Savings Plan and Control Total was achieved • A comprehensive appraisal of financial improvements was carried out in 2023. Stage One was initiated following Welsh Government correspondence, this included the establishment of an Executive

Patterson
10/07/2024 12:29:36

<ul style="list-style-type: none"> • Mitigate expenditure in volume and inflationary growth • Mitigate residual costs in relation to COVID legacy • Progress to allocative value and population health resource agenda • Robust financial plans for future years/ improvement trajectory 	<p>Opportunities Group. Stage Two followed further correspondence in October 2023 following the outcome of the Welsh Government Budget Review, which set a revised target control total.</p> <ul style="list-style-type: none"> • The Health Board is maintaining a strong focus on population health and allocative value through its strategic long term planning approach, setting annual delivery plans in the context of the long term health and care strategy 'A Healthy Caring Powys' • PTHB has not been able to submit a balanced plan for the coming year but has set out strategic priorities which represent its 'best offer' to use the resources available for the population of Powys, whilst taking forward transformation which is needed to achieve future sustainability – this is large scale change set over a five year planning horizon
<p>Delivery of commitments in Annual Plan, particularly Ministerial Priorities / Progress against key trajectories</p>	<ul style="list-style-type: none"> • The PTHB Integrated Plan incorporated delivery against the Ministerial Priorities (in the context of the shared long term health and care strategy 'A Healthy Caring Powys' which is aligned to 'A Healthier Wales) • Progress against Plan for Year End (Quarter 4 2023 – 2024) is summarised in the Performance Analysis section • Performance updates against key areas is given in the Performance Analysis section
<p>Taking into account any material changes delivered in response to delivering an improved financial position</p>	<ul style="list-style-type: none"> • A Plan Reset exercise was carried out in two stages in parallel with the Executive Opportunities work noted above, priorities were rescoped or rescheduled to ensure that work to deliver against the Savings Plan and Control Total were appropriately balanced against other requirements in the NHS Wales Planning Framework, Policy and Legislation.

Patterson, Liz
10/07/2024 12:29:36

	<ul style="list-style-type: none"> This was subsequently reflected in the Quarterly Progress Against Plan Reports and the Year End Report.
<p>Board scrutiny and monitoring of progress, in particular Ministerial priorities</p>	<ul style="list-style-type: none"> Comprehensive Board Engagement in scrutiny and monitoring of progress and in the development of the plan (Progress against Plan reports and Integrated Performance Reports provided quarterly – year end position is summarised in the Performance Analysis section)
<p>Risks or challenges that develop in year to be discussed at Board & communicated to Welsh Government</p>	<ul style="list-style-type: none"> Regular discussions of risks and challenges as part of JET (Joint Executive Team meetings between Welsh Government and the Health Board); IQPD meetings (Integrated Quality, Performance and Delivery Reviews with Welsh Government) and additional meetings in year as required by Welsh Government Accountable Officer Correspondence associated with the two stage process noted above and the annual planning cycle used to notify Welsh Government of risks and challenges in year
<p>Service change and business case proposals subject to compliance with extant requirements / approval processes including Capital</p>	<ul style="list-style-type: none"> PTHB has an internal mechanism 'Investment Benefits Group' which provides peer review of all business cases prior to formal consideration and approval processes Any developments requiring external approvals are transacted in accordance with compliance requirements and processes

Forward Look

The Health Board is building on progress made in 2023 – 2024 and has set out a further Integrated Plan 2024 - 2029. This is a five year plan which continues to take forward the work set out earlier in this report, to deliver 'A Healthy Caring Powys' and the national goal of 'A Healthier Wales'. It is firm in detail in the first year but agile and dynamic enough to enable the Health Board to engage with its communities and adapt its approach.

The plan sets out the very best offer to maximise the use of Health Board resources and strive to deliver safe, timely, effective, efficient, equitable and

person-centred care that meets the needs of the population of Powys. It also sets out how the Health Board will work with communities, staff and stakeholders to build a sustainable future for the County's health services.

The updated plan on a page can be seen below, highlighting the alignment with the updated ministerial priorities within the NHS Wales planning framework 2024 - 2025.

Patterson Liz
10/07/2024 12:29:36



Better Together for a Sustainable Model of Care

<p>Whole System Approach to Wellbeing & Prevention</p> <ul style="list-style-type: none"> Develop a whole system prevention plan <i>across the life course</i> Deliver a Health Protection response including Vaccination 	<p>Faster, effective diagnosis and treatment</p> <ul style="list-style-type: none"> Improve access to Primary and Community Care Design and Deliver a phased Frailty and Community Model Deliver the Planned Care and Diagnostics Programme 	<p>Working together across Major Conditions, Physical and Mental Health</p> <ul style="list-style-type: none"> Develop and deliver a Major Conditions Plan <i>respiratory & circulatory health (cardiac, diabetes, stroke) and cancer</i> Deliver the Mental Health Transformation Programme 	<p>Home first and back home fitter and faster</p> <ul style="list-style-type: none"> Improve pathways of care <i>focused on system flow</i> Deliver the Six Goals Plan for Urgent and Emergency Care <i>focusing on what works for the Powys population</i>
--	---	---	--

- WG TEMPLATE Primary & Community Care
- WG TEMPLATE Enhanced Care in the Community (Pathways of Care)
- WG TEMPLATE Planned Care & Cancer
- WG TEMPLATE Mental Health
- WG TEMPLATE Urgent and Emergency Care / Six Goals



Quality is the golden thread across the whole plan

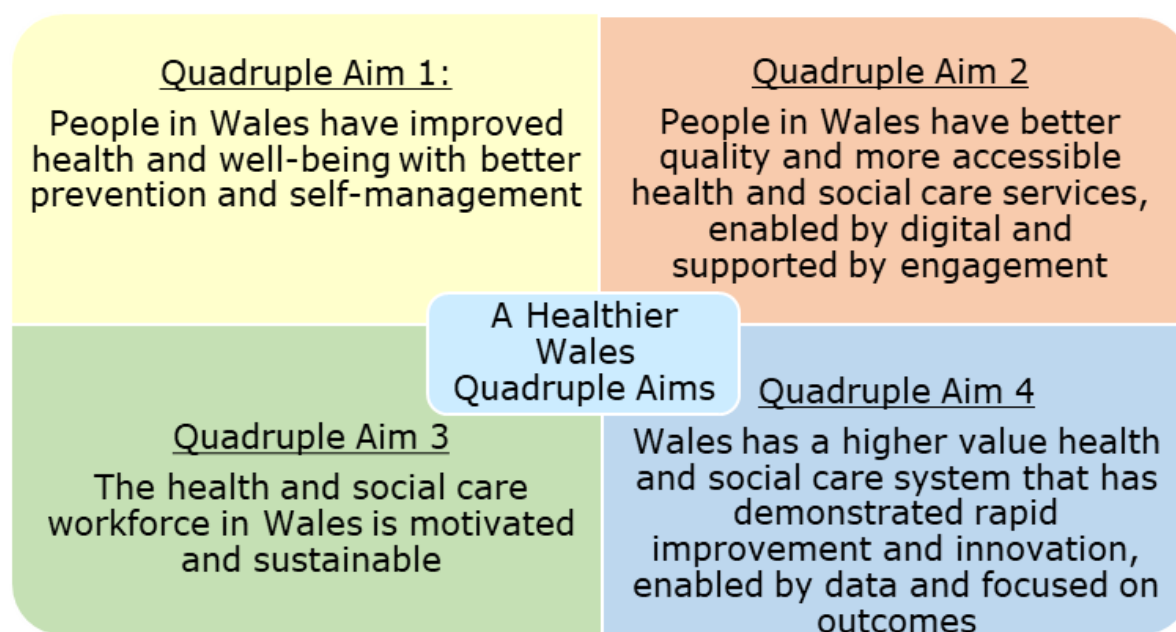
- Underpinned by the Quality Standards: Safe, Timely, Effective, Efficient, Equitable, Person-Centred (STEEEP)
 - Delivery of Duty of Quality and Duty of Candour Action Plans
- Interdependencies across the plan in relation to a Value based approach and effective Governance



Patterson, Liz
10/07/2024 12:29:36

Performance Overview and Analysis

All Health Boards within Wales are required to provide performance and assurance via the NHS Wales Performance Framework. Key to the scrutiny of health performance are the Ministerial priorities where Health Boards are required to provide improvement trajectories against key planned care targets. The NHS Performance Framework remains based on four quadruple aims mapped to the A Healthier Wales long term plan for health and social care.



The framework consists of 53 total measures, of which 9 are Ministerial Priorities and require Health Board submitted trajectories. A further 11 qualitative measures are also included of which assurance is sought bi-annually by Welsh Government. The Health Board has a systematic review process to both manage and review performance. This includes a ward to Board mechanism including formal review at Executive, Delivery and Performance Committees and at Board level. In addition, performance is reviewed by Welsh Government and NHS colleagues.

Quality of Data used by the Board

The Health Board continually reviews the quality of data that it is using within the organisation including for decision making and assurance at Board level. Each of the separate data quality strands within the organisation are reviewed frequently that span across the main domains including finance, operational, workforce, quality, and safety data. However, it is a continuous process spanning an array of data systems and datasets including new systems being implemented. The Health Board also receives data quality reports from system suppliers and is subject to a number of external reviews that feature data quality assessments as part of the review. The annual performance report provides a summary of the key performance measures, and challenges specifically for the Ministerial priorities, but detailed commentary of the issues,

actions and mitigations taken in relation to each of the measures within the framework is included in the Integrated Performance Reports to PTHB Board. This information is available on the PTHB Website at <https://pthb.nhs.wales/about-us/health-board-performance/> via The Board meeting papers.

Six Goals for Urgent and Emergency Care

Powys Teaching Health Board is committed to delivery of The Six Goals for Urgent and Emergency Care, recognising the importance of providing the right care, in the right place, and at the right time. Acknowledging the challenges ahead, it remains dedicated to continuous learning, improvement, and sharing best practice as it strives to meet the goals.

PTHB's focus is on improving access, coordination, and the overall experience of urgent and emergency care services for Powys people, ensuring the provision of safe and timely care for populations at greater risk, and addressing disparities in access for marginalised communities.

Effective communication and language accessibility are integral to this, with a commitment to enabling seamless access to services for individuals who choose to communicate in Welsh. The Six Goals funding empowers the Health Board, working with key partners, to invest in essential resources and workforce training, fostering the development of a resilient and responsive urgent and emergency care system. Integration and collaboration with other NHS and partnership plans and programs will enable the delivery of streamlined care pathways. Through transparency, accountability, and active engagement with service users, clinical leaders, and partners we will monitor progress and deliver the high-quality care that the Powys community deserves.

PTHB does not run acute consultant-led urgent and emergency care services but does have directly managed Minor Injury Units across Powys and an element of minor injury services delivered within Primary Care settings. The Health Board is working collaboratively with Powys Clusters and partners including WAST to expand the range of non-acute 24/7 urgent care services. This will increase footfall management and avoid emergency admissions and conveyances. This will also reduce lengths of stay, improve patient flow and care, with a home first ethos and improved access to community therapy.

The Welsh Government has allocated £2.96m 2023/24, with the exception of Powys Teaching Health Board and Velindre which each received £900,000, to support activity through their local six goals programmes. Health Boards are required to demonstrate how this money has been spent against the six goals priorities and provide detail of the impact of the funding. This will support decision making around expansion of successful intervention and inform planning for 2024/25.

Paper 10/10/2024 12:29:36

For Powys the focus in this area is a bespoke implementation of Welsh Government's Six Goals for Urgent and Emergency Care because of the unique non acute provision of local health care.

Key actions by goal

No.	Description	PTHB actions in 2023/24
1	Co-ordination, planning and support for populations at greater risk of needing Urgent or Emergency Care.	<ul style="list-style-type: none"> • Development of frailty model including utilisation of digital frailty indices to target at risk residents. • Recruitment into frailty support posts including Clinical Director for Community Frailty Medicine, Allied Health Professional Clinical Specialists in Frailty posts and Assistant Therapy Practitioners in Falls Prevention posts, all of which will support frailty scoring. • Clinical pilot in Q4 demonstrating clinical frailty scoring, which is to utilise how this process is embedded in Powys for the future.
2	Signposting people with Urgent Care needs to the right place, first time.	<ul style="list-style-type: none"> • A public facing multimedia project has been developed to aid in the communication and reception of Care Navigation practices and principles within the community. • The new 111 Press 2 Service successfully went "live" in the first quarter of 2023/24, to help provide early intervention for mental ill health issues. This service should reduce demand on emergency departments, GP's, Police, and WAST.
3	Clinically safe alternatives to admission to hospital.	<ul style="list-style-type: none"> • PTHB has participated in the Enhanced Community Care Project developed through the nationally led Strategic Programme for Primary Care, which has been built into the draft 'Better Together' design report which proposed models of implementation, timescales and process. • Additional training provided to existing PTHB Minor Injury Unit staff to strengthen in county urgent care provision. • Work has been initiated on Mental Health "sanctuary" provision and to extend the crisis response service for children and young people in Llandrindod Wells with Adult provision being scoped which will undergo further scope work in 2024/25.
4	Rapid response in physical or	<ul style="list-style-type: none"> • Integrated commissioned action plan, for PTHB it is a unique role focusing on frailty and

Patterson, Liz
10/07/2024 12:29:26

	<p>mental health crisis</p> <p>falls e.g., Goal 1, and a new falls pathway developed and delivered for PTHB patients.</p> <ul style="list-style-type: none"> • Clinical Specialist Physiotherapist for Falls and Vestibular Rehabilitation role has been recruited to during 2023/24. • Mental Health Transformation Programme Manager appointed in Q4. • Strengthened interface with primary care and mental health to provide improved coordination of physical and mental health.
<p>5 Optimal hospital care and discharge practice from the point of admission.</p>	<ul style="list-style-type: none"> • Additional Care Transfer Coordinators have been recruited to post, covering all main out of county acute hospitals to provide additional support to out of county sites in facilitation of discharge and repatriation of Powys residents with a focus on targeting patients in acute beds. Early results from 2023/24 show and 18% reduction in the use of community hospital beds. • Additional Discharge Liaison officers have been recruited to posts to support timely discharge from Community Hospital sites. • Development of a new Digital Patient Flow System has commenced, with a planned 2024/25 launch which will serve to enhance efficiency in addition to digital capture and monitoring.
<p>6 Home first approach and reduce the risk of readmission.</p>	<ul style="list-style-type: none"> • New posts have been recruited to support a Therapy Led Rehabilitation Model at Glan Irfon Health and Care Unit to embed short stay reablement, in alignment with the Discharge to Recover and Assess (D2RA) ethos. • There is a proposal under consideration for the adaptation of the specification of the Home First and the rehabilitation bridging team as part of the Section 33 agreement with Powys County Council. Meetings have taken place throughout Q4 in relation to remodelling, with the proposed future design to be finalised in 2024/25.

It should be noted that not all actions undertaken with the funding are included in the above table.

Patricia Jones, Liz
10/07/2024 12:29:36

Powys Teaching Health Board end of year summary scorecard

POWYS TEACHING HEALTH BOARD PERFORMANCE AGAINST NHS PERFORMANCE FRAMEWORK		
	Number of measures where the target has been delivered	Number of measures where the target has not been delivered
Quadruple Aim 1: People in Wales have improved health and well-being with better prevention and self-management	2 measures	7 measures
Quadruple Aim 2: People in Wales have better quality and more accessible health and social care services, enabled by digital and supported by engagement	11 measures	12 measures
Quadruple Aim 3: The health and social care workforce in Wales is motivated and sustainable	3 measure	1 measures
*Quadruple Aim 4: Wales has a higher value health and social care system that has demonstrated rapid improvement and innovation, enabled by data and focused on outcomes	4 measures	5 measures
SUMMARY	21 measures	24 measures

Report as at: 25 June 24

*The 2023/24 NHS Performance framework contains a total of 53 measures, Powys can report against 48 of these as a non acute care provider, of these 48 the health board is not nationally benchmarked on 3 health care acquired infection metrics, these metrics are not included in the above table.

Compliance against NHS Performance Framework

Quadruple Aim 1: People in Wales have improved health and wellbeing with better prevention and self-management

PTHB compliance against the NHS Delivery Framework measures in Quadruple Aim 1 is limited for 2023/24.

2023/24 Performance Framework Measures					Performance				Welsh Government Benchmarking (*in arrears)	
Area	No.	Abbreviated Measure Name	Ministerial Priority	Target	Latest Available	12month Previous	Previous Period	Current	Ranking	All Wales
Quadruple Aim 1: People in Wales have improved health and wellbeing with better prevention and self-management	1	% Attempted to quit smoking		5% annual target	Q3 2023/24	2.26%		3.8%	4th	3.58%
	2	Percentage of people who have been referred to health board services who have completed treatment for substance misuse (drugs/alcohol)		4 quarter improvement trend	Q4 2023/24	62.2%	65.1%	65.8%	5th*	60.5%
	3	% of children up to date with scheduled vaccinations by age 5		95%	Q3 2023/24	85.8%	89.8%	92.1%	1st	88.0%
	4	% of girls receiving HPV vaccination by age 15		90%	Q3 2023/24		84.7%	80.3%	3rd	77.3%
	5	Flu Vaccines - 65+		75%	Mar-24		69.3%	69.0%	5th	72.4%
	6	% uptake of COVID-19 vaccination for those eligible (Autumn booster)		75%	Feb-24		61.1%	59.6%	1st	53.4%
	7	% of patients offered an index colonoscopy within 4 weeks of booking specialist screening appointment	✓	90%	Feb-24	14.3%	6.3%	11.1%	6th	25.2%
	8	% of well babies completing the hearing screening programme within 4 weeks		90%	Jan-24	95.9%	89.4%	93.5%	6th	95.2%
	9	% of eligible newborn babies who have a conclusive bloodspot screening result by day 17		95%	Feb-24	96.4%	94.3%	93.8%	7th	95.9%

Compliant performance with target.

- Percentage of people who have been referred to Health Board services who have completed treatment for substance misuse (drugs/alcohol) has shown an improvement in 2023/24 meeting the target in Q4 with 65.8% benchmarking above the All-Wales

- For babies completing the hearing screening programme within 4 weeks the Health Board is compliant in Jan-24 with 93.5% achieved against a 90% target.

Exceptions & Escalations

- For people attempting to quit smoking although not meeting the 5% annual target has seen a significant improvement with 3.8% reported to have attempted by quarter 3.
- No vaccination measures have been met for childhood or HPV when reporting the latest at Q3. Performance for childhood vaccines by age 5 has improved (92.1%) but HPV vaccinations for girls aged 15 fell to 80.3% for the same period.
- Both Flu vaccinations in Mar-24 (69.9%) and COVID-19 vaccinations for eligible populations in Feb-24 (59.6%) are not achieving the 75% target.
- % of patients offered an index colonoscopy within 4 weeks of booking specialist screening appointment is an escalated measure with performance improving slightly to 11.1% in February, this measure has not been compliant for all of 2023/24.
- Eligible newborn babies who have bloodspot screening by day 17 did not meet the 95% target in Feb-24 with 93.8% compliance

Patterson, Liz
10/07/2024 12:29:36

Quadruple Aim 2: People in Wales have better quality and more accessible health and social care services

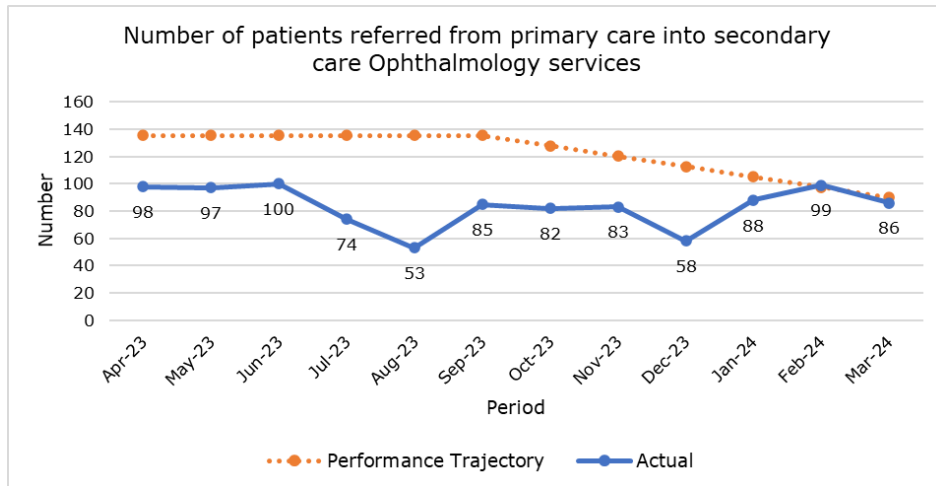
2023/24 Performance Framework Measures					Performance				Welsh Government Benchmarking (*in arrears)	
Area	No.	Abbreviated Measure Name	Ministerial Priority	Target	Latest Available	12month Previous	Previous Period	Current	Ranking	All Wales
Quadruple Aim 2: People in Wales have better quality and more accessible health and social care services, enabled by digital and supported by engagement	10	% of GP practices that have achieved all standards set out in the National Access Standards for In-hours GMS	✓	100%	2022/23	100.0%		100.0%	1st	95.5%
	11	% of primary care dental services (GDS) contract value delivered (new, new urgent and historic patients)	✓	Month on Month increase towards a minimum of 30% contract value delivered by Sep-23/100% by 31/03/24	Mar-24		63.5%	70.4%	5th	80.7%
	12	No of patients referred from primary care (optometry, general medical practitioners) into secondary care ophthalmology services	✓	PTHB Trajectory - <= 90	Mar-24	168	99	86	1st*	5,622
	13	No of consultations delivered through the Pharmacist Independent Prescribing Service (PIPS)	✓	Increase on the number in the equivalent month in the previous year	Mar-24	230	491	531	7th*	11,101
	14	Assessments <28 days <18	✓	80%	Mar-24	94.8%	100.0%	97.7%	1st*	86.3%
	15	Interventions <28 days <18	✓	80%	Mar-24	87.2%	83.3%	100.0%	3rd*	56.0%
	16	Assessments <28 days 18+	✓	80%	Mar-24	90.0%	49.1%	60.8%	6th*	68.9%
	17	Interventions <28 days 18+	✓	80%	Mar-24	52.0%	91.4%	91.1%	5th*	77.4%
	18	Percentage of emergency responses to red calls arriving within (up to and including) 8 minutes	✓	65%	Mar-24	42.9%	44.7%	45.0%	6th	48.9%
	19	Median emergency response time to amber calls	✓	12 month improvement trend	Mar-24	00:50:10	00:53:57	00:58:33	1st	01:29:31
	22	% of patients who spend less than 4 hours in all major & minor emergency care facilities from arrival until admission, transfer or discharge	✓	Improvement compared to the same month in 2022-23, towards the national target of 95%	Mar-24	100.0%	99.9%	99.9%	1st	67.5%
	23	Number of patients who spend 12 hours or more in all hospital major and minor emergency care facilities from arrival until admission, transfer or discharge	✓	PTHB Trajectory - 0	Mar-24	0	0	0	1st	10,366
	25	Number of diagnostic breaches 8+ weeks	✓	PTHB trajectory of 0	Mar-24	161	143	116	1st*	42,080
	26	% of children <18 waiting 14 weeks or less for a specified AHP	✓	12 month improvement trend	Mar-24	97.0%	90.2%	100.0%	4th*	85.2%
	27	Number of therapy breaches 14+ weeks (all ages) inc. audiology	✓	PTHB Trajectory of 0	Mar-24	190	197	135	2nd*	12,759
	28	Number of patients waiting >52 weeks for a new outpatient appointment	✓	PTHB Trajectory = 0	Mar-24	1	13	0	2nd*	60,004
	29	Number of patients waiting >36 weeks for a new outpatient appointment	✓	PTHB Trajectory - <= 0	Mar-24	32	148	91	1st*	120,280
	30	Number of patient follow-up outpatient appointment delayed by over 100%	✓	PTHB Trajectory = 0	Mar-24		1256	1223	1st*	247,630
	31	RTT patients waiting more than 104 weeks	✓	PTHB Trajectory = 0	Mar-24	0	0	1	1st*	22,983
	32	RTT patients waiting more than 52 weeks	✓	PTHB Trajectory = 0	Mar-24	7	48	24	1st*	141,082
	33	CAMHS % waiting <28 days for first appointment	✓	80%	Mar-24	100.0%	97.1%	100.0%	1st*	94.8%
	34	Children/Young People neurodevelopmental waits	✓	80%	Mar-24	72.7%	44.2%	42.2%	1st*	23.9%
	35	Adult psychological therapy waiting < 26 weeks	✓	80%	Mar-24	82.8%	88.3%	75.9%	1st*	63.8%

PTHB compliance against the NHS Delivery Framework measures in Quadruple Aim 2 is improved for 2023/24.

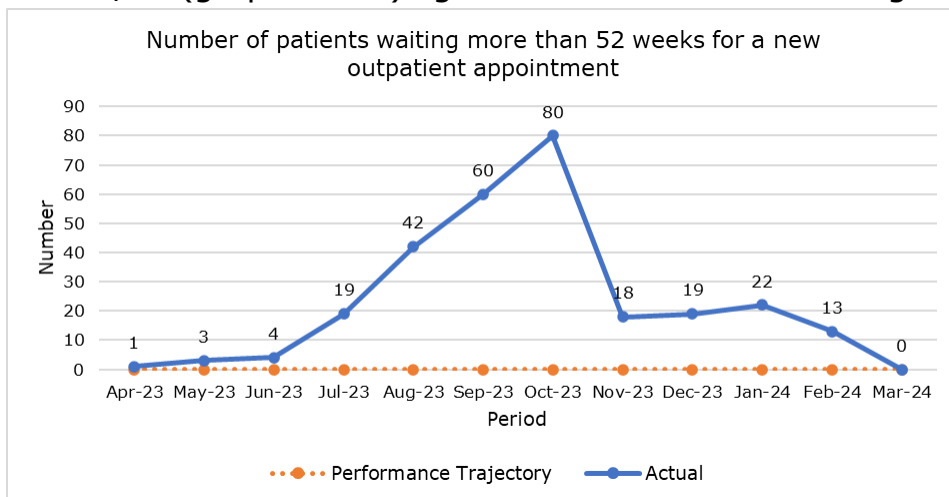
Compliant performance with target.

- As a ministerial priority with Health Board set a trajectory target (as shown in graph below) the number of patients referred from primary care (optometry, general medical practitioners) into secondary care ophthalmology services has reported compliant for Mar-24 with 86 reported against a less than 91 referral target.

Patterson, Liz
10/07/2024 12:29:36



- The number of consultations delivered through the Pharmacist Independent Prescribing Service (PIPS) showed improved performance through 2023/24 finishing with 531 reported at Mar-24.
- Mental Health assessment and interventions within 28 days for under 18's reported compliant with 97.7% and 100% in Mar-24 against the 80% target.
- Mental health adult interventions within 28 days also reported compliant in March with 91.1% reported against the 80% target.
- Emergency access within the provider remains excellent with zero 12-hour breaches, and better than 99.9% 4hr compliance reported every month in 2023/24.
- For the percentage of children (<18's) waiting 14 weeks or less for a specified AHP 2023/24 has been very challenging but Mar-24 reported 100% compliance e.g., all pathways reported under 14 weeks based on age at referral.
- As a ministerial priority zero patients wait over 52 weeks for a new outpatient appointment in March, this is a significant achievement for the Health Board where waiting times have been significantly challenging through 2023/24 (graph below) against a Health Board set target of zero.



Patterson, Liz
10/07/2024 12:29:36

- For the measures Child & Adolescent Mental Health Service (CAMHS) % waiting <28 days for first appointment reported 100% complaint in Mar-24 against an 80% target.

Exceptions & Escalations

Primary care

- The percentage of primary care dental services (GDS) contract value delivered (new, new urgent and historic patients) a ministerial priority did not meet the 100% required target by March reporting 70.4% compliance.

Mental health

- Mental health adult assessments within 28 days (another ministerial priority) reported and improved 60.8% in March but this is not compliant against the 80% target and has had poor compliance which triggered escalation in 2023/24.
- Children/young people neurodevelopmental waits has been significantly challenged during the 2023/24 financial year. The continuing increase in demand has resulted in worsening trend for performance against the measure percentage of children and young people waiting less than 26 weeks to start ADHD or ASD ND assessments that reported 42.2% compliance in March.
- Adult psychological therapy waiting <26 weeks reported the lowest performance of 2023/24 with 75.9% in March.

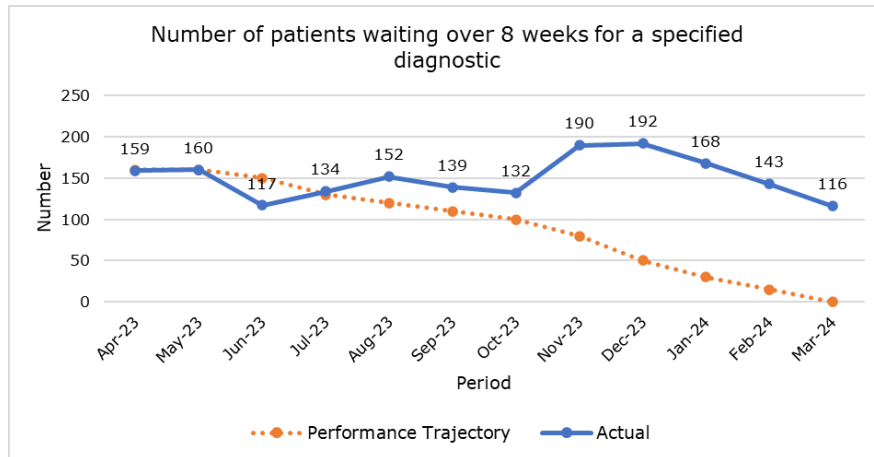
Unscheduled Care

- Ambulance response times remained poor throughout 2023/24 with compliance against the percentage of emergency responses to red calls arriving within (up to and including) 8 minutes reporting 45% in March at the end of the year.
- Median emergency response time to amber calls did not achieve the 12 month improvement trend target with a median time of 00:58:33 reported in March.

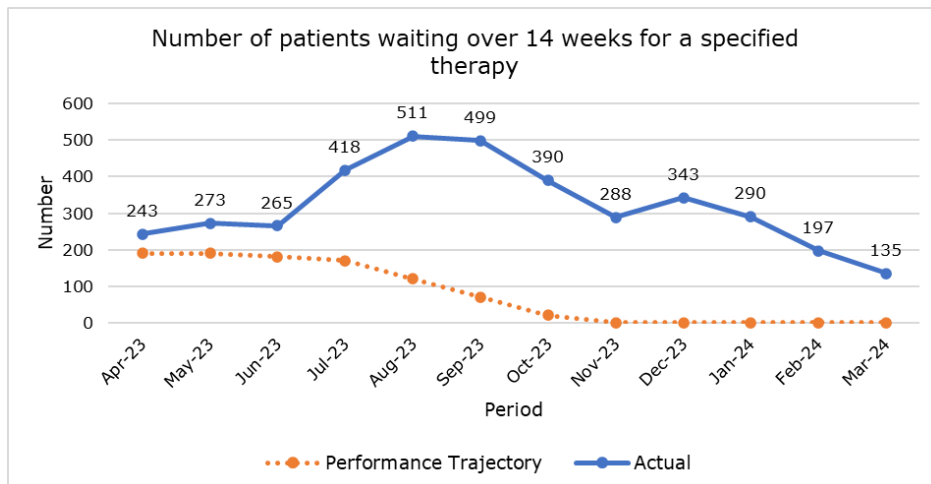
Planned care

- The number of patients waiting over 8 weeks for a specified diagnostic has proved challenging throughout 2023/24 with significant fragility and demand pressures. In March the Health Board reported non compliance against its set trajectory, although it should be noted that significant improvements were achieved (graph below).

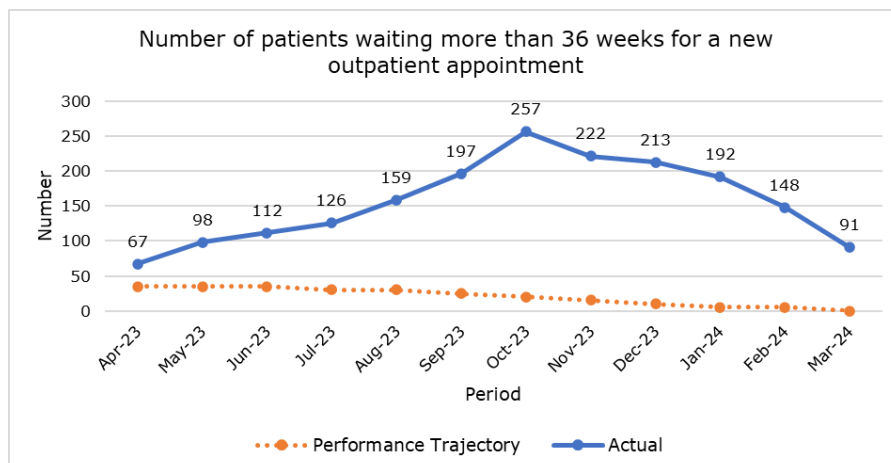
Patterson, Liz
10/07/2024 12:29:36



- The number of therapy breaches 14+ weeks (all ages) inc. audiology did not meet the Health Board submitted target trajectory for 2023/24. It should be noted that even though it has been unable to achieve a reduction to zero breaches by year end reporting 135 in March is a significant improvement following a very challenging year (graph below).

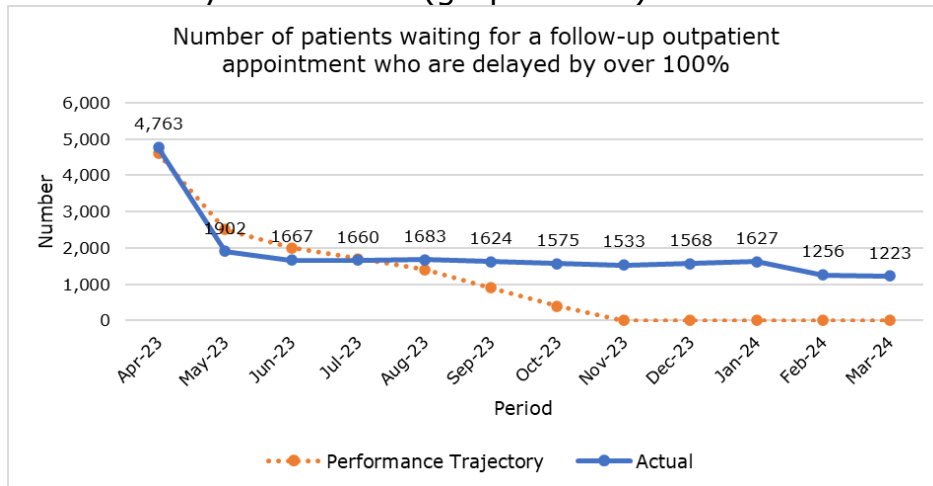


- The number of patients waiting 36 weeks or longer for a new outpatient appointment was not met, the Health Board submitted a very ambitious trajectory target for 2023/24 and unavoidable challenges and service fragility impacted patient wait pathways. At the end of the year 91 breaches occurred against a target of zero (graph below).

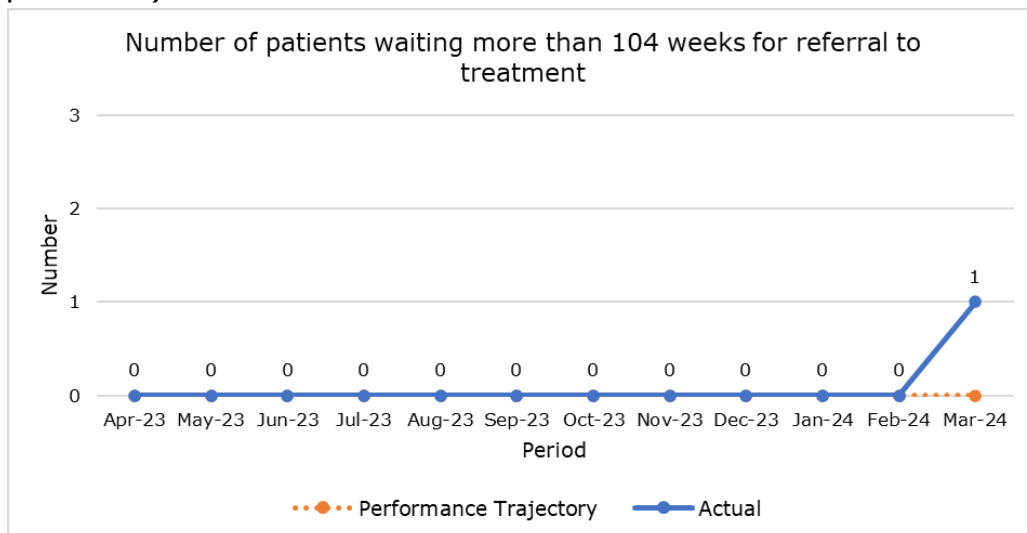


Patterson, Liz
10/07/2024 12:29:36

- Ministerial priority measure follow-up outpatients delayed over 100%, The Health Board has been unable to report an accurate position for this during 2023/24 following a significant data quality challenge at the end of 2021/22. Although the reporting accuracy is greatly improved ongoing phased validation remains in process. To note the Health Board did not meet the set trajectory target at the end of March with 1,223 pathways reported overdue by over 100% (graph below).

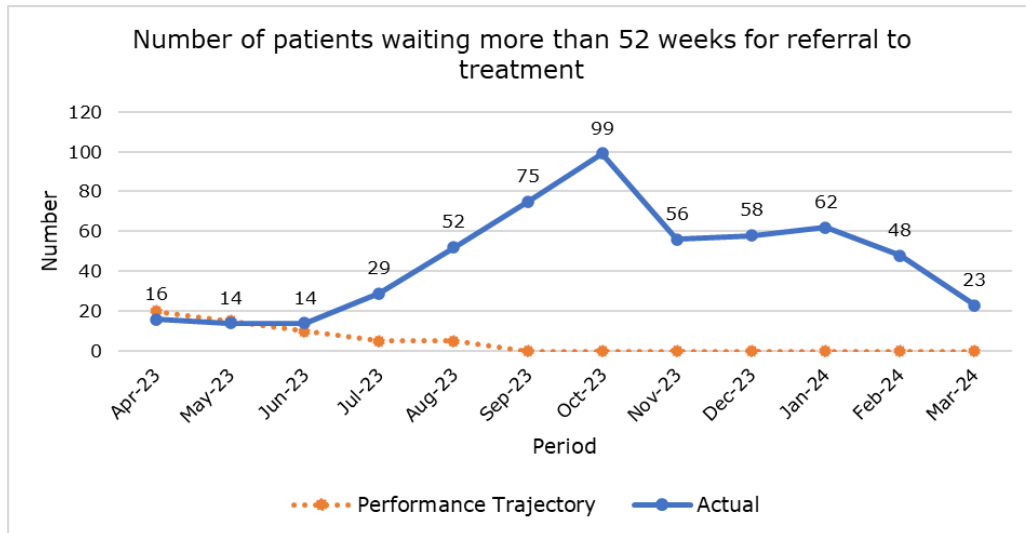


- The Referral to Treatment Time (RTT) pathways waiting more than 104 weeks did not meet the trajectory with one reported breach in March. The Health Board had set a target trajectory of zero throughout 2023/24 and achieved it but unfortunately failed on this one month (graph below).



- Further ministerial priority planned care measures include the number of patients waiting more than 52 weeks for treatment (RTT). The Health Board did not achieve their submitted trajectory target of zero by March but has made significant progress toward that target with significant system fragility. For March 24 patients remained waiting for more than 52 week for their treatment (graph below).

Patterson, Liz
10/07/2024 12:29:36



Quadruple Aim 3: The health and social care workforce in Wales is motivated and sustainable

2023/24 Performance Framework Measures					Performance				Welsh Government Benchmarking (*in arrears)	
Area	No.	Abbreviated Measure Name	Ministerial Priority	Target	Latest Available	12month Previous	Previous Period	Current	Ranking	All Wales
Quadruple Aim 3: The health and social care workforce in Wales is motivated and sustainable	36	(R12) Sickness Absence	✓	12 month reduction trend	Mar-24	5.9%	5.3%	5.3%	4th (Jan-24)	6.1%
	37	Turnover rate for nurse and midwifery registered staff leaving NHS Wales	✓	Rolling 12 month reduction against a baseline of 2019/20	Nov-23	13.1%	12.1%	11.8%	9th	6.9%
	38	Agency spend as a percentage of the total pay bill	✓	12 month reduction trend	Mar-24	8.9%	10.8%	6.2%	12th (Jan-24)	4.0%
	39	Performance Appraisals (PADR)	✓	85%	Mar-24	74.0%	78.0%	78.0%	6th (Jan-24)	73.7%

The measures within this domain have seen some improvement within 2023/24 although ongoing challenges remain.

Compliant performance with target.

