GIG CYMRU NHS WALES

Bwrdd Iechyd Prifysgol
Cwm Taf Morgannwg
University Health Board

ANNUAL REPORT &

FINANCIAL STATEMENTS

2021-2022

What this Annual Report will tell you

Our Annual Report is part of a suite of documents that provides you, our regional partners, stakeholders and the general public with information about Cwm Taf Morgannwg University Health Board (CTMUHB), the care we provide and what we do to plan, deliver and improve healthcare, in order to meet changing demands and future challenges.

It provides information about our performance, what we achieved in 2021-2022 and how we plan to improve upon this. It also acknowledges the importance of working with you, listening to your feedback to support you to take the best care of yourself, whilst ensuring that we deliver better services to meet your needs in the most effective, efficient, safe and sustainable ways.

In accordance with the NHS Wales 2021-2022 Manual for Accounts and HM Treasury's Financial Reporting Manual, our Annual Report includes:

- Our **Performance Report** which details how we performed in relation to the need to adapt and respond to the continuing Covid-19 pandemic;
- Our **Accountability Report** which details our key accountability requirements under the Companies Act 2006 (as accepted for the public sector) and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and our Governance Statement provides information about how we manage and control our resources and risks, and comply with governance arrangements; and
- Our **Financial Statements** which detail how we have spent our money and met our obligations under the National Health Service Finance (Wales) Act 2014.

For 2021-2022, there was no requirement to prepare a separate Annual Quality Statement, however, key quality themes are captured within our Performance Report.

At the time of writing, CTMUHB continues to respond to the challenges faced by the response to the Covid-19 pandemic. This report sets out progress made in this respect and reflects how we as an organisation are operating whilst living alongside Covid-19.

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If you require a printed version of the Annual Report or in alternative formats/languages please contact us using the details below:

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Welcome from the Chair and Chief Executive

Over the past year, our dedicated workforce has continued to adapt to new ways of working and the increasing service challenges facing CTMUHB and our communities. They have had to do this whilst facing disruption to life in, and out of work, caused by the pandemic. Therefore, we wish to start by taking this opportunity to **thank our workforce** who continue to provide care, treatment and support for our patients, service users and our communities.

Just over two years on from when the Covid-19 pandemic was first declared, it was impossible to have predicted the **enormous impact on everyone's lives and the many ways CTMUHB would need to adapt.** Staff have adapted to the challenge by working flexibly and with agility to deliver services to our population in response to the pandemic and roll out the mass vaccination programme to help protect the health of our population against Covid-19.

We also wish to thank **you**, the **population CTMUHB serves**; the local community, our three local authorities, charities, local and regional partners and stakeholders, who continue to work with us and be hugely supportive as we continue to respond to the challenges. We also wish to recognise the support and feedback we continue to receive from the **Cwm Taf Morgannwg Community Health Council** and would like to thank them for their partnership working with us during this past year.

One of the most significant developments progressed over this past year is our work to develop our clinical strategy under the banner of '**CTM2030 Our Health Our Future'** which aims to describe how our clinical services will be delivered in the future as well as focussing on how we develop services which support the wider health and wellbeing needs of our population. Underpinning the strategy is a consideration of how we develop and support staff to deliver our priorities including new clinical roles, career development programmes, staff wellbeing and leadership development.

We continue to embed our Values and Behaviour in all aspects of our services. Through ongoing engagement and using our **'Be at our Best' Values and Behaviours Framework,** we are ensuring CTMUHB is committed to nurturing a supportive, inclusive, and positive culture. While considerable progress at embedding these values has been made, there is always more that can be done to see them further embedded and visible through recognisable positive behaviours.

Despite the enormous challenge and pressures the pandemic has brought, there has been continued progress in relation to the improvement and innovation work of the organisation in response to our **escalation status with Welsh Government** ('Targeted Intervention' in relation to three specific measures - trust and confidence, leadership and culture and quality governance - and to 'Special Measures' relating to our maternity and neonates services). Further updates on this important and ongoing programme of improvement work are referenced in particular on pages 7-9 of this report.

We sincerely thank those involved in the ongoing reviews and development work, including both staff and our external partners including former patients and other

stakeholders. The continuous engagement is helping the organisation **strengthen and improve its services and ensure we continue to build trust** with the population we serve.

