BOARD

CONFIRMED MINUTES OF THE MEETING HELD ON 24 JUNE 2026 AT 09:30 HELD VIA MICROSOFT TEAMS

MEMBERS		
Carl Cooper	CC	Chair
Rhiannon Beaumont-Wood	RBW	Vice Chair
Mererid Bowley	MB	Executive Director of Public Health
Steve Elliot	SE	Independent Member (Finance)
Mick Giannasi	MG	Independent Member (General)
Paul Hooton	PHo	Executive Director of Nursing, Quality, Women and Family Health
Pete Hopgood	PH	Executive Director of Finance, Capital and Support Services / Deputy Chief Executive Officer (Acting Chief Executive)
Nicola Johnson	NJ	Executive Director of Planning, Performance and Commissioning
Rhobert Lewis	RL	Independent Member (General)
Elaine Lorton	EL	Executive Director of Primary Care, Community and Mental Health
Jennifer Owen Adams	JOA	Independent Member (Third Sector)
Cathie Poynton	CP	Independent Member (Trade Union)
Ian Thomas	IT	Independent Member (General)
Debra Wood-Lawson	DWL	Executive Director People, Culture and Transformation
Kate Wright	KW	Executive Medical Director
Simon Wright	SW	Independent Member (University)
IN ATTENDANCE		
Helen Bushell	HB	Director of Corporate Governance / Board Secretary
Hayley Hughes	HH	Corporate Business Manager
Liz Patterson	LP	Head of Corporate Governance (Meeting Support)
APOLOGIES FOR ABSENCE:		
Ronnie Alexander	RA	Independent Member (General)
Katie Blackburn	KB	Regional Director, Llais
Nina Davies	ND	Associate Member (Director of Social Services, Powys County Council)
Claire Madsen	CM	Executive Director of Allied Health Professions, Health Science and Digital
Hayley Thomas	HT	Chief Executive Officer
Chris Walsh	CW	Independent Member (Local Authority)

1. PRELIMINARY MATTERS

1.1 WELCOME AND APOLOGIES FOR ABSENCE (PTHB/26/025)

The Chair (CC) welcomed everyone to the meeting. Apologies for absence were received as recorded above.

CC provided an overview of the role of the Board, the meeting agenda and explained that this was a meeting held in public rather than a public meeting and as such, Board Members, Health Board officers and those playing a formal role in the meeting would be participating.

1.2 DECLARATIONS OF INTEREST (PTHB/26/026)

In addition to those interests already declared within the published register HB declared a formal interest on behalf of all Board Members noting the Annual Report contains remuneration and pay details for Board Members and the Board Secretary.

2. ITEMS FOR APPROVAL/DECISION

2.1 AUDIT WALES' AUDIT OF ACCOUNTS REPORT, 2025/26 (PTHB/26/027)

MJ presented the Audit Wales Audit of Accounts Report 2025/26 outlining that the key findings of the Audit had already been considered in the Audit, Risk and Assurance Committee (ARAC). An unqualified 'true and fair' opinion would be issued on the 2025/26 financial statements, however, consistent with the previous two years the regularity opinion would be qualified on the basis that the Health Board had failed to meet its first and second financial duties to operate within its revenue resource.

One significant issue was identified relating to errors in the accounting treatment of impairment. This resulted in a material amendment within the accounts, specifically a transfer between the revaluation reserve and the general fund. In addition, one uncorrected, non-material misstatement of £2.4 million remained, which did not affect the audit opinion. ARAC had confirmed its agreement with management's decision not to amend this misstatement.

The certification of the accounts was planned for Friday 26 July, in line with the required timetable. The materiality levels applied during the audit are contained within the report. Recommendations for improvement in relation to the impairment issue would be issued separately in a management memorandum, with progress to be monitored in the following year.

MJ expressed appreciation to the Director of Finance, the finance team and colleagues for their cooperation and constructive working relationships, which had supported the resolution of complex accounting issues.

PH echoed the above comments thanking the Audit team for their excellent communication and good working relationships and confirming that the team would focus on learning to improve the end of year account process.

The Board **RECEIVED** the Audit of Accounts Report 2025/26.