- Sickness absence has seen robust performance improvement with the rolling 12 percentage point reducing to 5.3% in March meeting the Welsh Government set target of a 12-month reduction.
- At present with data available for November 2023 the turnover rate for nurse and midwifery registered staff leaving NHS Wales is reporting compliance with 11.8% reported. The target for this measure is a rolling 12-month reduction against the baseline of 2019/20.
- Agency spend as a percentage of total pay has met the 12 month required reduction target by Welsh Government. The Health Board reported 6.2%% in March reduced from 12 months prior for the same period (8.9%).

Exceptions & Escalations

- Performance appraisal compliance (PADR) has improved throughout 2023/24 but did not meet the 85% target in March reporting 78%, it

Patter...
 10/0...
 2024.12.29.2026

should be noted that this is a 4% improvement when compared to 12 months prior.

Quadruple Aim 4: Wales has a higher value health and social care system that has demonstrated rapid improvement and innovation

2023/24 Performance Framework Measures					Performance				Welsh Government Benchmarking (*in arrears)	
Area	No.	Abbreviated Measure Name	Ministerial Priority	Target	Latest Available	12month Previous	Previous Period	Current	Ranking	All Wales
Quadruple Aim 4: Wales has a higher value health and social care system that has demonstrated rapid improvement and innovation, enabled by data and focused on outcomes	40	% of episodes clinically coded within one month post discharge end date	✓	Maintain 95% target or demonstrate an improvement trend over 12 months	Feb-24	100.0%	99.4%	100.0%	2nd*	69.3%
	41	% of all classifications' coding errors corrected by the next monthly reporting submission	✓	90%	Feb-24		100.0%	100.0%	1st	61.8%
	42	% of calls ended following WAST telephone assessment (Hear and Treat)	✓	17% or more	Mar-24	9.1%	9.2%	10.5%	7th*	14.2%
	43	No of Pathways of Care delayed discharges	✓	12 month reduction trend	Mar-24	Not available	56	70	2nd	1,661
	44	% residents with CTP <18	✓	90%	Mar-24	86.0%	95.0%	97.0%	2nd*	86.1%
	45	% residents with CTP 18+	✓	90%	Mar-24	85.0%	83.0%	80.0%	5th*	78.0%
	46	No of patient experience surveys completed and recorded on CIVICA		Month on Month Improvement	Mar-24		387	204	8th*	16,171
	47	HCAI - Klebsiella sp and Aeruginosa cumulative number		No national target for PTHB	Mar-24		0	0	PTHB is not nationally benchmarked for infection rates	
	48	HCAI - E.coli, S.aureus bacteraemia's (MRSA and MSSA) - Cumulative rate of confirmed cases per 100,000		No national target for PTHB	Mar-24		2.45	2.24		
	49	HCAI - cumulative rate of C.Difficile cases per 100,000 population		No national target for PTHB	Mar-24	13.14	20.4	18.67		
	51	Percentage of ophthalmology RI patients who attended within their clinical target date (+25%)	✓	95%	Mar-24	65.6%	63.1%	68.7%	2nd	61.4%
	53	No of national reportable incidents that remain open 90 days or more		12 month reduction trend	Mar-24	8	12	14	4th	330

Quadruple aim 4's compliance has remained fairly static for 2023/24 with measures remaining either compliant or non compliant during the period.

*It should be noted that Health Care Acquired Infections (HCAI) are not nationally benchmarked for Powys Teaching Health Board but a cumulative year comparison from 2022/23 will be used within this document.

Compliant performance with target.

- The Health Board's compliance for coding remains exemplary with 100% of episodes clinically coded within one month post discharge end date as reported in February, and 100% of all classifications' coding errors corrected by the next monthly reporting submission being for the same period.
- For the number of pathways of care with delayed discharges the reported performance for March was 70 in that month, this meets the 12 month reduction target set by Welsh Government.
- 97% of patients under 18 are reported to have a care treatment plan (CTP) at the end of March exceeding the 90% standard set by Welsh Government.
- For health care acquired infections no cases of Klebsiella sp and Aeruginosa cumulative number were reported in 2023/24 and the cumulative rate per 100,000 population for E.coli, S.aureus bacteraemia's (MRSA and MSSA) is reduced compared to 2022/23 (2.45) reporting 2.24 per 100k population at the end of March.

Patterson, Liz
10/07/2024 12:20:36

Exceptions & Escalations

- For the measure percentage of calls ended following WAST telephone assessment (Hear and Treat) performance in March did not meet the 17% target reporting 10.5%. It has seen improvement from 9.1% in March 2023 but is challenging for the Health Board to influence as the service is provided by WAST.
- For mental health adult residents with a care treatment plan (CTP) only 80% compliance was achieved in March against the 90% target. This metric has been challenging through 2023/24 for the Health Board.
- The new measure for number of patient experience surveys completed and recorded on CIVICA has not achieved the year end compliance (month on month improvement) with less surveys (204 in March) reported completed and recorded.
- Of the health care acquired infection (HCAI) measures the Health Board has seen an increase in the cumulative cases rate of C.Difficile cases per 100k population. The reported cumulative position for 2023/24 is 18.67 per 100k higher than 2022/23, it should be noted that reporting data has been improved with cross border test results (English labs) which attributes to some of the increase.
- The percentage of R1 patients for ophthalmology who attended within their clinical target date (+25%) has not met the 95% Welsh Government target with 68.7% compliance in March. Fragility of in-reach service and increased demand has challenged the compliance in 2023/24.
- The number of nationally reportable incidents (NRI's) that remain open 90 days or more has increased to 14 reported in March, this does not achieve the 12 month reduction trend, but NRI's in Powys can be delayed by incident investigations within commissioned service providers.

Ministerial Priority Measures Summary

At the start of 2023/24 the Health Board had to provide trajectories for key Ministerial priorities that would measure our recovery and performance throughout the financial year. Powys as a provider set key and ambitious targets to challenge the Health Board with the aim to fully comply by March. The below table provides the detail of target and performance by priority measure.

Patterson, Liz
10/07/2024 12:29:36

Ministerial Priority Measures			Month											
Measure	Target		Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Number of patients referred from primary care (optometry and General Medical Practitioners) into secondary care Ophthalmology services	Improvement trajectory towards a national target of reduction by March 2024	Performance Trajectory	135	135	135	135	135	135	128	120	113	105	98	90
		Actual	98	97	100	74	53	85	82	83	58	88	99	86
Number of patients waiting more than 52 weeks for a new outpatient appointment	Improvement trajectory towards a national target of zero by June 2023	Performance Trajectory	0	0	0	0	0	0	0	0	0	0	0	0
		Actual	1	3	4	19	42	60	80	18	19	22	13	0
Number of patients waiting more than 36 weeks for a new outpatient appointment	Improvement trajectory towards a national target of zero by March 2024	Performance Trajectory	35	35	35	30	30	25	20	15	10	5	5	0
		Actual	67	98	112	126	159	197	257	222	213	192	148	91
Number of patients waiting more than 104 weeks for referral to treatment	Improvement trajectory towards a national target of zero by June 2023	Performance Trajectory	0	0	0	0	0	0	0	0	0	0	0	0
		Actual	0	0	0	0	0	0	0	0	0	0	0	1
Number of patients waiting more than 52 weeks for referral to treatment	Improvement trajectory towards a national target of zero by March 2025	Performance Trajectory	20	15	10	5	5	0	0	0	0	0	0	0
		Actual	16	14	14	29	52	75	99	56	58	62	48	23
Number of patients waiting over 8 weeks for a specified diagnostic	Improvement trajectory towards a national target of zero by March 2024	Performance Trajectory	160	160	150	130	120	110	100	80	50	30	15	0
		Actual	159	160	117	134	152	139	132	190	192	168	143	116
Number of patients waiting over 14 weeks for a specified therapy	Improvement trajectory towards a national target of zero by March 2024	Performance Trajectory	190	190	180	170	120	70	20	0	0	0	0	0
		Actual	243	273	265	418	511	499	390	288	343	290	197	135
Number of patients waiting for a follow-up outpatient appointment who are delayed by over 100%	Improvement trajectory towards a national target of reduction by March 2024	Performance Trajectory	4,600	2,500	2,000	1,700	1,400	900	400	0	0	0	0	0
		Actual	4,763	1902	1667	1660	1683	1624	1575	1533	1568	1627	1256	1223
Number of patients who spend 12 hours or more in all major and minor emergency care facilities from arrival until admission, transfer or discharge	Improvement trajectory towards a national target of zero by March 2024	Performance Trajectory	0	0	0	0	0	0	0	0	0	0	0	0
		Actual	0	0	0	0	0	0	0	0	0	0	0	0

Patterson, Liz
10/07/2024 12:29:36

Commissioned Performance & Assurance

Planned care referral to treatment waits for commissioned services have been and remain challenging at the end of year. The Health Board robustly reviews, engages, and provides assurance on behalf of Powys residents on a monthly basis but has limited options to influence or fix long wait challenges outside of its borders. It should also be noted that commissioned services operate on a similar but different system of pathway rules for patients referred for treatment dependant on treatment country, this includes but is not limited to referral to treatment (RTT) and cancer pathways across England and Wales.

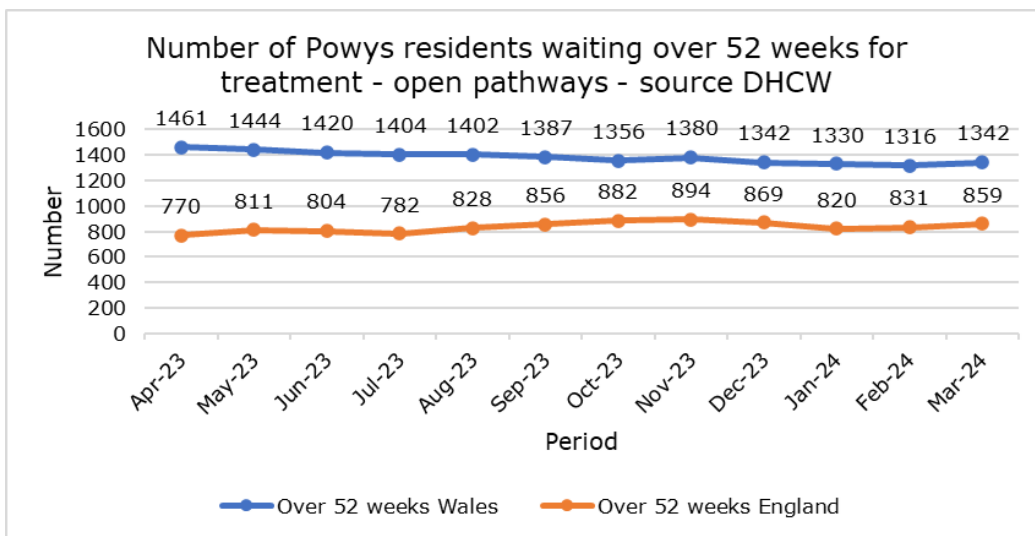
The next section will review Powys resident waits for 2023/24 period across the key NHS Performance Framework Wales priority measures for planned care where applicable data is available.

Key ministerial RTT performance indicators

Key ministerial priorities for planned care in 2023/24 were to eliminate long waits e.g., those patients waiting 1, 2 or more years for treatment. Number of patients waiting for treatment over 52 weeks and more than 104 week are applicable for Welsh and English commissioned services with data and narratvie provided within the next section.

Number of patients waiting more than 52 weeks for referral to treatment

The position in commissioned services against this measure reported limited change in 2023/24 with Welsh commissioners reporting a slight improvement over 12 months with a reduced 1,342 patients waiting over 52 weeks for treatment when compared to April 2023 (1,461). English commissioned services reported a slight increase to 859 patients breaching 52 weeks in March, compared to 770 breaches in April 2023 (see below).

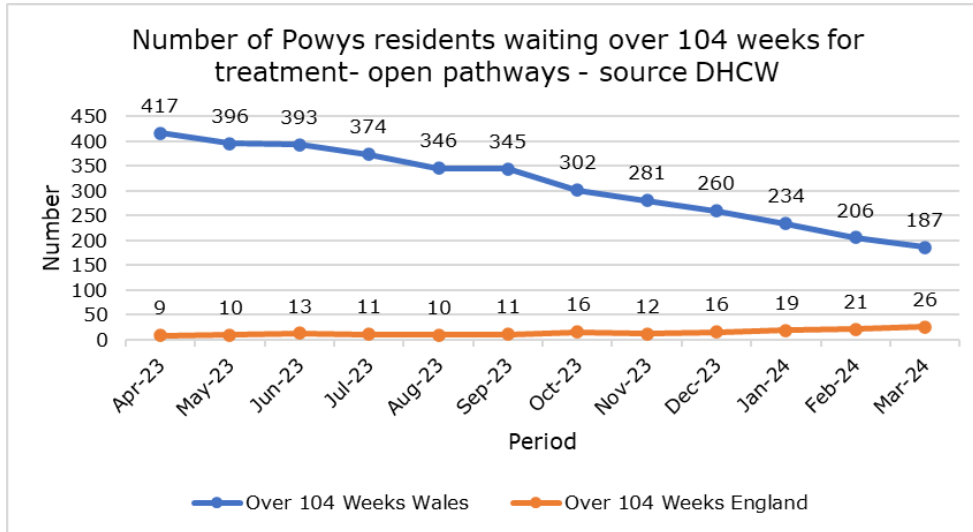


Number of patients waiting more than 104 weeks for referral to treatment

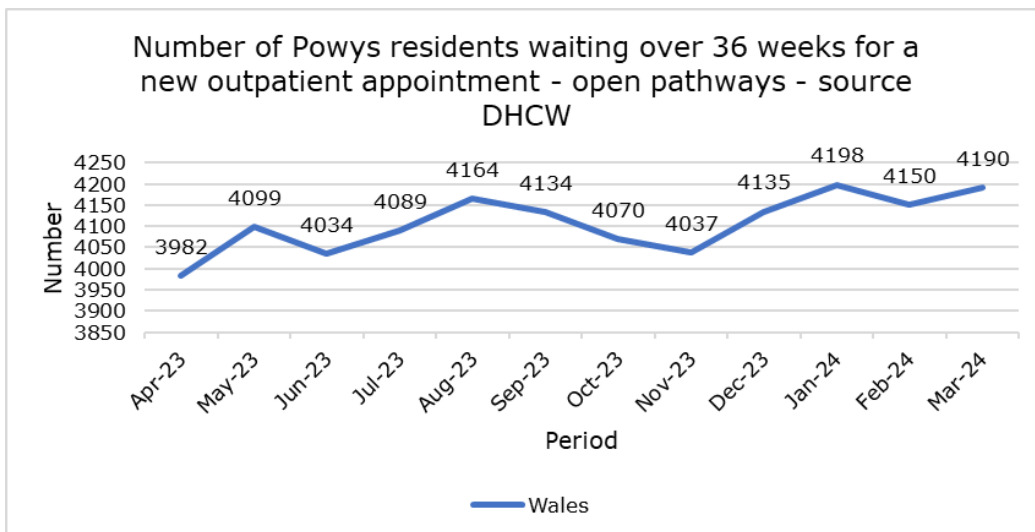
This measure contains patients included within the over 52-week cohort but shows a significant difference between the challenge in England and Wales. The commissioned postion in England has been significantly better since the post

Patterson/JLB
10/07/2024 12:20:36

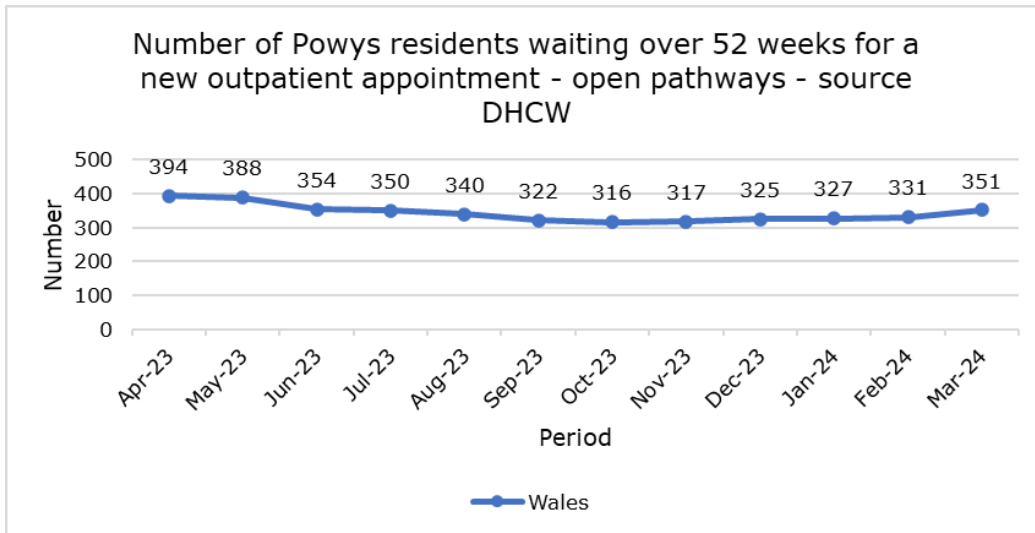
covid-19 backlog recovery and 2023/24 although reporting a limited increase of breaches to 26 in Mar-24. These breaches were only in Robert Jones & Agnes Hunt Orthopaedic Hospital NHS Foundation Trust and related to very complex treatment pathways. Welsh commissioned providers have seen a significant improvement for Powys residents during 2023/24 with monthly reported breaches reducing to 187 by March 2024 (see graph below).



Applicable to commissioned services in Wales only are the national measures for those patients waiting more than 36 and 52 weeks for a new outpatient appointment (stage 1). The number of patients who waited more than 36 weeks has grown in 2023/24 from 3,982 in Apr-23 to 4,190 in Mar-24, this aligns to the overall picture of total demand/growth of Powys residents in Welsh commissioned providers (graph below).



For Powys residents waiting over 52 weeks for a new outpatient appointment 2023/24 finishes in a better position with 351 breaches reported in Mar-24 compared to 394 in Apr-23. It should be noted that the position has increased slightly over the last 5 months (graph below) which is linked to the steady increase in total wait list and increased demand for services.



In conclusion for planned care a broad theme of improvement has been reported across all commissioned service providers, but equity of wait times for patients remains linked to their geographical location, required specialty and pathway of flow. Generally, those patients who enter commissioned services in England are seen and treated faster than those in Wales. However, Welsh providers such as Swansea Bay University Health Board have improved against key targets with no Powys residents reported waiting over a year for a new outpatient appointment in March.

Cancer

Powys as a provider does not treat patients for cancer and is excluded from the ministerial priority measure “Percentage of patients starting their first definitive cancer treatment within 62 days from point of suspicion (regardless of the referral route)”, the Health Board does however accept urgent suspected cancer referrals for key outpatients and diagnostics (ultrasound and endoscopy) predominately in South Powys and plays an important role in some residents pathways of care including end of life. For treatment, patients access care via commissioned acute service providers and specialist trusts in England and Wales. Performance in English and Welsh commissioned services have been particularly challenging with no provider meeting their respective targets (English 2-week, 31 day or 62-day rules, or the Welsh 62-day Single Cancer Pathway). The key challenge is overall capacity both outpatient, diagnostic, and surgical with ongoing and increasing demand pressures.

Emergency Department Access

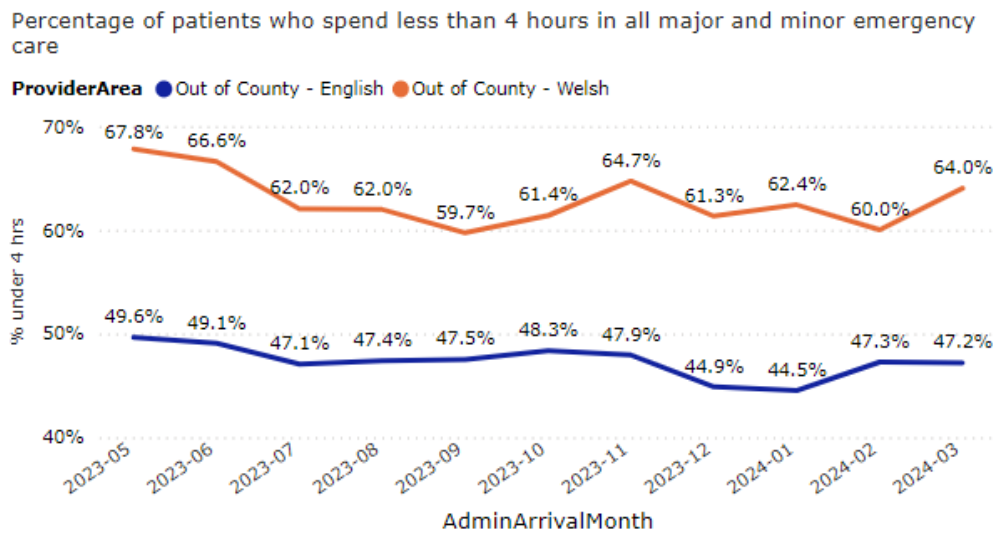
Two key metrics are utilised for assessment of unscheduled care access via emergency department access for Powys residents.

1. Percentage of patients who spend less than 4 hours in all major and minor emergency care (i.e. A&E) facilities from arrival until admission, transfer,

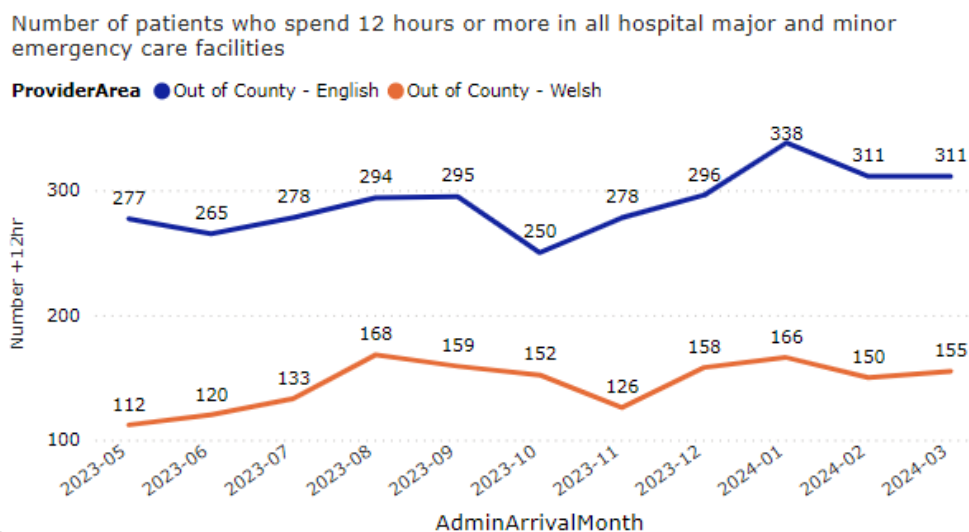
or discharge with a target of improvement compared to the same month in 2022-23, towards the national target of 95%.

- Number of patients who spend 12 hours or more in all hospital major and minor emergency care facilities from arrival until admission, transfer, or discharge with a target of improvement trajectory towards a national target of zero by 31 March 2024.

The Health Board can access data on the treatment waits of its residents in both England and Welsh units via the NHS Commissioning Support Unit (England) and the DHCW (Wales). This information is then used by the Health Board to monitor service provision and help engagement with the commissioned services through Contract Quality Performance and Review Meeting (CQPRM) meetings to review plans improving performance against the measures and understand impact on performance of initiatives including Same Day Emergency Care, Continuous Flow models, and Virtual Wards.



The above graph shows the percentage of compliance for the four hour target, it should be noted that at an aggregate level neither Welsh nor English provision meets the national target of 95%.



Patterson, Liz
10/07/2024 12:29:36

Powys residents who spend 12 or more hours in a hospital's emergency care facilities show a similar challenge as four hour compliance, at an aggregate level by country of provision patients breach monthly throughout 2023/24. Key challenges reported by Emergency Departments include high levels of attendances and resultant emergency admissions with resulting adverse effect to bed capacity and ability to facilitate patient flow through the emergency departments. Powys as a provider in 2023/24 created additional Care Transfer Coordinators who were recruited to cover all main out of county hospitals to facilitate discharge and repatriation of Powys residents.

Conclusion

In conclusion for the 2023/24 financial year, Powys Teaching Health Board experienced significant financial, performance and operational challenges. The Health Board moved to an "enhanced monitoring" status under the national Joint Escalation and Intervention Arrangements. However, despite these financial pressures, PTHB continued to focus on maintaining high-quality services and reducing waiting times narrowly missing key challenging self-set targets of recovery for ministerial priorities. Finally, improvement in the achievement of key recovery targets by Welsh Government is resulting in better planned care treatment compliance when compared to 2022/23.

Integrated Plan reset

The information that follows provides a summary of progress against the PTHB Integrated Plan at the end of the year, 31 March 2024.

During 2023, the priorities set out in the Integrated Plan were reviewed and partially reset. This exercise was carried out in two stages:

- Stage One was initiated in response to Welsh Government correspondence in August 2023. This contained a request to all Health Boards to identify areas of potential further improvements in financial positions. Work was initiated which included the establishment of an Executive Opportunities Group to lead the identification of all potential improvements and actions. A Plan review exercise was carried out in parallel so that any changes to the existing plan priorities were captured.
- Stage Two followed the receipt of further correspondence from the Director General, Social Services and Early Years / NHS Wales CEO, in October 2023, of the outcome of the budget review undertaken by Welsh Government. This included confirmation of an increase in funding in recognition of the financial pressures and to support agreed pay award commitments. It also confirmed further actions required to achieve financial balance and the application of target control totals for each Health Board. This was set in the context of delivery against required performance measures including Ministerial priorities and the designation by Welsh Government of enhanced escalation and intervention statuses for all Health Boards.

Patterson, Liz
10/07/2024 12:29:08

Following a thorough process of moderation and board engagement, which included the consideration of detailed Impact Assessments, the Priorities in the plan were therefore deprioritised, rescoped or rescheduled, to support further actions required to comply with the requests in the correspondence.

This reset of the priorities was subsequently reflected in the Quarterly Progress Against Plan reports and is reflected in the Year End position shown below.

A number of priorities have been rated as "Not Applicable" at a year-end position which reflects the reset work as described above. Strategic Priorities which have been rated as "Red" are described as incomplete and those assigned "Blue" are rated as complete.

Progress against Well-Being Objectives and Strategic Priorities

The Health Board's Integrated Plan 2023-2026 set out four Well-Being Objectives and four Enabling Objectives which were reported on quarterly in terms of delivery success and areas of challenge.

The first Well-Being Objective was **Focus on Well Being** which was designed to improve population health and tackle health inequalities, to enable children and young people to 'start well', adults to 'live well' and older people to 'age well'. At year end there was full delivery of the associated programme of work within this objective which covered:-

- Population health improvement including health inequalities
- Health protection including vaccination
- Infection prevention and control

The second Well-Being Objective was Early Help and Support. This was focussed around those services that are the first point of contact, where timely diagnosis and co-ordinated care make the most impact on wellbeing. A number of strategic priorities were aligned to the delivery of this objective covering:-

- Primary Care
- Diagnostics
- Admission Avoidance
- Planned Care

Tackling the Big Four was the next objective which set out the response to the four main causes of ill health, burden of disease and premature mortality in Powys. In year delivery focused on:-

- Cancer
- Circulatory Disease
- Respiratory
- Mental Health

The final Well-Being Objective was **Joined up Care** which was designed to build resilience and ensure greater join up across:-

- Frailty and Community Model

- Urgent and Emergency Care
- Specialised Care

The integrated plan then proceeded to describe enabling objectives developed to support the delivery of the Well-Being objectives.

The first of these was **Workforce Futures** which set out how workforce planning and organisational development supported and enabled the delivery of the organisation's strategic priorities. This objective included a work programme which covered the transformation and sustainability of workforce, making PTHB a great place to work, employee health and wellbeing and the joint workforce futures programme.

The second enabling objective was **Digital First**. This objective was developed to set out how Digital First would be developed into a Strategic Framework to enable improved care through digital systems and a resilient and secure digital infrastructure. This covered Digital Strategic Framework, implementing Clinical Digital Systems, having resilient Cybersecure Infrastructure, Electronic Document Management and Digitisation and Modernising Data Architecture and Business Intelligence.

Innovative Environments was the next objective which set out ambitious plans for carbon reduction, biodiversity, environmental and estates improvements, that directly enhanced care, experiences and wellbeing for the population and the staff of the Health Board. This objective covered two associated strategic priorities, these being Capital and Estates Programme and Environmental Management and Decarbonisation.

The final enabling objective was **Transforming in Partnership** which set out the actions the Health Board took in partnership across Powys as a region in its own right, as well as the wider Mid Wales region and nationally, both in Wales and across the border in England. This included a suite of strategic priorities covering Corporate Governance, Quality Governance, Engagement and Communication, Strategic Commissioning, Integrated Performance, Strategic Planning, Innovation and Improvement and Strategic Equalities and Welsh Language.

A very detailed report on each of the above areas has been produced quarterly and considered by the Executive Committee, Delivery and Performance Committee and PTHB Board. These are available on the Health Board's website or can be provided separately on request.

Further detail on delivery of key measures for the above is included within the Performance Analysis section.

Long Term Expenditure Trends

PTHB incurs expenditure under three main areas and the annual expenditure for each of these areas for the last 5 years is as follows:

Expenditure by Type	Annual Expenditure values				
	2019-20	2020-21	2021-22	2022-23	2023-24
	£000	£000	£000	£'000	£'000
Primary Healthcare Services	69	72	72	75	79
Healthcare from other providers	162	176	195	202	219
Hospital and Community Services	109	121	132	135	148
	<u>340</u>	<u>369</u>	<u>399</u>	<u>412</u>	<u>446</u>

The Health Board has a statutory obligation to remain within its resource limits (Revenue and Capital) on a three year rolling measure. The Health Board managed to meet this requirement until the end of 2021/22. The target was not met in 2022/23. A summary of the Health Boards performance against the Revenue and Capital Resource Limits for the last 5 financial years are as follows:

Revenue Resource Limit	Annual financial performance				
	2019-20	2020-21	2021-22	2022-23	2023-24
	£000	£000	£000	£000	£000
Net operating costs for the year	324,531	356,471	383,021	395,697	429,823
Less general ophthalmic services expenditure and other non-cash limited expenditure	1,855	1,851	1,355	1,609	1,859
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	0	0	0	0	0
Less unfunded revenue consequences of bringing RoU Leases onto SoFP	0	0	0	0	0
Total operating expenses	<u>326,386</u>	<u>358,322</u>	<u>384,376</u>	<u>397,306</u>	<u>431,682</u>
Revenue Resource Allocation	326,441	358,465	384,456	390,304	419,699
Under / (over) spend against Allocation	<u>55</u>	<u>143</u>	<u>80</u>	<u>(7,002)</u>	<u>(11,983)</u>

The Health Board did not remain within its Revenue Resource limit in 2022/23 and 2023/24

Capital Resource Limit	Annual financial performance				
	2019-20	2020-21	2021-22	2022-23	2023-24
	£000	£000	£000	£000	£000
Gross capital expenditure	3,373	6,366	15,926	13,211	6,650
Add: Losses on disposal of donated assets	0	0	0	0	0
Less NBV of property, plant and equipment and intangible assets disposed	0	0	0	0	0
Less capital grants received	0	0	0	0	0
Less donations received	(176)	(13)	0	(527)	(195)
Less initial recognition of RoU Asset Dilapidations			0	0	0
Add: recognition of RoU Assets Dilapidations on crystallisation			0	0	0
Charge against Capital Resource Allocation	3,197	6,353	15,926	12,684	6,455
Capital Resource Allocation	<u>3,200</u>	<u>6,380</u>	<u>15,993</u>	<u>12,752</u>	<u>6,481</u>
(Over) / Underspend against Capital Resource Allocation	<u>3</u>	<u>27</u>	<u>67</u>	<u>68</u>	<u>26</u>

The Health Board has remained within its Capital Resource limit for the last five financial years.

An analysis of the annual assets and liabilities at 31 March for each of the last five financial years of the Health Board is included below:

Patton
10/10/2024 12:29:36

	Statement of Financial Position				
	2019-20	2020-21	2021-22	2022-23	2023-24
	£000	£000	£000	£000	£000
Non Current Assets - Property Plant and Equipment	74,674	78,394	93,331	103,185	100,138
Non Current Assets - Right of Use Assets	0	0	0	1,670	1,063
Non Current Assets - Trade and Other Receivables	14,791	14,403	16,085	20	32
Current Assets - Inventories	156	159	143	147	211
Current Assets - Trade and Other Receivables	9,024	12,179	11,959	18,134	10,317
Current Assets - Cash and Cash Equivalents	540	2,627	2,658	1,268	215
Total assets	99,185	107,762	124,176	124,424	111,976
Current Liabilities - Trade and other payables	(35,164)	(45,831)	(59,256)	(49,845)	(47,108)
Current Liabilities - Provisions	(2,461)	(3,336)	(1,301)	(14,980)	(3,921)
Non Current Liabilities - Trade and other payables	0	0	0	(508)	(272)
Non Current Liabilities - Provisions	(20,679)	(20,074)	(17,085)	(862)	(576)
Total Liabilities	(58,304)	(69,241)	(77,642)	(66,195)	(51,877)
Total assets employed	40,881	38,521	46,534	58,229	60,099
Financed by :					
Taxpayers' equity					
General Fund	768	(2,532)	2,153	11,604	10,514
Revaluation reserve	40,113	41,053	44,381	46,625	49,585
Total taxpayers' equity	40,881	38,521	46,534	58,229	60,099

Sustainability Report 2023-24

Task Force on Climate-related Financial Disclosure (TCFD)

PTHB has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector. PTHB considers climate to be a principal risk, and has therefore complied with the TCFD recommendations and recommendations disclosures around:

Governance - recommended disclosures (a) and (b)

Metrics and Targets - recommended disclosures (a) to (c)

This is in line with the Welsh Government's TCFD-aligned disclosure implementation timetable for Phase 1. PTHB plans to provide recommended disclosures for Strategy and Risk Management in future reporting periods in line with the Welsh Government's implementation timetable.

Delivery Planning

PTHB continues to prioritise sustainability as an organisational imperative. The importance of the environmental agenda is expressed as a golden thread running through the 2023 - 26 Integrated Medium-Term Plan (IMTP). The IMTP also supports the Health Board's efforts for enacting the principles of the Wellbeing of Future Generations Act and the five ways of working.

During 2023/24 the organisation was successful in gaining re-certification to ISO14001 (2015) environmental management standard, for the fifth consecutive year, demonstrating a continued cycle of improvement and commitment to environment management.

Carbon Reporting & Decarbonisation

As part of the 2022/23 Integrated Medium Term Planning process, all NHS organisations submitted Decarbonisation Action Plans (DAPs) setting out how they will deliver against national commitments and their own locally led initiatives, supporting delivery of the national NHS Wales Decarbonisation Strategic Delivery Plan.

In line with public sector obligation to become net zero by 2030, the Health Board reports annual quantitative carbon emissions. 2022/23 carbon emissions of 14,970 tCO₂e were 35.2% lower from 2021/22 historic high of 23,107 tCO₂e. Against a baseline year of 2018-19 this is a reduction of 25.3% - targets are 16% by 2025 and 34% by 2030. Reporting is based on actual operating and procurement figures in accordance with the Welsh Public Sector Net Zero Carbon Reporting Guide version 3.

Table 1: Summary of carbon emissions

Categories	Units of tCO ₂ e			
	Scope 1	Scope 2	Scope 3	Total
Buildings, fleet & other assets	2,587.428	653.158	669.357	3,909.943
Business travel, commuting & homeworking	0	0	2,110.366	2,110.366
Waste	0	0	39.517	39.517
Land based emissions	0	0	-36.879	-36.879
Supply chain	0	0	8,947.422	8,947.422
Total				14,970.369

Qualitative reporting submissions are completed annually in compliance with the NHS Wales Performance Framework & Guidance Document and quarterly reporting through the Decarbonisation, Coordination and Reporting (DCR) team to the Decarbonisation Programme Board. All reporting is assessed by the Environment & Sustainability Group, with further awareness or escalation made through internal governance up to, and including, the Board.

Decarbonisation is a fundamental target in PTHB's response to the climate emergency. To achieve this goal a high-level assessment has been undertaken and provides the Health Board with recommended methodology appropriate for the decarbonisation of eleven major hospitals/health centres located within Powys. Detailed analysis has indicated a required investment of up to £27M, including opportunities to upgrade low performance buildings through a number of energy conservation measures.

Major energy efficiency measures are planned through the Re:fit framework, which will dramatically reduce the operational emissions from the Health Board's operations and also provide patient and staff built environment enhancements through improved lighting, heating controls and draught proofing. In addition, medical teams are procuring a new ePMA (electronic prescribing and medicines administration) system, to be implemented in 2024/25. This could drive through efficiencies and realise significant carbon savings through improved pharmaceutical prescribing.

Biodiversity

The Health Board aims to incorporate biodiversity into all aspects of its operations, particularly in relation to capital expenditure. This enables the Health Board to optimise the impact of change while also promoting biodiversity habitat expansion. Furthermore, the organisation strives to mitigate the impact on ecosystems from its operations through:

- Buildings management
- Procurement
- Sustainability
- Awareness raising, education and training
- Grounds and land management to maintain and enhance biodiversity, and promote the resilience of ecosystems

In compliance with the section 6 duty within the Environment (Wales) Act, the Health Board continues to implement planning conditions to mitigate biodiversity loss and to increase biodiversity potential. An estate-wide biodiversity survey was undertaken in 2023 and is now leading to physical programme of work to restore and improve habitats.

Further information relating to Financial Performance, Quality, Concerns, Human Rights, Equalities and Welsh Language can be found in the Accountability Section of this report.

Patterson, Liz
10/07/2024 12:29:36

SECTION TWO: THE ACCOUNTABILITY REPORT

Paterson, Liz
10/07/2024 12:29:36



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd
Addysgu Powys
Powys Teaching
Health Board

THE ACCOUNTABILITY REPORT 2023/2024



SIGNED BY:

DATE: XXX

HAYLEY THOMAS
[CHIEF EXECUTIVE]

Patterson Liz
10/07/2024 12:29:36

INTRODUCTION TO THE ACCOUNTABILITY REPORT

Powys Teaching Health Board is required, as are all Welsh NHS bodies, to publish an Annual Report and Accounts. Copies of previous years reports are accessible from the Health Board's [website](#).

A key part of the Annual Report is 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.

The requirements of the Companies Act 2006 have been adapted for the public sector context and only need to be followed by entities which are not companies, to the extent that they are incorporated into the Treasury's Government Financial Reporting Manual (FRoM) and set out in the 2023/2024 Manual for Accounts for NHS Wales, issued by the Welsh Government.

The Accountability Report is required to have three sections:

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

An overview of the content of each of these three sections is provided below:

The Corporate Governance Report

This section of the Accountability Report provides an overview of the governance arrangements and structures that were in place across Powys Teaching Health Board during 2023/2024. It also explains how these governance arrangements supported the achievement of the Health Board's objectives.

The Director of Corporate Governance / Board Secretary has compiled the report, the main document being the Annual Governance Statement. This section of the report has been informed by a review of the work taken forward by the Board and its Committees over the last 12 months and has had input from the Chief Executive, as Accountable Officer, Board Members and the Audit, Risk and Assurance Committee.

In line with requirements set out in the Companies Act 2006, the Corporate Governance report includes:

- The Directors' Report;
- A Statement of Accountable Officer Responsibilities;
- The Annual Governance Statement.

Patterson, Liz
10/07/2024 12:29:36

Remuneration and Staff Report

This report contains information about the remuneration of senior management, fair pay ratios and sickness absence rates and has been compiled by the Director of Workforce and Organisational Development, the Director of Finance, IT and Information Services and the Director of Corporate Governance / Board Secretary.

Senedd Cymru/Welsh Parliamentary Accountability and Audit Report

This report contains a range of disclosures on the regularity of expenditure, fees and charges, compliance with the cost allocation and charging requirements set out in HM Treasury guidance, material remote contingent liabilities, and the audit certificate and Auditor General for Wales Report.

Patterson Liz
10/07/2024 12:29:36

PART A: CORPORATE GOVERNANCE REPORT

This section of the Accountability Report provides an overview of the governance arrangements and structures that were in place across Powys Teaching Health Board during 2023/2024. It includes:

- A Directors' Report
- A Statement of Accountable Officer Responsibilities
- A Statement of Executive Directors' Responsibilities in Respect of the Accounts
- The Annual Governance Statement

Patterson Liz
10/07/2024 12:29:36

1. THE DIRECTORS' REPORT 2023/2024

Patterson Liz
10/07/2024 12:29:36

THE COMPOSITION OF THE BOARD AND MEMBERSHIP

Part 2 of The Local Health Boards (Constitution, Membership and Procedures) (Wales) Regulations 2009 sets out the required membership of the Boards of Local Health 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 Board of Powys Teaching Health Board comprises:

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

The members of the 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 Director of Corporate Governance / Board Secretary position is a non-voting Board level post.