As we move towards an endemic situation, where Covid-19 will become part of our everyday lives in some form, CTMUHB will continue to learn from the challenges faced by the pandemic, continuing to evolve and develop our services, truly focusing on how we improve the health and wellbeing of our population, as well as ensuring we continue to provide the best, high quality services to our local communities so that people have the best ability to live healthy and happy lives for as long as possible.

Our plan to recover and reset Elective Recovery across CTMUHB builds upon the following principles and align with the National Recovery principles across Wales:

- Care for those with the greatest need first, providing equitable access to all;
- Do only what is needed and do no harm, transforming the way we provide care; and
- Reduce inappropriate variation through evidence based approaches, clinically driven and quality pathway development.

Targeted work is being undertaken to set out our position for recovering and resetting our planned care work during 2022-2023.

Finally, we hope you read on and find this Annual Report to be a helpful **reflection of our journey during 2021-2022**. We encourage you to watch our video which will be published alongside this Annual Report. This will be showcased at our Annual General Meeting on 28th July 2022 and will be available via our website.

Emrys Elias, Chair (interim)

Paul Mears, Chief Executive

About Us:

CTMUHB was formed on 1 April 2019, providing and commissioning a full range of hospital and community based services for the residents of **Bridgend, Rhondda Cynon Taf and Merthyr Tydfil**. This includes the provision of local Primary Care services (GP Practices, Dental Practices, Optometry Practices and Community Pharmacy) and the running of hospitals, health centres and community health teams within the CTMUHB footprint. CTMUHB's resident population was estimated at 449,836 (Stats Wales Welsh Government, June 2021), increasing to 530,000 when accounting for flows from other areas e.g. South Powys, North Cardiff, Neath Port Talbot, Vale of Glamorgan. Our population live in the Bridgend, Rhondda Cynon Taf and Merthyr Tydfil localities.

Detailed information about the **services that we provide** can be found on the 'services' section of our website. CTMUHB is also responsible for making arrangements for residents to access more specialised health services where these are not provided within CTMUHB boundary.

CTMUHB recognises its important role as an anchor institution. More than 80% of **our 13,000 workforce live within our region,** making our staff not only the lifeblood of our organisation but representatives of the diverse communities that we serve.

CTMUHB acts as host to the:

- NHS **National Imaging Academy Wales (NIAW)** which is training Wales's next generation of radiologists, radiographers, sonographers and imaging professionals;

As well as NIAW, CTMUHB hosts the following all-Wales Joint Statutory Committees:

- **Welsh Health Specialised Services Committee (WHSSC)**, is established as a Statutory Joint Committee of each of the Local Health Boards (LHBs) in Wales. Voting members include the Chair (appointed by the Minister for Health and Social Services) and the Vice Chair (appointed by the Joint Committee of the current non-officer members of the seven LHBs), LHB Chief Executives and a Committee Welsh Health Specialist Services Officer. The Joint Committee is responsible for the joint planning and commissioning of specialised and tertiary health care services across Wales.

- **Emergency Ambulance Services Committee (EASC)**, is established as a Statutory Joint Committee of all Health Boards in Wales, with responsibility for planning and securing sufficient ambulance services for the population. Each Health Board Chief Executive is a member of the Committee and they collaboratively commission emergency and non-emergency ambulance services which includes the Welsh Ambulance Services NHS Trust and Emergency Medical Retrieval and Transfer Service (EMRTS Cymru – Wales Air Ambulance).

Matters of Particular Note:

Covid-19 Pandemic:
The Performance Report section of this Annual Report once again focuses on the continuing challenges posed by the pandemic and the way in which CTMUHB operated as a result. This is explored in detail in chapter 1 (page 11) onwards.

Service Quality and Governance Issues:
A significant area of focus for our improvement work continues to be the actions put into place to respond to the failings within maternity services within the former Cwm Taf Health Board (predecessor organisation to CTMUHB) that were set out in a report published in April 2019. This report was commissioned by Welsh Government (WG) from the Royal College of Obstetrics and Gynaecologists (RCOG) who undertook an **independent review of these services** jointly with the Royal College of Midwives (RCM). Besides the significant concerns raised in terms of maternity services, wider concerns were also identified in relation to quality, culture, leadership and governance within the service. As a result, Welsh Government placed the organisation into 'Targeted Intervention' under their Escalation and Intervention Arrangements for NHS service delivery. At the same time, CTMUHB maternity services were escalated into the category of 'Special Measures'.