2.2 RECOMMENDATION FROM THE AUDIT, RISK AND ASSURANCE COMMITTEE IN RESPECT OF THE ANNUAL REPORT AND ACCOUNTS 2025/26 (PTHB/26/028)

SE presented the recommendation from ARAC to Board and drew attention to the following matters:

- The Committee acknowledged the significant organisational effort required to prepare the Annual Report and Accounts within a short timescale and formally thanked all staff involved, together with Internal Audit and Audit Wales colleagues for their continued support and contribution.
- The Committee noted that the Auditor General intended to issue an unqualified 'true and fair' opinion on the accounts but would again qualify the regularity opinion due to the failure to meet statutory financial duties, with a cumulative deficit of £61 million over three years.
- It was recognised that the deficit reflected deliberate Board decisions to prioritise performance, patient safety and outcomes. The Committee noted that this was not a sustainable position and that the Annual Plan appropriately focused on financial recovery and strengthening grip and control, alongside continued monitoring of financial controls.
- The Committee noted an uncorrected misstatement of £2.4 million identified during audit, relating to the technical accounting treatment of fixed assets. It was acknowledged that correcting this would require adjustments to both the accounts and Welsh Government funding streams.
- The Committee was assured that the misstatement did not impact the underlying financial position of the Board and supported the decision not to amend the 2025/26 accounts, with a commitment to review this matter later in the current financial year to ensure it had been resolved.
- On this basis, the Committee confirmed it was content to recommend the Board:
  - **APPROVES** the Annual Report and Accounts 2025/26, which includes:
    a) The Performance Report;
    b) The Annual Accountability Report; and
    c) The Financial Statements
  - **RECOGNISES** the accounts include a non-material but uncorrected mis-statement of £2.4m that will be actioned in future years;
  - **APPROVES** the Letter of representation; and
  - **AUTHORISES** the Chair, Chief Executive and Executive Director of Finance, Capital and Support Services to sign them where required.

2.3 Annual Report and Accounts 2024/25 (PTHB/26/029)

PH presented the Annual Report and Accounts for 2025–26 for Board approval. The accounts had been adjusted in line with the corrections set out in the ISA 260 report and were now ready for submission as part of the Annual Report.

HB provided an overview of the Annual Report comprising of the Performance and Accountability Report which had been prepared according to Auditor General and Welsh Government guidance. Feedback from key committees and stakeholders had been incorporated, governance statements had undergone external review and minor administrative amendments had been made. A small number of outstanding minor amendments would be made prior to submission including the location of two photos, the correction of attendance records for one Independent Member and a small number of typographical corrections.

Thanks were expressed to contributors and collators of the Annual Report.

Independent Members asking the following questions for assurance:
How will the £2.4m non-material misstatement be addressed and prevented from recurring?
PH advised the misstatement will be corrected through appropriate accounting transactions to bring the cumulative position fully up to date in the 2026–27 accounts. In parallel, Audit Wales recommendations will be embedded into routine processes, supported by strengthened controls and learning from a post-audit debrief to prevent recurrence and provide assurance through future reporting.

How is the Annual Report used beyond its statutory purpose, including its role as a diagnostic and planning tool, and how can it more explicitly assess and demonstrate progress in tackling inequalities?
HB confirmed that, although the Annual Report is a statutory document for the AGM, it is used throughout the year as a key reference point to support reflection, learning and improvement. She noted it informs understanding of organisational position and is regularly used by the Governance team, with further opportunity to enhance how it is communicated and brought to life for stakeholders. She also highlighted that, while inequalities are reflected in the report, this could be strengthened alongside other supporting strategies and assurance mechanisms.

NJ emphasised that the Annual Report is a core component of the planning cycle, capturing achievements and risks from the previous year. It is used as a foundation to inform future planning and prioritisation, including annual plans and the Integrated Medium Term Plan.

MB advised that inequalities are already considered particularly through the Director of Public Health's report, but there is scope to strengthen this further. The importance of more explicitly addressing deprivation, geography and access, was noted and added that programmes such as Better Together will support progress in tackling inequalities.

CC noted that detailed consideration on this matter had taken place at ARAC as detailed in the report from the Chair.

The Board:

- **APPROVED** the Annual Report and Accounts 2025/26, which includes:
    - a)The Performance Report;
    - b)The Annual Accountability Report; and
    - c) The Financial Statements
- **RECOGNISED** the accounts include a non-material but uncorrected mis-statement of £2.4m that will be actioned in future years;
- **APPROVED** the Letter of representation (included in paper 2.1); and
- **AUTHORISED** the Chair, Chief Executive and Executive Director of Finance, Capital and Support Services to sign them where required.

3. OTHER MATTERS

3.1 ANY OTHER URGENT BUSINESS (PTHB/26/030)

No other business was raised.

5.2 DATE OF NEXT MEETING (PTHB/26/031)

29 July 2026.

Meeting closed at 10:00