Additionally, 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 Government’s legislation website: <http://www.legislation.gov.uk/wsi/2009/779/contents/made>

VOTING MEMBERS OF THE BOARD DURING 2023-24

During 2023-24, the following individuals were voting members of the Board of Powys Teaching Health Board:

Independent Members (IM)		
Carl Cooper	Chair	Full Year
Kirsty Williams	Vice-Chair	Full Year
Anthony Thomas	IM (Finance)	To 31/05/2023
Chris Walsh	IM (Local Authority)	Full Year
Jennifer Owen Adams	IM (Third Sector)	Full Year
Simon Wright	IM (University)	Full Year

Ian Phillips	IM (ICT)	Full Year
Cathie Poynton	IM (Trade Union)	Full Year
Mark Taylor	IM (Capital & Estates)	To 23/10/2023
Rhobert Lewis	IM (General)	Full Year
Ronnie Alexander	IM (General)	Full Year
Direct Appointment		
Mick Giannasi	IM (to support vacant Capital & Estates role)	From 26/02/2024
Executive Directors		
Carol Shillabeer	Chief Executive	To 02/05/2023
Carol Shillabeer	Substantive Chief Executive on secondment to BCUHB	From 03/05/2023 to 31/01/2024
Hayley Thomas	Executive Director of Strategy, Primary Care and Partnerships and Deputy Chief Executive	To 01/05/2023
Hayley Thomas ¹	Chief Executive	From 02/05/2024
Pete Hopgood	Executive Director of Finance, Information and IT Services	To 01/05/2023
Pete Hopgood	Interim Deputy Chief Executive, Executive Director of Finance, Information and IT Services, and Interim Executive Director of Primary Care	From 02/05/2023
Debra Wood-Lawson ²	Executive Director of Workforce and OD	Full Year
Kate Wright	Executive Medical Director	Full Year
Claire Roche	Executive Director of Nursing and Midwifery	Full Year

Claire Madsen ³	Executive Director of Therapies and Health Sciences	Full Year
Mererid Bowley	Executive Director of Public Health	Full Year
Stephen Powell ⁴	Interim Executive Director of Planning, Performance and Commissioning	From 17/07/23
Joy Garfitt ⁵	Interim Executive Director of Operations, Community Care and Mental Health	From 05.04.23 (in post but absent from work from 26.01.24 resulting in interim arrangements as outlined below) ⁵
David Farnsworth ⁵	Interim Executive Director of Operations, Community Care and Mental Health	From 26/01/24

Footnotes:

1 HT – 02/05/2023 to 25/02/2024 was Interim Chief Executive appointed as Substantive Chief Executive from 26/02/2024

2 DWL - 01/04/2023 to 30/04/2023 was Interim Director of Workforce and OD appointed to Substantive Director of Workforce and OD from 01/05/2023

3 CM - 01/04/2023 to 01/05/2023 was Executive Director of Therapies and Health Sciences. Between 02/05/2023 and 16/07/2023 her portfolio included including Planning, Health and Safety and Support Services, and from 17/07/2023 her portfolio included Health and Safety and Support Services

4 SP 01/04/23 to 16/05/23 was Interim (Non-Executive) Director of Performance and Commissioning appointed to Substantive Director of Performance and Commissioning on 09/10/2023 to take effect from 01/04/2024

5 – Interim arrangements between JG and DF include a period of handover

Patterson, Liz
10/07/2024 12:29:36

During 2023/24, vacancies in the Board consisted of:

Independent Members	Executive Director
<ul style="list-style-type: none"> • Independent Member (Finance) from 01/06/2023 to 31.03.2024 • Independent Member (Capital and Estates) from 24.10.2023 to 26.02.2024 	Executive Director for Strategy, Primary Care and Partnerships from 03.05.2023 (covered by interim arrangements as outlined above – Pete Hopgood, Claire Madsen and Stephen Powell)

Additional support for the Finance IM role prior to the formal appointment of the IM Finance was provided by Steve Elliot – a non-Executive Special Advisor (Finance) to Delivery and Performance Committee and Audit, Risk and Assurance Committee 22/09/23 to 31/03/24.

Additional support in the absence of the Capital and Estates IM was provided by the Direct Appointment of Mick Giannasi from 26/02/2024.

Whilst a small number of roles on the Board were vacant for short periods, responsibilities were covered by other Board members to ensure continuity of business and effective governance arrangements. Independent Members attended Board Committee meetings where necessary to ensure meetings remained quorate and the Board’s duties could be discharged.

NON-VOTING MEMBERS OF THE BOARD DURING 2023/2024

Helen Bushell is the Director of Corporate Governance / Board Secretary and was appointed on the 09 January 2023, (a member of the Executive team and non-voting attendee at Board meetings).

Stephen Powell held the role of Director of Performance and Commissioning from 01 April 2023 to 16 July 2023 when he took up the role of Interim Director of Planning, Performance and Commissioning.

Nina Davies, Interim Director of Social Services, Powys County Council was appointed, by the Minister for Health and Social Services, to the role of Associate Member (non-voting member of the Board).

Further details in relation to role and composition of the Board can be found within the Annual Governance Statement. The Annual Governance Statement also contains further information in respect of the Board and Committee Activity.

AUDIT, RISK AND ASSURANCE COMMITTEE

During 2023/2024, the following individuals were members of the Audit, Risk and Assurance Committee:

Independent Members (IM)		
Mark Taylor	Committee Chair – IM (Capital & Estates)	To 23/10/2023
Rhobert Lewis	IM (General) Committee Chair – IM (General)	To 23/10/2023 From 24/10/2023
Anthony Thomas	IM (Finance)	To 31/05/2023
Ronnie Alexander	IM (General)	Full Year
Chris Walsh	IM (Local Authority)	From 01/07/2023
Executive Team Officers by Attendance Only		
Carol Shillabeer	Chief Executive	To 02/05/2023
Hayley Thomas	Interim Chief Executive	From 03/05/2023 To 25/02/2024
Hayley Thomas	Chief Executive	From 26/02/2024
Pete Hopgood	Executive Director of Finance and IT	Full Year
Helen Bushell	Director of Corporate Governance / Board Secretary	Full Year

To provide additional support whilst an Independent Member (Finance) was being appointed, Steve Elliot, a non-Executive Special Advisor Finance was appointed from 22/09/2023 to 31/03/2024.

DECLARATION OF INTERESTS

Details of company Directorships and other significant interests held by members and attendees of the Board which may conflict with their responsibilities are maintained and updated on a regular basis. A register of Interests is available on the Health Board’s [website](#), or a hard copy can be obtained from the Director of Corporate Governance / Board Secretary.

PERSONAL DATA RELATED INCIDENTS

Information on personal data related incidents formally reported to the Information Commissioner’s office and “serious untoward incidents” involving data loss or confidentiality breaches are detailed within the Annual Governance Statement on page 115.

ENVIRONMENTAL, SOCIAL AND COMMUNITY ISSUES

Environmental considerations, community benefits and social value are embedded into all capital schemes from inception. Through procurement processes, projects ensure that goods and services are sourced locally wherever possible, minimising environmental impacts and supporting the local

economy, employment opportunities and training. All schemes also implement elements which reduce carbon footprint and improve energy usage e.g. LED lighting. Major projects such as those undertaken at Bro Ddyfi Community Hospital and Brecon carpark have included a number of improvements including; EV charging points, solar roof panels and lighting. Biodiversity was also central to the schemes with the inclusion of bat/bird boxes, hedgehog hotels, amphibian ladders and indigenous planting to support wildlife.

The Health Board are also undertaking a significant programme of roof repairs/replacements across the estate. These projects are essential to reduce backlog maintenance and significantly reduce energy usage by improving weather tightness and upgrading insulation to building fabric. Many of these schemes including those at Ystradgynlais, Bronllys and Machynlleth also incorporate solar roof panels generating electricity for the sites.

As well as discretionary schemes and those funded by Welsh Government and the Estates Funding Advisory Board (EFAB), the estates team also manage charitably funded schemes which improve the wellbeing of staff, patients and the local community. These include garden projects at Knighton, Welshpool and Llanidloes. In 2023, the Health Board appointed its first Community Liaison Officer, supporting healthcare in respect of the external spaces around the hospitals and providing a link with others to community engagement facilities/space within the hospitals and clinics. In 2024/25, projects are also being progressed to create a community space at Bronllys supporting voluntary groups.

STATEMENT OF PUBLIC SECTOR INFORMATION HOLDERS

As the Accountable Officer of Powys Teaching Health Board and in line with the disclosure requirements set out by the Welsh Government and HM Treasury, I confirm that the Health Board has complied with the cost allocation and charging requirements set out in HM Treasury guidance during the year.

SIGNED BY:

DATE: XX XXXX 2024

**HAYLEY THOMAS
[CHIEF EXECUTIVE]**

Patterson, Liz
10/07/2024 12:29:36

2. STATEMENT OF ACCOUNTABLE OFFICER RESPONSIBILITIES: 2023/2024

Patterson Liz
10/07/2024 12:29:36

STATEMENT OF MY CHIEF EXECUTIVE RESPONSIBILITIES AS ACCOUNTABLE OFFICER OF POWYS TEACHING HEALTH BOARD

The Welsh Ministers have directed that the Chief Executive, should be the Accountable Officer to the Powys Teaching Health Board.

The relevant responsibilities of Accountable Officers, including their responsibility for the propriety and regularity of the public finances for which they are answerable, and for the keeping of proper records, are set out in the Accountable Officer's Memorandum issued by the Welsh Government.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as the Accountable Officer.

I also confirm that:

- As far as I am aware, there is no relevant audit information of which Powys Teaching Health Board's auditors are unaware. I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that Powys Teaching Health Board's auditors are aware of that information;
- Powys Teaching Health Board's Annual Report and Accounts as a whole is fair, balanced, and understandable. I take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced, and understandable;
- I am responsible for authorising the issue of the financial statements on the date they were certified by the Auditor General for Wales.

SIGNED BY:

DATE: XX.XX.2024

Hayley Thomas

**HAYLEY THOMAS
[CHIEF EXECUTIVE]**

Patterson, Liz
10/07/2024 12:29:36

3. STATEMENT OF EXECUTIVE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS FOR 2023/2024

Patterson Liz
10/07/2024 12:29:36

STATEMENT OF EXECUTIVE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS FOR 2023/2024

The Executive Directors of Powys Teaching Health Board are required under the National Health Service Act (Wales) 2006 to prepare accounts for each financial year. The Welsh Ministers, with the approval of the Treasury, direct that these accounts give a true and fair view of the state of affairs of the Health Board and of the income and expenditure of the Health Board for that period.

In preparing those accounts the Executive Directors are required to:

- apply accounting principles on a consistent basis, that are laid down by the Welsh Ministers with the approval of the Treasury
- make judgements and estimates that are responsible and prudent; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

On behalf of the Executive Directors of Powys Teaching Health Board we confirm:

- that we have complied with the above requirements in preparing the 2023/2024 accounts: and
- that we are clear of our responsibilities in relation to keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the authority, and to enable them to ensure that the accounts comply with requirements outlined in the above- mentioned direction by the Welsh Ministers.

By order of the Board

SIGNED BY:

DATE:

CARL COOPER [CHAIR]

SIGNED BY:

DATE:

HAYLEY THOMAS [CHIEF EXECUTIVE]

SIGNED BY

DATE:

**PETE HOPGOOD [DEPUTY CHIEF EXECUTIVE / EXECUTIVE DIRECTOR
OF FINANCE, CAPITAL AND SUPPORT SERVICES]**

Paterson, Liz
10/07/2024 12:29:36

4. ANNUAL GOVERNANCE STATEMENT

Patterson Liz
10/07/2024 12:29:36

SCOPE OF RESPONSIBILITY

The Board is accountable for Governance, Risk Management, and Internal Control. As Chief Executive of the Health Board, I have responsibility for maintaining appropriate governance structures and procedures as well as a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, whilst safeguarding the public funds and the organisation's assets for which I am personally responsible. These are carried out in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales.

The annual report outlines the different ways the organisation has had to work both internally and with partners in response to the unprecedented pressure in planning and providing services. It explains arrangements for ensuring standards of governance are maintained, risks are identified and mitigated, and assurance has been sought and provided. Additional information is provided in the Governance Statement where necessary. However, the intention has been to reduce duplication where possible. It is therefore necessary to review other sections in the Annual Report alongside this Governance Statement.

I am held to account for my performance by the Chair of the Board and the Chief Executive of NHS Wales / Director General of Welsh Government, acting as the Accountable 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.

During 2023/2024, the Health Board and the NHS in Wales continued to face substantial pressure in planning, recovering from the impacts of the Covid-19 pandemic and responding to industrial action amongst other political and economic challenges. 2023/24 saw a return to business as usual arrangements and no internal escalated governance arrangements were required. Outside formal meetings Board Members remained fully informed receiving briefings at Board Development or Board briefing sessions. Further detail on maintaining good governance during 2023/2024 is provided within this Annual Governance Statement.

ESCALATION STATUS

In common with all Health Boards across Wales the Health Board has faced extreme financial challenges. Although the Health Board had a Board approved Plan, it has not been possible to comply with requirements to balance the budget and the Health Board has worked closely with Welsh Government to identify an appropriate way forward matching fiscal prudence against meeting Ministerial priorities. Welsh Government placed the Health Board into a level of escalation called Enhanced Monitoring for finance and planning in September 2024. The level of escalation was categorised as enhanced monitoring, however, during the year the categories were amended, and this is now

described as Enhanced Monitoring (Level 3). The NHS Wales escalation and Intervention Arrangements can be seen in more detail here - [NHS Wales escalation and intervention arrangements | GOV.WALES](#)

FUNCTIONS HOSTED BY POWYS TEACHING HEALTH BOARD

In compliance with requests made by the Welsh Ministers, the Health Board hosts the following function:

- **Health and Care Research Wales (HCRW):** HCRW is a national, multi-faceted, virtual organisation funded and overseen by the Welsh Government's Division for Social Care and Health Research. It provides an infrastructure to support and increase capacity in research and development, runs a number of funding schemes, and manages the NHS research and development funding allocation in Wales. Its aim is to generate and support excellent research to improve the health and care of people in Wales across a range of conditions and settings.

The Board of PTHB is not responsible for the delivery of the objectives of HCRW, or their day-to-day management. However, it is responsible for ensuring that the functions are staffed using appropriate recruitment mechanisms, and that PTHB's Standing Financial Instructions and Workforce and Organisational Development policies are complied with.

The Health Board has nominated its Executive Director of Workforce and Organisational Development as the Lead Executive Director for these functions. Key officers from Finance, IT, Governance and Workforce teams have been identified to provide support to the function, as appropriate.

OUR GOVERNANCE AND ASSURANCE FRAMEWORKS

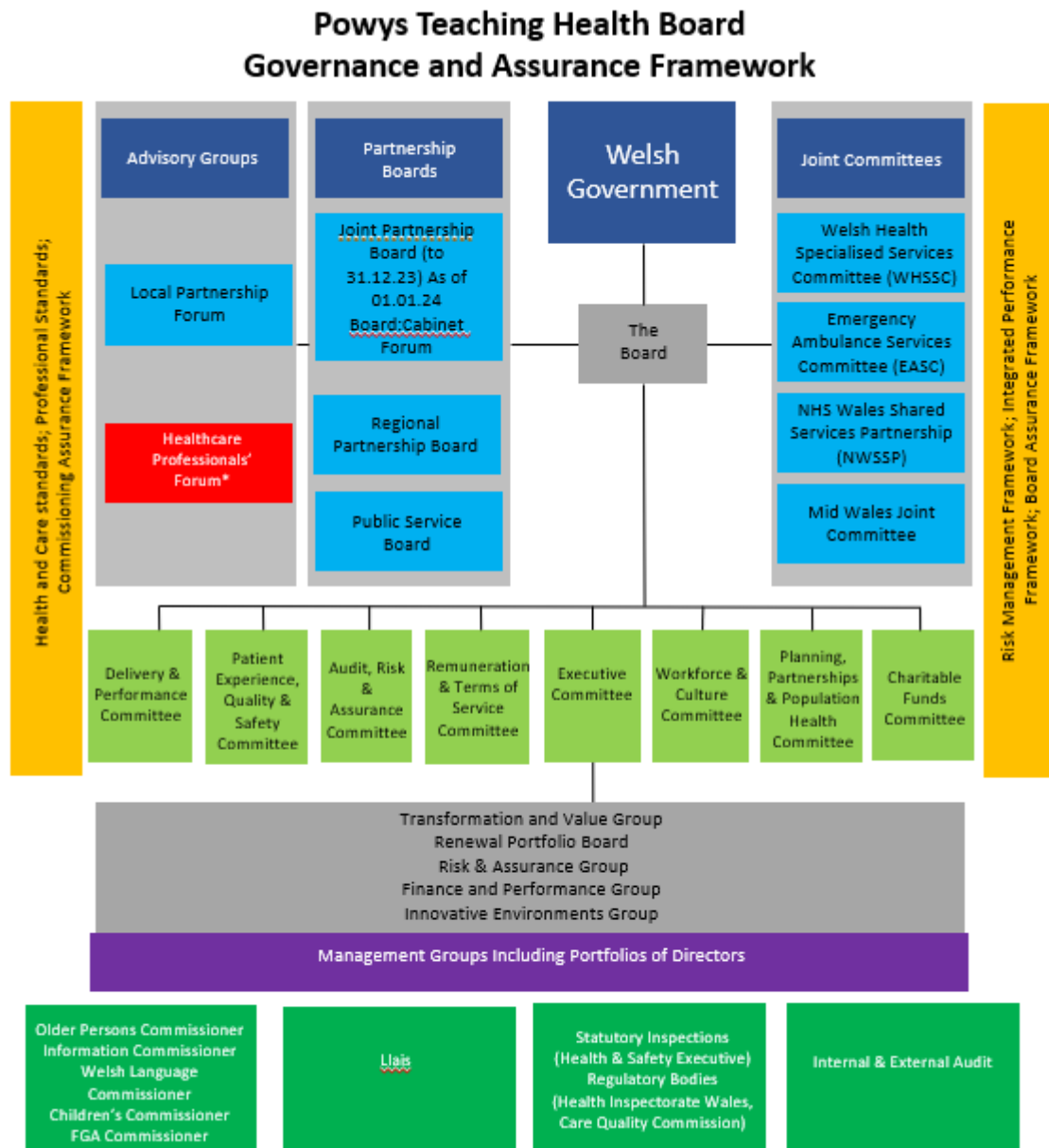
Powys Teaching Health Board has a clear purpose from which its strategic aims and objectives have been developed. Our vision is to enable a 'Healthy Caring Powys'. The Board is accountable for setting the organisation's strategic direction, ensuring that effective governance and risk management arrangements are in place and holding Executive Directors to account for the effective delivery of its Integrated Plan and Annual Delivery Plan. The Integrated Plan was approved by Board on 29 March 2023. A copy of our Integrated Plan for 2023/24 - 2025/26 can be found on the Health Board [website](#).

The Board keeps its governance and assurance frameworks under review. Current arrangements have been in place since July 2021 with the exception of the following changes:

The Board have agreed that the Stakeholder Reference Group will not be put in place, on the basis the Health Board has several other mechanisms for stakeholder engagement.

- The Joint Partnership Board (JPB) was jointly agreed by both the Health Board and Powys County Council to be disbanded from the 31 December 2023. In its place a new forum has been created called the Board and Cabinet Forum.

Figure 1 provides an overview of the governance frameworks that were in operation during 2023/2024:



* Yet to be established

THE BOARD

The Board has been constituted to comply with the Local Health Board (Constitution, Membership and Procedures) (Wales) Regulations 2009. 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. Details of those who sit on the

Board are published on the Health Board [website](#). Further information is also provided within the Directors' Report.

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 tone and culture of the organisation;
- 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;
- sets the risk appetite for the organisation and provides oversight of strategic risks;
- 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
- ensures effective financial stewardship by effective administration and economic use of resources.

STANDARDS OF BEHAVIOUR

The Welsh Government's *Citizen-Centred Governance Principles* apply to all the public bodies in Wales. These principles integrate all aspects of governance and embody the values and standards of behaviour expected at all levels of public services in Wales.

The Board is strongly committed to the Health Board being value-driven, rooted in 'Nolan' principles and high standards of public and behaviour including openness, customer service standards, diversity and engaged leadership. The Board has in place a Standards of Behaviour Policy, which sets out the Board's expectations and provides guidance so that individuals are supported in delivering that requirement.

The Standards of Behaviour Policy re-states and builds on the provisions of Section 7, Values and Standards of Behaviour, of the Health Board's Standing Orders. It re-emphasises the commitment of the Health Board to ensure that it operates to the highest standards, the roles, and responsibilities of those employed by the Health Board, and the arrangements for ensuring that declarations of interests, gifts, hospitality, and sponsorship can be made. The policy also aims to capture public acceptability of behaviours of those working in the public sector in order that the Health Board can be seen to have exemplary practice in this regard.

Details of the Board's Standards of Behaviour Policy incorporating Declarations of Interest, Gifts, Hospitality and Sponsorship, is available on the Health Board's [website](#).

STANDING ORDERS AND SCHEME OF RESERVATION AND DELEGATION

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. 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 2017'.

The Board has approved Standing Orders for the regulation of proceedings and business. They are designed to translate the statutory requirements set out in the Local Health Board (Constitution, Membership and Procedures) (Wales) Regulations 2009 into day-to-day operating practice. Together with the adoption of a scheme of matters reserved for the Board, a detailed scheme of delegation to officers and Standing Financial conduct of the Health Board and define "its ways of working". The Standing Orders in place during 2023/2024 were adopted by the Board on 27 November 2019, with minor amendments adopted at Board on 28 July 2021, 25 May 2022, 24 May 2023 and 27 September 2023 and are available on the Health Board's [website](#).

The Board, subject to any directions that may be made by the Welsh Ministers, is required to make appropriate arrangements for certain functions to be carried out on its behalf This enables the day-to-day business of the Health Board may be carried out effectively, and in a manner that secures the achievement of the organisation's aims and objectives. The Committee structure is outlined in the following section and the Terms of Reference are available on the Health Board's [website](#).

COMMITTEES OF THE BOARD

Section 3 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 line with these requirements the Board has established a standing Committee structure, which it has determined best meets the needs of the Health Board, while taking account of any regulatory or Welsh Government requirements. Each Committee is chaired by an Independent Member of the Board, with the exception of the Executive Committee which is chaired by the Chief Executive as Accountable Officer and is constituted to comply with Welsh Government's Good Practice Guide – Effective Board Committees. All Committees regularly review their Terms of Reference and Work Plans to

support the Board's business. Committees also work together on behalf of the Board to ensure that work is planned cohesively and focusses on matters of greatest risk that would prevent the Health Board from meeting its vision, aims and objectives.

As part of the regular review of Board arrangements changes to the Committee structure were agreed at Board on 28 July 2021 and Terms of Reference for each Committee were agreed at Board on 29 September 2021. The following Committee structure remains in place:

- Audit, Risk and Assurance Committee;
- Charitable Funds Committee;
- Delivery and Performance Committee;
- Executive Committee;
- Patient Experience, Quality and Safety Committee;
- Planning, Partnerships and Population Health Committee;
- Remuneration and Terms of Service Committee;
- Workforce and Culture Committee.

The detailed Terms of Reference, agendas, and papers for each of the current Committees can be found on the Health Board's [Website](#).

The Chair of each Committee reports the business of each meeting to the Board on the committee's activities and any matters of concern or escalation to be brought to the attention of the Board, through a Chair's report. This contributes to the Board's assessment of risk, level of assurance and scrutiny against the delivery of objectives. Annual reports will be prepared for individual committees after year-end.

Board and Committee Effectiveness reviews were undertaken in individual committee meetings. The reviews were undertaken by way of a survey of Members and Lead Officers of each committee which were reported to the last meeting of each Committee in 2023/24. An overall session on Committee and Board Effectiveness will be undertaken in a Board Development session in 2024/25.

Decision logs for Board and committees are maintained and used to inform the summary of Board and committee business. Decisions are recorded within minutes which are reported at the following Board or committee meeting.

With the limitations on public gatherings introduced early in the pandemic the Health Board moved to holding Board and Committee meetings virtually, via electronic means. This is not in accordance with the Public Bodies (Admissions to Meetings) Act 1960 whereby the organisation is required to hold its meetings in public. The Health Board is committed to openness and transparency and conducts as much of its Board and Committee business as possible in a session that members of the public are normally welcome to attend and observe. This is either via a livestream (Board meetings), or by inviting members of the public to contact the Director of Corporate Governance / Board Secretary to request

arrangements be made for an opportunity to observe Committee meetings which are not livestreamed. The following notice is included in each Committee agenda:

Powys Teaching Health Board is committed to openness and transparency and conducts as much of its business as possible in a session that members of the public are normally welcome to attend and observe.

The Board is considering plans to enable its committee meetings to be made available to the public via live streaming. In the meantime, should you wish to observe a virtual meeting of a committee, please contact the Director of Corporate Governance/Board Secretary in advance of the meeting in order that your request can be considered on an individual basis (please contact Helen Bushell, Director of Corporate Governance/Board Secretary, helen.bushell2@wales.nhs.uk).

These arrangements have continued in relation to Health Board committee meetings throughout the year. It is acknowledged that Standing Orders have not been fully complied with in terms of access to Board Committee meetings. However, the arrangements outlined above have been put in place to mitigate for this and are in the public interest.

The format and method of holding Board meetings continues to be under frequent review.

Figures 2 below provide an overview of the role and responsibilities of the Board's Committees, as set out within respective Terms of Reference.

Figure 3 below provides an overview of Board and Committee meetings held during 2023/24.

Details of attendance at Board meetings can be found at Appendix 1 (page 127).

Patterson Liz
10/07/2024 12:29:36

FIGURE 2: ROLES AND RESPONSIBILITIES OF COMMITTEES OF THE BOARD FROM APRIL 2023 – MARCH 2024



Patterson, Liz
10/07/2024 12:16:33

FIGURE 3: BOARD AND COMMITTEE MEETINGS HELD DURING 2023/2024

Board/ Committee	Dates											
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Board		24		25		27		29		31		20
Board In-Committee		18	26		11				12	11		
Audit Risk and Assurance		16		21			10			16		11
Charitable Funds			05			18			07			04
Charitable Funds In - Committee										17		
Delivery and Performance		02	27		31		17		19		29	
Patient Experience Quality and Safety	25			04			24			23		
Planning, Partnerships and Population Health		11			*			16			20	
Remuneration and Terms of service	27		26		24			13	14	11	26	18
Workforce and Culture		16		11					14			05
Joint workforce and Culture Committee							24					

*It should be noted that it was necessary to cancel the August meeting of the Planning, Partnership and Population Health Committee in 2023/24 due to system pressures responding to the financial position. The Planning, Partnerships and Population Health Committee have therefore not complied with the requirement to meet quarterly during this period.

ITEMS CONSIDERED BY THE BOARD IN 2023/24

During 2023/2024 the Board formally held:

- six public meetings, all virtual, livestreamed, and video uploaded after the meeting;
- five In-Committee (private) meetings;
- an Annual General Meeting;
- four Chair's Action;
- two Board Briefings; and
- twelve Board development sessions.

All meetings of the Board held in 2023/2024 were appropriately constituted with the required quorum.

The Board also holds a number of training and informal briefing sessions to support members in fulfilling their roles.

Board Activity:

During the year, the Board considered a number of key issues and took action where appropriate, these are summarised below:

Standing Items:

- Experience Stories (patient and staff)
- Report of Chair
- Report of Vice-Chair
- Report of CEO
- Minutes from previous meetings
- Performance Reports on:
 - the three-year Integrated Plan
 - the one-year Delivery Plan; and
 - Financial Performance
- Corporate Risk Register
- Assurance Reports from Board Committees, Joint Committees, Partnerships and Advisory Groups
- Report of the Regional Director of Llais

The Board Approved the following items:

- Belmont Branch Surgery Gilwern closure
- Integrated Plan 2023/24 Supplementary Submission
- Annual Delivery Plan 2023/24
- Anti-Racist Wales Action Plan
- Director of Corporate Governance / Board Secretary Reports
 - Temporary change to the Model Standing Order Section 3.1
 - Revised Scheme of Delegation

Patterson, Liz
10/07/2024 12:29:36

- Committee Work Programme 2023/24
- Changes to the Welsh Health Specialised Services Committee (WHSSC) Standing Orders, changes of the Memorandum of Agreement, and changes to the Financial Scheme of delegation
- Application of the Common Seal
- Committee Terms of Reference
- Declarations of Interest
- Change to Scheme of Delegation
- Model Standing Financial Instructions
- Recommendation for Committee Membership 2023/24
- Annual Report and Accounts 2022/23 and Letter of Representation
- WHSSC Cochlear Implants Engagement Report
- Welsh Language Annual Report 2022/23
- Equality Annual report 2022/23
- Major Incident and Emergency Response Plan
- Digital Strategic Framework 2023-2027
- Revised 2023/24 Financial Plan and Forecast
- Annual Delivery plan Q2 Report and Partial Plan Reset 2023/24
- Planning Approach 2024 onwards
- South Powys Programme – Consultant led Maternity and Neonatal Care
- All-Wales Individual Patient Funding Request (IPFR) Policy
- Putting Things Right (PTR) Policy
- Integrated Plan 2024-2029
- Strategic Equality Plan 2024-2028
- Welsh Language Strategy in Healthcare 2024-2029
- Emergency Medical Retrieval and Transfer Service
- Corporate Parenting Charter
- Welsh Join Commissioning Committee
- Integrated Quality and Performance Framework

The Board received the following items for assurance:

- Nurse Staffing Levels (Wales) Act
- Civil Contingencies Annual report
- Gilwern Branch Surgery Assurance Reports
- Winter Respiratory Vaccinations Programme
- Escalation and Intervention Status Report
- Winter Resilience Plan
- Planning approach 2024 onwards
- Therapies and Health Sciences Annual Update
- Speaking Up Safely and Raising Concerns Report
- Health and Safety Annual Report
- Socio-Economic Duty assurance report

Patterson, Liz
10/07/2024 12:29:36

The Board considered the following items:

- Planning Approach 2024 Onward
- Integrated Plan Development (March 2024 Onwards)
- Feedback from the WHSCC Individual Patient Funding Request (IPFR)

The Board within In-Committee meetings approved the following items:

- Financial settlement in respect of Dispute Resolution
- The Radiology Informatics System Programme (RISP) Full Business Case
- Novation of PTHB's Non-Emergency Patient Transport to WAST
- To not apply for Core Participant Status Covid-19 Public Inquiry Module 4 and Module 6
- Variation to the current Laboratory Information Network Cymru (LINC) agreement
- To cease the Joint Partnership Board with Powys County Council and put in place alternative arrangements
- Exit the ICT and WCCIS support element from the Section 33 agreement

The Board within In-Committee meetings considered the following items:

- Financial Savings scenarios
- Tawe Ward, Ystradgynlais
- Updates on disputes
- Corporate Risks: Cyber Security and National Power Outage
- Annual Report and updates from the Remuneration and Terms of Service Committee
- Chair's Report from the Patient Experience, Quality and Safety Committee regarding Infection Prevention and Control

Chair's Actions were taken on the following items:

- Approval of the Public Service Board Wellbeing Plan
- To not apply for Core Participant Status Covid-19 Public Inquiry Module 5
- Approval to apply for Strategic Cash from Welsh Government
- Approval of Joint Commissioning Committee Standing Orders and Standing Financial Instructions

All Chair's Actions were taken in the interest of timely decision making. All Chair's actions are reported into Board meetings held in public.

Patterson, Liz
10/07/2024 12:29:36

ITEMS CONSIDERED BY COMMITTEES OF THE BOARD

During 2023/24, Board 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 the Health and Safety Executive.

As was the case in previous years, 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 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, attending partnership meetings, shadowing, and a range of other internal and external meetings.

Figure 4: Key Areas of Focus of Committees of the Board (in summary) 2023-24

Audit, Risk and Assurance Committee	<ul style="list-style-type: none"> ▪ ratified approval of Single Tender Waivers; ▪ received the Internal Audit Annual Report and Opinion; ▪ approved the Annual Internal Audit Plan; ▪ received Internal and External Audit Reports and tracked implementation of audit recommendations; ▪ received Counter Fraud updates and reports; ▪ tracked implementation of Welsh Health Circulars; ▪ kept under review the Health Board's arrangements for risk management and assurance; ▪ reviewed and sought assurance on the accuracy of the Annual accounts and Annual accountability statement; ▪ reviewed and sought assurance on the Charitable Funds Annual report and accounts; ▪ reviewed and sought assurance on the accuracy of annual reports; ▪ received Annual Register of Interests; ▪ reviewed and sought assurance on the Annual Governance Programme; and ▪ reviewed and sought assurance on losses and special payments.
Executive Committee	<ul style="list-style-type: none"> ▪ provided advice to the Board in relation to the development of the Integrated Plan for 2023-2026;

	<ul style="list-style-type: none"> ▪ reviewed and provided advice to the Board in relation to the identification and management of corporate risks; ▪ reviewed and sought assurance in relation to limited and no assurance internal and external audit reports; ▪ received various service-based business cases, service, and improvement plans, making decisions relevant to operational delivery of the Boards strategy and in-year plan; ▪ took forward actions arising from the Integrated Performance Report and performance managing the delivery of those action plans; ▪ kept the operational effectiveness of policies and procedures under review; ▪ scrutinised key reports and strategies prior to their submission to other Committees of the Board and/or the Board to ensure their accuracy and quality; ▪ provided a strategic view of issues of concern ensuring co-ordination between Executive Directorates; ▪ provided advice to the Committees of the Board and/or the Board on matters related to quality, safety, planning, commissioning, service level agreements and change management initiatives; ▪ ensured staff are kept up to date on Health Board wide issues; and ▪ acted as the forum in which Executive Directors and senior managers can formally raise concerns and issues for discussion, making decisions on these issues.
<p>Charitable Funds Committee</p>	<ul style="list-style-type: none"> ▪ scrutinised applications for charitable funds; ▪ kept an overview of charitable funds income and expenditure; ▪ updated Charity Policies and documents, ▪ rebranded the Powys Charity, ▪ received project evaluations, and ▪ reviewed and recommended to the Board the Charity's Annual report and Annual accounts.
<p>Delivery and Performance Committee</p>	<ul style="list-style-type: none"> ▪ sought assurance on performance on the Integrated Plan and Annual Delivery Plan; ▪ reviewed the Performance section of the Annual Report; ▪ sought assurance on financial performance, closely scrutinising areas of cost pressure and savings plans; ▪ scrutinised primary care performance (General Medical Services, General Dental Services, Community Pharmacy and Out of Hours);

Patterson, Liz
10/07/2024 12:29:36

	<ul style="list-style-type: none"> ▪ reviewed Digital First Updates; ▪ reviewed Innovative Environments updates, including seeking assurance on Health and Safety matters; ▪ sought assurance on the Information Governance and Records Management Improvement plans; ▪ reviewed Strategic Renewal Portfolio priorities including Value Based Healthcare, Children and Young People, Urgent and Emergency Care and Community Model; and ▪ sought assurance on the Committee based Corporate Risk Register.
<p>Patient Experience, Quality and Safety Committee</p>	<ul style="list-style-type: none"> ▪ scrutinised the Integrated Quality Report including: <ul style="list-style-type: none"> ○ implementation of the Quality and Engagement Act ○ scrutinise Commissioning Escalation Report ○ monitor Incidents and Concerns ○ monitor the Inspections and External Bodies Report and Action Tracking ○ sought assurance on patient experience ○ sought assurance on Infection, Prevention and Control including nosocomial updates, ○ received Public Services Ombudsman Wales Annual Report and ○ implementation of the Duties of Quality and Candour. ▪ monitored Maternity Services Assurance reports including de-escalation of Maternity Services; ▪ received the Annual Reports of the Accountable Officer Controlled Drugs; ▪ monitored the Infection Prevention and Control Plan ▪ monitored compliance with Mental Health legislation; ▪ scrutinised the Board’s Clinical Quality Framework; ▪ sought assurance on the Clinical Audit Progress Report; ▪ received and sought assurance on the Annual Safeguarding Report 2022/23; ▪ received and sought assurance on the Medicines Management report; ▪ sought assurance on the implementation of Welsh Government Guidance on transition and handover of Children to Adult Health Services; ▪ reviewed and sought assurance on the Medical Devices and Point of Care Testing Annual report;

Patterson, Liz
10/07/2024 12:29:36

	<ul style="list-style-type: none"> ▪ monitored and sought assurance on the development of an improvement plan regarding the Mental Health Deep Dive; ▪ approved the proposed Board Level Statement on Infection Prevention and Control; ▪ received and sought assurance on Annual Report of Accountable Officer for Controlled Drugs, and ▪ sought assurance on the Committee based Corporate Risk Register.
<p>Planning, Partnerships and Population Health Committee</p>	<ul style="list-style-type: none"> ▪ sought assurance on the Strategic Change Programmes; ▪ sought assurance on the Healthy Child Wales Programme; ▪ sought assurance on Childhood Immunisations; ▪ reviewed the ALN and sought assurance regarding activity and plans; ▪ sought assurance on compliance with the Socio-economic Duty; ▪ sought assurance on the Population Screening Programme Uptake; ▪ sought assurance on endoscopy services; ▪ considered the scoping exercises on Deep Dive - Diabetes
<p>Workforce and Culture Committee</p>	<ul style="list-style-type: none"> ▪ scrutinised the Workforce Performance Reports; ▪ scrutinised the Equality, Diversity, and Inclusion monitoring report; ▪ sought assurance on staff well-being, Joint Workforce Futures Programme and Flexible Working Policy; ▪ reviewed and sought assurance on the Workforce Futures: <ul style="list-style-type: none"> ○ Transformation and Sustainability ○ Partnership and citizenship ○ Staff Health and Wellbeing ▪ sought assurance and on the Communications and Engagement six-month report; ▪ reviewed the implementation of agile working and new ways of working; ▪ sought assurance on staff wellbeing; ▪ approval and publication on the Health Board's website the Welsh Language Annual Report 2022/23 ▪ reviewed and recommended the Strategic Equality Plan 2023-2027; ▪ considered Staff Wellbeing including regulatory report and management response (Caring for the Carers); ▪ received the Medical Job Planning Annual Report;

Patterson, Liz
10/07/2024 12:29:36

	<ul style="list-style-type: none"> ▪ received the Communications and Engagement Situation Report; and ▪ sought assurance on the Committee based Corporate Risk Register.
--	--

BOARD DEVELOPMENT

During the year, the Board took part in a number of development and briefing sessions which covered the following topics:

Developing the (Board) team	<ul style="list-style-type: none"> • The Board as a Team • Board resilience • Board and Committee Effectiveness; • Risk appetite training
Developing the Organisation	<p>Strategy and Planning:</p> <ul style="list-style-type: none"> • Integrated Plan 2023-26 supplementary submission • Annual Delivery Plan 2023/24 • Performance oversight and reporting 2022-24 • Annual Plan 2023/24 reset • Planning approach 2024/25 • Developing the Five Year Plan • Integrated Plan 2024/25 <ul style="list-style-type: none"> • Digital Strategic Framework; • Quality and Engagement Act; • Corporate Risk; • Financial Scenario Planning; • Financial Development; • Developing the organisation <ul style="list-style-type: none"> ○ Equality, Diversity and Inclusion ○ Welsh Language ○ Emergency Ambulance Response and Performance ○ Staff Survey results ○ Integrated Quality and Performance Framework • Branch Practice Closure / Review Panel process
Engaging with and learning from the organisation	<p>Listening and Learning</p> <ul style="list-style-type: none"> • Learning Disability Team • Health and Care Academy Team • Living Well Service • Stop Smoking Team • Clinical Education Team
Engaging with and learning from external partners	<p>Audit Wales – when things go wrong</p>

Patterson
10/07/2024 14:29

The Board's annual self-assessment and reflection for 2023/2024 took place in quarter 1 of 2024 (and included consideration of the effectiveness of its committees).

ADVISORY GROUPS

PTHB's Standing Orders require the Board to have three advisory groups in place. When active, these allow the Board to seek advice from and consult with staff and key stakeholders. They are:

- a Stakeholder Reference Group;
- a Local Partnership Forum; and
- a Healthcare Professionals' Forum.

Information in relation to the role and terms of reference of each Advisory Group can be found in the Health Board's Standing Orders on the [Health Board website](#).

The Local Partnership Forum (LPF) is well established. Work has continued during 2023/2024 to strengthen the Forum's operating arrangements and maximise its role in providing advice to the Board. The Forum has considered the Integrated Plan, reviewed the Terms of Reference, received regular updates on the financial position, workforce analysis and a regular summary report from the Director of Workforce and OD. Other areas considered include proposals for Spa Road, Llandrindod Wells, the Digital Strategic Framework, the Accelerated Sustainable Model, updates on Industrial Action, food hygiene at Bronllys, car park management proposals, staff survey results and staff excellence awards. All reports have a staff side focus.

The Standing Orders require the Health Board to constitute a Stakeholder Reference Group and Healthcare Professionals Forum. The Board have agreed that the Stakeholder Reference Group will not be put in place, on the basis the Health Board has several other mechanisms for stakeholder engagement.