Welsh Government also appointed an **Independent Maternity Services Oversight Panel (IMSOP) to:**

- Provide assurance, constructive challenge and oversight of the improvement against the 70 RCOG/ RCM recommendations; and
- Establish and agree an independent multidisciplinary process to clinically review relevant cases and to ensure that any learning which emerges from these reviews is acted upon by CTMUHB and others.

Neonatal services - IMSOP started a deep-dive into neonatal services at Prince Charles Hospital (PCH) in May 2021. The report arising from the deep-dive was published in February 2022 and incorporated 42 recommendations for the Health Board in addition to 14 immediate concerns that had been escalated in August 2021. The recommendations were grouped into seven themes; family engagement, governance, assurance and accountability, neonatal service workforce, national and Wales reporting, neonatal unit functionality, neonatal unit safety and clinical case assessment.

CTMUHB's response to the interim findings of the deep-dive review of Neonatal care is available by clicking here. The findings of the report have been accepted. To support our response a neonatal improvement team was established providing medical and clinical leadership and the ability to coordinate the programme of work. Leads have been identified for each of the seven themes outlined to oversee the specific programmes of improvement work. Frontline staff will be supported to lead, drive and influence aspects of the improvements with the aim to ensure quality improvements become a part of normal practice.

Regular updates as to the progress are provided to each meeting of the Quality & Safety Committee. The latest reports of this reporting period is available via our website or by clicking here. It should be noted that whilst the deep-dive review focused on the Neonatal Unit at PCH, the programme of improvements has

included neonatal colleagues and teams at the Princess of Wales Hospital (POWH) who are actively engaged with the process.

Health Inspectorate Wales (HIW) and Audit Wales undertook a review in November 2019 in response to the identification of a number of **weaknesses in governance around patient safety and quality of care.** This suggested that urgent improvements were required at both corporate and local level to overhaul existing arrangements, organisational structures and roles. This was subsequently followed up to consider progress and the findings were published in May 2021 which are available here. This concluded that despite the pandemic having understandably impeded the pace of improvement, progress had been made against many of the original recommendations. There is further reference to this at page 96 of this report.

HIW made an unannounced inspection visit to the Emergency Department (ED) of PCH in September 2021. The inspection reported the need for immediate 'make safe' actions to be undertaken. An improvement plan was progressed through a PCH Improvement Programme Board and focussed on the following 5 key areas;

- Patient experience particularly as a result of the overcrowding, so that patients receive care that is timely and maintains dignity.
- Infection, prevention and control arrangements.
- Delivery of safe and effective care.
- Workforce support and development.
- Management, leadership and culture.

A second unannounced visit of the Emergency Unit at PCH was undertaken by HIW in January 2022. The inspection found **significant improvement** with evidence of sustained improvements. Whilst CTMUHB welcomed the feedback, we recognise that the department continues on the improvement journey. In February 2022, confirmation was received that the ED Nursing Workforce Business Case was approved, which includes the recruitment of new substantive staff with an ED Senior Nurse for Professional Development. Other key milestones that the PCH ED team continue to work towards, include establishment of the Gynaecology Day Assessment Unit, development of the Paediatric Pathway, development of a new Ambulatory Care Model, further development of capturing and listening to patient experience and continuing to roll out the Leadership and Culture Plan.

Through the work completed to date, the team have been afforded the opportunity to further action plan and encompass initiatives for increase patient and staff feedback and engagement. Furthermore, the improvement plan has been extended now to include two more areas for focus – Theatre Department and Flow with a future third work stream due to come online looking at our critical care service.

Progress against the Improvement Plan is reported through to the Quality & Safety Committee by the Chief Operating Officer.

The areas in need of improvement in response to Targeted Intervention status will continue to be taken forward in 2022-2023 with a further **scrutiny session via self-assessment against** the Maturity Matrix agreed with Welsh Government planned for April 2022.

Overall progress on our improvement in response to Targeted Intervention and Special Measures is periodically assessed via collective consideration by Welsh

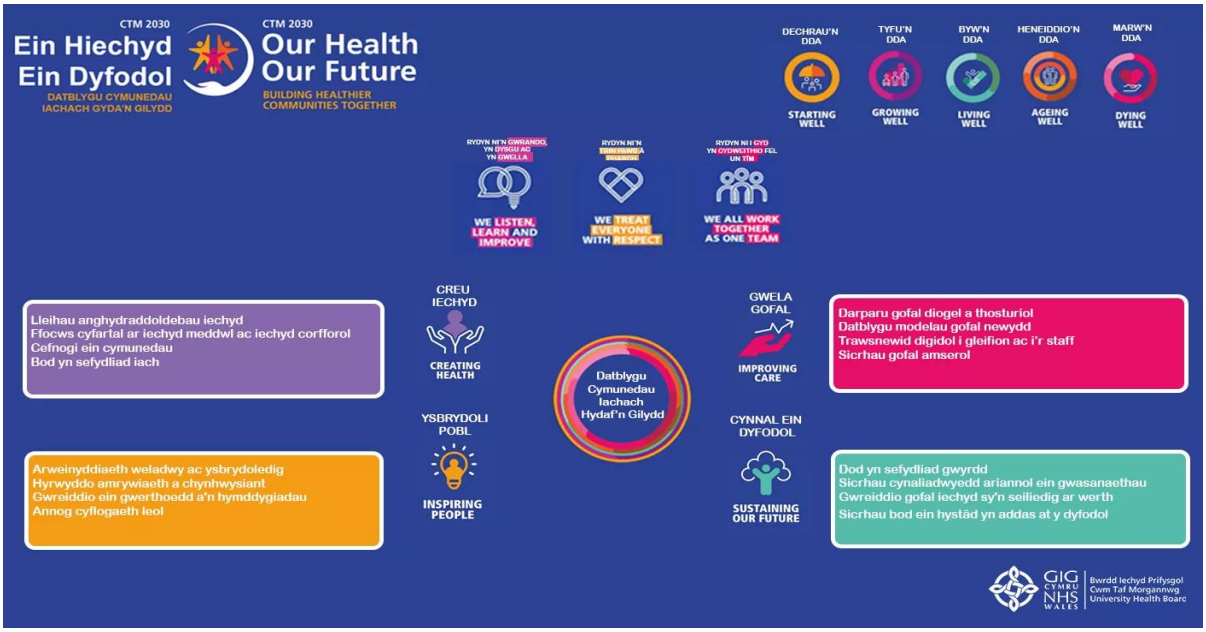
Government, HIW and Audit Wales. CTMUHB's most recent assessment took place in February 2022 where CTMUHB received a great deal of **positive feedback** around all aspects of improvement work when it was agreed CTMUHB was very firmly in 'Level 3 – Results' stage for Targeted Intervention with some domains approaching 'Level 4 – Maturity'.

Whilst this represents a tremendous amount of progress despite ongoing operational and Covid-19 pressures, it was confirmed in early March 2022 that there will be no changes in the organisation's escalation status in the short term with further improvements required in particular in terms of our financial and service delivery performance. The organisation will therefore continue to work with partners to ensure we are **demonstrating improvement** across a range of areas. The development of the CTMUHB clinical services strategy will assist with this and work will continue under the umbrella of 'Improvement CTM' which aims to showcase improvements in day to day work.

'CTM2030: Our Health, Our Future':

In September 2021 work began in earnest to develop a strategy for CTMUHB entitled: **'CTM2030: Our Health, Our Future'**. So far this work has included the development and testing (through community engagement) of four strategic goals for the organisation and the priority areas for each goal.

These have been set into a new easy format, recognisable design (with our CTM values at the heart of the design), for supporting effective communications and engagement. The Board formally approved the strategic goals and priorities at its meeting in January 2022 and the report relating to this is available in full here.



The importance of **engaging and building** on our existing relationships with staff, communities and partners is an integral part in the strategy's development and essential in order to re-affirm and secure commitment to its delivery. This will allow CTMUHB to be **ambitious** on behalf of our population in turning our CTM2030 goals into tangible outcomes.

Values and Behaviours:

Our values and behaviours are fundamental to the way we do things at CTMUHB. They are everything we stand for and aspire to. That includes the way we behave, how we perform our roles and the way we recruit new talent.

- We listen, learn and improve
- We treat everyone with respect
- We all work together as one team

To find out more about our values, visit: https://cwmtafmorgannwg.wales/we-are-cwm-taf-morgannwg/.

The development of a supportive, inclusive, and positive culture has been progressed through the engagement, launch and use of our 'Be at our Best' Values and Behaviours. While considerable progress at embedding these values has been made over the past year, inevitably there remains much to do to see them visibly lived through a clear set of understood and recognisable workforce behaviours.

Chapter 1 – Performance Report

Chief Executive's Introduction and Performance Overview

The purpose of the performance section of the Annual Report is to **provide information on our organisation**, its main **objectives and strategies** and the **principal risks** that we face. The requirements 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, as amended by SI 2013, No. 1970. The main features flow from our delivery plans setting out what was achieved for the year being reported – in this case 1st April 2021 to 31st March 2022.