System pressures have meant that progress was not made to constitute the Healthcare Professionals Forum during 2023/24. The Health Board therefore declares a non-compliance with our Standing Orders in so far as these two forums are concerned.

In the absence of the Healthcare Professionals Forum, the Board engages clinical professionals through its clinical Executive Directors (Medical, Nursing and Midwifery, Therapies and Health Sciences and Public Health), and existing management groups such as the Heads of Nursing and Midwifery Group and the Heads of Therapies. The Health Board also engages with GPs through its cluster arrangements, other primary care contractors through established forums and with many representative and regulatory bodies. Progress will be made in 2024/25 to establish the Healthcare Professionals Forum.

The Health Board has determined that it considers it has more effective mechanisms to engage with partners and stakeholders through robust local partnership arrangements which make best use of the coterminous relationship between the Health Board, Local Authority and third sector umbrella body, PAVO. This includes the Powys Public Service Board, Board to Cabinet Forum (previously Powys Joint Partnership Board) and Powys Regional Partnership Board.

The Regional Partnership Board (RPB) has well established engagement mechanisms to inform an integrated health and care agenda, with user voice and stakeholder engagement networks in place. The RPB's Engagement and Insight Network also brings together engagement officers from across partner organisations to ensure a co-ordinated and collaborative approach to community engagement. This puts the citizen at its heart, as evidence through a joined-up engagement approach to inform the develop of well-being and population assessments, and the area plan and well-being plan. Constructive relationships have also been in place during the year with Llais, the successor organisation to the Powys Community Health Council.

Given the complex geography of Powys and our dependence on care pathways to multiple acute and tertiary providers outside our borders, we also need to take a bespoke and localised approach to service engagement that works closely with the most relevant stakeholders. For example, focused activity across North Powys as part of our North Powys Wellbeing partnership programme, hyperlocal activity on the Monmouthshire border following an application to close a cross-border branch surgery, and localised activity in south Powys in relation to a proposal to reduce opening times of Minor Injury Unit services at Nevil Hall Hospital.

It was intended to make arrangements to convene the Healthcare Professionals Forum in 2023/24, due to organisational pressures this did not happen but is the intention within 2024/2025.

JOINT COMMITTEES

Regular reports on the work of the Joint Committees are provided by the Chief Executive to the Board at each meeting and further information regarding the Joint Committees can be viewed on the Health Board's [website](#).

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 Boards, 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 Committees (Wales) Directions 2014 (2014/8 (W.8)) (the EASC Directions).

Update and assurance reports from WHSSC and EASC meetings are reported to the Board; relevant decisions required from WHSSC and EASC that are owned by the Health Board are referred to the Board.

WHSSC and EASC ceased to exist as of 31 March 2024 being superseded by the NHS Joint Commissioning Committee as of 1 April 2024. More details about the new NHS Joint Commissioning Committee can be found here - [Home - NHS Wales Joint Commissioning Committee](#)

PARTNERSHIP AND COLLECTIVE WORKING

Regular reports on the work of the Partnership Boards are provided by the Chief Executive to the Board at each meeting and can be viewed on the Board and Committee pages of the Health Board [website](#). The Planning, Partnerships and Population Health Committee also has a key role in ensuring that the Health Board is working effectively with partners.

NHS WALES SHARED SERVICES PARTNERSHIP COMMITTEE (NWSSPC)

An NHS Wales Shared Services Partnership Committee (NWSSPC) was established in 2010 and is hosted by Velindre NHS Trust. NWSSPC is responsible for exercising shared services functions including the management and provision of Shared Services to the NHS in Wales.

More information on the governance and hosting arrangement of these committees can be found in the Health Board's Standing Orders on the Health Board [website](#).

POWYS COUNTY COUNCIL

Powys Teaching Health Board and Powys County Council have a series of overarching Section 33 agreements through which the organisations manage joint arrangements for Care Homes, the Community Equipment Service, Glan Irfon, Information Communication Technology (ICT) services, Reablement Services and Substance Misuse. In addition to Section 33 agreements, a Memorandum of Understanding is in place regarding services for Carers and there are a number of key areas where there is integrated working. These include Mental Health services, services for people with learning disabilities, older people, and children. Section 33 arrangements were overseen by a Joint Partnership Board until 31 December 2023. Oversight arrangements are now provided in the Joint Leadership Team between the Health Board and County Council.

JOINT PARTNERSHIP BOARD

Powys was made a region in its own right under Part 9 of the Social Services Wellbeing (Wales) Act 2014. In light of this and combined with the requirements of the Well-being of Future Generations Act (Wales) 2015 and the Social Services Wellbeing (Wales) Act 2014, together with the collective drive

towards increased integration between the two organisations, in February 2016, PTHB and Powys County Council established a Joint Partnership Board (JPB). The JPB brings together nominated strategic leaders from both organisations to support 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 Powys County Council has been signed.

The working arrangements and Terms of Reference were reviewed in 2023 and in December 2023 a joint agreement was made to cease operation of the Joint Partnership Board and implement successor arrangements including a Board to Cabinet Forum and Joint Leadership Team.

BOARD TO CABINET FORUM AND JOINT LEADERSHIP TEAM

These new fora, replacing and extending the functions of the Joint Partnership Board as of 1 January 2024 agreed their terms of reference at their first meetings in March 2024.

POWYS PUBLIC SERVICE BOARD

The Public Service Board (PSB) is the statutory body established by the Well-being of Future Generations (Wales) Act 2015 which brings together the public bodies in Powys to meet the needs of Powys citizens present and future. The aim of the group is to improve the economic, social, environmental, and cultural well-being of Powys. Working in accordance with the five ways of working, the Board has published its Well-being Assessment and Well-being Plan. The Well-being Plan which has been developed through extensive engagement sets out four local objectives for the Powys we want by 2040.

The Health Board contributes to achieving these objectives through the delivery of 'A Healthy Caring Powys' and the Integrated Medium-Term Plan. The PSB has set out its Well-being Plan 12 well-being steps that we will concentrate on to contribute achieving the four local objectives. These steps are those where the biggest difference can be made by developing solutions together.

The PSB reports annually outlining progress and next steps. The PSB annual reports can be found here: [Powys Public Service Board – Our Annual Progress Report – Powys County Council](#) and agendas and papers can be accessed [here](#).

POWYS REGIONAL PARTNERSHIP BOARD

The Powys Regional Partnership Board (RPB) was established under the Social Services and Well-being (SSWB) (Wales) Act 2014 in April 2016.

The RPB brings together a range of public service representatives including Powys County Council, the Health Board, third sector, citizens, and other key partners, to promote effective working together better to improve health and wellbeing in Powys.

The RPB identifies key areas of improvement for care and support services in Powys. The RPB has also been legally tasked with identifying integration opportunities between social care and health. This has been achieved through building on years of joint working and through the development of 'A Healthy Caring Powys' which has identified key priorities. The key opportunities for integrated working identified, and the actions to be taken in support of them are outlined in the Area Plan and focuses on 'Delivering the Vision'. Priorities have been identified as a Focus on Well-being, Tackling the Big 4 (Cancer, Cardio-vascular diseases, respiratory diseases, and mental health), Early Help and Support and Joined up Care. The Regional Partnership Board is currently overseeing a major integrated project in North Powys providing a new model of care jointly for health and social care and extending to include supported accommodation and primary education.

Putting people and what matters to them at the centre of health and care services is core to the RPB. The RPB oversees the delivery of this in Powys, which is done through its programmes: Start Well, Live Well, Age Well as well as some other work which cuts across all of these.

The Board's priorities are set out in the Powys Area Plan – 'A Healthy Caring Powys'. Some of the Board's responsibilities include making sure resources are available, that people remain independent for as long as possible, and that health and care services are fully joined up.

To help make this happen, the RPB also has responsibility for allocating funds from Welsh Government's Regional Integration Fund (RIF), which it uses to support key priorities.

Further information regarding the RPB can be accessed at: [Health And Wellbeing | Powys Regional Partnership Board | Wales \(powysrpb.org\)](https://www.powysrpb.org)

MID WALES JOINT COMMITTEE FOR HEALTH AND CARE

Following the Welsh Government's formal recognition of mid Wales as a designated planning area, the Mid Wales Healthcare Collaborative transitioned to the Mid Wales Joint Committee for Health and Care in March 2018. The Welsh Government's long-term plan for the future of health and social care in Wales, 'A Healthier Wales: Our Plan for Health and Social Care', sets out the long-term future vision of a 'whole system approach to a health and social care' which focuses on health, wellbeing, and prevention of illness.

The Mid Wales Joint Committee supports this direction of travel, and its Strategic Intent sets out what we will do to ensure there is a joined-up approach to the planning and delivery of regional solutions across organisational boundaries.

The Board receives reports from the Mid Wales Joint Committee as part of the partnership assurance arrangements.

Further detail on the Mid Wales Joint Committee can be found [here](#).

THE CORPORATE GOVERNANCE CODE

The Corporate Governance Code currently relevant to NHS bodies is 'The corporate governance in central government departments: code of good practice' (published 21 April 2017).

The Health Board, like other NHS Wales organisations, is not required to comply with all elements of the Code, however, the main principles of the Code stand as they are relevant to all public sector bodies.

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 that are designed to monitor our compliance with the Code. These include self-assessment, internal and external Audit, and independent reviews.

The Board complies with the relevant principles of the Code and is conducting its business openly and in line with the Code, and that there were no departures from the Code as it applies to NHS bodies in Wales.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

It has been reported in previous Annual Governance Statements, the system of internal control operating across the 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 2024 and up to the date of approval of the annual report and accounts.

The Board is accountable for maintaining a sound system of internal control which supports the achievement of the organisation's objectives. The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties and a system of delegation and accountability. It has been supported in this role by the work of the committees, each of which provides regular reports to the Board, underpinned by a sub-committee structure, as shown in Figure 1 of this statement (page 67).

CAPACITY TO HANDLE RISK AND KEY ASPECTS OF THE CONTROL FRAMEWORK

The Board collectively has responsibility and accountability for the setting of the organisation's objectives, defining strategies to achieve those objectives,

and establishing governance structures and processes to best manage the risks in accomplishing those objectives.

As Accountable Officer, I 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 has been informed by executive officers and feedback received from the Board's Committees, in particular the Audit, Risk and Assurance Committee and Patient Experience, Quality and Safety Committee.

The Executive Committee (Committee of the Board, as per page 67) meetings present an opportunity for executive directors to consider, evaluate and address risk, and actively report to the Board and its committees on the organisation's risk profile.

The Health Board's lead for risk is the Director of Corporate Governance / Board Secretary, who is responsible for establishing the policy framework and systems and processes that are needed for the management of risks within the organisation. Risks are assigned to Directors to lead the organisational response.

Emergency plans and business continuity arrangements have been in place for the duration of 2023/2024, in accordance with the Health Board's statutory duties under the Civil Contingencies Act 2004 and Emergency Planning Guidance as issued by Welsh Government. The organisation continues to work closely with a wide range of partners, including the Welsh Government as it continues with its response to system pressures including our enhanced status of monitoring and escalation. It has been necessary to ensure that this is underpinned by robust risk management arrangements and the ability to identify, assess, and mitigate risks which may impact on the ability of the organisation to achieve its strategic objectives.

THE RISK MANAGEMENT FRAMEWORK

Robust risk management is a key tool for the Board and is essential to good management. The aim is to ensure it is integral to the Health Board's culture and is an increasingly important element of the Health Board's planning, budget setting and performance processes.

The Board's Risk Management Framework sets out the Health Board's processes and mechanisms for the identification, assessment, and escalation of risks. It has been developed to create a robust risk management culture across the Health Board by setting out the approach and mechanisms by which the Health Board will:

- ensure that the principles, processes, and procedures for best practice risk management are consistent across the Health Board and are fit-for-purpose;

- ensure that risks are identified and managed through a robust organisational Assurance Framework and accompanying Corporate and Directorate Risk Registers;
- embed risk management and established local risk reporting procedures to ensure an effective integrated management process across the Health Board's activities;
- ensure that strategic and operational decisions are informed by an understanding of the organisation's risks and their likely impact;
- ensure that risks to delivery of the Health Board's strategic objectives are eliminated, transferred, or proactively managed;
- manage the clinical and non-clinical risks facing the Health Board in a co-ordinated way; and
- keep the Board and its Committees suitably informed of significant risks facing the Health Board and associated plans to treat the risk.

The Risk Management Framework sets out a multi-layered reporting process, which comprises the Board Assurance Framework and Corporate Risk Register, Directorate Risk Registers, Local Risk Registers and Project Risk Registers. It has been developed to help build and sustain an organisational culture that encourages appropriate risk taking, effective performance management and organisational learning in order to continuously improve the quality of the services provided and commissioned.

The Risk Management Framework sets out the ways in which risks will be identified and assessed. It is underpinned by a number of policies that relate to risk assessment including incident reporting, information governance, training, health and safety, violence and aggression, complaints, infection control, whistleblowing, human resources, consent, manual handling, and security. The Risk Management Toolkit was developed to assist risk owners in the day-to-day identification, assessment, and management of risk. This is supported with training, support and advice from the Health Board's Corporate Governance Team who endeavor to facilitate a risk aware culture by effectively engaging with services to embed the risk management framework and process. Generic Risk Management Training is available to all staff via the Electronic Staff Record (ESR). Tailored Health Board specific training is provided to the Risk and Assurance Group on an annual basis and to directorates/services upon request. In 2023-24 work will continue to be undertaken by the Corporate Governance Team to further engage with Executive Directors to identify areas within the organisation which would benefit from in-house risk management training, the outcome of this engagement will be developed into a comprehensive risk management training plan.

The Risk Management Framework is available on the Health Board's website [here](#).

Pattinson, Liz
10/07/2024 12:29:36

MANAGEMENT OF RISKS DURING 2023/2024

Strategic Risks

Strategic risks are those risks that represent a threat to achieving the Health Board's strategic objectives or its continued existence.

Strategic risks are recorded in the Board's Corporate Risk Register (CRR), which provides an organisational-wide summary of significant risks facing the Board. The criteria for a risk to be included in the Corporate Risk register is:

- the risk must represent an issue that has the potential to hinder achievement of one or more of the Health Board's strategic objectives;
- the risk cannot be addressed at directorate level; and/or
- further control measures are needed to reduce or eliminate the risk; A considerable input of resource is needed to treat the risk (finance, people, time, etc.).

A fundamental review of the CRR was undertaken in 2022/2023 following approval of the 2022-2025 Integrated Medium-Term Plan, in order to ensure that the register reflected consistently the risks to delivering the Health Board's strategic objectives. The Corporate Risk Register was further reviewed in 2023/24. Key themes of the Corporate Risk Register are as follows:

- financial sustainability and use of resources
- sustainability of services throughout the health and care system
- the ongoing need to monitor quality, defined as safety, effectiveness and experience and the potential for harm to patients
- the risk represented by ongoing challenges in recruiting and retaining staff
- the focus that continues to be needed on effective working with partners
- the potential for care to be compromised due to the Health Board's estate not being fit for purpose
- the ever-present risk of a cyber-attack;
- the risk of a national power outage; and
- the risk presented by a significant public health event/emergency.

EMBEDDING EFFECTIVE 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.

In March 2020, Internal Audit undertook a review of Risk Management and Board Assurance arrangements, which focused on how the Board Assurance Framework and Risk Management Framework are being implemented and updated in-line with the revised IMTP. A limited assurance rating was provided to the Board in respect of this review. In March 2023, further Internal Audit was undertaken and reported a reasonable assurance rating, a significantly improved position.

In July 2022 a further review was undertaken which recognised the progress made in the area and provided a reasonable assurance rating. Highlighted in the review was the Risk Management Framework (RMF) and Toolkit, approved by the Board in November 2021 which together provide a comprehensive and user-friendly approach to organisational risk management strategy. The Framework outlines the roles and responsibilities for risk management, the organisational risk management structure, Corporate and Directorate monitoring and reporting lines, the Board's approach to risk appetite and risk management processes including the escalation, consolidation, and aggregation of risks. The Framework and Toolkit (alongside the Risk Appetite Statement) are reviewed on an annual basis by the Board. This was undertaken in Quarter 3 of 2022/2023 and a revised version was approved by the Board in November 2022 with no material changes made.

As a result of the pandemic the review of the Board Assurance Framework (BAF) was paused in 2020/2021. We recognise the importance of the BAF in the risk environment. Development work has been undertaken in 2023/2024, refreshing the BAF to ensure robust assurance is provided to the Board and Board Committees and inform decision making at Board, Executive and Directorate level. The BAF will be fully implemented during 2024/25. Work has also been undertaken to update the Corporate Risk Register which will enhance information in relation to assurance of the key controls being reported to the Board.

The Risk and Assurance Group met three times in 2023/2024, this group will continue to operate in 2024/25 to enable coordination of the achievement of the Risk Management Framework's objectives through the organisation's directorates, by embedding risk management and establishing local risk reporting procedures. This will enable the effective integrated management of risk and assurance. The Group will also seek to ensure that the Board has in place effective systems for the reporting of risk, and the management of risk registers (local, directorate and corporate) and the BAF.

Consultation with internal and external stakeholders and partners is an important element of the risk management process. Communication and engagement vary depending upon the nature and severity of the risk. For example, our risk related to accessing planned, secondary, and specialised care requires a partnership approach and is dependent on working closely with key commissioners in both NHS Wales and NHS England. Engagement of stakeholders has also taken place through multi-agency partnership working. The Regional Partnership Board, Joint Partnership Board and Public Services Board is part of the Health Board governance structure that helps to support the management of risk facing the organisation through collective dialogue.

RISK APPETITE

The Board's Risk Appetite Statement sets out the Board's strategic approach to risk-taking by defining its risk appetite thresholds. It is a 'live' document that is

regularly revised and modified, so that any changes to the organisation’s strategies, objectives, or its capacity to manage risk are properly reflected. The Risk Appetite Statement is composed of two parts: a general written statement, supported by the cumulative risk appetite categories.

In updating and approving its Risk Appetite Statement, the Board considered the Health Board’s capacity and capability to manage risk.

The Board recognises that risk is inherent in the provision and commissioning of healthcare services, and therefore a defined approach is necessary to articulate risk context, ensuring that the organisation understands and is aware of the risks it is prepared to accept in the pursuit of its aims and objectives.

In 2021/2022 the Risk Appetite Statement was developed to reflect an increased appetite in relation to innovative and financial risks, which may be necessary to support achievement of the Board’s ten-year strategy ‘A Healthy, Caring Powys’. In recognising the risks inherent in healthcare services, the risk appetite statement starts at the basis of a low appetite. The underlying principles of the 2022/2023 Risk Appetite Statement were maintained in 2023/2024.

The whole Board were involved in preparing the statement and the complexities in relation to the establishment of the Board’s appetite in respect of quality in the context of current and future system pressures and financial outlook was recognised. The Risk Appetite Statement for 2023/2024 was maintained from 2022/23 and sought therefore to further consider the nature of the external environment within which the Health Board operates and the need for greater clarity and granularity to aid decision making and the treatment of risk.

The following risk appetite levels, have been included and have been used as the basis in determining the appetite levels set out in the Statement:

Risk Appetite	Description
Averse	Avoidance of risk and uncertainty in achievement of key deliverables or initiatives is key objective. Activities undertaken will only be those considered to carry virtually no inherent risk.
Minimal	Preference for very safe business delivery options that have a low degree of inherent risk with the potential for benefit/return not a key driver. Activities will only be undertaken where they have a low degree of inherent risk.
Cautious	Preference for safe options that have low degree of inherent risk and only limited potential for benefit. Willing to tolerate a degree of risk in selecting which activities to undertake to achieve key deliverables or

Patterson
10/07/2024 12:29:36

Risk Appetite	Description
	initiatives, where we have identified scope to achieve significant benefit and/or realise an opportunity. Activities undertaken may carry a high degree of inherent risk that is deemed controllable to a large extent.
Open	Willing to consider all options and choose one most likely to result in successful delivery while providing an acceptable level of benefit. Seek to achieve a balance between a high likelihood of successful delivery and a high degree of benefit and value for money. Activities themselves may potentially carry, or contribute to, a high degree of residual risk.
Eager	Eager to be innovative and to choose options based on maximising opportunities and potential higher benefit even if those activities carry a very high residual risk.

The thresholds provided with the Risk Appetite Statement are provided below:

Risk Category	Description
APPETITE FOR RISK: Averse	

Safety We consider the safety of patients and staff to be paramount and core to our ability to operate and carry out the day-to-day activities of the organisation. We have a low appetite to risks that result in, or are the cause of, incidents of avoidable harm to our patients or staff.

We will not accept risks, nor any incidents or circumstances which may compromise the safety of any staff members and patients or contradict our values i.e., unprofessional conduct, underperformance, bullying or an individual’s competence to perform roles or tasks safely nor any incident or circumstances which may compromise the safety of any staff members or group.

APPETITE FOR RISK: Minimal	
-----------------------------------	--

Quality The provision of high-quality services is of the utmost importance for the Health Board. The Board acknowledges that in order to achieve individual patient care, treatment, and therapeutic goals there may be occasions when a low level of risk must be accepted. Where such occasions arise, we will support our staff to work in collaboration with those

Patterson, Liz
10/07/2024 12:29:36

Risk Category	Description
---------------	-------------

who use our services, to develop appropriate and safe care plans. We therefore have a low appetite for risks which may compromise the quality of the care we deliver / could result in poor quality care, non-compliance with standards of clinical or professional practice or poor clinical interventions. Our service is underpinned by clinical and professional excellence and any risks which impact on quality could adversely affect outcomes and experiences of our patients, service users and communities.

APPETITE FOR RISK: Cautious

Regulation & Compliance

We are cautious when it comes to compliance and regulatory requirements. Where the laws, regulations and standards are about the delivery of safe, high-quality care, or the health and safety of the staff and public, we will make every effort to meet regulator expectations and comply with laws, regulations, and standards that those regulators have set, unless there is strong evidence or argument to challenge them.

Reputation & Public Confidence

We will maintain high standards of conduct, ethics and professionalism at all times, espousing our Values and Behaviours Framework, and will not accept risks or circumstances that could damage the public’s confidence in the organisation.

Our reputation for integrity and competence should not be compromised with the people of Powys, Partners, Stakeholders and Welsh Government.

We have a moderate appetite for risks that may impact on the reputation of the Health Board when these arise as a result of the Health Board taking opportunities to improve the quality and safety of services, within the constraints of the regulatory environment.

Performance and Service Sustainability

We have a low-moderate risk appetite for risks which may affect our performance and service sustainability. We are prepared to accept managed risks to our portfolio of services if they are consistent with the achievement of patient/donor safety and quality improvements as long as patient/donor safety, quality care and effective outcomes are maintained. Whilst these will both be at the fore of our operations; we

*Liz Peterson
10/07/2024 12:29:36*

Risk Category	Description
---------------	-------------

recognise there may be unprecedented challenges (such as Covid-19, workforce availability and limited resources) which may result in lower performance levels and unsustainable service delivery for a short period of time.

Financial Sustainability

We have been entrusted with public funds and must remain financially viable. We will make the best use of our resources for patients and staff. Risks associated with investment or increased expenditure will only be considered when linked to supporting innovation and strategic change.

We will not accept risks that leave us open to fraud or breaches of our Standing Financial Instructions.

Workforce

The Health Board is committed to recruit and retain staff that meet the high-quality standards of the organisation and will provide on-going development to ensure all staff reach their full potential. This key driver supports our values and objectives to maximise the potential of our staff to implement initiatives and procedures that seek to inspire staff and support transformational change whilst ensuring it remains a safe place to work.

APPETITE FOR RISK: Open

Partnerships

The Health Board is committed to working with its stakeholder organisations to bring value and opportunity across current and future services through system-wide partnership. We are open to developing partnerships with organisations that are responsible and have the right set of values, maintaining the required level of compliance with our statutory duties. We therefore have a high-risk appetite for partnerships which may support and benefit the patients in our care. For example, the Health Board has a high appetite for risks associated with innovation and partnership with the third sector, industry, and academia in order to realise the provision of new models of care, new service delivery options, new technologies, efficiency gains and improvements in clinical practice. However, the Health Board will balance the opportunities with the capacity and capability to deliver such opportunities and is confident that there will be no adverse impact on the safety and quality of the services provided.

Patterson,Liz
10/07/2024 12:29:36

Risk Category	Description
Innovation & Strategic Change	<p>We wish to maximise opportunities for developing and growing our services by encouraging entrepreneurial activity and by being creative and pro-active in seeking new initiatives, consistent with the strategic direction set out in the Integrated Medium-Term Plan, whilst respecting and abiding by our statutory obligations.</p> <p>We will consider risks associated with innovation, research, and development to enable the integration of care, development of new models of care and improvements in clinical practice that could support the delivery of our person and patient centered values and approach.</p> <p>We will only take risks when we have the capacity and capability to manage them and are confident that there will be no adverse impact on the safety and quality of the services we provide or commission.</p>

THE HEALTH BOARD'S RISK PROFILE

As can be seen from the Heat Map at Figure 7, at the end of March 2024 a number of key risks to the delivery of the Health Board’s strategic objectives had been identified. Full details of the controls in place and actions taken to address these risks can be found in the Corporate Risk Register on the Health Board’s website [here](#).

Patterson, Liz
10/07/2024 12:29:36

Figure 7: Strategic Risk Heat Map

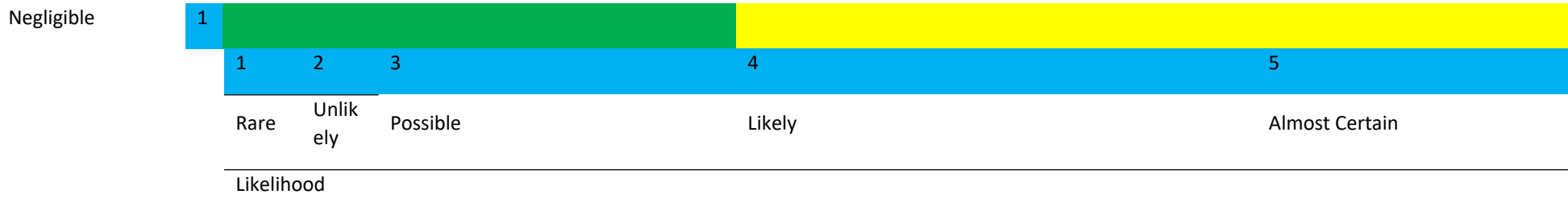
In-Committee Risks

(Private)

- CRR 009 A cyber-attack results in significant disruption to services and quality of patient care (Risk Score: L4 x I4 = 16)
- CRR 012 A national power outage results in significant disruption to services and the quality of patient care (Risk Score: L3 X I5 = 15)



Patterson, Liz
10/07/2024 12:29:36



An overview of the key (catastrophic) risks (i.e., those in the catastrophic section of the Heat Map) and actions taken to manage the risks are provided in Figure 8.

Figure 8: Key Risks and Controls

CRR 001a – Risk Score 20 - the Health Board fails to manage its financial resources in line with statutory requirements

CONTROLS IN PLACE & ACTION TAKEN

- Balanced Financial Plan included in IMTP Submission
- Financial Control Procedures and Standing Orders and Standing Financial Instructions and Budgetary Control Framework, Budgetary Control Audit rated as substantial assurance;
- Risks and Opportunities – focus and action to maximise opportunities and minimise / mitigate risks;
- Service Reviews / Performance reviews to strengthen financial monitoring of performance and longer-term impact on financial plan (support better decision making);
- Contracting Framework to monitor and forecast the impact of arrangements in 2022/2023 and going forward;
- Task and Finish Groups established for CHC, Variable Pay and Contracting with identified leads and clear expectation re delivery, these groups will have a short and longer-term focus for delivery;

IMPROVEMENT ACTIONS

- Strengthening of the capability and sustainability of the Finance Team and establish a modernisation programme to improve function performance and delivery;
- Financial Plan for 2023/2024 being developed, including robust assessment of cost pressures and establishment of saving schemes;
- Increase focus on longer term efficiency and sustainability (value) and balance within year delivery as needed for plan. New Efficiency Framework approved, and live and Value Based Healthcare Board established.

- Savings Plan monitoring and reporting linked to the Efficiency Framework and Investment Benefits Group and supporting the Value Based HealthCare approach;
- Regular communication and reporting to Welsh Government and Finance Delivery Unit regarding the impact of pressures and ongoing Covid-19 and expectations regarding funding and impact on Financial Plan and underlying position;
- Additional control - Finance and Performance Group established as sub-group of Executive Committee. Initial focus on savings and opportunities.

CRR 001b – Risk Score 20 - The Health board fails to manage its financial resources in line with statutory requirements – medium term

CONTROLS IN PLACE & ACTION TAKEN

- Clear Financial Plan included in IMTP Submission with recurrent mitigating actions of £7.5m. Plus, non-recurrent stretch actions for a further £2.8m in 2023/24.
- Additional control - Finance and Performance Group established as sub-group of Executive Committee is monitoring the achievement of the mitigating actions.
- Financial Control Procedures and Standing Orders and Standing Financial Instructions and Budgetary Control Framework, Budgetary Control Audit rated as substantial assurance.
- Risks and Opportunities – focus and action to maximise opportunities and minimise / mitigate risks.
- Service Reviews / Performance reviews to strengthen financial monitoring of performance and longer-term impact on financial plan (support better decision making).

IMPROVEMENT ACTIONS

- The capacity, capability and sustainability of the Finance Team is being re-assessed given the step change in the financial challenges facing the organisation and the increased external scrutiny.
- Revisit the assessment of cost pressures in the Financial Plan for 2023/24.
- Increase focus on longer term efficiency and sustainability (value) and balance with in year delivery as needed for plan. Value Based Healthcare and Sustainable Model Programme Boards established.

- Contracting Framework to monitor and forecast the impact of arrangements in 2023/24 and going forward.
- Task and Finish Groups established for CHC, Variable Pay and Contracting with identified leads and clear expectation re delivery, these groups will have a short and longer-term focus for delivery.
- Investment Benefits Group to increase its focus on benefits realisation alongside supporting the VBHC approach.
- Regular communication and reporting to Welsh Government and Financial Planning and Delivery Directorate regarding the impact of pressures and impact on Financial Plan and underlying position.
- Value Programme Board supporting a series of Getting It Right First Time Reviews and Sustainable Model Planned Care Programme Board implementing the findings to drive improved outcomes and use of resources.
- Following the issue of the 2024/25 Allocation Letter, the financial plan for 2024/25 and underlying deficit is being prepared.
- As part of planning for 2024/25, an organisation wide group of AD/DDs has been established to identify actions to achieve recurrent savings.

CRR 004 – Risk Score 20 The urgent and emergency health and social care system fails to deliver a timely response for care for Powys citizens

CONTROLS IN PLACE & ACTION TAKEN

- Daily management system in place to manage patient flow including multiple daily local and national calls.
- Continuous focus on reducing delays for health and social care reasons including complex care management, fast track cases and implementation of a home first ethos.
- Weekly reviews of long stay patients in community hospitals to reduce average length of stay.
- Training on discharge and complex care management is provided to ward based staff through the Complex Care and Unscheduled Care Team.

IMPROVEMENT ACTIONS

- Review of Complex Care arrangements in place to improve system improvements and to reduce delays. Active planning and implementation of new ways of working to create capacity within current system. Internal Audit have commenced structured audit of Continuing Health Care.
- Transformational development of urgent care system (6 Goals) including ICAP and focus on handover delays.
-

- Review of urgent care team arrangements, to increase numbers of Discharge Liaison officers.
- Care coordination in place across all acute hospital sites to facilitate timely repatriation of patients back into Powys.
- Care Home risk and escalation plans to support care home capacity.
- Reinstatement of Delivery Coordination Group including Senior Social Care attendance.
- Winter Plan reviewed to manage whole system pressures. Refresh of escalation options in development between health and social care to increase community care capacity and to reduce delays.
- Industrial action command and control structure in place to manage service impact and to minimise disruption to services.
- Daily operational management of patient flow.
- Refresh of Delivery Coordination Group in place to improve performance and delivery at a system level.
- System escalation including senior officer daily review and weekly Gold level oversight.
- Urgent escalation plan in development to secure additional system impact to improve community care capacity and flow.
- Industrial action management plans in place, coordinated and reporting at bronze, silver and gold levels.
- Delivery of RPB Plan including additional capacity for Supported Living.
- Deliver the Integrated Care Action Plan (ICAP).
- ASM Programme for Frailty and Community Model.
- North Powys Wellbeing Programme.

A full copy of the Corporate Risk register that the Board considered on the 20 March 2024 can be seen from page 269 of the Board paper pack, linked here - pthb.nhs.wales/about-us/the-board/board-meetings/2024/20-march-2024/13/

Patterson, Liz
10/07/2024 12:29:36

The Board received and reviewed the Corporate Risk register at four meetings of the Board during 2023/2024. As a result of the reviews undertaken by the Executive Committee and the Board, the risk scores for a number of risks changed during the year in the context of the external environment, and other developments such as improvements made to the control process.

As undertaken in 2023/2024, following Board approval of the Integrated Plan for 2024 - 2029 a full review of the Corporate Risk Register will take place to ensure priorities are identified, assessed and mitigating actions established, as well as assurance levels assessed.

EMERGENCY PREPAREDNESS

The Civil Contingencies Act 2004 and Emergency Planning Guidance issued by Welsh Government, places statutory duties on the Health Board to ensure arrangements are in place to respond to emergencies and major incidents. To meet this duty, the Health Board has a range of emergency response and business continuity plans in place to respond to emergencies and disruption to services. This includes the provision of training and participation in other emergency preparedness events.

Over the last twelve-month period, the Health Board has used the arrangements outlined in our plans to respond to business continuity events that have impacted on the Health Board's services. The Health Board has also participated in a number of exercises which have taken place to test the arrangements detailed within the Health Board's emergency response plans.

The Health Board continues to regularly engage and work collaboratively with our multi-agency partners on a wide range of preparedness activities and also in response to incidents. This collaboration is achieved through the Dyfed Powys multi-agency Local Resilience Forum, Welsh Government and with other NHS Wales organisations through a variety of groups.

To demonstrate compliance with the Civil Contingencies Act, the Health Board is required to submit an assessment on the Health Board's emergency preparedness activities to Welsh Government on an annual basis. The Health Board also produces an Annual Report on Civil Contingencies Planning for the Board.

An internal audit of the Health Boards corporate business continuity arrangements has been undertaken during the last twelve-month period, providing 'substantial' assurance in this area of work.

KEY ASPECTS OF THE CONTROL FRAMEWORK

In addition to the Board and Committee arrangements described earlier in this document, I have worked to further strengthen the Health Board's control framework over the last 12 months. Key elements of this include:

Patterson
10/05/2024 12:39:36

QUALITY GOVERNANCE ARRANGEMENTS, INCLUDING CLINICAL RISKS AND CLINICAL AUDIT PLAN

As an NHS Wales organisation, there are clear expectations set out for the quality standards we must maintain. These are set out through the:

- Health and Social Care (Quality and Engagement) (Wales) Act 2020;
- A Healthier Wales;
- Core Commissioning Requirements.

With our aims to continuously improve and learn, new legislative requirements support the quality governance framework during 2023/2024. The Health and Social Care (Quality and Engagement) (Wales) Act 2020 has placed increased responsibility on health and care organisations in Wales. Enhancing quality, honesty and transparency, the legislation provides the Health Board with a Duty of Quality, Duty of Candour, and establishes a Citizen Voice Body. Thus, enriching engagement with our citizens and wider communities. Developing our organisational culture and embedding the Duty of Candour have been critical in being open and honest with our citizens and service users where our services have not met expectations or caused harm. Candour will be utilised to drive improvement whilst embracing innovation opportunities.

The existing quality governance structure has been maintained. The Patient Experience, Quality and Safety Committee continued to receive reports on assurance and escalated risks linked to patient experience, quality, and safety.

The key aspects of the quality governance arrangements in the Health Board are:

- Commissioning Assurance Framework:
 - Quality
 - Access
 - Cost/Finance
 - Governance & strategic change
- Putting Things Right (Concerns, Incident, Redress and Clinical Negligence)
- Clinical Audit
- Data – CHKS – healthcare intelligence and quality improvement, benchmarking
- External Reviews – e.g., Getting It Right First Time
- Professional practice supervision/regulation
- Staff Surveys
- Organisational Development Framework
- Relationships/Escalations – Care Quality Commission, Healthcare Inspectorate Wales etc

Patterson, Liz
10/07/2024 12:29:36

A focus on quality has been maintained through the following activity in 2024/2024:

- Continued work to address the recommendations from the Audit Wales Review of Quality Governance (October 2021). The Review was positive overall with helpful areas for improvement identified.
- A focus on improving quality metric reporting which has been supported by the implementation of the Integrated Quality Performance Framework (IQPF)
- Implementation of the Medical Examiner Service
- Completion of the National Nosocomial COVID-19 Programme (NNCP)
- Safeguarding & public protection annual report presentation to the Patient Experience, Quality and Safety in December 2023; and

There has been continued focus on the Health Board's formal process, in line with the NHS (Concerns, Complaints and Redress Arrangements) (Wales) Regulations 2011 also known as Putting Things Right, which aims to address concerns in a proactive, timely and open manner.

Learning from concerns has continued to mature, ensuring lessons are learned and both patient and staff experiences are heard, along with influencing change if required.

Health and Care Standards and Duty of Quality

The Health and Care Quality Standards replace the 2015 Health and Care Standards as set out in Welsh Health Circular 2023/013 - [WHC/2023/013](#). The inclusion of quality directly aligns the standards with the [Duty of Quality](#) introduced in April 2023 through the [Health and Social Care \(Quality and Engagement\) \(Wales\) Act 2020](#). The standards set out the expectations for services in both a provider and commissioned basis for local citizens. They are aligned to the Health Board Quality Management System and cross referenced as part of Committee reporting, with associated risks and escalation raised.

Decisions should be based on the 12 Health and Care Quality Standards 2023: Safe, Timely, Effective, Efficient, Equitable and Person-centred (STEEP) care delivered through: Leadership, Workforce, Culture and Valuing People, Information, Learning, improvement and research, Whole systems approach. The Duty of Quality and Duty of Candour Annual Report will be published after this Annual Report and will be available on the Health Board website.

The diagram below illustrates the standards:

Patterson, Liz
10/07/2024 12:29:36



Clinical Audit

For 2023/24 a comprehensive Clinical Audit Plan was developed by the Powys service groups and approved by the Patient Experience, Quality and Safety Committee in February 2023.

142 audits covering service improvement, service evaluation, National Audit Programme work and responses to incidents were included in the Clinical Audit Plan.

An update and progress report on the delivery of the Clinical Audit plan was presented to the Patient Experience, Quality and Safety Committee in June of 2023.

The Internal Audit team undertook an audit of the processes around Clinical Audit examining four measures. Their report, published in September 2023, gave a rating of Substantial Assurance for the development of the Annual Clinical Audit plan, and for the provision of guidance and advice to staff on conducting a Clinical Audit.

They gave a rating of Reasonable Assurance on the provision of adequate resources to undertake Clinical Audit and on the monitoring and reporting of audit outcomes. As part of the recommended actions from the Internal Audit report, audit leads across the organisation will be asked in 2024 to consider whether their service has sufficient resources to undertake clinical audit and respond accordingly. The Patient Experience, Quality and Safety Committee approved the Clinical Audit Plan for 2024/25 in April 2024.

Patricia LIZ
10/07/2024 12:29:36

Complaints and Concerns Framework

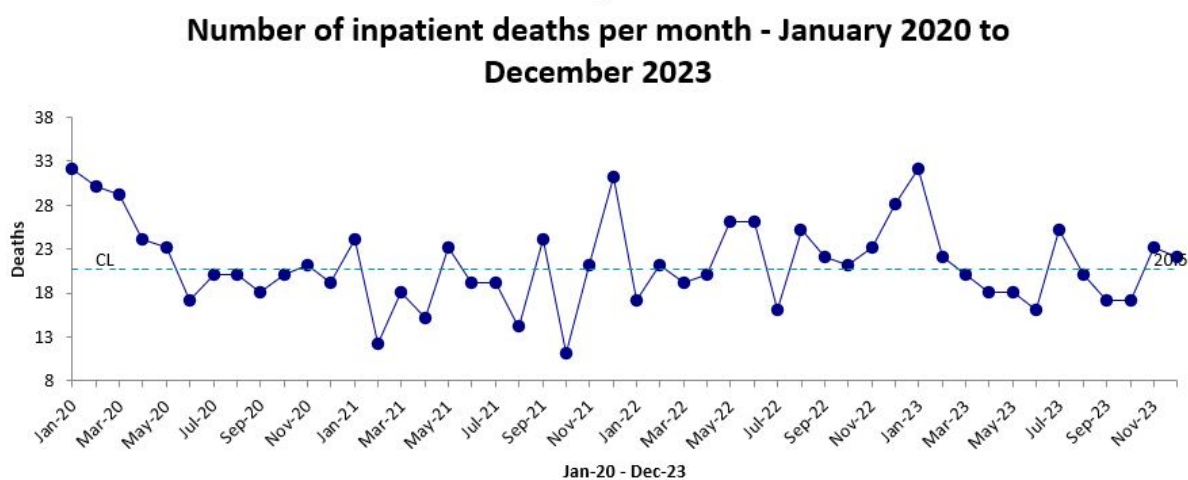
Compliance with the National Health Service (Concerns, Complaints and Redress Arrangements) (Wales) Regulation 2011 timeframes have continued to improve throughout 2023/2024. The implementation of the Duty of Candour has strengthened the Health Board processes which has influenced the way in which incidents are managed, through to investigation, learning and sharing of lessons. Continued investment in training during 2023/2024 has built on existing knowledge and experience across the Health Board.

The Patient Experience, Quality and Safety Committee receives regular reports against the complaints and concerns framework, forming part of the Integrated Quality Report for the organisation.

These and further information on Putting Things Right can be found on the Health Board [website](#).

Mortality Reviews

The number of in-patient deaths at Powys Community Hospitals remains constant. An average of 21 patients died during each calendar month between January and December 2023, the same average figure as for January to December 2022.



In addition to the 207 in-patient deaths at Powys Community Hospitals a further 524 Powys residents died whilst receiving in-patient care at out-of-county hospitals. Details are given in the table below for the period April 2023 – March 2024:

Deaths in Powys community hospitals	207
Deaths in Shrewsbury and Telford NHS Trust	179
Deaths in Wye Valley NHS Trust	126

Deaths in Hywel Dda UHB	54
Deaths in Swansea Bay UHB	41
Deaths in Cwm Taf Morgannwg UHB	52
Deaths in Aneurin Bevin UHB	35
Deaths in Betsi Cadwaladr UHB	7
Deaths in Cardiff and the Vale UHB	8
Deaths in various other English providers	8
Deaths other	14

During 2023 the Medical Examiner Service took over the review of all in-patient deaths. The Medical Examiner Service began as a pilot at Brecon and Bronllys hospitals in April 2022 being followed by Ystradgynlais hospital who joined the programme in July of 2022.

The remaining sites, Llandrindod, Machynlleth, Llanidloes, Newtown and Welshpool went live in February of 2023.

Between the beginning of the Medical Examiner Pilot and the end of February 2024 a total of 318 Community Hospital in-patient deaths have been reported to, and reviewed by, the Medical Examiner Service.

Of these 318 cases a total of 77 cases have been referred back to the Health Board by the Medical Examiner Service. A referral by the Medical Examiner Service does not necessarily mean that there has been an identified problem with the care provided.

The Medical Examiner will comment on anything they consider might be interesting or beneficial for the Health Board to be informed of, or to review. The Medical Examiner Service also talks to the next of kin of the deceased and gives them the opportunity to raise any issues in the care of the deceased. This can include care received at out of county District General Hospitals, Social Services interactions, GP care or experience with the Ambulance Service.

All 77 cases have been reviewed by the Health Board and no causes for concern over the care provided by the Health Board have been identified.

Patterson, Liz
10/07/2024 12:29:36

Learning from Experience Group

The Learning from Experience Group continues to triangulate learning from events within the Health Board and the wider system. This year there has been a strengthening of triangulation and feedback to inform clinical audit plans. The group is chaired by the Medical Director.

The team have supported learning events to discuss incidents that have occurred with common themes and crossover of learning. The learning events have been well attended by key individuals within the services to further strengthen the actions for improvement that are required. It is envisaged that these events will ensure that teams develop a safe culture to learn, improve and celebrate their successes.

In 2024/25 we will be strengthening the link between the Learning from Experience Group and our Board Committees.

EXECUTIVE PORTFOLIOS

In May 2022, the Board approved an updated Scheme of Delegation and Reservation of Powers. This document set out the delegation of responsibility to Executive Directors. The allocation of responsibilities is based on ensuring an appropriate alignment of accountabilities and authority within each Executive Directorate and Executive Director portfolio, and to also ensure that Executive Directorates focus on their core responsibility. With the secondment of the substantive Chief Executive to Betsi Cadwaladr University Health Board in May 2023 it was necessary to put in place interim arrangements which were amended slightly in July 2023.

An overview of Executive Director portfolios is set out in **Figure 9**.

Figure 9: Executive Portfolios

Executive Director of Strategy, Primary Care and Partnerships – 01 April 2024 to 02 May 2023 then assigned to other Directors as outlined below

- | | |
|--|---|
| -Planning arrangements | -Accreditation of enhanced services |
| -Third Sector liaison | -Operationalisation of continuing health care |
| -Llais liaison relating to service change | -Primary Care contractor performance management |
| -Professional leadership of capital estates and service change | -Primary Care Development, including Clusters |
| -Primary Care Out of Hours arrangements | -Removal of violent patients from GMS services |
| -Health and Safety | -Facilities and Support Services – Logistics |
| | -Site Leadership and Management |

Patterson, Liz
10/07/2024 12:29:36

Executive Medical Director – Full Year

- Clinical Leadership and Engagement
- Medicines Management
- Caldicott Guardian
- Clinical Audit
- Medical Legislation & National Policy
- Professional Medical & Dental Workforce Standards Education, Regulation and Revalidation
- Blood Safety & Quality
- Organ Donation
- Clinical Networks
- NICE compliance
- Library Services
- Individual Patient Commissioning
- Medical Royal College Standards Compliance
- Innovation and Service Improvement
- Admission to the performers list
- Human Tissue Issues
- Research and Development
- Resuscitation
- Mortality Review

Executive Director of Nursing – Full Year

- Professional leadership of Nursing and Midwifery, including standards, education, regulation, revalidation, and supervision of midwives
- Quality, Patient Experience & Satisfaction Raising Concerns and Putting Things Right
- Patient Safety Alerts
- Decontamination
- Funded nursing care and continuing health care strategy
- Safeguarding Adults and Children
- Nutrition & Hydration
- Deprivation of Liberty Safeguards
- Infection Prevention and Control
- Carers
- Children and Young People Services
- Volunteering

Executive Director of Finance, Information and IT – Full Year

- Statutory Financial duties including annual accounts
- Financial Planning
- Financial Management, monitoring and reporting
- Financial systems and controls
- Procurement
- Counter Fraud
- Charitable Funds accounting
- HCRW & CHC financial arrangements
- Delivery of IM&T strategy and services
- Provision of clinical and management information systems, ICT Infrastructure, and telephony
- Liaison with External Financial Auditors
- Asset Accounting
- Information Governance
- The following items from 03.05.2023 – 31.03.2024
- Primary Care Out of Hours arrangements
- Operationalisation of continuing health care
- Primary Care contractor performance management
- Primary Care Development, including Clusters
- Removal of violent patients from GMS services
- Operational Capital and Estates

- Business intelligence, data quality & clinical coding
- Enhanced Services
- Provision of Financial Services to Executive Directorates

Executive Director of Therapies and Health Science – Full Year

- Professional leadership of Therapies and Health Sciences
- Lead for Radiology, radiography, stroke and Neurological services
- Medical Devices
- Human Rights
- The following items from 01.04.2023 – 02.05.2023
- Equality and Diversity
- Welsh Language Provision
- The following items from 03.05.2023 – 31.03.2024
- Planning arrangements (only to 16.07.2024)
- Chief Clinical Informatics Officer
- Facilities and Support Services - Logistics
- Health and Safety
- Site Leadership and Management

Executive Director of Public Health - Full Year

- Health Improvement Strategy
- Health Needs Assessment
- Public Health Planning
- Public Health Monitoring & Surveillance
- Outbreak Control
- Civil Contingency, Emergency Planning and Business Continuity
- Provision of Public Health Advice
- Armed Forces and Veterans
- Prudent Health and care
- Well-being of Future generations Act
- Professional Leadership of Public Health workforce
- Executive Director of Public Health Annual Report

Executive Director of Workforce and Organisational Development – Full Year

- Employment and staff relations & engagement
- Workforce Planning
- Workforce Policies and Practices
- Employee Health and Well-being including Occupational Health Services
- Trade Union Partnership arrangements
- Workforce Information Management Systems
- Values and Standards of Behaviour Framework
- Raising concerns
- Disclosure and Barring Arrangements
- Tackling Violence and Aggression
- Employee Record Management
- Hosted Functions Lead
- The following items from 03.05.2023 – 31.03.2024
- Equality and Diversity
- Welsh Language provision
- Hosting arrangements HCRW
- Volunteering

Patterson
10/07/2024 12:29:36

Executive Director of Operations, Community Care and Mental Health

- Delivery of primary and community services
- Integration agenda
- Access of RTT targets, and oversight of ambulance service performance
- Oversight of Performance of Ambulance Service
- Delayed transfer of care
- Operationalisation of Medicines Management
- Operationalisation of Continuing Health Care
- Funded nursing Care

Director of Planning, Performance and Commissioning 17.07.2023 – 31.04.2024

- Commissioning, including performance management of commissioned services & relationship with WHSSC
- Cross-border healthcare
- Performance Management
- Professional leadership of performance management, commissioning, capital estates and service change
- Third Sector
- Planning arrangements

Director of Performance and Commissioning 01.04.2023 – 16.07.2023

- Commissioning, including performance management of commissioned services & relationship with WHSSC
- Cross-border healthcare
- Performance Management
- Professional leadership of performance management, commissioning, capital estates and service change
- The following items from 03.05.2023 – 31.03.2024
- Third Sector

Director of Corporate Governance – Full Year

- Risk and Assurance Framework
- Board and Committee arrangements
- Board Development
- Production of Annual Governance Statement and AGM
- Compliance with Standing Orders
- Legislation and Legal Services
- Use of Common Seal
- Registers of Interests and Gifts and Hospitality
- Policies Management
- Internal and External Audit Liaison
- Board Level lead for Communications and Engagement
- Public Inquiries
- Board level Lead for Health Board Charity
- The following items from 03.05.2023 – 31.03.2024
- Compliance with national guidance on service delivery change
- Continuous engagement with CVB on matters relating to service change

Patterson, Liz
10/07/2024 12:29:36

Associate Director of Capital Estates and Property (overseen by Chief Executive)

- Estates including environmental sustainability
- Development and delivery of the Capital Programme
- Climate Change and Decarbonisation
- Agile Working Transformation
- Operational Capital and Estates
- Senior Responsible Officer for the North Powys Programme
- Operational Capital and Estates

Staff and Staff Engagement

The Local Partnership Forum is a formal advisory group providing opportunity for two-way discussion and collaboration between staff and the Health Board management, ensuring action is considered and taken in response to feedback. Engagement with staff side has been key to ensuring collaboration on range of staffing and well-being initiatives.

A summary of activity includes:

- Director of Workforce and OD reports and workforce performance reports
- Organisational Development Framework
- The relaunch of the Staff Excellence Awards, which recognises and acknowledges the hard work and dedication of all categories of staff.
- Powys Engagement and Wellbeing Survey and NHS Survey
- All staff received an invitation for free Winter Respiratory Vaccinations at their place of work or local 'drop in' centre.
- The introduction of Wagestream, allowing Bank workers via the Health Roster to choose when to get paid for hours accrued; shaping their pay around their life.
- The Occupational Health system has gone 'live' supporting staff to stay well at work – physically and mentally.
- Dying to Work Forum – offering support to individuals who are terminally ill, and guidance to Managers and colleagues dealing with terminally ill individuals in a sensitive and appropriate manner.

Communication and Engagement

During 2023/24 the Health Board's engagement and communication team has supported the wider Health Board activities as we continue with recovery and renewal following the COVID-19 pandemic whilst also addressing the significant financial challenges facing the public sector.

Engagement and consultation activity has included:

- Planning and delivery of series of engagement events to support our "Better Together" approach for the future of safe and sustainable health and care services in Powys
- Initial work as part of the national stroke review for Wales

- Decision making and mitigation planning & delivery following engagement during 2022/23 following an application from Crickhowell Group Practice to close their branch surgery in Gilwern
- Support for the planning and delivery of three phases of national engagement by the Emergency Ambulance Services Committee on the future service model for the NHS Emergency Medical Retrieval and Transfer Services (EMRTS) in partnership with the Wales Air Ambulance Charity
- Partnership work with Public Services Board (PSB) and Regional Partnership Board (RPB) partners on a shared approach to coproduction in Powys.

Informal stakeholder engagement activity has been ongoing for a number of other projects and programmes. These include the redevelopment of Bro Ddyfi Community Hospital and the development of Knighton Hospital as an interim re-ablement facility to provide more care closer to home whilst the ward remains closed due to ongoing staffing and recruitment issues.

Key areas of communication focus have been the continued work to support Powys residents to access the right care in the right place at the right time. This has included a focus on Help Us Help You, promotion of NHS 111 Wales services, launch of NHS 111 Press 2 for access to mental health advice, and SilverCloud Wales which is hosted by PTHB on behalf of NHS Wales.

A major programme of activity was also undertaken to connect with communities in the celebration of the 75th anniversary of the NHS in July 2023.

With industrial action taking place during the year in both Wales and England, the team was also central to the Health Board response, providing public messaging to help people access the right service at the right time.

Internally, we have continued to develop our SharePoint intranet site which was launched in 2022/23. We also relaunched our Staff Excellence Awards.

Given rising levels of acute respiratory infections during the autumn, alongside growing financial pressures, the decision was taken to change from a face-to-face event for all our finalists and instead hold a series of virtual events supported by in-person visits by Board members to our winners.

Key priorities for 2024/25 include continued engagement and communication for our Better Together programme as well as right-sizing the team to best reflect the organisation's future needs.

INFORMATION GOVERNANCE

Information Governance (IG) is the way in which the Health Board manages all information personal, and sensitive information relating to our patients, services users and employees. IG sets out the requirements and standards that the Health Board must achieve to ensure it fulfils its obligations to handle information securely, efficiently, and effectively in line with legislation.

Information Governance is robustly managed within the Health Board by:

- The information governance team whose role it is to support and drive the board agenda and provide the Health Board with the assurance that effective information governance best practice mechanisms are in place.
- a Caldicott Guardian whose role it is to safeguard patient information.
- a Senior Information Risk Owner (SIRO) whose role it is to manage information risk.
- a Data Protection Officer whose role it is to ensure the Health Board is compliant with data protection legislation.
- a Chief Clinical Information Officer whose role it is to ensure strategic alignment between clinical requirements and IT systems.
- Information Governance leads within each service delivery group and corporate department whose role it is to champion data protection within their service areas.
- Digital Governance Board - a group of digital experts who review and approve the procurement of any local new or existing digital solution to ensure compliance with relevant legislation and standards (UK GDPR and NIS Regulations) thus avoiding PTHB being put at un-necessary risk, such as from a Cyber Attack, loss of data, incident/breach of patient's data, fine from the information Commissioner's Officer (ICO) or National Cyber Security Centre.

We have responsibilities in relation to freedom of information, data protection, subject access requests and the appropriate processing and sharing of personal identifiable information. Assurances that the Health Board has compliant IG practices are evidenced by:

- Quarterly reports to Delivery and Performance Committee, including key performance indicators.
- A detailed operational IG work plan.
- A suite of IG and information security policies, procedures, and guidance documents.
- IG Intranet pages for the Health Board's employees with guidance and awareness.
- A comprehensive Training Needs Analysis for all staff, including proactive targeting of any staff non-compliant with their IG training.
- A robust management of all reported Personal Data breaches, including proactive reporting to the ICO.
- Regular monitoring of the Health Board's systems for inappropriate accesses to patients' personal data through the National Intelligent Integrated Audit Solution (NIIAS) platform.
- An Information Asset Register (IAR) used to manage information across the Health Board.

As of 31 March 2024, the Health Board achieved a rate of 88.74% for the mandatory IG training which is a slight decrease compared with the previous year.

We continue to reinforce awareness of key principles of Data Protection legislation through the following:

- assuring new and existing systems via Digital Governance Board
- Collaborating with services to identify and develop information sharing agreements,
- Investigating IG related incidents
- Providing tailored training sessions.
- Issuing IG alerts
- Updating the internal and external webpages
- Providing advice as part of digital transformation
- Better presence in meetings/groups
- Close working relationships with colleagues throughout Wales and across the border through national groups.

The Health Board continues to be proactive in using the NHS Wales Information Governance management support framework to ensure consistency of policy, standards and interpretation of the law and regulation across NHS Wales's organisations.

Personal Data incidents

A personal data incident is a breach of security leading to the accidental or unlawful destruction, loss, alteration, un-authorized disclosure of, or access to personal data. In line with General Data Protection Regulation (GDPR) requirements, all personal data incidents must be reviewed daily, and any incidents deemed significant must be formally reported to the ICO within 72 hours, no personal data incidents were reported to the ICO. Figures on the number of IG related breaches are reported to our Delivery and Performance Committee.

Two IG related complaints were received into how their subject access requests were handled. Following a response, no further action was requested.

Breach reporting - During 2023/24, there were 144 information governance related incidents recorded by staff on the Health Board's DATIX Incident Reporting System: an increase of 19 from the previous year. These incidents are of varying level of concern such as mis-directed emails, records management, physical security related incidents but none were reported as major incidents and reported to the ICO.

FREEDOM OF INFORMATION ACT

The Freedom of Information Act 2000 (FOIA) gives the public right of access to a variety of records and information held by public bodies and provides commitment to greater openness and transparency in the public sector. During the period 1 April 2023 to 31 March 2024 the Health Board received a total of 486 requests for information, with 423 of these answered within the 20-day timeframe. Five requests for internal review were received and responded to with no further action being taken by the requestor. As a Health Board we are

committed to complying with the FOIA by making information readily available via our Publication Scheme which can be found on the Health Board's [website](#):

REQUESTS FOR PERSONAL INFORMATION

UK GDPR and Access to Health Records Act (AHRA) give individuals, family members and third parties the right to access their own or someone else's personal data. This is commonly referred to as a Subject Access Request (SAR), and the organisation has a statutory timeframe in which to respond. During the period 1 April 2023 to 31 March 2024, the Health Board responded to 445 SARs, with 413 of those responded to within the statutory timeframe.

WELSH INFORMATION GOVERNANCE (IG) TOOLKIT

The Health Board is required to undertake the NHS Wales Information Governance Toolkit for Health Boards and Trusts and all NHS Wales organisations must complete this to provide assurance that they are practising good data security, and that personal information is handled correctly. The Toolkit submission deadline for this reporting period was achieved. An information governance workplan is in place which the team will continue to work to during 2024/25.

INFORMATION (DATA) SECURITY

The Health Board's Digital Governance Board (DGB) is a group of digital and clinical experts that approve the procurement of any local new or existing digital solution to ensure complies with relevant legislation and standards (UK GDPR and NIS Regulations) thus reducing the threat of PTHB being put at unnecessary risk, such as from a Cyber-attack, loss of data, incident/breach of patient's data, financial penalty from the ICO or NCSU. The Board meet fortnightly and report into the Digital Transformation Board.

Over the last 12 months, the team has seen a positive increase in the number of services voluntarily contacting the IG department for support with updating existing, or drafting new, information sharing agreements to support patient care with our external partners. The team has worked closely with services to review existing agreements to ensure we meet our legislated obligations.

DATA PROTECTION OFFICER (DPO)

This role is responsible for ensuring that the application of data protection and confidentiality legislation is consistently observed, and any weaknesses in current practices are identified and remedied where possible. Since 2018, the DPO has provided data protection advice across the Health Board. Common themes include clarity around internal and cross-organisational information sharing and assessing privacy risks. Updates and issues are discussed with the Health Board's Medical Director/Caldicott Guardian and Senior Information Risk Owner (SIRO).

The Executive Committee and the Delivery and Performance Committee monitors and seeks assurance against our information governance performance.

PLANNING ARRANGEMENTS

The organisation's planning arrangements in 2023/2024 form a key part of the Performance Report section of the Annual Report. Further detail can be found throughout the Performance Report.

DISCLOSURE STATEMENTS

Equality, Diversity, and Inclusion

The organisation's approach to Equality, Diversity, and Inclusion in 2023/2024 forms a key part of the organisations work. The Equalities, Diversity and Inclusion Annual Report 2023/2024 will be considered for approval at Board in July 2024 and then published to the Health Board's website where the 2022/2023 Report can be found - [Equality - Powys Teaching Health Board \(nhs.wales\)](https://www.nhs.uk/health-board/equality-diversity-and-inclusion-annual-report-2023-2024).

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. Note 9.7 to the Annual Accounts provides details of the scheme, how it operates and the entitlement of employees.

Carbon Reduction Delivery Plans

As referenced on page 45 the Health Board has a Decarbonisation Action Plan which sets out how the Health Board will deliver against national commitments and our locally let priorities.

The organisation has undertaken risk assessments and is planning to ensure that the organisation's obligations under the Climate Change Act and Adaptation Reporting requirements are complied with. During 2022/23, the organisation is compliant with its requirements.

Data Security

A summary in relation to personal data incidents which required formal reporting to the Information Commissioner's Office (ICO) is provided on page 115 of this report. No personal data incidents were reported.

Patterson
10/09/2024 12:09:36

Quality of Data used by the Board

The Health Board continually reviews the quality of data that it is using within the organisation including for decision making and assurance at Board level. Each of the separate data quality strands within the organisation are reviewed frequently that span across the main domains including finance, operational, workforce, quality, and safety data. However, it is a continuous process spanning an array of data systems and datasets including new systems being implemented. The Performance Report includes a Statement on Data Quality on page 21.

MINISTERIAL DIRECTIONS AND WELSH HEALTH CIRCULARS

Welsh Government has issued a number of Ministerial Directions in 2023/24. A record of the Ministerial Directions given is available via the following link: <https://gov.wales/health-social-care>. A record of the Welsh Health Circulars given is available via the following link: [Health circulars | GOV.WALES](#)

Receipt of Welsh Health Circulars are logged, and a lead Executive Director identified to oversee the implementation of the required action or to develop the required response. The Audit, Risk and Assurance Committee received quarterly update reports on the implementation status of Welsh Health Circulars in 2023/24. From this work it was evidenced that the Health Board was not impeded by any significant issues in implementing the actions required. This work is overseen by the Director of Corporate Governance / Board Secretary.

Appendices 3a/3b (page 133) provide an overview of Ministerial Directions and Welsh Health Circulars received during 2023/2024 and their implementation status as of March 2024.

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 and General Ophthalmic Services has carried out its work under the terms of the service level agreement (SLA), and in accordance with NHS Wales agreed protocols. The Work of the PPV Team is reported to the Board's Audit, Risk and Assurance Committee with papers available on the Health Board's [website](#).

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 Board receives assurance on the effectiveness of the system of internal control from a number of internal and external sources, these include:

- Delivery of Internal and External Annual Audit Plans;
- Audit Wales Structured Assessment;
- Audit Recommendation Tracking;
- Local Counter Fraud and Post Payment Verification Activity;
- Independent inspections and regulation provided by Health Inspectorate Wales;
- Engagement with Commissioners;
- Engagement with staff, patients, and other key stakeholders;
- Welsh Government review and advisement; and
- the Committees of the Board, in particular the Audit, Risk and Assurance Committee.

Internal Audit

Internal Audit provide me as Accountable Officer and the Board through the Audit, Risk and Assurance 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, Risk and Assurance Committee and is focussed on significant risk areas and local improvement priorities.


The Head of Internal Audit Annual Opinion provides assurance on governance, risk management and the system of internal control and is based on the risk-based audit programme. The opinion contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement. A summary of the Head of Internal Opinion 2023/2024 is provided below.

Head of Internal Audit Opinion for 2023/2024

The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the opinion, the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

The Head of Internal Audit Opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control for 2023/2024 is set out below:

Patterson, Liz
10/07/2024 12:29:36

Reasonable assurance		The Board can take Reasonable Assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.
-----------------------------	---	--

The internal audit plan is agile and responsive to ensure that key developing risks to the Health Board are covered. As a result of this approach, and with the support of officers and independent members across the Health Board, the plan has been delivered substantially in accordance with the agreed schedule and changes required during the year, as approved by the Audit, Risk and Assurance Committee (ARAC). In addition, regular audit progress reports have been submitted to ARAC. Although changes have been made to the plan during the year, we can confirm that we have undertaken sufficient audit work during the year to be able to give an overall opinion in line with the requirements of the Public Sector Internal Audit Standards.

The Internal Audit Plan for the 2023/2024 year was presented to ARAC in March 2023. Changes to the plan have been made during the course of the year and these changes have been reported to ARAC as part of our regular progress reporting.

Overall, the Head of Internal Audit was able to provide assurances to the Board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the areas as set out below:

Substantial Assurance	Reasonable Assurance
<ul style="list-style-type: none"> • Business Continuity Planning • Board & Committee Structure / Effectiveness • Primary Care Dental Services – Management and Monitoring of GDS Contract 	<ul style="list-style-type: none"> • SLAs for In Reach Medical Staff (From 2022/23 Plan) • Clinical Audit • Clinical Education - HCSW Induction Programme • Health & Safety Arrangements • Incident Management • Follow-up: IT Infrastructure and Asset Management • Follow up: Cyber Security • Infection Prevention and Control • Winter Respiratory Vaccination Programme • Agency Spend Reduction Group • Welsh Language Standards Follow-up

Patterson, Liz
10/07/2024 12:29:36

- Continuing Healthcare
- Decarbonisation
- Patient Experience
- Risk Management & Assurance
- End of Life Care Services (Draft)

Limited Assurance	Advisory and Non-opinion
<ul style="list-style-type: none"> • Information Governance • Estates Assurance – Estates Condition 	N/A

Limited Assurance Rated Reviews

Two Limited assurance rated reviews had been received during 2023/2024. The reports were in respect of:

- Information Governance
- Estates Assurance – Estates Condition

All Limited Assurance Rated Reviews are reported to Welsh Government on a quarterly basis in addition to our own internal reporting and monitoring arrangements.

Counter Fraud

In line with the Government Functional Standard 013 Counter Fraud NHS Requirements the Local Counter Fraud Specialist (LCFS) and Executive Director of Finance agreed a work plan for 2023/24 at the beginning of the financial year. This was approved by the Audit, Risk and Assurance Committee in May 2023.

Following introduction of new Government Functional Standards on Counter Fraud, which replaced NHS Counter Fraud Authority’s (NHS CFA) ‘NHS Counter Fraud Standards (Wales)’ from 2021/22, the Health Board’s Counter Fraud Work Plans have been aimed at ensuring compliance for the first enforcement year of the new standards in 2023/24.

There were two Standards Components that were Amber rated at the start of 2023/24:

Component 1B - Accountable individual - rated Amber

This Standard was rated Amber due to the Health Board only recently nominating a Fraud Champion to the role. The Health Board’s Director of Corporate Governance / Board Secretary was identified as the most suitable Senior Officer to meet the requirements of the Fraud Champion role and a nomination was subsequently completed. This component is now rated as Green.

Component 3 - Fraud bribery and corruption risk assessment - rated Amber

This Component was rated as Amber due to the requirements for maturity of this area of work to enable demonstration of continuous monitoring of fraud risk at a senior level, evidence of subsequent risk mitigation and that review of resources has been undertaken to ensure levels are suitable for this purpose.

Work Plan actions were included in the 2023/24 workplan to address this and aimed to uplift to Green rating. Due to loss of significant resource in year due to long term sickness within the Counter Fraud Team slippage in delivery of this objective has occurred with the net effect of arriving at commencement of 2024/25 with Component 3 still rated as Amber. This Work Plan focusses resource into this area to recover and to drive towards Green rating by end of 2024/25.

The Health Board contracts Swansea Bay UHB via Service Level Agreement for the provision of Counter Fraud Resource. This results in 1.2 FTE of accredited counter fraud specialist resource supplemented by 0.2 FTE admin support which translate to 308 days deliverable for counter fraud activity. This SLA arrangement remains in place for 2024/25.

Audit Wales Structured Assessment

The Auditor General for Wales is the Health Board's statutory external auditor, and the Wales Audit Office undertakes audits on his behalf. The Structured Assessment enables the Auditor General to be satisfied proper arrangements have been made to secure economy, efficiency, and effectiveness in the use of resources.

The 2023 Structured Assessment took place whilst NHS bodies were continuing to respond to challenges presented by the COVID-19 pandemic. The key focus of work was on the Health Board's corporate arrangements with a specific focus on governance, strategic planning and financial planning arrangements. Some relevant extracts from the report are below:

Overall, we found that the Health Board has generally effective arrangements to ensure good governance which have strengthened since our last review. However, opportunities exist to improve these arrangements further with a particular focus needed on public access to policies, increasing a focus on primary care, hearing from patients and developing the Board Assurance Framework.

We found that the Board and Committees generally operate well, there is commitment to improved cohesiveness and transparency but public access to some key documents continues to need improvement. Board and committee papers are generally good quality, with increasing use of data and graphics but oversight of primary care needs strengthening and more could be done to get a broader spectrum of patient experience.

We found that the Board remains committed to conducting its business openly and transparently, with opportunities to enhance arrangements further.

Much work has been done internally on the development of the Board. Board Development sessions have encouraged self-reflection to understand, amongst other things, learning from governance challenges in other Health Boards and approaches which support integrated team working.

We found that the Board is committed to hearing from patients and staff, but more could be done to get a broader spectrum of feedback.

We found that while the Health Board's corporate planning arrangements are good, it has been unable to produce an approvable IMTP. We found that the Health Board continues to have robust performance management arrangements and the updated Integrated Performance Report allows for easy identification of challenges and progress.

The Health Board has strengthened its approach to developing its plans. The 10-year strategy continues to be in place which has been used to set the framework for the three-year plan. Progress has been made to increase the involvement of Independent Members in the production of plans and strategies, with good use of Board development sessions. However, despite these arrangements, the Health Board has been unable to produce an approvable IMTP for 2023-26. Instead, it has an Integrated Plan for 2023-26 and is working to an Annual Delivery Plan for 2023-24 approved by Welsh Government.

We found that although the Health Board has robust arrangements in place for managing and monitoring its finances, its financial position is increasingly challenging.

Audit Wales made ten recommendations based on the 2022 work in relation to improving strategic planning arrangements, further enhancing systems of assurance, improving Board and committee effectiveness, and recruiting to key positions. All these actions have either been completed or are well progressed. In 2023-24, seven recommendations were made to and accepted by the Health Board.

The Structured Assessment and Management Response was reported to the Audit, Risk and Assurance Committee on 11 March 2024 and then to the Board on the 20 March 2024 and can be found on the Health Board's website: pthb.nhs.wales/about-us/the-board/board-meetings/2024/20-march-2024/12/ on pages 45-75.

MODERN SLAVERY ACT 2015: TRANSPARENCY IN SUPPLY CHAINS

The Welsh Government's Code of Practice: Ethical Employment in Supply Chains was published in May 2017 to highlight the need, at every stage of the

supply chain, to ensure good employment practices exist for all employees, both in the UK and overseas. It is expected that all NHS Wales organisations will sign up for the Code.

The Health Board fully endorses the principles and requirements of the Code and the Modern Slavery Act 2015 and is committed to playing its role as a major public sector employer, to eradicate unlawful and unethical employment practices, such as:

Modern Slavery and Human rights abuses;

- the operation of blacklist/prohibited lists;
- false self-employment;
- unfair use of umbrella schemes and zero hours' contracts; and
- paying the Living Wage.

The following actions are already in place which meet the Code's commitments:

- We follow the All-Wales procedure for staff to raise concerns (Whistleblowing), which provides the workforce with a fair and transparent process, to empower and enable them to raise suspicions of any form of malpractice by either our staff or suppliers/contractors working on University Health Board premises;
- We have a target in place to pay our suppliers within 30 days of receipt of a valid invoice;
- We comply with the six NHS pre-employment check requirements to verify that applicants meet the preconditions of the role they are applying for. This includes a right to work check;
- We do not engage or employ staff on zero hours' contracts;
- We have an Equality, Diversity and Human Rights Policy in place which ensures that no potential applicant, employee, or worker engaged is in any way unduly disadvantaged in terms of pay, employment rights, employment, or career opportunities;
- We also seek assurances from suppliers, via the tender process, that they do not make use of blacklists/prohibited lists. We also require confirmation and assurances that they do not make use of blacklist/prohibited list information;
- In accordance with Transfer of Undertaking (Protection of Employment) Regulations any Health Board staff member who may be required to transfer to a third party will retain their NHS Terms and Conditions of Service;
- We use the Modern Slavery Act (2015) compliance tracker by way of contracts procured by NHS Wales Shared Services Partnership (NWSSP) on behalf of the Health Board. NWSSP is equally committed to ensuring that procurement activity conducted on behalf of NHS Wales is undertaken in an ethical way. On our behalf, they ensure that workers within the supply chains through which they source our goods and services are treated fairly, in line with Welsh Government's Code of Practice for Ethical Employment in Supply Chains. Further detail on this area of work is available at:

Patterson, Liz
10/07/2024 12:29:12

[Ethical Employment & TISC Reports \(Transparency in Supply Chains\) - NHS Wales Shared Services Partnership](#)

The Health Board continues to work in partnership with relevant stakeholders and trade union partners to develop and implement actions which set out our commitment to ensure the principles of ethical employment within our supply chains are implemented and adhered to.

Patterson, Liz
10/07/2024 12:29:36

Conclusion

As Accountable Officer for Powys Teaching Health Board, based on the assurance process outlined above, I have reviewed the relevant evidence and assurances in respect of internal control. I can confirm that the Board, including its Executive Directors are alert to their accountabilities in respect of internal control and the Board has had in place, during the year, a system of providing assurance aligned to corporate objectives to assist with identification and management of risk. As a result of a number of complex pressures including demand for our services, system pressures, cost of living and inflation as well as national and international economic and other pressures, Powys Teaching Health Board has been moved to 'Enhanced Monitoring' as part of NHS Wales Escalation and Intervention arrangements during 2023/2024 for planning and finance.

During 2023/2024, we proactively identified areas requiring improvement and requested that Internal Audit undertake detailed assessments in order to manage and mitigate associated risks. Further work will be undertaken in 2024/25 to ensure implementation of recommendations arising from audit reviews, particularly where a limited assurance rating is applied. Work will continue in 2024/2025 to continue to embed risk management and the assurance framework at a corporate level. Implementation of the Board's Annual Governance Programme will see a further strengthening of the Board's effectiveness and the system of internal control in 2024/2025.

This Annual Governance Statement confirms that Powys Teaching Health Board has continued to mature as an organisation and, whilst there are areas for strengthening, no significant internal control or governance issues have been identified. The Board, including the Executive Team, has had in place a sound and effective system of internal control that provides regular assurance aligned to the organisation's strategic objectives and strategic risks. Together with the Board and Director of Corporate Governance / Board Secretary, 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 are designed to meet patient needs and expectations.

SIGNED BY:

DATE:

HAYLEY THOMAS
[INTERIM CHIEF EXECUTIVE]

Patterson, Liz
10/07/2024 12:29:36

Appendix 1: Board and Board Committee Membership - and Attendance at Board (2023-24)

Name	Position and Area of Expertise	Board and Board Committee Membership	Attendance 2023-24	Board Champion Role
Carl Cooper	Chair	Chair of the Board	11/11	
		Chair of the Charitable Funds Committee	5/5	
		Chair of the Remuneration and Terms of Service Committee	8/8	
Kirsty Williams	Vice Chair	Vice Chair of the Board	11/11	Infection Prevention and Control Armed Forces and Veterans Mental Health Children and Young People
		Chair of the Patient Experience, Quality and Safety Committee	4/4	
		Vice Chair of the Remuneration and Terms of Service Committee	7/8	
		Member of the Delivery and Performance Committee	5/6	
		Member of the Planning, Partnerships and Population Health Committee	3/3	
		Audit, Risk and Assurance Committee (attended to ensure a quorum)	3/3	
Ian Phillips	Independent Member [Information Technology]	Member of the Board	10/11	Digital & Data
		Member of the Patient Experience, Quality and Safety	3/4	
		Chair of the Workforce and Culture Committee	3/4	
		Vice Chair of the Planning, Partnerships and Population Health Committee	2/3	
		Remuneration and Terms of Service Committee	7/8	
Jennifer Owen Adams	Independent Member [Third Sector]	Member of the Board	7/11	
		Vice Chair of the Patient Experience, Quality and Safety Committee	4/4	
		Member of the Workforce and Culture Committee	4/4	

	(From 30 August 2022)	Member of the Planning, Partnerships and Population Health Committee	3/3	
Chris Walsh	Independent Member [Local Authority]	Member of the Board	6/11	
		Member of Workforce and Culture Committee	4/4	
		Member of Audit, Risk and Assurance Committee	3/4	
Rhobert Lewis	Independent Member [General]	Member of the Board	9/11	
		Vice Chair of the Charitable Funds Committee	5/5	
		Member of the Remuneration and Terms of Service (from 10 November 2023)	5/5	
		Chair of the Audit, Risk and Assurance Committee (from 24 October 2024 although covered from August 2023)	4/5	
		Chair of the Planning, Partnerships and Population Health Committee	2/3	
		Vice Chair of the Delivery and Performance Committee	6/6	
Tony Thomas	Independent Member [Finance] (To 31 May 2023)	Member of the Board	0/1	
		Vice Chair of the Audit, Risk and Assurance Committee	0/1	
		Vice Chair of the Delivery and Performance Committee	1/1	
Mark Taylor	Independent Member [Capital and Estates] (To 23 October 2023)	Member of the Board	2/3	
		Chair of the Audit, Risk and Assurance Committee	1/3	
		Member of the Remuneration and Terms of Service Committee	2/3	
		Member of the Patient Experience, Quality and Safety Committee	2/2	
		Chair of the Delivery and Performance Committee	2/4	
		Member of the Board	7/11	

Patterson, Liz
10/07/2024 12:29:36

Simon Wright	Independent Member [University]	Member of the Patient Experience, Quality and Safety Committee	4/4	
		Audit, Risk and Assurance Committee (attended to ensure a quorum)	1/	
Ronnie Alexander	Independent Member [General]	Member of the Board	8/11	
		Member of the Audit, Risk and Assurance Committee	1/5	
		Chair of the Delivery and Performance Committee	5/6	
		Member of Planning, Partnerships and Population Health Committee	2/3	
Cathie Poynton	Independent Member [Trade Union]	Member of the Board	9/11	
		Member of the Workforce and Culture Committee	4/4	
		Member of the Charitable Funds Committee	5/5	
		Member of the Delivery and Performance Committee	6/6	
Mick Giannasi	Independent Member	Member of the Board	1/1	
		Member of the Delivery and Performance Committee	1/1	
Hayley Thomas	Director of Strategy, Primary Care and Partnerships to 02.05.2023 Interim Chief Executive 03.05.2023 -to 25.02.3034 Chief Executive from 26.02.2024	Board	11/11	
Pete Hopgood	Director of Finance, IT, and Information Services	Board	11/11	
Kate Wright	Medical Director	Board	9/11	Caldicott
Claire Roche	Director of Nursing and Midwifery	Board	9/11	Children and Young People Putting Things Right

Claire Madsen	Director of Therapies and Health Sciences	Board	11/11	
Stephen Powell (from 17.07.2023)	Interim Director of Planning and Performance	▪ Board	7/8	
Mererid Bowley	Director of Public Health	▪ Board	11/11	Emergency Planning
Debra Wood-Lawson	Director of Workforce and Organisational Development	▪ Board	10/11	Raising Concerns Equality
Helen Bushell	Director of Corporate Governance / Board Secretary	▪ Board	10/11	Counter Fraud

Patterson, Liz
10/07/2024 12:29:36

Appendix 2: Table of Quoracy

Board/Committee	Dates:						Quorate
Board	24 May 2023	25 July 2023	27 September 2023	29 November 2023	31 January 2024	20 March 2024	Yes
Board In-Committee	18 May 2023	26 June 2023	11 August 2023	12 December 2023	11 January 2024		Yes
Audit, Risk and Assurance Committee	16 May 2023	21 July 2023	10 October 2023	16 January 2024	11 March 2024		Yes*
Charitable Funds	05 June 2023	18 September 2023	07 December 2023	04 March 2024			Yes
Charitable Funds In-Committee	17 January 2024						Yes
Delivery and Performance Committee	02 May 2023	27 June 2023	31 August 2023	17 October 2023	19 December 2023	29 February 2024	Yes

Patient Experience, Quality and Safety Committee	25 April 2023	04 July 2023	24 October 2024	23 January 2024						Yes
Planning, Partnerships and Population Health Committee	11 May 2023	16 November 2023	20 February 2024							Yes
Remuneration and Terms of Service	27 April 2023	26 June 2023	24 August 2023	13 November 2023	14 December 2023	11 January 2024	26 February 2024	18 March 2024		Yes
Workforce and Culture Committee	16 May 2023	11 July 2023	14 December 2023	05 March 2024						Yes
Joint Workforce and Culture Committee	24 October 2023									Yes

- Cathie Poynton attended Audit, Risk and Assurance Committee on 16 May 2023 and 21 July 2023 to ensure a quorum.
- Kirsty Williams attended Audit, Risk and Assurance Committee on 21 July 2023, 10 October 2023, 16 January 2024 and 11 March 2024 to ensure a quorum.
- Simon Wright attended Audit, Risk and Assurance Committee on 10 October 2023 to ensure a quorum.