I must start my overview by recording my **enormous thanks** to our staff who have again shown huge dedication looking after the residents of CTM during a challenging time. Their hard work and determination, across all sites (secondary and community-based) and departments has been humbling.

CTMUHB has evolved into a different type of organisation necessitated by the pandemic; though we regret (due to Covid-19 regulations) that we have not been able to see and treat as many patients as we would do normally. The pandemic has had a huge impact on our population and services and the emerging variants of concern, Delta and then Omicron have **resulted in more infections due to greater transmissibility.**

The population of CTMUHB has had the highest rates of infection and mortality in Wales. Whilst our local communities account for approximately 15% of the Welsh population, the proportion of deaths from Covid-19 in CTM is 26% of those in Wales, further demonstrating the inherent health vulnerabilities and inequalities of our population.

In responding to the demands of the pandemic during the past 12 months we have cared for significant numbers of patients who have tested positive for Covid-19 and for whom specific infection control measures have been required, whether or not they were symptomatic. The picture in the latter part of 2021-2022 was of **more asymptomatic patients**, but nevertheless, great care has had to be taken to prevent avoidable transmission to vulnerable individuals. Both this and the high number of staff testing positive who then had to isolate has had a significant impact on the delivery of services. These issues have equally affected providers of social care.

Of great importance during the pandemic was the high uptake of the vaccine along with the accelerated booster campaign amongst our communities. This has provided a **great level of protection for our most vulnerable population** and has reduced hospital admissions, including to Critical Care and deaths. We pay tribute to our communities for their proactive engagement in the vaccination programme and to all our staff and partners for their continued diligence in the face of such unprecedented circumstances.

It is largely due to the inevitable focus on responding to the pandemic that we have seen disappointing performance in the **indicators for Urgent Care**, including longer waits in ambulances, in our Emergency Departments and for discharge from hospital. This has in turn had an impact on the re-establishment of the full range of elective services and has meant that recovery of waiting times

is behind where we had intended it to be. Our emphasis has been on the **recovery of cancer care pathways**, where we have seen some improvements as the year closes, but again not as far as we had hoped.

Our workforce has continued to adapt to **new working models** and **service challenges**. This is all against the disruption to life both in and outside of work caused by the pandemic, ensuring that patients and their families receive high quality care whilst we work to **reset** our services to meet the needs of our communities in a timely manner.

The 'resetting' agenda is a significant issue for all of us which has been made even more difficult by the Omicron variant and our need to respond to it. **Maintaining a focus on quality** while looking after so many unwell patients and managing the difficulties of patient flow through all our sites has been, and will continue to be our priority.

The NHS Wales Planning Framework 2021-2022, articulates that the "four harms have become our strategic framework and the need to balance work we do to reduce the harm is critical" therefore I have outlined in this section how we addressing the four harms:

Performance against the 2021/2022 Annual Plan
Feedback on the achievement of the deliverables included within the Annual Plan for Quarters 1 and 2 were reported to the Board in November 2021. More recently a report was received by the Board in May 2022 focussing on the achievement of the deliverables in Quarters 3 and 4 of 2021/22 and in particular that report looked at the areas which were not achieved. It is available here.

Harms Arising from COVID-19 for our Population
A review of the impact of Covid-19 has been led by an intelligence cell and is nearing completion. This will be helpful in fully understanding the direct impacts of Covid-19 in CTMUHB and therefore how these might be most effectively addressed.

In view of the various harms from Covid-19, CTMUHB has put the following into place:

- Harm Reviews for cancer patients
- A plan for Resetting Services although pace was impacted as a result of staff being redirected to support the Vaccination Programme;
- Prioritisation of emergency and cancer operations;
- Maintaining inpatient activity in the second wave of the pandemic, as far as possible. There has been a focus on outpatients, community and Clinical Nurse Specialist (CNS) clinics as some examples continuing as normal wherever possible. The level of this activity and when they have been reinstated has been monitored on a weekly basis at least; and
- Long Covid Services.

Harms from an overwhelmed NHS and Social Care System

CTMUHB has worked closely with social care colleagues to maintain and develop services over the extremely tough two-year period. This partnership has been at both informal and formal levels and has proved invaluable. Social Care colleagues have been on site regularly, often daily, and have been involved in looking at solutions for the additional problems that the pandemic has brought. These close working relationships resulted in further joint appointments such as discharge planning staff.