Patterson, Liz
10/07/2024 12:29:36

Appendix 3a: Welsh Health Circulars 2023/2024 (April 23 – March 24)

Welsh Health Circular	Date/Year of Adoption	Action to Demonstrate Implementation/Response	Status
2023/012 2023/24 LHB, SHA & Trust Monthly Financial Monitoring Return Guidance 2023/24	April 2023	WHC actioned and implemented	Complete
2023/013 Health and Care Quality Standards 2023 (replacing Health and Care Standards 2015 - WHC 2015/015)	May 2023	WHC actioned and implemented	Complete
2023/017 NHS Wales Executive National Policy on Patient Safety Incident Reporting and Management	May 2023	WHC actioned and implemented	Complete
2023/028 Value Based Health Care Programme - Data Requirements	August 2023	WHC actioned and implemented	Complete
2023/011 NICE Guidance on Self-Harm: assessment, management and preventing recurrence	April 2023	WHC actioned and implemented	Complete
2023/015	May 2023	WHC actioned and implemented	Complete

Patterson, Liz
10/07/2024 12:29:36

COVID-19 Vaccination Observation Periods/Vaccination following recovery from COVID-19

2023/019 June 2023 WHC actioned and implemented Complete

GMC and NICE Guidance on information disclosure for the protection of patients and others.

2023/025 July 2023 WHC actioned and implemented Complete

Guideline for managing patients on the suspected cancer pathway

2023/028 August 2023 WHC actioned and implemented Complete

Value Based Health Care Programme - Data Requirements

2023/032 N/A WHC actioned and implemented Complete

Amendments to Model Standing Orders and Model Standing Financial Instructions –NHS Wales

2023/003 April 2023 Implementation not yet due as guideline due to be reviewed 1 May 2025. Not Yet due

Guideline for the Investigation of Moderate or Severe early developmental impairment or intellectual disability (EDI/ID)

2023/018 June 2023 WHC actioned and implemented Complete

Patterson, Liz
10/07/2024 12:29:36

Introduction of HL7 FHIR as a foundational standard in all NHS Wales Bodies	2023/023	June 2023	WHC actioned and implemented	Complete
The National Influenza Vaccination Programme 2023-24	2023/022	June 2023	WHC actioned and implemented	Complete
Armed Forces Covenant – Healthcare Priority / Special Consideration for Veterans / Ex Armed Forces Personnel	2023/024	June 2023	WHC actioned and implemented	Complete
Change of Vaccine and cohort expansion for Shingles Vaccination Programme	2023/010	N/A	WHC actioned and implemented	Complete
Certification of Vision Impairment in Primary and Community Care	2023/026	July 2023	WHC actioned and implemented	Complete
NHS Research and Development Framework	2023/021	August 2023	Action in progress	In progress
Consent to Examination or Treatment - update	2023/030	August 2023	Action in progress	In progress
New 2023 National Safety Standards for Invasive Procedures				

Prison.Liz
17/07/2024 12:29:36

(NatSSIPS2) by the Centre for Perioperative Care (CPOC) and Patient

Safety Notice PSN 034

2023/029

August 2023

WHC actioned and implemented

Complete

Winter Respiratory Vaccination Programme: Autumn and Winter 2023 to

2024

2023/031

August 2023

Implementation not due until March 2024

Not Yet Due

AMR & HCAI IMPROVEMENT GOALS FOR 2023-24

2023/033

September 2023

WHC actioned and implemented

Complete

Vaccine Products to be used in the Autumn 2023 COVID-19

Vaccination programme

2023/036

September 2023

WHC actioned and implemented

Complete

Speaking up Safely Framework - NHS Wales

Patterson, Liz
10/07/2024 12:29:36

2023/034 NHS Welsh Sustainability Awards	September 2023	WHC actioned and implemented	Complete
2023/037 Patient Testing Framework for Autumn / Winter 23	September 2023	WHC actioned and implemented	Complete
2023/035 UPDATE OF GUIDANCE ON CLEARANCE AND MANAGEMENT OF HEALTHCARE WORKERS LIVING WITH A BLOODBORNE VIRUS (BBV) AND A REMINDER OF HEALTH CLEARANCE FOR TUBERCULOSIS.	October 2023	WHC actioned and implemented	Complete
2023/040 The NHS Wales: Newborn and Infant Physical Examination Cymru (NIPEC)	November 2023	10/11/23 shared with GP practices. Currently waiting for further guidance on go live date of the NIPEC new examination process. To support the changes, training being offered to practices in Spring 2024	In progress
2023/039 Independent Authorisation of Blood Component Transfusion (IABT)	November 2023	Action in progress	In progress

Patterson, Liz
10/07/2024 12:29:36

2023/038 Healthy Start eLearning course	November 2023	WHC actioned and implemented	Complete
2023/044 Influenza (flu) Vaccination Programme deployment 'mop up' 2023- 2024	December 2023	WHC actioned and implemented	Complete
2023/046 All-Wales Control Framework for Flexible Workforce Capacity	December 2023	WHC actioned and implemented	Complete
2023/043 Vaccination of Healthcare Staff to Protect Against Measles	December 2023	WHC actioned and implemented	Complete
2023/047 Influenza Vaccines and Eligible Cohorts for the 2024/25 season.	December 2023	WHC actioned and implemented	Complete
2024/001 Changes to the way individuals who are at highest risk from Covid-19 access lateral flow tests and Covid-19 treatments.	January 2024	WHC actioned and implemented	Complete

Patterson, Liz
10/07/2024 12:29:36

Appendix 3b: Ministerial Directions 2023-24

Ministerial Directions (MDs)	Date/Year of Adoption	Action to demonstrate implementation/response	Status
WG23-40MD3 Ministerial Direction 3 Financial Entitlements Amendments	August 2023	Completed as per the date of issue	Complete
WG23-14 MD2 Ministerial Direction 2 Financial Entitlements Amendments	March 2023	Completed as per the date of issue	Complete
23-26 MD2 Primary Medical Services (Influenza and Pneumococcal Immunisation Scheme) (Directed Enhanced Service) Wales) (No. 2) (Amendment) Directions 2023.	July 2023	Completed as per the date of issue	Complete
23-27 MD1 The Nursery Milk Scheme (Wales) (Amendment) Directions 2023	July 2023	Completed as per the date of issue	Complete
23-42 MD1 The Primary Care (Contracted Services: Immunisations) (Amendment) Directions 2023	August 2023	Completed as per the date of issue	Complete
WG23-47 The National Health Service (Wales Eye Care Services) (Wales) Directions 2023.	October 2023	Completed as per the date of issue	Complete

WG24-01 Wales Eye Care Services (Administrative List) (Wales) Directions 2024	January 2024	February 2024 - PTHB is working with NWSSP who will produce the administrative list. This is progressing nationally and will be established for all Health Boards simultaneously.	In progress
WG24-02 The National Health Service (Wales Eye Care Services) (Wales) Directions 2024	January 2024	February 2024 - enhanced optometry services (WGOS3 and WGOS5 IPOS Urgent) have been established, arranging and accredited practitioner lists are held by NWSSP. WGOS4 is yet to be established nationally and will require the same process once launched.	In progress
WG24-04 THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2024	February 2024	Completed as per the date of issue	Complete
WG24-06 NATIONAL HEALTH SERVICE, WALES The National Health Service Joint	February 2024	Completed as per the date of issue	Complete

Commissioning Committee (Wales) Directions 2024			
--	--	--	--

There was one Ministerial Direction issued in December 2019, to address the operational challenges arising as a consequence of pension tax arrangements. Further detail in this regard is included in provisions within the 2023/24 Financial Statements (Note 20).

Patterson, Liz
10/07/2024 12:29:36

PART B: REMUNERATION AND STAFF REPORT

This report contains information about the remuneration of senior management, fair pay ratios, sickness absence rates etc and has been compiled by the Directorate of Finance, Information & IT and the Workforce and Organisational Development Directorate

Patterson Liz
10/07/2024 12:29:36

Background

The remuneration and staff report sets out the organisation's remuneration policy for Executive Directors and senior managers, reports on how that policy has been implemented and sets out the amounts awarded to Executive Directors and senior managers and where relevant the link between performance and remuneration. The Treasury's Government Financial Reporting Manual (FRM) requires that a Remuneration Report shall be prepared under the headings in SI2008 No 410 to the extent that they are relevant. The definition of "Senior Managers" for these purposes 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 Executive Directorates or departments."

This section of the Accountability Report meets these requirements.

The Remuneration and 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 Committee also seeks assurance in relation the annual performance of the Chief Executive and individual Executive Directors (the latter with the advice of the Chief Executive).

In 2023/2024, the Remuneration and Terms of Services Committee was chaired by the Health Board's Chair, Carl Cooper, and the membership included the following Independent Members:

- Kirsty Williams, Vice Chair of the Board
- Tony Thomas, Independent Member (Finance) to 31/05/2023
- Mark Taylor, Independent Member (Capital and Estates) to 23/10/2023
- Ian Phillips, Independent Member (ICT)
- Rhobert Lewis, Independent Member (General) from 10/11/2023

Meetings are minuted and decisions fully recorded.

The meeting is attended by the Chief Executive, Director of Workforce and Organisational Development and Director of Corporate Governance / Board Secretary with appropriate corporate governance support.

Independent Members' Remuneration

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

Executive Directors' and Independent Members' Remuneration

Details of Directors' and Independent Members' remuneration for the 2023- 24 financial year, together with comparators are given in Tables below. The norm

is for Executive Directors and Senior Managers salaries to be uplifted in accordance with the Welsh Government identified normal pay inflation percentage. In 2023-24, Executive Directors received a pay inflation uplift, in-line with Welsh Government's Framework.

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, for part of the year there were interim Directors in post; an Interim Chief Executive, Interim Deputy Chief Executive (including Primary Care), Interim Director of Workforce and OD, Interim Director of Planning Performance and Commissioning and an Interim Director of Operations, Community Care and Mental Health.

Patterson Liz
10/07/2024 12:29:36

Table 1: Salary and Pension Disclosure Table: Salaries and Allowances, Single Total Figure of Remuneration

Name and Title	2023-24						2022-23					
	Salary	Bonus Payments	Taxable Benefits *****	Pension Benefits	Single Total Remuneration	Other Remuneration	Salary	Bonus Payments	Taxable Benefits *****	Pension Benefits	Single Total Remuneration	Other Remuneration
	(bands of £5,000) £000	(bands of £5,000) £000	(to nearest £100) £00	(to nearest £1000) £000	(bands of £5,000) £000	(bands of £5,000) £000	(bands of £5,000) £000	(bands of £5,000) £000	(to nearest £100) £00	(to nearest £1000) £000	(bands of £5,000) £000	(bands of £5,000) £000
Executive Directors												
Carol Shillabeer – Chief Executive (until 02.05.2023) **	10-15	0	0	7	20-25	0	175-180	0	0	29	205-210	0
Hayley Thomas - Director of Primary Care, Community and Mental Health (from 1st April 2022), Director of Strategy, Primary Care and Partnerships and Deputy Chief Executive (until 01.05.2023), Interim Chief Executive including Capital Estates and Partnerships (From 02.05.2023 to 25.02.2024), Chief Executive (From 26.02.2024) ****	175-180	0	0	1 51	325-330	0	125-130	0	0	26	155-160	0
Stephen Powell - Interim Director of Planning and Performance (from 01.04.2022 to 31.03.2023), Director of Performance and Commissioning (01.04.2023 – 16.07.2023) and Interim	120-125	0	0	0	120-125	0	115-120	0	0	206	325-330	0

Director of Planning, Performance and Commissioning (from 17.07.2023) ****												
Pete Hoppood - Director of Finance, Information and IT Services, Interim Director of Primary Care and Interim Deputy Chief Executive (from 02.05.2023) *, **** and *****	135-140	0	57	0	140-145	0	120-125	0	6	46	120-125	0
Julie Rowles - Director of Workforce and OD (To 03.02.2023) and (Support Services until 01.12.2021)	0	0	0	0	0	0	130-135	0	0	45	175-180	0
Debra Wood Lawson - Interim Director of Workforce and OD (from 03.10.2022 to 30.04.2023) and Director of Workforce and OD (from 01.05.2023) *	120-125	0	14	30	155-160	0	70-75	0	0	7	75-80	0
Kate Wright - Medical Director ****	150-155	0	0	0	150-155	0	140-145	0	0	8	145-150	0
Claire Madsen - Director of Therapies and Health Science (to 01.05.2023), Director of Therapies and Health Sciences including Planning, Health and Safety and Support Services (from 02.05.2023 to 16.07.2023) and Director of Therapies and Health Sciences including Health and Safety and Support Services (from 17.07.2023) ****	120-125	0	0	16	135-140	0	105-110	0	0	33	140-145	0
Mererid Bowley - Director of Public Health (from 27.06.2022)	125-130	0	0	0	125-130	0	90-95	0	0	46	135-140	0
Claire Roche - Director of Nursing and Midwifery * **** and *****	125-130	0	16	0	125-130	0	115-120	0	4	34	150-155	0

Jamie Marchant - Director of Primary, Community Care and Mental Health Services (To 01.12.2021) - Director of Environment (From 01.12.2021 to 31.03.2023) * and *****	0	0	0	0	0	0	110-115	0	10	0	110-115	0
James Quance - Board Secretary (From 04.01.2022 to 31.12.2022) *	0	0	0	0	0	0	70-75	0	0	18	85-90	0
Helen Bushell - Director of Corporate Governance and Board Secretary (from 09.01.2023)	110-115	0	0	27	135-140	0	20-25	0	0	5	25-30	0
Joy Garfitt - Interim Director of Operations, Community Care and Mental Health (from 05.04.2023) * and ***	120-125	0	11	29	150-155	0	0	0	0	0	0	0
David Farnsworth - Interim Director of Operations, Community Care and Mental Health (from 26.01.2024) ** and ***	20-25	0	0	0	20-25	0	0	0	0	0	0	0
Associate Members												
Nina Davies – Interim Director of Social Services and Housing, Powys County Council (from 01.01.2023)	0	0	0	0	0	0	0	0	0	0	0	0
Chair of Healthcare Professional Forum (TBC)	0	0	0	0	0	0	0	0	0	0	0	0
Chair of Stakeholder Reference Group (TBC)	0	0	0	0	0	0	0	0	0	0	0	0
Non-Officer Members												
Professor Vivienne Harpwood – Chair (to 16.10.2022)	0	0	0	0	0	0	20-25	0	0	0	20-25	0
Carl Cooper – Chair (from 17.10.2022)	40-45	0	3	0	45-50	0	20-25	0	0	0	20-25	0
Kirsty Williams – Vice Chair (from 10.01.2022)	30-35	0	1	0	30-35	0	35-40	0	0	0	35-40	0

Anthony Thomas – Independent Member (Finance – to 31.05.2023)	0-5	0	0	0	0-5	0	5-10	0	0	0	5-10	0
Matthew Dorrance – Independent Member (Local Authority to 30.06.2022)	0	0	0	0	0	0	0-5	0	0	0	0-5	0
Frances Gerrard – Independent Member (University held post relating to health to 30.06.2022)	0	0	0	0	0	0	0-5	0	0	0	5-10	0
Ian Phillips – Independent Member (ICT)	5-10	0	0	0	5-10	0	5-10	0	0	0	5-10	0
Cathie Poynton – Independent Member (Trade Union)	0	0	0	0	0	0	0	0	0	0	0	0
Mark Taylor – Independent Member (Capital and Estates – to 23.10.2023)	5-10	0	0	0	5-10	0	5-10	0	0	0	5-10	0
Rhobert Lewis – Independent Member (General)	5-10	0	0	0	5-10	0	5-10	0	0	0	10-15	0
Ronnie Alexander – Independent Member (General)	5-10	0	0	0	5-10	0	5-10	0	0	0	5-10	0
Chris Walsh – Independent Member (Local Authority – from 01.11.2022)	5-10	0	0	0	5-10	0	0-5	0	0	0	0-5	0
Jennifer Owen Adams – Independent Member (Third Sector – from 30.08.2022)	5-10	0	0	0	5-10	0	5-10	0	0	0	5-10	0
Simon Wright – Independent Member (University held post relating to health – from 08.08.2022)	5-10	0	0	0	5-10	0	5-10	0	0	0	5-10	0
Michael Giampasi – Independent Member (Capital and Estates – from 26.02.2024)	0	0	0	0	0	0	0	0	0	0	0	0

* Please note that the salary for Jamie Marchant in 2022-23 includes £9,000 sacrificed in relation to a leased car, the salary for James Quance in 2022-23 includes £4,000 in relation to a leased car, the salary for Pete Hopgood includes £10,000 in relation to a leased car (in 2022/23 the figure was £7,000), the salary for Claire Roche includes £8,000 in relation to a leased car (in 2022/23 the figure was £1,000), the salary for Debra Wood Lawson includes £7,000 in relation to a leased car, the salary for Joy Garfitt includes £8,000 sacrificed in relation to a leased car.

** Please note that the full year equivalent salary banding, in bands of £5,000, for starters and leavers during 2023/24 was as follows; Carol Shillabeer £175,000 - £180,000 and David Farnsworth £125,000 - £130,000.

*** David Farnsworth was appointed on an interim basis to cover for Joy Garfitt during a period of absence from work.

***** This includes both benefits in kind and other taxable benefits on items such as mileage claims where payments have been made above the agreed HMRC rate of £0.45 pence per mile.

***** The value of the taxable benefits declared for 2022/23 have been re-stated following a change in calculation methodology

The value of pension benefits is calculated as follows: (real increase in pension* x20) + (real increase in any lump sum*) – (contributions made by member)
*excluding increases due to inflation or any increase or decrease due to a transfer of pension rights

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

The Single Total Figure of remuneration is not an amount which has been paid to an individual by the THB 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 person's 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.

Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director /employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's

workforce. The 2023-24 financial year is the third-year disclosures in respect of the 25th percentile pay ratio and 75th percentile pay ratio are required.

Patterson Liz
10/07/2024 12:29:36

		2023-24	2023-24	2023-24	2022-23	2022-23	2022-23
		£000	£000	£000	£000	£000	£000
Total pay and benefits		Chief Executive	Employee	Ratio	Chief Executive	Employee	Ratio
	25th percentile pay ratio	177	28	6.3:1	177	25	7.1:1
	Median Pay	177	36	4.9:1	177	33	5.4:1
	75 th percentile pay ratio	177	48	3.7:1	177	43	4.1:1
Salary component of total pay and benefits	25th percentile pay ratio	177	28		177	25	
	Median Pay	177	36		177	33	
	75 th percentile pay ratio	177	48		177	43	
		Highest Paid Director	Employee	Ratio	Highest Paid Director	Employee	Ratio
Total pay and benefits	25th percentile pay ratio	177	28	6.3:1	177	25	7.1:1
	Median Pay	177	36	4.9:1	177	33	5.4:1
	75 th percentile pay ratio	177	48	3.7:1	177	43	4.1:1
Salary component of total pay and benefits	25th percentile pay ratio	177	28		177	25	
	Median Pay	177	36		177	33	
	75 th percentile pay ratio	177	48		177	43	

Patterson.Liz
10/07/2024 12:29:36

In 2023-24 2, (2022-23, 2) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £22,720 to £216,219 (2022-23, £20,758 to £217,294).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees

Percentage Changes

		2022-23 to 2023-24 %	2021-22 to 2022-23 %
% Change from previous financial year in respect of Chief Executive	Salary and allowance	(2)	2
	Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director	Salary and allowance	(2)	2
	Performance pay and bonuses	0	0
Average % Change from previous financial year in respect of employees takes as a whole	Salary and allowance	9	5
	Performance pay and bonuses	0	0

Patterson, Liz
10/07/2024 12:29:36

Table 2: Salary and Pension Disclosure table: Pension Benefits

Name and title	Real increase in pension at pension age (bands of £2,500) £000	Real increase in pension lump sum at pension age (bands of £2,500) £000	Total accrued pension at pension age at 31 Mar 2024 (bands of £5,000) £000	Lump sum at pension age related to accrued pension at 31 Mar 2024 (bands of £5,000) £000	Cash Equivalent transfer value at 31 Mar 2024 £000	Cash Equivalent transfer value at 31 Mar 2023 £000	Real increase in Cash Equivalent transfer value £000	Employer's contribution to stakeholder pension £000
Carol Shillabeer **	0.0 – 2.5	2.5 – 5.0	80 - 85	215 - 220	1,868	1,353	32	0
Hayley Thomas **	5.0 – 7.5	60.0 – 62.5	50 - 55	140 - 145	1,170	718	356	0
Stephen Powell **	0.0	27.5 - 30	55 – 60	155 – 160	1,323	1,005	200	0
Pete Hopgood **	0.0	25.0 – 27.5	45 – 50	125 – 130	1,088	838	149	0
Debra Wood-Lawson	0.0 – 2.5	0.0	15 – 20	0	296	208	50	0
Kate Wright **	0.0	32.5 – 35.0	35 – 40	90 – 95	841	665	88	0
Claire Madsen	0.0 – 2.5	0.0	40 - 45	115 – 120	1,079	871	104	0
Mererid Bowley **	0.0	22.5 – 25.0	35 – 40	105 – 110	920	763	63	0
Claire Roche **	0.0	0.0	45 - 50	125 – 130	1,111	974	23	0
Helen Bushell	0.0 – 2.5	0.0	5 - 10	0	121	70	28	0
Joy Garfitt	0.0 – 2.5	0.0	10 - 15	0	206	155	19	0
David Farnsworth *	0.0	0.0	0	0	0	0	0	0

Patterson, Liz
10/07/2024 12:29:36

* David Farnsworth has opted out of the NHS Pension scheme.

** These officers are affected by the Public Service Pensions Remedy and their membership between 1st April 2015 and 31st March 2022 was moved back into the 1995/2008 Scheme on 1st October 2023. Negative values are not disclosed in this table but are substituted with a zero.

1995/2008 Scheme on 1 October 2023. Negative values are not disclosed in this table but are substituted with a zero.

The above calculations are provided by the NHS Pensions Agency and are based on the standard pensionable age for the relevant pension scheme. The calculations are based upon the annual salary before the pay award for 2023/24 was granted in February 2024.

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

Cash Equivalent Transfer Values (CETV)

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 the other pension details, include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV

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.

Paterson, Liz
10/07/2024 12:29:36

Staff Numbers

Number of Employed Staff

As at 31 March 2024, the total number staff employed by the Health Board stood at 2,202.80 Whole Time Equivalents (WTE), which includes 20.00 WTE Health Care Support Workers (HCSW) – Aspiring Nurses. The table below provides the average WTE of staff employed by the Health Board in 2022/2023 and 2023/2024 broken down by staffing group. This excludes hosted services such as the Boards of Community Health Councils and Health and Care Research Wales.

Staff Group	2022/23	2023/24
Add Prof Scientific and Technic	77.71	81.69
Additional Clinical Services	391.72	405.16
Administrative and Clerical	526.46	552.55
Allied Health Professionals	134.86	144.17
Estates and Ancillary	173.18	165.17
Healthcare Scientists	5.86	8.05
Medical and Dental	29.61	33.71
Nursing and Midwifery Registered	551.72	556.36
Grand Total	1891.12	1946.85

Overall, on average, the Health Board has seen an increase of **55.73 WTE** in the number of staff employed in 2023/2024 when compared to 2022/2023. Despite this success, recruiting to a number of clinical roles, in particular Nursing and Medical roles, continues to be challenging. There is an increase overall of 4.64 WTE in the number of Registered Nurse staff employed by the Health Board. Registered Nurse vacancy levels within the wards has increased, with an overall vacancy deficit (excluding absence) of **33%** at March 2023, increasing to **38%** as at March 2024. The Health Board has also continued to develop the Aspiring Nurse programme, to grow our own internal pipeline to address the deficits.

Staffing Composition

As of 31 March 2024, the Health Board employed 2,439 substantive employees (excluding bank workers) which equated to 2,202.80 WTE. The number (headcount) of female and male employees of the Health Board are as follows:

	Female	Male
Headcount	2072	367
Percentage	85%	15%

Of this staffing composition, at 31 March 2024, the Executive Team consisted of ten voting members of the Board (inclusive of the Chief Executive Officer). There was one additional Director and the Board Secretary (both non-voting members)

who are members of the Executive Team and are included in the staffing composition below:

	Female	Male
Headcount	8	4
Percentage	67%	33%

Sickness Absence Data

Information on sickness absence for 2022/2023 and 2023/2024 is provided within the table below:

Staff Group	2022/23	2023/24
WTE Days Lost Long Term	28,241.41	27,787.01
WTE Days Lost Short Term	12,462.73	9,800.33
Total WTE Days Lost	40,704.14	37,587.34
Total Staff Years (Avg WTE Staff Absent)	111.52	102.98
Average Working Days Lost	18.31	15.41
Total Staff Employed in Period (Headcount)	2,223	2,439
Total Staff Employed in Period with no Absence Headcount	1,030	1,090
Percentage of Staff with No Sick Leave	46%	45%

The Health Board's overall rolling sickness absence rate for 2023/2024 is 5.27%, compared to 5.82% in 2022/2023.

Staff Policies

Powys Teaching Health Board has a policy framework in place which covers policies and procedures that apply to employees and workers engaged with the Health Board. All workforce related policies are actively monitored, developed, and agreed in partnership with our Trade Union colleagues. The Equality Impact Assessment policy is applied throughout the financial year for the development of policies and procedures.

- for giving full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities;
- for continuing the employment of and for arranging appropriate training for employees, who have become disabled persons during the period when they were employed by the company;
- otherwise for the training, career development and promotion of disabled persons employed by the Health Board

All staff policies include a requirement to undertake an analysis of the impact of the policy in respect of equality. In conjunction with this approach, the *All Wales Managing Attendance at Work Policy* and *Recruitment and Selection Policy* were utilised to ensure fair consideration was given to applications for employment made by a disabled person and for supporting their continued employment.

Other Employee Matters

HEALTH AND SAFETY GROUP

The Health and Safety Group is responsible for supporting the management of health and safety across the organisation. In 2023/24 the work plan focused on five themes which were used to develop the first annual report for the organisation.

The Key Themes:

1. Assurance and Reporting Arrangements
2. Achieving Health and Safety excellence in reporting incidents and learning:
3. Developing a Health and Safety Culture by Training and Development
4. Achieving Excellence in Training Compliance
5. Strengthen Inspection.

Two policies have been reviewed, updated, and approved by the Health and Safety Group in the past year. These have been communicated through Powys Announcements and are "live" on the intranet. These policies are:

- Personal Protective Equipment
- Hand Arm Vibration

A fundamental role of the Health and Safety Group (HSG) is to monitor the review and learning from accidents and incidents. A summary report is provided at each meeting with details of incidents at departmental level. During 2023/2024 the format has developed to make use of outputs from the 'Once For Wales' Datix system.

Discussion at HSG focuses on ensuring robust review at departmental level of the incidents ensuring appropriate closure and learning. Review of data output from Datix is also assisting in improving the quality of the data input. As the membership of the Group has matured, "near misses" are also being reported which further strengthens the Health and Safety culture of the organisation.

Internal Audit completed a review of the work of the Health and Safety Group and associated subgroups and policy framework resulting in a rating of 'Reasonable Assurance.'

Whilst there has been no enforcement activity from the Health and Safety Executive in 2023/24, work has been ongoing to ensure continuous improvement for areas of previous enforcement such as Hand Arm Vibration and Water Safety.

There has been an improvement in reporting rates for areas associated with violence and aggression and an overall improvement in the confidence in using the incident reporting system. However, there has been an increase in physical assaults to staff which remains a concern to the Health and Safety team and the Service Directorates. A dedicated improvement and support plan is in place and progress is reported via HSG.

Training and education are essential to allow staff to be aware and manage health and safety issues.

A new partnership arrangement with Aneurin Bevan Health Board has been established to increase the training opportunities for prevention management of violence and aggression.

Welsh Ambulance Service Trust delivered a number of IOSH Leading Safely training sessions to Board (both Independent Members and Executive Directors) and Senior Managers to strengthen the leadership and oversight for Health and Safety.

IOSH Working Safely was delivered as part of the managers development programme and a partnership has been established with Neath Port Talbot Colleges to deliver training for the IOSH Managing Safety courses to Team and Service Managers.

Looking ahead, the Health and Safety Group Workplan for 2024/25 will continue with the five themes and will build on a continuous improvement cycle reporting back to the Health and Safety Group and the Executive Committee.

Expenditure on Consultancy

As disclosed in note 3.3 (page 30) of its financial statements, the Health Board spent £0.902M on consultancy services during 2023/24 compared to £0.557M in 2022-23.

Off Payroll Engagement

For all off-payroll engagements as of 31 March 2024, for more than **£245** per day:

No. of existing engagements as of 31 March 2024	16
Of which, the number that have existed:	0
for less than one year at time of reporting.	<5
for between one and two years at time of reporting.	0
for between two and three years at time of reporting.	<5
for between three and four years at time of reporting.	<5
for four or more years at time of reporting.	8

	Number
Number. of new engagements, between 1 April 2023 and 31 March 2024	<5
Of which...	
<i>No. assessed as caught by IR 35</i>	0
<i>No. assessed as not caught by IR 35</i>	<5
<i>No. engaged directly (via PSC contracted to department) and on the departmental payroll.</i>	0
<i>No. of engagements reassessed for consistency / assurance purposes during the year</i>	0

No. of engagements that saw a change to IR35 status following consistency review	0
--	---

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed "board members, and/or, senior officials with significant financial responsibility", during the financial year. This figure should include both off-payroll and on-payroll engagements.	0

Numbers that are between 1 and 4 are referred to as less than 5 (<5) to protect the potential identification of individuals.

There have been no-off payroll engagements of board members and/or senior officials with significant financial responsibility between 1 April 2023 and 31 March 2024.

Exit Packages and Severance Payments

This disclosure reports the number and value of exit packages taken by staff leaving in the year. This disclosure is required to strengthen accountability in the light of public and Parliamentary concern about the incidence and cost of these payments.

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

Redundancy and other departure costs if paid would have been paid in accordance with the provisions of the NHS Agenda for Change Terms and Conditions and NHS Voluntary Early Release Scheme (VERS). Exit costs in this note are accounted for in full in the year of departure on a cash basis in this note as specified in EPN 380 Annex 13C.

Should the Health Board have agreed early retirements, the additional costs would have been met by the Health Board and not by the NHS pension scheme. Ill-health retirement costs are met by the NHS pension's scheme and are not included in the table.

Patterson Liz
10/07/2024 12:29:36

PART C: SENEDD CYMRU/WELSH PARLIAMENTARY ACCOUNTABILITY AND AUDIT REPORT

This report contains a range of disclosures on the regularity of expenditure, fees and charges, compliance with the cost allocation and charging requirements set out in HM Treasury guidance, material remote contingent liabilities, long-term expenditure trends, and the audit certificate and report.

Patterson Liz
10/07/2024 12:29:36

Regularity of Expenditure

Regularity is the requirement for all items of expenditure and receipts to be dealt with in accordance with the legislation authorising them, any applicable delegated authority, and the rules of Government Accounting. The Health Board ensures that the funding provided by Welsh Ministers has been expended for the purposes intended by Welsh Ministers and that the resources authorised by Welsh Ministers to be used have been used for the purposes for which the use was authorised.

The Health Board's Chief Executive is the Accountable Officer and ensures that the financial statements are prepared in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, the Chief Executive is required to:

- observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
- prepare them on a going concern basis on the presumption that the services of the Health Board will continue in operation

Fees and Charges

Where the Health Board undertakes activities that are not funded directly by the Welsh Government the Health Board receives income to cover its costs which will offset expenditure reported under programme areas. Miscellaneous Income can be seen in Note 4 of the Annual Accounts. When charging for this activity the Health Board has complied with the cost allocation and charging requirements set out in HM Treasury guidance.

Compliance with Cost Allocation and Charging Requirements

Where the Health Board undertakes activities that are not funded directly by the Welsh Government the Health Board receives income to cover its costs which will offset expenditure reported under programme areas. Miscellaneous Income can be seen in Note 4 of the Annual Accounts (page 31). When charging for this activity the Health Board has complied with the cost allocation and charging requirements set out in HM Treasury guidance.

Remote Contingent Liabilities

Remote contingent liabilities are made for three categories, comprising indemnities, letters of comfort and guarantees. The value of remote contingent liabilities for 2023/2024 is £0.361m (2022-23 £0.00m) and is disclosed in note 21.2 of the Health Board's Annual Accounts.

POWYS TEACHING HEALTH BOARD

FOREWORD

These accounts have been prepared by the Local Health Board under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed.

Statutory background

These accounts have been prepared by the Local Health Board under schedule 9 section 178 Para 3(1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers have, with the approval of the Treasury, directed.

Powys Teaching Local Health Board was established under the Local Health Boards (Establishment) (Wales) Order 2003 (S.I. 2003/148 (W.18))

As a statutory body governed by Acts of Parliament the LHB is responsible for :

- agreeing the action which is necessary to improve the health and health care of the population of Powys;
- supporting and financing General Practitioner-led purchasing of the services needed to meet agreed priorities, including charter standards and guarantees;
- supporting and funding the contractor professions;
- the commissioning of health promotion, emergency planning and other regulatory tasks;
- the stewardship of resources including the financial management and monitoring of performance in critical areas;
- eliciting and responding to the views of local people and organisations and changing and developing services at a pace and in ways that they will accept;
- providing Hospital and Community Healthcare Services to the residents of Powys.

Up until 31st March 2023, Powys LHB hosted the Community Health Councils in Wales which transferred to a new statutory body Llais on 1st April 2023. In addition, it is also responsible for hosting specific functions in respect of the accounts of the former Health Authorities mostly significantly in respect of clinical negligence. The LHB also hosts the functions of Health and Care Research Wales (HCRW).

Performance Management and Financial Results

Welsh Health Circular WHC/2016/054 replaces WHC/2015/014 'Statutory and Administrative Financial Duties of NHS Trusts and Local Health Boards' and further clarifies the statutory financial duties of NHS Wales bodies and is effective for 2022-23. The annual financial duty has been revoked and the statutory breakeven duty has reverted to a three year duty, with the first assessment of this duty in 2016-17.

Local Health Boards in Wales must comply fully with the Treasury's Financial Reporting Manual to the extent that it is applicable to them. As a result, the Primary Statement of in-year income and expenditure is the Statement of Comprehensive Net Expenditure, which shows the net operating cost incurred by the LHB which is funded by the Welsh Government. This funding is allocated on receipt directly to the General Fund in the Statement of Financial Position.

Under the National Health Services Finance (Wales) Act 2014, the annual requirement to achieve balance against Resource Limits has been replaced with a duty to ensure, in a rolling 3 year period, that its aggregate expenditure does not exceed its aggregate approved limits.

The Act came into effect from 1 April 2014 and under the Act the first assessment of the 3 year rolling financial duty took place at the end of 2016-17.

Patterson, Liz
10/07/2024 12:29:36

Statement of Comprehensive Net Expenditure for the year ended 31 March 2024

	Note	2023-24 £000	2022-23 £000
Expenditure on Primary Healthcare Services	3.1	78,993	74,960
Expenditure on healthcare from other providers	3.2	219,145	201,541
Expenditure on Hospital and Community Health Services	3.3	147,888	135,289
		446,026	411,790
Less: Miscellaneous Income	4	(16,222)	(16,094)
LHB net operating costs before interest and other gains and losses		429,804	395,696
Investment Revenue	5	0	0
Other (Gains) / Losses	6	(2)	0
Finance costs	7	21	1
Net operating costs for the financial year		429,823	395,697

See note 2 on page 27 for details of performance against Revenue and Capital allocations.

The notes on pages 8 to 74 form part of these accounts.

Patterson, Liz
10/07/2024 12:29:36

Other Comprehensive Net Expenditure

	2023-24	2022-23
	£000	£000
Net (gain) / loss on revaluation of property, plant and equipment	(2,996)	(2,260)
Net (gain)/loss on revaluation of right of use assets	0	0
Net (gain) / loss on revaluation of intangibles	0	0
(Gain) / loss on other reserves	0	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	0	0
Net (gain)/loss on revaluation of financial assets held for sale	0	0
Impairment and reversals	0	0
Transfers between reserves	0	0
Transfers to / (from) other bodies within the Resource Accounting Boundary	0	0
Reclassification adjustment on disposal of available for sale financial assets	0	0
Other comprehensive net expenditure for the year	(2,996)	(2,260)
Total comprehensive net expenditure for the year	426,827	393,437

The notes on pages 8 to 74 form part of these accounts.

Patterson, Liz
10/07/2024 12:29:36

Statement of Financial Position as at 31 March 2024

	Notes	31 March 2024 £000	31 March 2023 £000
Non-current assets			
Property, plant and equipment	11	100,138	103,185
Right of Use Assets	11.3	1,063	1,670
Intangible assets	12	0	0
Trade and other receivables	15	32	20
Other financial assets	16	0	0
Total non-current assets		101,233	104,875
Current assets			
Inventories	14	211	147
Trade and other receivables	15	10,317	18,134
Other financial assets	16	0	0
Cash and cash equivalents	17	215	1,268
		10,743	19,549
Non-current assets classified as "Held for Sale"	11	0	0
Total current assets		10,743	19,549
Total assets		111,976	124,424
Current liabilities			
Trade and other payables	18	(47,113)	(49,845)
Other financial liabilities	19	0	0
Provisions	20	(3,921)	(14,980)
Total current liabilities		(51,034)	(64,825)
Net current assets/ (liabilities)		(40,291)	(45,276)
Non-current liabilities			
Trade and other payables	18	(267)	(508)
Other financial liabilities	19	0	0
Provisions	20	(576)	(862)
Total non-current liabilities		(843)	(1,370)
Total assets employed		60,099	58,229
Financed by :			
Taxpayers' equity			
General Fund		10,514	11,604
Revaluation reserve		49,585	46,625
Total taxpayers' equity		60,099	58,229

The financial statements on pages 2 to 7 were approved by the Board 11th July 2024 and signed on its behalf by:

Chief Executive and Accountable Officer

Date:
11th July 2024

The notes on pages 8 to 74 form part of these accounts.

Patterson, Liz
10/07/2024 12:29:36

**Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2024**

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2023-24			
Balance as at 31 March 2023	11,604	46,625	58,229
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	0	0	0
Impact of IFRS 16 on PPP/PFI Liability	0	0	0
Balance at 1 April 2023	11,604	46,625	58,229
Net operating cost for the year	(429,823)		(429,823)
Net gain/(loss) on revaluation of property, plant and equipment	0	2,996	2,996
Net gain/(loss) on revaluation of right of use assets	0	0	0
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
Other Reserve Movement	0	0	0
Transfers between reserves	0	0	0
Release of reserves to SoCNE	36	(36)	0
Transfers to/from LHBs	0	0	0
Total recognised income and expense for 2023-24	(429,787)	2,960	(426,827)
Net Welsh Government funding	424,092		424,092
Notional Welsh Government Funding	4,605		4,605
Balance at 31 March 2024	10,514	49,585	60,099

Notional Welsh Government funding line includes the 6.3% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.

Notional Welsh Government funding split;

Notional 6.3% staff employer pension £4.600M

Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £0.005M

The notes on pages 8 to 74 form part of these accounts.

Patterson, Liz
10/07/2024 12:29:36

**Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2023**

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2022-23			
Balance at 31 March 2022	2,153	44,381	46,534
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment	614	0	614
Balance at 1 April 2022	<u>2,767</u>	<u>44,381</u>	<u>47,148</u>
Net operating cost for the year	(395,697)		(395,697)
Net gain/(loss) on revaluation of property, plant and equipment	0	2,260	2,260
Net gain/(loss) on revaluation of right of use assets	0	0	0
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
Other reserve movement	0	0	0
Transfers between reserves	16	(16)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	(32)	0	(32)
Total recognised income and expense for 2022-23	<u>(395,713)</u>	<u>2,244</u>	<u>(393,469)</u>
Net Welsh Government funding	400,275		400,275
Notional Welsh Government Funding	4,275		4,275
Balance at 31 March 2023	<u>11,604</u>	<u>46,625</u>	<u>58,229</u>

Notional Welsh Government funding line includes the 6.3% staff employer pension and Pensions Annual Allowance Charge Compensation Scheme (PAACCS) costs paid centrally by Welsh Government.

Notional Welsh Government funding split;
 Notional 6.3% staff employer pension £4.254M
 Pensions Annual Allowance Charge Compensation Scheme (PAACCS) £0.021M

The notes on pages 8 to 74 form part of these accounts.

Patterson, Liz
10/07/2024 12:29:36

Statement of Cash Flows for year ended 31 March 2024

		2023-24 £000	2022-23 £000
Cash Flows from operating activities	Notes		
Net operating cost for the financial year		(429,823)	(395,697)
Movements in Working Capital	27	5,745	167
Other cash flow adjustments	28	14,701	9,701
Provisions utilised	20	(8,609)	(1,761)
Net cash outflow from operating activities		(417,986)	(387,590)
Cash Flows from investing activities			
Purchase of property, plant and equipment		(6,847)	(14,013)
Proceeds from disposal of property, plant and equipment		0	0
Purchase of intangible assets		0	0
Proceeds from disposal of intangible assets		0	0
Payment for other financial assets		0	0
Proceeds from disposal of other financial assets		0	0
Payment for other assets		0	0
Proceeds from disposal of other assets		0	0
Net cash inflow/(outflow) from investing activities		(6,847)	(14,013)
Net cash inflow/(outflow) before financing		(424,833)	(401,603)
Cash Flows from financing activities			
Welsh Government funding (including capital)		424,092	400,275
Capital receipts surrendered		0	0
Capital grants received		0	0
Capital element of payments in respect of finance leases and on-SoFP PFI Schemes		0	0
Capital element of payments in respect of on-SoFP PFI		0	0
Capital element of payments in respect of Right of Use Assets		(312)	(62)
Cash transferred (to)/ from other NHS bodies		0	0
Net financing		423,780	400,213
Net increase/(decrease) in cash and cash equivalents		(1,053)	(1,390)
Cash and cash equivalents (and bank overdrafts) at 1 April 2023		1,268	2,658
Cash and cash equivalents (and bank overdrafts) at 31 March 2024		215	1,268

The notes on pages 8 to 74 form part of these accounts.

Patterson, Liz
10/07/2024 12:29:36

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of Local Health Boards (LHB) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2023-24 Manual for Accounts. The accounting policies contained in that manual follow the 2023-24 Financial Reporting Manual (FReM) in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the LHB Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the LHB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the LHB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2. Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3. Income and funding

The main source of funding for the LHBs are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the LHB. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, or ophthalmic services identified by the Welsh Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the LHB and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the LHB for the Welsh Government such as funding provided to agencies and non-activity costs incurred by the LHB in its provider role. Income received from LHBs transacting with other LHBs is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Approved by the Board on 10/11/2024 12:29:36

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income had been received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred.

Only non-NHS income may be deferred.

1.4. Employee benefits

1.4.1. Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.4.2. Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The latest NHS Pension Scheme valuation results indicated that an increase in benefit required a 6.3% increase (14.38% to 20.68%) which was implemented from 1 April 2019.

As an organisation within the full funding scope, the joint (in NHS England and NHS Wales) transitional arrangement operated from 2019-20 where employers in the Scheme would continue to pay 14.38% employer contributions under their normal monthly payment process, in Wales the additional 6.3% being funded by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA the NHS Pensions Agency).

However, NHS Wales' organisations are required to account for **their staff** employer contributions of 20.68% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see Other Note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

Peterson, Liz
10/07/2024 12:29:36

1.4.3. NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5. Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6. Property, plant and equipment

1.6.1. Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- Collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- Items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

1.6.2. Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use

- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1 April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2022-23 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However, IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Patterson, Liz
10/07/2024 12:29:36

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

1.6.3. Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCNE. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This dictates that to ensure that asset carrying values are not materially overstated. For All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs so identified are then charged to operating expenses.

1.7. Intangible assets

1.7.1. Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use.
- the intention to complete the intangible asset and use it.
- the ability to use the intangible asset.
- how the intangible asset will generate probable future economic benefits.
- the availability of adequate technical, financial and other resources to complete the intangible asset and use it.
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Generated by: Liz
 10/07/2024 12:29:36

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8. Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales Organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCNE. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCNE. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings.

1.9. Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits there from can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCNE on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale,

Peterson, Liz
18/07/2024 12:29:36

within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCNE. On disposal, the balance for the asset on the revaluation reserve, is transferred to the General Fund.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

IFRS 16 leases is effective across public sector from 1 April 2022. The transition to IFRS 16 has been completed in accordance with paragraph C5 (b) of the Standard, applying IFRS 16 requirements retrospectively recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard have been employed. These are as follows: The entity has applied the practical expedient offered in the standard per paragraph C3 to apply IFRS 16 to contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 leases and IFRIC 4 determining whether an arrangement contains a lease and not to those that were identified as not containing a lease under previous leasing standards.

On initial application [The entity] has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application has been employed per paragraph C10 (c) of IFRS 16.

Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1st April 2022 will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by Powys Teaching LHB in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

The entity will not apply IFRS 16 to any new leases of intangible assets applying the treatment described in

List any other expedients employed by the entity (such as low value 5(b) or 15 on componentisation HM Treasury have adapted the public sector approach to IFRS 16 which impacts on the identification and measurement of leasing arrangements that will be accounted for under IFRS 16

The LHB is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. Prior to accounting for such arrangements under IFRS 16 [the entity] has assessed that in all other respects these arrangements meet the definition of a lease under the standard.

The LHB is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

1.11.1 The entity as lessee

At the commencement date for the leasing arrangement a lessee shall recognise a right of use asset and corresponding lease liability. The entity employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of 0.95% has been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset the LHB applies a revised rate to the remaining lease liability.

Where existing leases are modified the LHB must determine whether the arrangement constitutes a separate lease and apply the standard accordingly.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or is elected as a lease containing low value underlying asset by the LHB.

1.11.2 The LHB as lessor

A lessor shall classify each of its leases as an operating or finance lease. A lease is classified as finance lease when the lease substantially transfers all the risks and rewards incidental to ownership of an underlying asset. Where substantially all the risks and rewards are not transferred, a lease is classified as an operating lease.

Amounts due from lessees under finance leases are recorded as receivables at the amount of [the entity] net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the [the entity] net investment outstanding in respect of the leases.

Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Where the LHB is an intermediate lessor, being a lessor and a lessee regarding the same underlying asset, classification of the sublease is required to be made by the intermediate lessor considering the term of the arrangement and the nature of the right of use asset arising from the head lease.

On transition the LHB has reassessed the classification of all of its continuing subleasing arrangements to include peppercorn leases.

1.12. Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13. Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14. Provisions

Provisions are recognised when the NHS Wales organisation has a present legal or constructive obligation as a result of a past event, it is probable that the NHS Wales organisation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the NHS Wales organisation has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the NHS Wales organisation has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2023-24 and 2022-23. The WRP is hosted by Velindre NHS University Trust.

16/03/2024 12:29:36

1.14.2. Future Liability Scheme (FLS) - General Medical Practice Indemnity (GMPI)

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GMP services in Wales.

In March 2019, the Minister issued a Direction to Velindre NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1 April 2019.

GMP Service Providers are not direct members of the GMPI FLS, their qualifying liabilities are the subject of an arrangement between them and their relevant LHB, which is a member of the scheme. The qualifying reimbursements to the LHB are not subject to the £25,000 excess.

1.15. Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.16. Financial assets

Financial assets are recognised on the SoFP when the NHS Wales organisation becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1. Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2. Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4. Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.16.5. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the NHS Wales organisation assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.17. Financial liabilities

Financial liabilities are recognised on the SOFP when the NHS Wales organisation becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

Liz Peterson
10/07/2024 12:29:36

1.17.1. Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.17.2. Financial liabilities at fair value through the SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3. Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18. Value Added Tax (VAT)

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19. Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20. Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Wales organisation has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21. Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

19/07/2024 12:29:36

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the NHS Wales organisation not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The NHS Wales organisation accounts for all losses and special payments gross (including assistance from the WRP).

The NHS Wales organisation accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for, where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

1.22. Pooled budget

The NHS Wales organisation has/has not entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

The pool budget is hosted by one NHS Wales's organisation. Payments for services provided are accounted for as miscellaneous income. The NHS Wales organisation accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.24. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these claims would be recoverable through the Welsh Risk Pool.

Significant estimations are also made for continuing care costs resulting from claims post 1 April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

Estimates are also made for contracted primary care services. These estimates are based on the latest payment levels. Changes associated with these liabilities are adjusted in the following reporting period.

1.24.1. Provisions

The NHS Wales organisation provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the Welsh Risk Pool Services (WRPS) which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the NHS Wales organisation, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the

1.24.2. Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement;

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Remote Contingent Liability.
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision*
	Contingent Liability for all other estimated expenditure.	
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

* *Personal injury cases - Defence fee costs are provided for at 100%.*

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of minus 0.25%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%- 94% respectively are held as a provision on the balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury

Patterson, Liz
10/07/2024 12:29:36

1.25 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

Patterson Liz
10/07/2024 12:29:36

1.26 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The NHS Wales organisation therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- a) Payment for the fair value of services received;
- b) Payment for the PFI asset, including finance costs; and
- c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

1.26.1. Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

1.26.2. PFI asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the NHS Wales organisation's approach for each relevant class of asset in accordance with the principles of IAS 16.

1.26.3. PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised.

Prior year treatment

It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the SoCNE.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the SoCNE.

Peterson, Liz
 10/07/2024 12:29:36

**1.26.4 Impact of IFRS 16 on on-balance sheet PFI/PPP Schemes
As from 1st April 2023.**

On-balance sheet PPP arrangements should be based on IFRS 16 accounting principles from 2023/24.

When measuring the liability for on-balance sheet PPP contracts containing capital payments linked to a price index IFRS 16 requires that 'a lessee shall remeasure the lease liability where there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments. The lessee shall remeasure the lease liability to reflect those revised lease payments only when there is a change in the cash flows.

Initial remeasurement -the future PPP liability will need to be remeasured at 1 April 2023 to include the actual indexation-linked changes to payments for the capital/infrastructure element which have taken effect in the cash flows since the PPP agreement commenced. This should use a cumulative catch-up approach, where the cumulative effect is recognised as an adjustment to the opening balance of retained earnings.

Subsequent measurement - The PPP liability will continue to require remeasurements whenever cash payments change in response to indexation movements as set out in the individual PPP contract. The double entry for the subsequent liability remeasurement should be Debit Finance Cost, Credit PPP liability.

The liability does not include estimated future indexation linked increases.

1.26.5. Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the NHS Wales organisation's criteria for capital expenditure. They are capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1.26.6. Assets contributed by the NHS Wales organisation to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the NHS Wales organisation's SoFP.

1.26.7. Other assets contributed by the NHS Wales organisation to the operator

Assets contributed (e.g. cash payments, surplus property) by the NHS Wales organisation to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the NHS Wales organisation, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured at the present value of the minimum lease payments, discounted using the implicit interest rate. It is subsequently measured as a finance lease liability in accordance with IAS 17.

On initial recognition of the asset, the difference between the fair value of the asset and the initial liability is recognised as deferred income, representing the future service potential to be received by the NHS Wales organisation through the asset being made available to third party users.

1.27. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value. Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.28. Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where transfer of function is between LHBs the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.29. Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM

IFRS14 Regulatory Deferral Accounts

Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2023, Standard is not yet adopted by the FReM which is expected to be from April 2025: early adoption is not permitted.

1.30. Accounting standards issued that have been adopted early

During 2023-24 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

Patterson, Liz
10/07/2024 12:29:36

1.31. Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the NHS Wales organisation has established that as it is the corporate trustee of the 'Powys Teaching Local Health Board Charitable Funds and other related charities', it is considered for accounting standards compliance to have control of the the 'Powys Teaching Local Health Board Charitable Funds and other related charities' as a subsidiary and therefore is required to consolidate the results of the the 'Powys Teaching Local Health Board Charitable Funds and other related charities' within the statutory accounts of the NHS Wales organisation.

The determination of control is an accounting standard test of control and there has been no change to the operation of the the 'Powys Teaching Local Health Board Charitable Funds and other related charities' or its independence in its management of charitable funds.

However, the NHS Wales organisation has with the agreement of the Welsh Government adopted the IAS 27 (10) exemption to consolidate. Welsh Government as the ultimate parent of the Local Health Boards will disclose the Charitable Accounts of Local Health Boards in the Welsh Government Consolidated Accounts. Details of the transactions with the charity are included in the related parties' notes.

Patterson Liz
10/07/2024 12:29:36

2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1 April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1 April 2014 section 175 of the National Health Service (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 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 3 year statutory duty under section 175 (1) was at the end of 2016-17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

2.1 Revenue Resource Performance

	Annual financial performance			
	2021-22	2022-23	2023-24	Total
	£000	£000	£000	£000
Net operating costs for the year	383,021	395,697	429,823	1,208,541
Less general ophthalmic services expenditure and other non-cash limited expenditure	1,355	1,609	1,859	4,823
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	0	0	0	0
Less any non funded revenue consequences of IFRS 16	0	0	0	0
Total operating expenses	384,376	397,306	431,682	1,213,364
Revenue Resource Allocation	384,456	390,304	419,699	1,194,459
Under/(over) spend against Allocation	80	(7,002)	(11,983)	(18,905)

Powys Teaching Health Board has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2021-22 to 2023-24.

The Teaching Health Board did receive strategic cash support in 2023-24.

2.2 Capital Resource Performance

	2021-22	2022-23	2023-24	Total
	£000	£000	£000	£000
Gross capital expenditure	15,926	13,211	6,650	35,787
Add: Losses on disposal of donated assets	0	0	0	0
Less NBV of property, plant and equipment, right of use and intangible assets	0	0	0	0
Less capital grants received	0	0	0	0
Less donations received	0	(527)	(195)	(722)
Less IFRS16 Peppercorn income	0	0	0	0
Less initial recognition of RoU Asset Dilapidations	0	0	0	0
Charge against Capital Resource Allocation	15,926	12,684	6,455	35,065
Capital Resource Allocation	15,993	12,752	6,481	35,226
(Over) / Underspend against Capital Resource Allocation	67	68	26	161

Powys Teaching Health Board has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2021-22 to 2023-24.

Paterson, Liz
 15/07/2024 12:29:36

2.3 Duty to prepare a 3 year integrated plan

The NHS Wales Planning Framework for the period 2023-2026 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium Term Plans (IMTP's) to the Welsh Government. A Health Board's IMTP should set out how it intends to comply with the 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.

The Health Board did not submit an IMTP for the period 2023-2026 as it was unable to deliver a plan to achieve financial balance as required under section 175. Therefore, the Health Board did not have an approved IMTP and has failed to meet this statutory duty.

Instead of submitting an IMTP, the Health Board did submit an Annual Plan for 2023-24. The Annual Plan was approved on 25 August 2024.

The Minister for Health and Social Services extant approval

Status
Date

Not Approved

The LHB has not met its statutory duty to have an approved financial plan.

2.4 Creditor payment

The LHB is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The LHB has achieved the following results:

	2023-24	2022-23
Total number of non-NHS bills paid	54,338	50,476
Total number of non-NHS bills paid within target	50,281	44,751
Percentage of non-NHS bills paid within target	92.5%	88.7%

The Teaching Health Board has not met the target.

Patterson, Liz
10/07/2024 12:29:36

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited £000	Non-cash limited £000	2023-24 Total £000	2022-23 Total £000
General Medical Services	42,120		42,120	40,791
Pharmaceutical Services	5,256	(3,116)	2,140	2,499
General Dental Services	8,999		8,999	8,806
General Ophthalmic Services	529	1,257	1,786	920
Other Primary Health Care expenditure	1,302		1,302	941
Prescribed drugs and appliances	22,646		22,646	21,003
Total	80,852	(1,859)	78,993	74,960

1. General Medical Services includes £0.169M (£0.527M 2022/23) of staff related costs in respect of a Health Board managed GP Practice, the practice transferred to another provider on 1st July 2023. 2. The negative non cash limited balance on Pharmaceutical services relate to prescriptions for Powys residents being dispensed in non Powys pharmacies. The effect of this is a net outflow for Powys LHB.

3.2 Expenditure on healthcare from other providers

	2023-24 £000	2022-23 £000
Goods and services from other NHS Wales Health Boards	46,385	44,679
Goods and services from other NHS Wales Trusts	3,139	1,905
Goods and services from Welsh Special Health Authorities	415	1,051
Goods and services from other non Welsh NHS bodies	76,901	69,733
Goods and services from WHSSC / EASC	52,776	50,202
Local Authorities	2,605	4,045
Voluntary organisations	1,897	2,111
NHS Funded Nursing Care	2,279	2,131
Continuing Care	28,806	23,667
Private providers	1,217	745
Specific projects funded by the Welsh Government	0	0
Other	2,725	1,272
Total	219,145	201,541

The 7 Health Boards in Wales have established the Welsh Health Specialised Services Committee (WHSSC) which, through the operational management of Cwm Taf Morgannwg University Health Board, secures the provision of highly specialised healthcare for the whole of Wales and the Emergency Ambulance Service Committee (EASC) which commissions ambulance service. These arrangements include funding of services operated through a risk sharing arrangement. The LHB payment for the WHSSC/EASC commissioning arrangements for the year ended 31st March 2024 is £52.776M (2022/23: £50.203M). From 1st April 2024 these committees were replaced by the joint commissioning committee.

The increase in goods and services from other non Welsh NHS bodies results from increased costs for contracts with English NHS providers. The most significant increases are Shrewsbury and Telford NHS Foundation NHS Trust £ 3.926M and Wye Valley NHS Trust £1.722M in comparison to 2022/23 expenditure.

The decrease in Local Authorities expenditure during 2022/23 is in relation to payments made to jointly deliver the county effort for the Test, Trace and Protect service for Covid 19 of £0.427M (22/23 £1.924M) funded by Welsh Government.

The increase in Continuing Health Care expenditure during 2023/24 has resulted from an increase in the number of cases and cost per case compared to 2022/23.

Other Expenditure includes Regional Integration Fund expenditure of £5.976M (2022/23: £5.084M) which aims to drive and enable integrated and collaborative working between social services, health, housing, the third and independent sectors to support underpinning principles of integration and prevention.

Other Expenditure also includes a negative balance which relates to the write back of liabilities from the Statement of Financial Position that have been assessed as no longer payable, which relate to previous years. The 2023/24 value of write backs is more than 2022/23 mainly relating to an agreed outcome on historic Continuing Health Care cases being settled at a lesser amount than had been provided.

2024-07-12 12:29:36

3.3 Expenditure on Hospital and Community Health Services

	2023-24	2022-23
	£000	£000
Directors' costs	1,896	1,665
Operational Staff costs	115,477	108,361
Single lead employer Staff Trainee Cost	0	0
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	5,767	6,089
Supplies and services - general	1,504	1,407
Consultancy Services	922	557
Establishment	1,949	2,247
Transport	886	1,031
Premises	6,803	8,308
External Contractors	0	0
Depreciation	4,651	4,216
Depreciation Right of Use assets (RoU)	528	654
Amortisation	0	0
Fixed asset impairments and reversals (Property, plant & equipment)	7,717	1,339
Fixed asset impairments and reversals (RoU Assets)	0	0
Fixed asset impairments and reversals (Intangible assets)	0	0
Impairments & reversals of financial assets	0	0
Impairments & reversals of non-current assets held for sale	0	0
Audit fees	323	300
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	76	206
Research and Development	0	0
Expense related to short-term leases	0	0
Expense related to low-value asset leases (excluding short-term leases)	0	0
Other operating expenses	(611)	(1,091)
Total	147,888	135,289

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

	2023-24	2022-23
	£000	£000
Increase/(decrease) in provision for future payments:		
Clinical negligence;		
Secondary care	(4,209)	(3,363)
Primary care	2,247	19
Redress Secondary Care	(78)	102
Redress Primary Care	0	0
Personal injury	409	136
All other losses and special payments	24	1
Defence legal fees and other administrative costs	309	75
Gross increase/(decrease) in provision for future payments	(1,298)	(3,030)
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	(36)	266
Less: income received/due from Welsh Risk Pool	1,410	2,970
Total	76	206

	2023-24	2022-23
	£	£
Permanent injury included within personal injury £:	(49,262)	(146,835)

Patterson, Liz
10/07/2024 12:29:36

4. Miscellaneous Income

	2023-24 £000	2022-23 £000
Local Health Boards	2,325	2,371
Welsh Health Specialised Services Committee (WHSSC)/Emergency Ambulance Services Committee (EASC)	51	51
NHS Wales trusts	520	89
Welsh Special Health Authorities	1,221	485
Foundation Trusts	0	0
Other NHS England bodies	672	426
Other NHS Bodies	0	0
Local authorities	0	0
Welsh Government	5,404	3,739
Welsh Government Hosted bodies	0	0
Non NHS:		
Prescription charge income	0	0
Dental fee income	1,007	1,065
Private patient income	0	0
Overseas patients (non-reciprocal)	0	0
Injury Costs Recovery (ICR) Scheme	31	33
Other income from activities	1,906	1,841
Patient transport services	0	18
Education, training and research	603	710
Charitable and other contributions to expenditure	0	0
Receipt of NWSSP Covid centrally purchased assets	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0
Receipt of donated assets	195	527
Receipt of Government granted assets	0	0
Right of Use Grant (Peppercorn Lease)	0	0
Non-patient care income generation schemes	0	0
NHS Wales Shared Services Partnership (NWSSP)	0	0
Deferred income released to revenue	483	1,997
Right of Use Asset Sub-leasing rental income	0	0
Contingent rental income from finance leases	0	0
Rental income from operating leases	70	64
Other income:		
Provision of laundry, pathology, payroll services	0	0
Accommodation and catering charges	136	111
Mortuary fees	5	19
Staff payments for use of cars	0	0
Business Unit	0	0
Scheme Pays Reimbursement Notional	(98)	110
Other	1,691	2,438
Total	16,222	16,094
Other income Includes;		
	0	0
	0	0
	0	0
	0	0
	0	0
	0	0
Total	0	0

Welsh Government miscellaneous income includes funding received on behalf of the hosted function of Health and Care Research Wales within the LHB. This has increased to £4.568M from an amount of £2.657M received in 22/23.

The Receipt of Donated Assets of £0.195M (2022/23: £0.527M) relates to contributions from Charitable Organisations to capital schemes and equipment. This is further detailed in Note 11.

The decrease in Other Income mainly relates to reduced income levels seen in 2023/24 in comparison to 2022/23 relating to funding received in respect of the THB renewals programme which aims to implement service provision and improvements to patient treatments post pandemic.

Approved by: Liz
 10/01/2024 12:29:36

5. Investment Revenue

	2023-24 £000	2022-23 £000
Rental revenue :		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue :		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	0	0

6. Other gains and losses

	2023-24 £000	2022-23 £000
Gain/(loss) on disposal of property, plant and equipment	0	0
Gain/(loss) on disposal other than by sale of right of use assets	2	0
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	0
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	2	0

7. Finance costs

	2023-24 £000	2022-23 £000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under Right of Use Leases	9	14
Interest on obligations under PFI contracts;		
main finance cost	0	0
contingent finance cost	0	0
Impact of IFRS 16 on PPP/PFI contracts	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	9	14
Provisions unwinding of discount	12	(13)
Other finance costs	0	0
Total	21	1

Patterson, Liz
10/07/2024 12:29:36

8. Future charges to Statement of Comprehensive Net Expenditure (SoCNE)

LHB as lessee

As at 31st March 2024 the Teaching Health Board had 32 operating leases agreements.

	2023-24	2023-24	2023-24	2022-23
	Low Value & Short Term	Other	Total	Total
	£000	£000	£000	£000
Payments recognised as an expense				
Minimum lease payments	0	70	70	305
Contingent rents	0	0	0	0
Sub-lease payments	0	0	0	0
Total	0	70	70	305
Total future minimum lease payments				
Payable	£000	£000	£000	£000
Not later than one year	0	34	34	62
Between one and five years	0	28	28	18
After 5 years	0	0	0	0
Total	0	62	62	80

LHB as lessor

	2023-24	2022-23
	£000	£000
Rental revenue		
Rent	52	48
Contingent rents	0	0
Total revenue rental	52	48
Total future minimum lease payments		
Receivable	£000	£000
Not later than one year	49	48
Between one and five years	39	39
After 5 years	28	39
Total	116	126

Patterson, Liz
10/07/2024 12:29:36

9. Employee benefits and staff numbers

9.1 Employee costs	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2022-23
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	83,235	391	12,606	0	0	0	96,232	90,428
Social security costs	7,680	0	0	0	0	0	7,680	7,295
Employer contributions to NHS Pension Scheme	15,101	0	0	0	0	0	15,101	13,964
Other pension costs	0	0	0	0	0	0	0	0
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0	0
Total	106,016	391	12,606	0	0	0	119,013	111,687
Charged to capital							438	497
Charged to revenue							118,575	111,190
							119,013	111,687
Net movement in accrued employee benefits (untaken staff leave)							0	0

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2022-23
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	623	3	1	0	0	0	627	683
Medical and dental	34	0	9	0	0	0	43	41
Nursing, midwifery registered	559	2	58	0	0	0	619	590
Professional, Scientific, and technical staff	82	0	8	0	0	0	90	88
Additional Clinical Services	408	0	42	0	0	0	450	422
Allied Health Professions	145	0	8	0	0	0	153	143
Healthcare Scientists	8	0	0	0	0	0	8	6
Estates and Ancillary	165	0	0	0	0	0	165	174
Students	0	0	0	0	0	0	0	0
Total	2,024	5	126	0	0	0	2,155	2,147

9.3. Retirements due to ill-health

	2023-24	2022-23
Number	5	5
Estimated additional pension costs £	138,760	477,190

The estimated additional pension costs of these ill-health retirements have been calculated on an average basis and are borne by the NHS Pension Scheme.

9.4 Employee benefits

The Teaching Health Board does not have an employee benefit scheme.

Patterson, Liz
10/07/2024 12:29:36

9.5 Reporting of other compensation schemes - exit packages

	2023-24	2023-24	2023-24	2023-24	2022-23
Exit packages cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	1	1	0	0
£10,000 to £25,000	1	0	1	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	1	1	2	0	0

	2023-24	2023-24	2023-24	2023-24	2022-23
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	5,872	5,872	5,872	0
£10,000 to £25,000	13,043	0	13,043	13,043	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	13,043	5,872	18,915	18,915	0

Exit costs paid in year of departure	Total paid in year	Total paid in year
	2023-24	2022-23
	£	£
Exit costs paid in year	18,915	0
Total	18,915	0

Redundancy and other departure costs have been paid in accordance with the provisions of the All Wales Organisational Change Policy.

Where the Teaching Health Board has agreed early retirements, the additional costs are met by the Teaching Health Board and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

Patterson, Liz
10/07/2024 12:29:36

9.6 Fair Pay disclosures

9.6.1 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director/employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce.

	2023-24 £000 Chief Executive	2023-24 £000 Employee	2023-24 £000 Ratio	2022-23 £000 Chief Executive	2022-23 £000 Employee	2022-23 £000 Ratio
Total pay and benefits						
25th percentile pay ratio	177	28	6.3:1	177	25	7.1:1
Median pay	177	36	4.9:1	177	33	5.4:1
75th percentile pay ratio	177	48	3.7:1	177	43	4.1:1
Salary component of total pay and benefits						
25th percentile pay ratio	177	28		177	25	
Median pay	177	36		177	33	
75th percentile pay ratio	177	48		177	43	
	Highest Paid Director	Employee	Ratio	Highest Paid Director	Employee	Ratio
Total pay and benefits						
25th percentile pay ratio	177	28	6.3:1	177	25	7.1:1
Median pay	177	36	4.9:1	177	33	5.4:1
75th percentile pay ratio	177	48	3.7:1	177	43	4.1:1
Salary component of total pay and benefits						
25th percentile pay ratio	177	28		177	25	
Median pay	177	36		177	33	
75th percentile pay ratio	177	48		177	43	

In 2023-24, 2 (2022-23, 2) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £22,720 to £216,219 (2022-23, £20,758 to £217,294).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

Financial year summary

9.6.2 Percentage Changes	2022-23 to 2023-24	2021-22 to 2022-23
% Change from previous financial year in respect of Chief Executive	%	%
Salary and allowances	-2	2
Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances	-2	2
Performance pay and bonuses	0	0
Average % Change from previous financial year in respect of employees taken as a whole		
Salary and allowances	9	5
Performance pay and bonuses	0	0

Patterson, Liz
10/07/2024 12:29:36

9.7 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit

Patterson, Liz
10/07/2024 12:29:36

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2023-24 tax year (2022-23 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1st April 2017.

Patterson, Liz
10/07/2024 12:29:36

10. Public Sector Payment Policy - Measure of Compliance

10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	2023-24	2023-24	2022-23	2022-23
NHS	Number	£000	Number	£000
Total bills paid	1,852	181,449	1,524	24,182
Total bills paid within target	1,298	169,971	1,015	16,398
Percentage of bills paid within target	70.1%	93.7%	66.6%	67.8%
Non-NHS				
Total bills paid	54,338	118,008	50,476	123,821
Total bills paid within target	50,281	112,735	44,751	118,997
Percentage of bills paid within target	92.5%	95.5%	88.7%	96.1%
Total				
Total bills paid	56,190	299,457	52,000	148,003
Total bills paid within target	51,579	282,706	45,766	135,395
Percentage of bills paid within target	91.8%	94.4%	88.0%	91.5%

The Teaching Health Board performance at 92.5% has not met the administrative target of payment 95% of the number of non-nhs creditors paid within 30 days nor did it in 2022/23

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

	2023-24	2022-23
	£	£
Amounts included within finance costs (note 7) from claims made under this legislation	0	0
Compensation paid to cover debt recovery costs under this legislation	0	0
Total	0	0

Patterson, Liz
10/07/2024 12:29:36

11.1 Property, plant and equipment

2023-24

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost at 31 March bf	13,043	67,872	1,478	18,245	8,525	424	6,194	0	115,781
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2023	13,043	67,872	1,478	18,245	8,525	424	6,194	0	115,781
Indexation	(403)	3,477	88	0	0	0	0	0	3,162
Additions									
- purchased	0	1,429	(1)	3,175	362	0	1,178	0	6,143
- donated	0	40	0	0	155	0	0	0	195
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	16,845	0	(16,845)	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	583	0	0	0	0	0	0	583
Impairments	(9)	(8,291)	0	0	0	0	0	0	(8,300)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	(322)	0	0	(1,130)	(14)	(2,057)	0	(3,523)
At 31 March 2024	12,631	81,633	1,565	4,575	7,912	410	5,315	0	114,041
Depreciation at 31 March bf	0	2,725	52	0	6,186	345	3,288	0	12,596
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Depreciation at 1 April 2023	0	2,725	52	0	6,186	345	3,288	0	12,596
Indexation	0	163	3	0	0	0	0	0	166
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	(322)	0	0	(1,118)	(14)	(2,056)	0	(3,510)
Provided during the year	0	2,912	67	0	765	26	881	0	4,651
At 31 March 2024	0	5,478	122	0	5,833	357	2,113	0	13,903
Net book value at 1 April 2023	13,043	65,147	1,426	18,245	2,339	79	2,906	0	103,185
Net book value at 31 March 2024	12,631	76,155	1,443	4,575	2,079	53	3,202	0	100,138
Net book value at 31 March 2024 comprises :									
Purchased	12,631	72,863	1,443	4,575	1,923	53	3,202	0	96,690
Donated	0	3,292	0	0	156	0	0	0	3,448
Government Granted	0	0	0	0	0	0	0	0	0
At 31 March 2024	12,631	76,155	1,443	4,575	2,079	53	3,202	0	100,138
Asset financing :									
Owned	12,631	76,155	1,443	4,575	2,079	53	3,202	0	100,138
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2024	12,631	76,155	1,443	4,575	2,079	53	3,202	0	100,138

The net book value of land, buildings and dwellings at 31 March 2024 comprises :

	£000
Freehold	90,229
Long Leasehold	0
Short Leasehold	0
	<u>90,229</u>

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account.

0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation was prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

The reclassification in year relates to the bringing into use of buildings that were previously Assets under construction. The main part of this reclassification relates to the Machynlleth Hospital Reconfiguration Project at £15.948M

10/11/2024 12:29:36

11.1 Property, plant and equipment

2022-23

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost at 31 March bf	14,377	71,032	722	12,665	8,538	424	7,493	0	115,251
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2022	14,377	71,032	722	12,665	8,538	424	7,493	0	115,251
Indexation	(403)	2,469	49	0	0	0	0	0	2,115
Additions									
- purchased	0	2,643	100	8,642	494	0	743	0	12,622
- donated	0	527	0	0	0	0	0	0	527
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	2,763	299	(3,062)	0	0	0	0	0
Revaluations	(545)	(10,609)	308	0	0	0	0	0	(10,846)
Reversal of impairments	0	1,213	0	0	0	0	0	0	1,213
Impairments	(386)	(2,166)	0	0	0	0	0	0	(2,552)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(507)	0	(2,042)	0	(2,549)
At 31 March 2023	13,043	67,872	1,478	18,245	8,525	424	6,194	0	115,781
Depreciation at 31 March bf	0	11,104	132	0	5,905	284	4,495	0	21,920
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Depreciation at 1 April 2022	0	11,104	132	0	5,905	284	4,495	0	21,920
Indexation	0	14	0	0	0	0	0	0	14
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	(10,872)	(133)	0	0	0	0	0	(11,005)
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(507)	0	(2,042)	0	(2,549)
Provided during the year	0	2,479	53	0	788	61	835	0	4,216
At 31 March 2023	0	2,725	52	0	6,186	345	3,288	0	12,596
Net book value at 1 April 2022	14,377	59,928	590	12,665	2,633	140	2,998	0	93,331
Net book value at 31 March 2023	13,043	65,147	1,426	18,245	2,339	79	2,906	0	103,185
Net book value at 31 March 2023 comprises :									
Purchased	13,043	61,952	1,426	18,245	2,302	79	2,906	0	99,953
Donated	0	3,195	0	0	37	0	0	0	3,232
Government Granted	0	0	0	0	0	0	0	0	0
At 31 March 2023	13,043	65,147	1,426	18,245	2,339	79	2,906	0	103,185
Asset financing :									
Owned	13,043	65,147	1,426	18,245	2,339	79	2,906	0	103,185
On-SoFP PFI contracts	0	0	0	0	0	0	0	0	0
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2023	13,043	65,147	1,426	18,245	2,339	79	2,906	0	103,185

The net book value of land, buildings and dwellings at 31 March 2023 comprises :

	£000
Freehold	79,616
Long Leasehold	0
Short Leasehold	0
	<u>79,616</u>

Valuers 'material uncertainty', in valuation. The disclosure relates to the materiality in the valuation report not that of the underlying account. 0

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

Patterson, Liz
10/07/2024 12:29:36

11. Property, plant and equipment (continued)**Disclosures:****i) Donated Assets**

Powys LHB has received the following donated assets during the year. £0.089M from the Moondance Foundation and £0.106M of various contributions from the LHB charity and Hospital League of Friends in respect of small garden schemes or provision of medical equipment.

ii) Valuations

The LHBs land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

The LHB is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

There has also been a valuation of the Bro Ddyfi Health and Wellbeing project upon it being brought into use during the year. Details of this are included in note 13.

iii) Asset Lives

Depreciated as follows:

- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency.
- Equipment 5-15 years.

iv) Compensation

There has been no compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs

There have not been write downs.

v1) Market Value

vi) The Teaching Health Board does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or sold in the period.

There are not assets held for sale or sold in the period.

IFRS 13 Fair value measurement

There are no assets requiring Fair Value measurement under IFRS 13.

Patterson, Liz
10/07/2024 12:29:36

11. Property, plant and equipment

11.2 Non-current assets held for sale

	Land	Buildings, including dwelling	Other property, plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance brought forward 1 April 2023	0	0	0	0	0	0
Plus assets classified as held for sale in the year	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in the year	0	0	0	0	0	0
Add reversal of impairment of assets held for sale	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0
Balance carried forward 31 March 2024	0	0	0	0	0	0
Balance brought forward 1 April 2022	0	0	0	0	0	0
Plus assets classified as held for sale in the year	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in the year	0	0	0	0	0	0
Add reversal of impairment of assets held for sale	0	0	0	0	0	0
Less impairment of assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	0
Balance carried forward 31 March 2023	0	0	0	0	0	0

Patterson Liz
10/07/2024 12:29:36

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings below. Most are individually insignificant, however, one is significant in its own right:

Glan Irfon lease held under Land and Buildings - NBV at 31 March 2023 £0.488m

	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
2023-24									
Cost or valuation at 31 March	0	1,796	0	0	528	0	0	0	2,324
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April	0	1,796	0	0	528	0	0	0	2,324
Additions	0	110	0	0	202	0	0	0	312
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	-332	0	0	-59	0	0	0	-391
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
At 31 March	0	1,574	0	0	671	0	0	0	2,245
Depreciation at 31 March	0	418	0	0	236	0	0	0	654
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
Depreciation at 1 April	0	418	0	0	236	0	0	0	654
Recognition	0	0	0	0	0	0	0	0	0
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
Provided during the year	0	317	0	0	211	0	0	0	528
At 31 March	0	735	0	0	447	0	0	0	1,182
Net book value at 1 April	0	1,378	0	0	292	0	0	0	1,670
Net book value at 31 March	0	839	0	0	224	0	0	0	1,063
RoU Asset Total Value Split by Lessor									
Lessor	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Peppercorn Leases	0	456	0	0	0	0	0	0	456
Other Public Sector Market Value Leases	0	136	0	0	0	0	0	0	136
Private Sector Peppercorn Leases	0	57	0	0	0	0	0	0	57
Private Sector Market Value Leases	0	191	0	0	224	0	0	0	415
Total	0	839	0	0	224	0	0	0	1,063

Patterson, Liz
10/07/2024 12:29:36

11.3 Right of Use Assets

	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
2022-23									
Cost or valuation at 31 March	0	0	0	0	0	0	0	0	0
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	1,796	0	0	466	0	0	0	2,262
Cost or valuation at 1 April	0	1,796	0	0	466	0	0	0	2,262
Additions	0	0	0	0	62	0	0	0	62
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
At 31 March	0	1,796	0	0	528	0	0	0	2,324
Depreciation at 31 March	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
Depreciation at 1 April	0	0	0	0	0	0	0	0	0
Recognition	0	0	0	0	0	0	0	0	0
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
Provided during the year	0	418	0	0	236	0	0	0	654
At 31 March	0	418	0	0	236	0	0	0	654
Net book value at 1 April	0	1,796	0	0	466	0	0	0	2,262
Net book value at 31 March	0	1,378	0	0	292	0	0	0	1,670
RoU Asset Total Value Split by Lessor									
Lessor	Land £000	buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
NHS Wales Peppercorn Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Peppercorn Leases	0	488	0	0	0	0	0	0	488
Other Public Sector Market Value Leases	0	286	0	0	0	0	0	0	286
Private Sector Peppercorn Leases	0	75	0	0	0	0	0	0	75
Private Sector Market Value Leases	0	529	0	0	292	0	0	0	821
Total	0	1,378	0	0	292	0	0	0	1,670

Patterson, Liz
10/07/2024 12:29:36

11.3 Right of Use Assets continued

Quantitative disclosures

	2023-24			2022-23	
	LAND £000	BUILDINGS £000	OTHER £000	TOTAL £000	£000
Maturity analysis					
Contractual undiscounted cash flows relating to lease liabilities					
Less than 1 year	0	179	104	283	610
2-5 years	0	181	91	272	516
> 5 years	0	0	0	0	0
Less finance charges allocated to future periods	0	-5	-5	-10	-15
Total	0	355	190	545	1,111
Lease Liabilities (net of irrecoverable VAT)				2023-24	2022-23
Current				278	603
Non-Current				267	508
Total				545	1,111
Amounts Recognised in Statement of Comprehensive Net Expenditure				2023-24	2022-23
Depreciation				528	654
Impairment				0	0
Variable lease payments not included in lease liabilities - Interest expense				9	14
Sub-leasing income				0	0
Expense related to short-term leases				0	0
Expense related to low-value asset leases (excluding short-term leases)				0	0
Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)					
Interest expense				0	-14
Repayments of principal on leases				-312	0
Total				-312	-14

The Teaching Health Board leases land, buildings and equipment where required to deliver core services.

Where an extension option exists within a lease, the Teaching Health Board has assessed on an individual contract basis and reflected any extension period within the reported liabilities where it is reasonably certain that the option will be exercised.

Patterson, Liz
10/07/2024 12:29:36

**12. Intangible non-current assets
2023-24**

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2023	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	0	0	0	0	0	0	0
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2024	0	0	0	0	0	0	0
Amortisation at 1 April 2023	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the year	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortisation at 31 March 2024	0	0	0	0	0	0	0
Net book value at 1 April 2023	0	0	0	0	0	0	0
Net book value at 31 March 2024	0	0	0	0	0	0	0
NBV at 31 March 2024							
Purchased	0	0	0	0	0	0	0
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2024	0	0	0	0	0	0	0

Patterson Liz
10/07/2024 12:29:36

**12. Intangible non-current assets
2022-23**

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2022	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	0	0	0	0	0	0	0
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2023	0	0	0	0	0	0	0
Amortisation at 31 March bf	0	0	0	0	0	0	0
NHS Wales Transfers	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0
Amortisation at 1 April 2022	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the year	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortisation at 31 March 2023	0	0	0	0	0	0	0
Net book value at 1 April 2022	0	0	0	0	0	0	0
Net book value at 31 March 2023	0	0	0	0	0	0	0
NBV at 31 March 2023							
Purchased	0	0	0	0	0	0	0
Donated	0	0	0	0	0	0	0
Government Granted	0	0	0	0	0	0	0
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2023	0	0	0	0	0	0	0

Patterson, Liz
10/07/2024 12:29:36

Additional Disclosures re Intangible Assets

The Teaching Health Board does not hold any Intangible Assets

Patterson Liz
10/07/2024 12:29:36

13 . Impairments

	2023-24	2023-24	2023-24	2022-23	2022-23	2022-23
	Property, plant & equipment	Right of Use Assets	Intangible assets	Property, plant & equipment	Right of Use Assets	Intangible assets
	£000	£000	£000	£000	£000	£000
Impairments arising from :						
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment in the course of construction	0	0	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	0	0	0
Others (specify)	8,300	0	0	2,552	0	0
Reversal of Impairments	(583)	0	0	(1,213)	0	0
Total of all impairments	7,717	0	0	1,339	0	0

Analysis of impairments charged to reserves in year :

Charged to the Statement of Comprehensive Net Expenditure	7,717	0	0	1,339	0	0
Impairments as a result of revaluation/indexation Charged to Revaluation Reserve	0	0	0	0	0	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Total	7,717	0	0	1,339	0	0

There is a reversal of impairment of £0.583M which has occurred as a result of an increase arising on revaluations due to indexation applied during the year that reversed an impairment for the same assets previously recognised as impairments in expenditure. In these cases it is credited to expenditure to the extent of the decrease previously charged there

Within the healthcare segment of the Teaching Health Board, there are two downward impairments in year totalling £8.300M charged to the statement of Comprehensive Net Expenditure. This includes the downward valuation of £8.291M as a result of the initial valuation for the bringing into use the reconfiguration project at Machynlleth Hospital. There has also been an impairment of £0.009M Land assets for which there was insufficient revaluation reserve accumulated at the indexation date. Impairment funding to cover adjustments required is provided to the Teaching Health Board by Welsh Government on an annual basis.