There have been workforce challenges for our local authority colleagues too, with domiciliary care (a person receiving care at their own home) being significantly impacted. This has resulted in people not being able to return home with the necessary support packages in place resulting in longer hospital stays than should have ordinarily been needed. This then impacted on CTMUHB by reducing our capacity to care for and treat other patients.

CTMUHB has also continued to work with a range of third sector organisations including the three County Voluntary Councils, Age Connect Morgannwg as well as mental health organisations who provide a variety of services to support our communities. We would like to take this opportunity to thank those organisations for their important contributions which are so vital to so many.

Harm from a Reduction in non Covid-19 Activity

The issue of harm from a reduction in non-Covid-19 activity has been the focus of attention across Wales and the UK more widely.

CTMUHB has chosen to take a focused approach to the resetting agenda – with a range of actions aimed at a smooth re-start of services and weekly broad ranging meetings to monitor progress and address any issues or blockages. In the second wave of the pandemic, the organisation, learning from previous experience, worked hard to control reductions in activity until they were absolutely necessary.

In terms of quantifying harm, there are extensive harm reviews underway in cancer services, noting however, that cancer surgery was protected throughout the pandemic, and there is also similar work underway within Ophthalmology. CTMUHB anticipates that sadly, in common with all other NHS organisations, the impact of the pandemic will be long lasting.

Harm from Wider Societal Actions / Lockdown
Clearly the pandemic has been hard for those with pre-existing mental health conditions but also for many others, and the demands related to this are being seen in a range of services particularly eating disorder, memory services and Local Primary Mental Health Support Services.

There has also been an economic impact, especially to more deprived communities in our footprint through loss of work due to isolation and, control measures such as required or reactive closures, particularly in the absence of furlough support. This is known to have links to mental and physical health issues. Inevitably, the pandemic will widen inequalities in our communities, which in turn, impact on health outcomes for our population.

Broader harms are also being explored, such as the impact on emotional and mental health and well-being; shielding and educational impacts through time lost at school due to closures and isolation for prolonged periods of time.

'CTM2030: Our Health, Our Future'
Looking ahead, CTMUHB's strategy will be informed by national and local requirements and legislation. As well as striving to return to "normal" service and pre-Covid-19 waiting levels, we will be embracing the positive innovation and excellent clinical leadership that has been such a feature of the last two years.

Duty of Quality & Duty of Candour - The new Duty of Quality and the new Duty of Candour are due to come into legal force in April 2023, in line with the Health and Social Care (Quality and Engagement) (Wales)(Act) 2020. The new Duties will require CTMUHB to report annually on compliance with those Duties and to publish their reports in the annual accounts and performance report. These new reporting requirements will therefore be captured in the reporting period 2023-23.

In the interim it is anticipated that there will be:

- A non-statutory implementation of the Duty of Quality in autumn 2022. This will allow for testing the quality reporting indicators, measures and narrative framework concepts being developed during the duty of quality implementation phase as a hybrid reporting process for 2022-2023. In the meantime, quality reporting requirements are embedded in the Performance Section of this Annual Report.

- A non-statutory implementation lead-up period during the autumn/winter 2022 regarding the Duty of Candour. This is to allow NHS bodies, including primary care providers to prepare for the new reporting requirements under the Duty of Candour and also undertake and roll-out training and awareness sessions.

Integrated Medium Term Plan (IMTP) – Each year, in line with our statutory requirement, CTMUHB develops a three-year IMTP to provide assurance setting out how services will be commissioned and provided within available resources to meet the needs of individuals and improve outcomes for the populations we serve. Whilst this process was suspended for 2020-23 due to the pandemic, CTMUHB's approved plan for 2019-22 remained extant.

Due to CTMUHB's financial situation, an Accountable Officer (AO) letter was submitted to Welsh Government on 28th February 2022 advising of the inability to submit a financially balanced plan for the next three-year period (2022-25). The letter acknowledged the need for CTMUHB to balance quality, safety and finance and manage our return to financial balance over a longer time period. A report detailing the position was received by the Board at its meeting on 31st March 2022 and is available here. Although CTMUHB has been unable to submit a financially balanced IMTP, the draft plan focuses on what we are able to deliver in 2022-2023 and sets out our response to the priorities of the Minister for Health and Social Services for the IMTP.

Welsh Government subsequently extended the deadline for the finalisation of the recovery element of the plan to the end of April 2022 with the intention that NHS organisational plans will be reviewed and individual Health Boards will be invited into collective reviews of plans enabling the final versions to be presented for Ministerial approval in May/June 2022.

As in previous years, internal scrutiny of performance delivery will continue to be undertaken through the Planning Performance & Finance Committee and via the Board itself.

Looking forward to 2022-2023 we are positive and optimistic about the future as it is important that we focus on our longer-term ambitions as an organisation. We have significant work underway to develop our clinical strategy under the banner of 'CTM2030' which aims to describe how our clinical services will be delivered in the future as well as focusing on how we develop services which **support the wider health and wellbeing of our population.** The overarching strategic goals and principles for service delivery were agreed at Board at its meeting in March 2022.

The process of developing a clinical services plan is an iterative one that involves complex clinical and other stakeholder engagement. This process has begun with community engagement and clinical workshops in progress, with a view to generating broad commitment to the direction of travel. This will lead to a set of service change proposals in the autumn of 2022 and consultation as required. This does not mean that some service changes will not occur in the interim as determined by pressures and opportunity.

CTMUHB's strategic goals will be met through developing and implementing a public health 'life course' approach across the following five strategic areas:

'CTM2030' will cover all aspects of how we deliver population health through public health, primary, community and mental health; integrated care with local authorities and third sector; and our hospital services. Underpinning the strategy we will also be considering how we **develop and support staff** to deliver the strategy including new clinical roles, career development programmes, staff wellbeing and leadership development.

We will also be developing our approach to **digital transformation** across the organisation which will support how we deliver new models of care for patients as well as improving our internal ways of working to streamline what we know can be very bureaucratic processes for staff.

The importance of engaging and building our existing relationships with staff, communities and partners is an integral part in the Strategy's development and essential in order to re-affirm and secure commitment to its delivery. This will allow CTMUHB to be **ambitious on behalf of our population** in turning CTMUHB's Strategic Goals into tangible outcomes.

Underpinning the overall strategy will be CTMUHB's Clinical Strategy which will be informed by engagement with clinicians and other Stakeholders and aligned with the WG National Clinical Framework. There will be further strategies in People, Estates and Digital with the milestones for developing these set out in CTM2030: Our Health, Our Future.

There are great opportunities now for us all across the organisation to focus on being bold in our ambitions for CTMUHB and for our population, focusing on high quality care for those who need it the most to improve their health outcomes, those who have waited the longest for treatment due to the pandemic and giving people and communities the tools and support for living healthy lives.

Paul Mears
Chief Executive and Accountable Officer
14th June 2022

Areas of Responsibility

Information regarding our population, scope of responsibility and geographical area is captured on pages 6. The "Matters of Particular Note" section on page 7, identifies any responsibilities or issues which are unique to CTMUHB.

Impact of Covid-19 on Delivery of Services

CTMUHB has articulated the issues and risks that we faced in our Operational Resilience and Winter Planning arrangements.

The CTMUHB Resilience Programme strategic aims:

- Protect the health of people in our communities;
- Prevent deaths from surging respiratory disease and from the impact of a surge on core services; and
- Protect the health and well-being of staff.

Performance in Elective Care Services:

Performance against National Targets

Referral to Treatment Times (RTT)		
Patients Waiting:	**Target**	**Number of Patients**
Number of patients waiting more than 36 weeks for treatment	Zero	48,576
Percentage of patients waiting less than 26 weeks for treatment	95%	47.3%
Number of patients waiting at Stage 1 (Outpatients)		68,003
Number of patients waiting at Stage 4 (Treatment)		17,818
Diagnostic and Therapy Waits		
Patients Waiting:	**Target**	**Number of Patients**
Number of patients waiting more than 8 weeks for a specified diagnostic	Zero	14,284
Number of patients waiting more than 8 weeks for a specified therapy	Zero	970
Patients Waiting for Follow-up Outpatient Appointment		
Patients Waiting:	**Target**	**Number of Patients**
Number of patients waiting for a follow-up outpatient appointment	<=51,739	112,700
Number of patients waiting for a follow-up outpatient appointment who are delayed by over 100%	<=10,256	28,845

During 2021-2022, CTMUHB received £16m from Welsh Government to prioritise the treatment of planned (elective) cases. This investment focussed on services delivered to those with cancer, other high clinical needs, and patients awaiting diagnostic procedures and to those who had been waiting a very long time.