Patterson, Liz
10/07/2024 12:29:36

14.1 Inventories

	31 March	31 March
	2024	2023
	£000	£000
Drugs	152	105
Consumables	54	30
Energy	0	4
Work in progress	0	0
Other	5	8
Total	211	147
Of which held at realisable value	0	0

14.2 Inventories recognised in expenses

	31 March	31 March
	2024	2023
	£000	£000
Inventories recognised as an expense in the period	0	0
Write-down of inventories (including losses)	3	0
Reversal of write-downs that reduced the expense	0	0
Total	3	0

Patterson Liz
10/07/2024 12:29:36

15. Trade and other Receivables

Current	31 March 2024 £000	31 March 2023 £000
Welsh Government	642	148
WHSSC / EASC	147	58
Welsh Health Boards	212	605
Welsh NHS Trusts	784	742
Welsh Special Health Authorities	334	178
Non - Welsh Trusts	1,080	430
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	0	136
Welsh Risk Pool Claim reimbursement		
NHS Wales Secondary Health Sector	1,413	12,752
NHS Wales Primary Sector FLS Reimbursement	2,293	51
NHS Wales Redress	74	185
Other	0	0
Local Authorities	1,206	838
Capital receivables - Tangible	58	34
Capital receivables - Intangible	0	0
Other receivables	1,791	1,944
Provision for irrecoverable debts	(613)	(650)
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	896	683
Other accrued income	0	0
Sub total	10,317	18,134
Non-current		
Welsh Government	0	0
WHSSC / EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	32	0
Welsh Risk Pool Claim reimbursement;		
NHS Wales Secondary Health Sector	0	0
NHS Wales Primary Sector FLS Reimbursement	0	20
NHS Wales Redress	0	0
Other	0	0
Local Authorities	0	0
Capital receivables - Tangible	0	0
Capital receivables - Intangible	0	0
Other receivables	0	0
Provision for irrecoverable debts	0	0
Pension Prepayments NHS Pensions	0	0
Pension Prepayments NEST	0	0
Other prepayments	0	0
Other accrued income	0	0
Sub total	32	20
Total	10,349	18,154

15. Trade and other Receivables (continued)

Receivables past their due date but not impaired

	31 March 2024 £000	31 March 2023 £000
By up to three months	385	269
By three to six months	28	129
By more than six months	87	209
	<u>500</u>	<u>607</u>

Expected Credit Losses (ECL) / Provision for impairment of receivables

Balance at 1 April	(650)	(383)
Transfer to other NHS Wales body	0	0
Amount written off during the year	0	0
Amount recovered during the year	60	58
(Increase) / decrease in receivables impaired	(23)	(325)
Bad debts recovered during year	0	0
Balance at 31 March	<u>(613)</u>	<u>(650)</u>

In determining whether a debt is impaired consideration is given to the age of the debt and the results of actions taken to recover the debt, including reference to credit agencies.

Receivables VAT

Trade receivables	0	0
Other	0	0
Total	<u>0</u>	<u>0</u>

Patterson, Liz
10/07/2024 12:29:36

16. Other Financial Assets

	Current		Non-current	
	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCNE	0	0	0	0
Available for sale at FV	0	0	0	0
Deposits	0	0	0	0
Loans	0	0	0	0
Derivatives	0	0	0	0
Other (Specify)				
Right of Use Asset Finance Sublease	0	0	0	0
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCNE	0	0	0	0
Available for sale at FV	0	0	0	0
Total	0	0	0	0

	2023-24	2022-23
RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure		
RoU Sub-leasing income	0	0

17. Cash and cash equivalents

	2023-24 £000	2022-23 £000
Balance at 1 April	1,268	2,658
Net change in cash and cash equivalent balances	(1,053)	(1,390)
Balance at 31 March	215	1,268
Made up of:		
Cash held at GBS	143	1,168
Commercial banks	70	98
Cash in hand	2	2
Cash and cash equivalents as in Statement of Financial Position	215	1,268
Bank overdraft - GBS	0	0
Bank overdraft - Commercial banks	0	0
Cash and cash equivalents as in Statement of Cash Flows	215	1,268

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are;

Lease Liabilities (ROUA) £0.485M
 Lease Liabilities (short-term and low value leases) £0.080M
 PFI liabilities: £0.000M

The movement relates to cash, no comparative information is required by IAS 7 in 2023-24.

Patterson, Liz
 10/07/2024 12:29:36

18. Trade and other payables

Current	31 March	31 March
	2024	2023
	£000	£000
Welsh Government	25	1
WHSSC / EASC	615	192
Welsh Health Boards	4,501	5,089
Welsh NHS Trusts	1,311	469
Welsh Special Health Authorities	545	532
Other NHS	5,953	4,184
Taxation and social security payable / refunds	855	1,044
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	1,053	1,225
Non-NHS payables - Revenue	7,178	6,787
Local Authorities	2,086	2,716
Capital payables- Tangible	3,344	3,829
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	278	603
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0
Pensions: staff	1,562	1,395
Non NHS Accruals	17,696	21,296
Deferred Income:		
Deferred Income brought forward	483	1,997
Deferred Income Additions	111	483
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	(483)	(1,997)
Other creditors	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
Sub Total	47,113	49,845
Non-current		
Welsh Government	0	0
WHSSC / EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Other NHS	0	0
Taxation and social security payable / refunds	0	0
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
NI contributions payable to HMRC	0	0
Non-NHS payables - Revenue	0	0
Local Authorities	0	0
Capital payables- Tangible	0	0
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	0	0
RoU Lease Liability	267	508
Obligations under finance leases, HP contracts		
Imputed finance lease element of on SoFP PFI contracts	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income :		
Deferred Income brought forward	0	0
Deferred Income Additions	0	0
Transfer to / from current/non current deferred income	0	0
Released to SoCNE	0	0
Other creditors	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
Sub Total	267	508
Total	47,380	50,353

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

The 1st April 2023 balance in respect of Right of Use Asset Liabilities is £1.111M.

Patterson, Liz
10/07/2024 12:29:36

18. Trade and other payables (continued).

Amounts falling due more than one year are expected to be settled as follows:	31 March	31 March
	2024	2023
	£000	£000
Between one and two years	0	0
Between two and five years	0	0
In five years or more	0	0
Sub-total	0	0

19. Other financial liabilities

Financial liabilities	Current		Non-current	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	£000	£000	£000	£000
Financial Guarantees:				
At amortised cost	0	0	0	0
At fair value through SoCNE	0	0	0	0
Derivatives at fair value through SoCNE	0	0	0	0
Other:				
At amortised cost	0	0	0	0
At fair value through SoCNE	0	0	0	0
Total	0	0	0	0

Patterson, Liz
10/07/2024 12:29:36

20. Provisions

	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current									
Clinical negligence-									
Secondary care	11,875	(8,370)	0	0	4,187	(7,369)	(26)	0	297
Primary care	8	0	0	0	2,252	(3)	(5)	0	2,252
Redress Secondary care	153	0	0	0	30	(5)	(108)	0	70
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	227	0	0	(9)	593	(205)	(135)	11	482
All other losses and special payments	0	0	0	0	24	(24)	0	0	0
Defence legal fees and other administration	110	0	0	18	316	(135)	(32)		277
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	2,607		0	0	505	(713)	(1,856)		543
Total	14,980	(8,370)	0	9	7,907	(8,454)	(2,162)	11	3,921
Non Current									
Clinical negligence-									
Secondary care	0	0	0	0	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	691	0	0	9	0	(150)	(49)	0	501
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	36	0	0	(18)	25	0	0		43
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	135			0	0	(5)	(98)	0	32
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
Total	862	0	0	(9)	25	(155)	(147)	0	576
TOTAL									
Clinical negligence-									
Secondary care	11,875	(8,370)	0	0	4,187	(7,369)	(26)	0	297
Primary care	8	0	0	0	2,252	(3)	(5)	0	2,252
Redress Secondary care	153	0	0	0	30	(5)	(108)	0	70
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	918	0	0	0	593	(355)	(184)	11	983
All other losses and special payments	0	0	0	0	24	(24)	0	0	0
Defence legal fees and other administration	146	0	0	0	341	(135)	(32)		320
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	135			0	0	(5)	(98)	0	32
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	2,607		0	0	505	(713)	(1,856)		543
Total	15,842	(8,370)	0	0	7,932	(8,609)	(2,309)	11	4,497

Expected timing of cash flows:

	In year to 31 March 2025	Between 1 April 2025 and 31 March 2029	Thereafter	Total
				£000
Clinical negligence-				
Secondary care	297	0	0	297
Primary care	2,252	0	0	2,252
Redress Secondary care	70	0	0	70
Redress Primary care	0	0	0	0
Personal injury	482	219	282	983
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	277	43	0	320
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	32	0	32
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	0	0	0	0
Other	543	0	0	543
Total	3,921	294	282	4,497

The Teaching Health Board estimates that in 2024/25 it will receive £3.217M from the Welsh Risk Pool in respect of Losses and Special Payments.

£0.667M (2022/23: £11.924M) of the provision total relates to the probable liabilities of former Health Authorities in respect of Medical Negligence and Personal Injury claims for incidents which occurred before the establishment of NHS Trusts (Pre 1996 and Pre 1992 depending on the Trust)

Contingent Liabilities are directly linked to these claims in Note 21.

Included within 'other' at 31st March 2024 is £0.429M relating to a liability for an historic continuing care case with the Local Authority. Also included within 'other' at 31st March 2024 is £0.143M relating to retrospective continuing health care claims (2022/23 £0.134M).

Included within the Redress Secondary Care line and Defence Legal Fees and Other Administration is a provision for expected payments in respect of redress arrangements under National Health Service (Concerns, Complaints and Redress Arrangements) (Wales) Regulations 2011. The amount of Provision in relation to this at 31st March 2024 is £0.072M including defence costs (2022/23: £0.155M) and all payments are expected to be fully reimbursed from the Welsh Risk Pool.

There is an amount of £0.032M (2022/23: £0.156M) in respect of 2019-20 Scheme Pays - Reimbursement. The discharge of this provision in future years will be funded by Welsh Government.

20. Provisions (continued)

	At 1 April 2022	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2023
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current									
Clinical negligence:-									
Secondary care	123	0	(403)	16,019	34	(501)	(3,397)	0	11,875
Primary care	0	0	0	0	19	(11)	0	0	8
Redress Secondary care	78	0	(14)	0	147	(13)	(45)	0	153
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	996	0	0	83	490	(1,122)	(207)	(13)	227
All other losses and special payments	0	0	0	0	1	(1)	0	0	0
Defence legal fees and other administration	65	0	0	96	77	(90)	(38)		110
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	39		2,473	0	95	0	0		2,607
Total	1,301	0	2,056	16,198	863	(1,738)	(3,687)	(13)	14,980
Non Current									
Clinical negligence:-									
Secondary care	16,019	0	0	(16,019)	0	0	0	0	0
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	921	0	0	(83)	0	0	(147)	0	691
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	98	0	0	(96)	36	(2)	0		36
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	47			0	109	(21)	0	0	135
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
Total	17,085	0	0	(16,198)	145	(23)	(147)	0	862
TOTAL									
Clinical negligence:-									
Secondary care	16,142	0	(403)	0	34	(501)	(3,397)	0	11,875
Primary care	0	0	0	0	19	(11)	0	0	8
Redress Secondary care	78	0	(14)	0	147	(13)	(45)	0	153
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	1,917	0	0	0	490	(1,122)	(354)	(13)	918
All other losses and special payments	0	0	0	0	1	(1)	0	0	0
Defence legal fees and other administration	163	0	0	0	113	(92)	(38)		146
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	0			0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	47			0	109	(21)	0	0	135
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	39		2,473	0	95	0	0		2,607
Total	18,386	0	2,056	0	1,008	(1,761)	(3,834)	(13)	15,842

The Teaching Health Board estimates that in 2023/24 it will receive £12.233M and in 2024-25 and beyond £0.020M from the Welsh Risk Pool in respect of Losses and Special Payments.

Included within 'other' at 31st March 2023 is £2.473M relating to a liability that met the definition of a provision but had previously been recognised as a trade payable. The transfer of provision to creditors column has been used for this classification correction during 2022-23

Also included within 'other' at 31st March 2023 is £0.134M relating to retrospective continuing health care claims (2021/22 £0.039M).

Included within the Redress Secondary Care line and Defence Legal Fees and Other Administration is a provision for expected payments in respect of redress arrangements under National Health Service (Concerns, Complaints and Redress Arrangements) (Wales) Regulations 2011. The amount of Provision in relation to this at 31st March 2023 is £0.155M including defence costs (2021/22: £0.078M) and all payments are expected to be fully reimbursed from the Welsh Risk Pool.

There is an amount of £0.156M (2021/22:£0.047M) in respect of 2019-20 Scheme Pays - Reimbursement. The discharge of this provision in future years will be funded by Welsh Government.

Part 10 of the 2025/26 Annual Report 14:29:36

21. Contingencies

21.1 Contingent liabilities

	2023-24	2022-23
	£'000	£'000
Provisions have not been made in these accounts for the following amounts :		
Legal claims for alleged medical or employer negligence:-		
Secondary care	13,858	11,457
Primary care	240	1,628
Redress Secondary care	0	0
Redress Primary care	0	0
Doubtful debts	0	0
Equal Pay costs	0	0
Defence costs	315	0
Continuing Health Care costs	0	0
Other	0	0
Total value of disputed claims	14,413	13,085
Amounts (recovered) in the event of claims being successful	(14,163)	(12,791)
Net contingent liability	250	294

Legal Claims for alleged medical or employer negligence: £0.563M of the £14.163M relates solely to the former Health Authorities in respect of Medical Negligence and Personal Injury claims for incidents which occurred before the establishment of NHS Trusts (Pre 1996 and Pre 1992 depending on the Trust). £13.610M of the £14,534M relates to Powys Teaching Health Board cases. Legal advice has established that these claims are not likely to result in payments. In the unlikely event that amounts are payable, all payments over a threshold of £0.025M will be reimbursed to Powys Teaching Health Board by the Welsh Risk Pool for Powys Teaching Health Board cases and reimbursed in full for former Health Authority and Primary Care cases.

There is an historic Continuing Health Care case where the liability of costs for the THB is being calculated. Until the detailed work is concluded it is not possible to estimate the value of the liability. Hence, the liability is disclosed here but it is not possible to make a provision

Patterson, Liz
10/07/2024 12:29:36

21.2 Remote Contingent liabilities	2023-24	2022-23
	£000	£000
Guarantees	0	0
Indemnities	361	0
Letters of Comfort	0	0
Total	361	0

21.3 Contingent assets	2023-24	2022-23
	£000	£000
please give details	0	0
Total	0	0

22. Capital commitments

Contracted capital commitments at 31 March

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.

	2023-24	2022-23
	£000	£000
Property, plant and equipment	1,133	536
Right of Use Assets	0	0
Intangible assets	0	0
Total	1,133	536

Patterson Liz
10/07/2024 12:29:36

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are reorded in the losses and special payments register when payment is made. Therefore, the payments in this note are prepared on a cash basis.

Gross loss to the Exchequer

23.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2024	
	Number	£
Clinical negligence	58	7,877,580
Personal injury	50	272,060
All other losses and special payments	7	21,377
Total	115	8,171,017

23.2 Analysis of number of cases and associated amounts paid out during the financial year

Case Type	In year claims in excess of £300,000		Cumulative amount £
	Case Number	£	
Cases in excess of £300,000:			
CN	MN/030/0623/GAK	7,333,799	8,050,442
PI	PI/030/1252/JAM		373,555
PI	PI/030/1377/JAM		579,242
CN	MN/030/1441/EC		551,603
Sub-total	1	7,333,799	9,554,842
All other cases paid in year	114	837,218	717,062
Total cases paid in year	115	8,171,017	10,271,904

Patterson, Liz
10/07/2024 12:29:36

24. Right of Use leases obligations

24.1 Obligations (as lessee)

Amounts payable under right of use asset leases:

2023-24

	LAND	BUILDINGS	OTHER	TOTAL
	31 March	31 March	31 March	31 March
	2024	2024	2024	2024
	£000	£000	£000	£000
Minimum lease payments				
Within one year	0	179	104	283
Between one and five years	0	181	91	272
After five years	0	0	0	0
Less finance charges allocated to future periods	0	-5	-5	-10
Minimum lease payments	0	355	190	545
Included in:				
Current borrowings	0	177	101	278
Non-current borrowings	0	178	89	267
	0	355	190	545
Present value of minimum lease payments				
Within one year	0	177	101	278
Between one and five years	0	178	89	267
After five years	0	0	0	0
Present value of minimum lease payments	0	355	190	545
Included in:				
Current borrowings	0	177	101	278
Non-current borrowings	0	178	89	267
	0	355	190	545

2022-23

	LAND	BUILDINGS	OTHER	TOTAL
	31 March	31 March	31 March	31 March
	2023	2023	2023	2023
	£000	£000	£000	£000
Minimum lease payments				
Within one year	0	389	221	610
Between one and five years	0	481	35	516
After five years	0	0	0	0
Less finance charges allocated to future periods	0	-14	-1	-15
Minimum lease payments	0	856	255	1,111
Included in:				
Current borrowings	0	382	221	603
Non-current borrowings	0	474	34	508
	0	856	255	1111
Present value of minimum lease payments				
Within one year	0	382	221	603
Between one and five years	0	474	34	508
After five years	0	0	0	0
Present value of minimum lease payments	0	856	255	1,111
Included in:				
Current borrowings	0	0	0	0
Non-current borrowings	0	0	0	0
	0	0	0	0

Pitterson, Liz
10/07/2024 12:29:36

24.2 Right of Use Assets lease receivables (as lessor)

The Teaching Health Board has no RoU leases receivable as a lessor.

Amounts receivable under right of use assets leases:	2023-24	2022-23
	31 March	31 March
	2024	2023
	£000	£000
Gross Investment in leases		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Minimum lease payments	<u>0</u>	<u>0</u>
Included in:		
Current financial assets	0	0
Non-current financial assets	0	0
	<u>0</u>	<u>0</u>
 Present value of minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Present value of minimum lease payments	<u>0</u>	<u>0</u>
Included in:		
Current financial assets	0	0
Non-current financial assets	0	0
	<u>0</u>	<u>0</u>

Patterson, Liz
10/07/2024 12:29:36

25. Private Finance Initiative contracts

25.1 PFI schemes off-Statement of Financial Position

The Teaching Health Board has no PFI Schemes off-statement of financial position.

Commitments under off-SoFP PFI contracts	Off-SoFP PFI contracts	Off-SoFP PFI contracts
	31 March 2024 £000	31 March 2023 £000
Total payments due within one year	0	0
Total payments due between 1 and 5 years	0	0
Total payments due thereafter	0	0
Total future payments in relation to PFI contracts	<u>0</u>	<u>0</u>
Total estimated capital value of off-SoFP PFI contracts	<u>0</u>	<u>0</u>

25.2 PFI schemes on-Statement of Financial Position

Capital value of scheme included in Fixed Assets Note 11 £000
0

Contract start date:

Contract end date:

The Teaching Health Board has no PFI Schemes off-statement of financial position.

Total obligations for on-Statement of Financial Position PFI contracts due:

	On SoFP PFI Capital element 31 March 2024 £000	On SoFP PFI Imputed interest 31 March 2024 £000	On SoFP PFI Service charges 31 March 2024 £000
Total payments due within one year	0	0	0
Total payments due between 1 and 5 years	0	0	0
Total payments due thereafter	0	0	0
Total future payments in relation to PFI contracts	<u>0</u>	<u>0</u>	<u>0</u>

	On SoFP PFI Capital element 31 March 2023 £000	On SoFP PFI Imputed interest 31 March 2023 £000	On SoFP PFI Service charges 31 March 2023 £000
Total payments due within one year	0	0	0
Total payments due between 1 and 5 years	0	0	0
Total payments due thereafter	0	0	0
Total future payments in relation to PFI contracts	<u>0</u>	<u>0</u>	<u>0</u>

31/03/2024
£000

Total present value of obligations for on-SoFP PFI contracts 0

Patterson, Liz
10/07/2024 12:29:36

25.3 Charges to expenditure

	2023-24	2022-23
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	0	0
Total expense for Off Statement of Financial Position PFI contracts	0	0
The total charged in the year to expenditure in respect of PFI contracts	<u>0</u>	<u>0</u>

The LHB is committed to the following annual charges

PFI scheme expiry date:	£000	£000
Not later than one year	0	0
Later than one year, not later than five years	0	0
Later than five years	0	0
Total	<u>0</u>	<u>0</u>

The estimated annual payments in future years will vary from those which the LHB is committed to make during the next year by the impact of movement in the Retail Prices Index.

25.4 Number of PFI contracts

	Number of on SoFP PFI contracts	Number of off SoFP PFI contracts
Number of PFI contracts	0	0
Number of PFI contracts which individually have a total commitment > £500m	0	0
PFI Contract		On / Off- statement of financial position
Number of PFI contracts which individually have a total commitment > £500m		0

PFI Contract

25.5 The Teaching Health Board has no Public Private Partnerships

Patterson, Liz
10/07/2024 12:29:36

26. Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. The LHB is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which these standards mainly apply. The LHB has limited powers to invest and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the LHB in undertaking its activities.

Currency risk

The LHB is principally a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and Sterling based. The LHB has no overseas operations. The LHB therefore has low exposure to currency rate fluctuations.

Interest rate risk

LHBs are not permitted to borrow. The LHB therefore has low exposure to interest rate fluctuations.

Credit risk

Because the majority of the LHB's funding derives from funds voted by the Welsh Government the LHB has low exposure to credit risk.

Liquidity risk

The LHB is required to operate within cash limits set by the Welsh Government for the financial year and draws down funds from the Welsh Government as the requirement arises. The LHB is not, therefore, exposed to significant liquidity risks.

Patterson Liz
10/07/2024 12:29:36

27. Movements in working capital

	2023-24 £000	2022-23 £000
(Increase)/decrease in inventories	(64)	(4)
(Increase)/decrease in trade and other receivables - non-current	(12)	16,065
(Increase)/decrease in trade and other receivables - current	7,817	(6,175)
Increase/(decrease) in trade and other payables - non-current	(241)	508
Increase/(decrease) in trade and other payables - current	(2,732)	(9,411)
Total	4,768	983
Adjustment for accrual movements in fixed assets - creditors	485	891
Adjustment for accrual movements in fixed assets - debtors	24	(27)
Adjustment for accrual movements in right of use assets - creditors	566	0
Adjustment for accrual movements in right of use assets - debtors	0	0
Other adjustments	(98)	(1,680)
	5,745	167

28. Other cash flow adjustments

	2023-24 £000	2022-23 £000
Depreciation	5,179	4,870
Amortisation	0	0
(Gains)/Loss on Disposal	0	0
Impairments and reversals	7,717	1,339
Release of PFI deferred credits	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0
Covid assets received credited to revenue but non-cash	0	0
Donated assets received credited to revenue but non-cash	(66)	0
Government Grant assets received credited to revenue but non-cash	0	0
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	0	0
Non-cash movements in right of use assets	2	
Non-cash movements in provisions	(2,736)	(783)
Other movements	4,605	4,275
Total	14,701	9,701

Other movements are Notional funding received for the

- LHB notional 6.3% Staff Employer Pension Contributions (4.600M) and funded directly to the NHSBA Pensions Division by Welsh Government.

- 2019/20 Pensions Annual Allowance Charge Compensation Scheme (0.005M)

Pattenon, Liz
 10/07/2024 12:29:36

29. Events after the Reporting Period

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 12th July 2024.

Medical Pay Awards

NHS Wales bodies were notified on 28th June 2024 of the revised pay arrangements for employees covered by medical and dental terms and conditions of service in Wales, which will be funded by Welsh Government. The arrangements are confirmed in the following pay letters:

- Pay Letter M&D(W) 04/24 applying to junior doctors. This confirms an overall 12.4% pay award backdated to 1 April 2023 and includes the 5% pay award already implemented and recognised in the accounts for 2023-24.
- Pay Letter M&D(W) 02/24 confirms the reform of the consultant (amended Welsh contract) pay scale from 1 January 2024.
- Pay Letter M&D(W) 03/24 confirms the pay scales applicable from 1 January 2024 for medical and dental consultants employed on national terms and conditions on the 2021 Specialty and Specialist contracts and the closed 2008 Associate Specialist contract in Wales.

The additional 7.4% for junior doctors, and the increases for consultants and specialists have not been recognised in the 2023-24 financial statements because the obligating event was the publication of the pay circular issued on 28 June 2024. These costs will be accounted for in the 2024-25 Annual Accounts.

Patterson Liz
10/07/2024 12:29:36

30. Related Party Transactions

The Welsh Government is regarded as a related party. During the year the LHB have 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

Related Party	Board Member Interests	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government		26	429,266	25	642
Aneurin Bevan University Health Board		14,658	373	1,316	62
Betsi Cadwaladr University Health Board		4,327	895	545	62
Cardiff & Vale University Health Board		2,267	54	511	27
Cwm Taf Morgannwg University Health Board		6,337	11	1,014	9
Hywel Dda University Local Health Board		10,258	195	528	(13)
Public Health Wales NHS Trust		148	1,259	27	290
Swansea Bay University Health Board		10,991	1,510	589	64
Velindre University NHS Trust (inc. WRP)		3,387	1,067	709	494
Welsh Ambulance Services Trust		674	48	575	0
Welsh Health Specialised Services Committee (WHSSC)	Ian Phillips Independent Chair of Welsh Kidney Network (Sub-Committee of WHSSC)	52,787	111	615	147
Health Education and Improvement Wales (HEIW)		0	1,808	0	289
Digital Health & Care Wales (DHCW)		1,950	482	545	45
Powys County Council	Councillor Chris Walsh, Councillor, Powys County Council	15,723	2,824	2,086	1,206
Neath Port Talbot College Group	Rhobert Lewis Chair of Governors, Corporation Board of Neath Port Talbot College Group	0	8	0	8
Powys Association of Voluntary Organisations	Recently retired as CEO of Powys Association of Voluntary Organisations	1,092	0	270	0
Freedom Leisure	Jennifer Owen Adams Close relative is senior manager for Freedom Leisure with strategic responsibility for Powys.	2	0	0	0
Social Care Wales	Michael Giannasi Chair of the Board of Social Care Wales	0	18	0	4
		124,627	439,929	9,355	3,336

- Residual Clinical Negligence
- Community Health Councils
- Health and Care Research Wales (HCRW)

Powys LHB 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 LHB has also received items donated from the Powys LHB Charitable Fund, for which the Board is the Corporate Trustee.

Patterson, Liz
10/07/2024 12:29:36

31. Third Party assets

The Teaching Health Board held £3,490 cash at bank and in hand at 31 March 2024 (31st March 2023, £160) which relates to monies held by on behalf of patients. This has been excluded from the Cash and Cash equivalents figure reported in the accounts.

None of this cash was held in Patients' Investment Accounts in either 2023-24 or 2022-23.

Patterson Liz
10/07/2024 12:29:36

32. Pooled budgets

A Provision of Care Home Accommodation Functions (Funded Nursing Care)

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement in accordance with Section 33 of the National Health Services Act 2006. The health related function which is subject to these arrangements is the provision of care by a registered nurse in care homes, which is a service provided by the NHS Body under section 2 of the National Health Service Act 1977. In accordance with the Social Care Act 2001 Section 49 care from a registered nurse is funded by the NHS regardless of the setting in which it is delivered. (Circular 12/2003)
 The agreement will not affect the liability of the parties for the exercise of their respective statutory functions and obligations. The partnership agreement operates in accordance with the Welsh Government Guidance NHS Funded Nursing Care 2004.

	Funding £	Expenditure £	Total £
Gross Funding			
Powys Teaching Health Board	2,108,424		
Total Funding	2,108,424		2,108,424
Expenditure			
Monies spent in accordance with Pooled budget arrangement		2,278,818	2,278,818
Total Expenditure		2,278,818	2,278,818
Net under/(over) spend			(170,394)

The above memorandum account is subject to the financial statements of Powys County Council (the Host).

B Provision of Community Equipment

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement in respect of lead commissioning from a pooled fund for the provision of community equipment in accordance with Section 33 of the National Health Services Act 2006. Powys County Council is the host partner for the purposes of the Regulations. The purpose of the agreement is to facilitate the provision of a community equipment service and the development of this service in Powys. The service is provided from a pooled fund and is within the THB's and the Council's powers.

	Funding £	Expenditure £	Total £
Gross Funding			
Powys County Council	675,000		675,000
Powys Teaching Health Board	675,000		675,000
Total Funding	1,350,000		1,350,000
Expenditure			
Monies spent in accordance with Pooled budget arrangement		1,327,579	1,327,579
Total Expenditure			1,327,579
Net under/(over) spend			22,421

The above memorandum account is subject to the financial statements of Powys County Council (the Host).

C Provision of Section 33 Joint Agreement for the provision of IT Services

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement in accordance with Section 33 of the National Health Services Act 2006.
 The agreement will not affect the liability of the parties for the exercise of their respective statutory functions and obligations.
 Powys County Council is the lead commissioner and the host partner for the purposes of the regulations.
 The purpose of the agreement is to facilitate the provision of ICT services within Powys.

	Funding £	Net Expenditure £	Total £
Gross Funding			
Powys County Council	1,234,010		1,234,010
Pows Teaching Health Board	828,850		828,850
Total Funding	2,062,860		2,062,860
Net Expenditure			
Monies spent in accordance with Pooled budget arrangement			
Expenditure		2,232,023	2,232,023
Income		(292,990)	(292,990)
Net Expenditure		1,939,033	1,939,033
Net under/(over) spend			123,827

The above memorandum account is subject to independent audit.

Patters P...
 10/07/2024 12:29:36

D Provision of Section 33 Joint Agreement for the provision of a Reablement Service

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement in respect of lead commissioning from a pooled fund for the provision of an effective and sustainable joint reablement service which meets the needs of the Powys communities in accordance with Section 33 of the National Health Services Act 2006. Powys County Council is the host partner for the purposes of the Regulations. This service is provided from a pooled fund and is within the THB's and the Council's powers.

	Funding £	Expenditure £	Total £
Gross Funding			
Powys County Council	413,380		413,380
Powys Teaching Health Board	828,000		828,000
Total Funding	1,241,380		1,241,380
Expenditure			
Monies spent in accordance with Pooled budget arrangement		1,240,885	1,240,885
Total Expenditure		1,240,885	1,240,885
Net under(over) spend			495

The above memorandum account is subject to the financial statements audit of Powys County Council (the Host).

E Provision of Section 33 Joint Agreement for the provision of Tier 2/3 Psycho-social Treatment Services

Powys Teaching Health Board and Powys County Council have entered into a partnership agreement in accordance with Section 33 of the National Health Services Act 2006. Powys County Council is the lead commissioner and the host partner for the purposes of the Regulations.

The agreement will not affect the liability of the parties from the exercise of their respective statutory functions and obligations.

The purpose of the agreement is to provide a Tier 2 and 3 service provision for drug and alcohol users and their concerned others.

	Funding £	Expenditure £	Total £
Gross Funding			
Powys County Council	830,229		830,229
Powys Teaching Health Board	121,864		121,864
Total Funding	952,093		952,093
Expenditure			
Monies spent in accordance with Joint Arrangement		952,093	952,093
Total Expenditure		952,093	952,093
Net under(over) spend			0

The above memorandum account is subject to the financial statements audit of Powys County Council (the Host).

F Provision of Section 33 Joint Agreement for the provision of Personal Care at Glan Irfon Integrated Health and Social Care Unit, Builth Wells

Powys Teaching Health Board (PTHB) and Powys County Council (PCC) have entered into a partnership agreement in accordance with Section 33 of the National Health Services Act 2006.

The agreement will not affect the liability of the parties from the exercise of their respective statutory functions and obligations.

Powys County Council is the lead commissioner and the host partner for the purposes of the Regulations.

The purpose of the agreement is to facilitate the provision of person centred care at Glan Irfon, for 12 residents within the short stay shared care reablement unit with in-reach clinical, nursing and reablement support (registered under CSSIW for Residential Care).

	Funding £	Expenditure £	Total £
Gross Funding			
Powys County Council	305,025		305,025
Powys Teaching Health Board	305,025		305,025
Total Funding	610,049		610,049
Expenditure			
Monies spent in accordance with Pooled budget arrangement		610,049	610,049
Total Expenditure		610,049	610,049
Net under(over) spend			0

The above memorandum account is subject to the financial statements audit of Powys County Council (the Host).

Patterson
10/07/2024 11:39:33

33. Operating segments

IFRS 8 requires bodies to report information about each of its operating segments. On 1st April 2023, the hosted function of Community Health Councils ceased and has been replaced by a new organisation Llais. There has been a transfer on 1st April 2023 for any assets and liabilities held in respect of this function at the balance sheet date of 31st March 2023

2023/24

	Note	Total Total Powys "Health" £'000	Total Residual Clinical Negligence £'000	Total Health and Care Research Wales (HCRW) £'000	Consolidation Adjustments £'000	Total £'000
Expenditure on Primary Healthcare Services	3.1	78,993	0	0	0	78,993
Expenditure on healthcare from other providers	3.2	218,101	0	1,044	0	219,145
Expenditure on Hospital and Community Health Services	3.3	143,253	25	4,675	(65)	147,888
		440,347	25	5,719	(65)	446,026
Less: Miscellaneous Income	4	11,174	0	5,113	(65)	16,222
THB net operating costs before interest and other gains and losses		429,173	25	606	0	429,804
Investment Income	5	0	0	0	0	0
Other (Gains) / Losses	6	(2)	0	0	0	(2)
Finance costs	7	21	0	0	0	21
THB Net Operating Costs		429,192	25	606	0	429,823
Add Non Discretionary Expenditure	3.1	1,859	0	0	0	1,859
Revenue Resource Limit	2.1	419,068	25	606	0	419,699
Under / (over) spend against Revenue Resource Limit		(11,983)	0	0	0	(11,983)

2022/23

	Note	Total Total Powys "Health" £'000	Total Residual Clinical Negligence £'000	Total Community Health Councils £'000	Total Health and Care Research Wales (HCRW) £'000	Consolidation Adjustments £'000	Total £'000
Expenditure on Primary Healthcare Services	3.1	74,960	0	0	0	0	74,960
Expenditure on healthcare from other providers	3.2	200,680	0	0	861	0	201,541
Expenditure on Hospital and Community Health Services	3.3	125,720	25	4,760	4,859	(75)	135,289
		401,360	25	4,760	5,720	(75)	411,790
Less: Miscellaneous Income	4	10,867	0	0	5,302	(75)	16,094
THB net operating costs before interest and other gains and losses		390,493	25	4,760	418	0	395,696
Investment Income	5	0	0	0	0	0	0
Other (Gains) / Losses	6	0	0	0	0	0	0
Finance costs	7	3	0	(2)	0	0	1
THB Net Operating Costs		390,496	25	4,758	418	0	395,697
Add Non Discretionary Expenditure	3.1	1,609	0	0	0	0	1,609
Revenue Resource Limit	2.1	385,103	25	4,758	418	0	390,304
Under / (over) spend against Revenue Resource Limit		(7,002)	0	0	0	0	(7,002)

Patterson, Liz
10/07/2024 12:29:36

34. Other Information

34.1. 6.3% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1 April 2023 to 31 March 2024. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2023 and February 2024 alongside Health Board data for March 2024.

Transactions include notional expenditure in relation to the 6.3% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows:

	2023-24 £000	2022-23 £000
Statement of Comprehensive Net Expenditure for the year ended 31 March 2024		
Expenditure on Primary Healthcare Services	67	76
Expenditure on Hospital and Community Health Services	4,533	4,178
Statement of Changes in Taxpayers' Equity For the year ended 31 March 2024		
Net operating cost for the year	4,600	4,254
Notional Welsh Government Funding	4,600	4,254
Statement of Cash Flows for year ended 31 March 2024		
Net operating cost for the financial year	4,600	4,254
Other cash flow adjustments	4,600	4,254
2.1 Revenue Resource Performance		
Revenue Resource Allocation	4,600	4,254
3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	2	0
General Dental Services	51	46
Other Primary Healthcare Expenditure	14	30
Prescribed Drugs and Appliance	0	0
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	76	66
Staff costs	4,457	4,112
9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	4,600	4,254
Charged to capital	18	19
Charged to revenue	4,582	4,235
18. Trade and other payables		
Current		
Pensions: staff	0	0
28. Other cash flow adjustments		
Other movements	4,600	4,254

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

LOCAL HEALTH BOARDS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2011 and subsequent financial years in respect of the Local Health Boards (LHB)1, in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the LHB shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year in which the accounts are being prepared, and has been applied by the Welsh Government and detailed in the NHS Wales LHB Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the LHB for the year ended 31 March 2011 and subsequent years shall comprise a statement of comprehensive net expenditure, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied by the Welsh Assembly Government, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2011 and subsequent years, the account of the LHB shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive of the LHB.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst

Dated :

1. Please see regulation 3 of the 2009 No.1559 (W.154); NATIONAL HEALTH SERVICE, WALES; The Local Health Boards (Transfer of Staff, Property, Rights and Liabilities) (Wales) Order 2009.

Patterson,Liz
10/07/2024 12:29:36

Carl Cooper, Cadeirydd / Chair
Ffon / Phone: 01874 712502
E-bost / Email: carl.cooper@wales.nhs.uk



**GIG
CYMRU
NHS
WALES**

Bwrdd Iechyd
Addysgu Powys
Powys Teaching
Health Board

Hayley Thomas, Prif Weithredwr / Chief Executive
Ffon / Phone: 01874 712725
E-bost / Email: hayley.thomas@wales.nhs.uk

Auditor General for Wales
Audit Wales
1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

11th July 2024

Representations regarding the 2023-24 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Powys Teaching Health Board for the year ended 31 March 2024 for the purpose of expressing an opinion on their truth and fairness, their proper preparation and the regularity of income and expenditure.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

As Chief Executive and Accountable Officer I have fulfilled my responsibility for:

- preparing the financial statements in accordance with legislative requirements and the Treasury's Financial Reporting Manual. In preparing the financial statements, I am required to:
 - observe the accounts directions issued by Welsh Ministers, including the relevant accounting and disclosure requirements and apply appropriate accounting policies on a consistent basis;
 - make judgements and estimates on a reasonable basis;
 - state whether applicable accounting standards have been followed and disclosed and explain any material departures from them; and
 - prepare them on a going concern basis on the presumption that the services of Powys Teaching Health Board will continue in operation.
- ensuring the regularity of any expenditure and other transactions incurred.
- the design, implementation and maintenance of internal control to prevent and detect error.

Pencadlys
Tŷ Glasbury, Ysbyty Bronllys,
Aberhonddu, Powys LD3 0LY
Ffôn: 01874 712730



Headquarters
Glasbury House, Bronllys Hospital
Brecon, Powys LD3 0LY
Tel: 01874 712730

Rydym yn croesawu gohebiaeth Gymraeg
Bwrdd Iechyd Addysgu Powys yw enw gweithred Bwrdd Iechyd Lleol
Addysgu Powys



We welcome correspondence in Welsh
Powys Teaching Health Board is the operational name of
Powys Teaching Local Health Board

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects Powys Teaching Health Board and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements;
- the identity of all related parties and all the related party relationships and transactions of which we are aware; and
- our knowledge of all possible and actual instances of irregular transactions.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Patterson, Liz
10/07/2024 12:29:36

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Representations by Powys Teaching Health Board

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by Powys Teaching Health Board on 11 July 2024.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:
Chief Executive

Signed by:
Chair of the Health Board

Date:

Date:

Patterson, Liz
10/07/2024 12:29:36