In addition the opportunity was taken to redesign how outpatients work. For instance:

- rather than routine follow ups, some clinics now 'See On Symptoms' and 'Patient Initiated Follow-up';

- using different means of consultation and communication, including Consultant Connect (for advice and guidance), Attend Anywhere (virtual consultations) and Text and Remind (patient text reminder service)

A Programme Board has been established and all activities are now being undertaken across CTMUHB, with appropriate pooling of resources to better meet patient needs and ensure the maximisation of core capacity.

Additional activity has also been commissioned from external providers, treating a further 950 patients (Orthopaedics, Ear Nose and Throat (ENT), Ophthalmology, Urology, Gynaecology, Pain) through contracts with the private healthcare sector.

Treating cancer patients has remained a priority. Multiple schemes have been supported during 2021-2022 aimed at increasing the capacity available to treat and diagnose patients. There is now additional scrutiny in place so that on a weekly basis the waiting times and trackers are audited by the Chief Operating Officer, Cancer Services and senior staff from the Integrated Locality Groups (ILGs), with targets set for the achievement of any goals that have not been met. This remain a challenging area, in particular with the supply of diagnostic services.

Examples of service initiatives to support the delivery of our services are outlined below:

- In partnership with Medefer CTMUHB has introduced a **virtual outpatient service.** The services utilises CTMUHB's diagnostic services and can access our systems to allow continuation of care;

- **Alternative Provision for Patients -** CTMUHB has supported the development of a Wellness Improvement Service (WISE), delivered through primary care with a number of aims:
  - Developing pathways through primary care to reduce flow on to the waiting lists but more importantly to support patients to manage their conditions and symptoms and have an improved quality of life;
  - Normalising and including WISE patient education as part of normal care in patient pathways for patients and communities to increase understanding and value of self-care;
  - The Service is undertaken by a team of Wellness Coaches who deliver motivational and behavioural support for a period of nine months which has quality assured: stress management, symptom management, lifestyle and a huge variety of more support available to patients.

In addition, staff are working to understand pressures on primary and secondary care with a view to scaling-up the project so that it can be offered to all patients who require support to improve their health in a non-medical way;

- **Waiting List Initiatives** have mitigated further deterioration in waiting lists;

- **Eye Care** – focused work is ongoing to improve the service which includes:
  - Community Glaucoma – CTMUHB has community optometrists reviewing follow-up patients which is helping to increase capacity and reduce waiting times. Also, Orthoptic Technicians are reviewing glaucoma patients to obtain clinical images which are then reviewed virtually by the appropriately qualified clinicians;
  - Consultant Appointment – funding has been approved for two additional Consultants with an interest on Glaucoma which will help to reduce waiting times;
  - Diabetic Retinopathy – Community Optometrists are being trained to see both new and follow-up patients;
  - Wet AMD – a Standard Operating Procedure has been developed to enable community Optometrists to review all new wet AMD referrals, to ensure that patients are seen by the most appropriate staff;
  - Outsourcing – a contract for outsourcing of cataract patients, with further plans to increase this further; and
  - Validation – this is ongoing, where long waiting new patients are being contacted to request that they confirm if they still require an appointment.

- **Endoscopy Mobile Unit** – CTMUHB has, in common with other Health Boards experienced large backlogs of patients who need care within endoscopy. The imminent use of a mobile unit will make have a beneficial impact on those waiting and this will be operational in 2022-2023;

- **Treating cancer patients has remained a priority**. Multiple schemes have been supported during 2021-2022 aimed at increasing the capacity available to treat and diagnose patients;

- Within Urology, a new service has been funded to set up a **dedicated cystoscopy suite** on the Royal Glamorgan Hospital site – this will help to reduce the waiting times for this diagnostic procedure and reduce the overall time a patient is diagnosed;

- **See on Symptoms (SOS)** and **Patient-Initiated Follow-Ups (PIFU)** are two new pathways being rolled out – traditionally in some areas, patients have been recalled to outpatient clinics on a regular basis. This new way of working allows patients to control this themselves by making contact with the department as needed. This also means that the number of unwanted appointments and appointments which patients chose not to attend (DNAs) is reduced allowing improved access to outpatients for all;

- **'Front Door' Demand and Acute Hospital Flow:**
  - Frequent site meetings on all sites with senior decision making staff available at all times;
  - Close liaison with Welsh Ambulance Service Trust and neighbouring health boards;
  - Implementation of a Flow Manager post at PCH replicated across other sites;
  - Working with local authorities formally and informally;
  - Clinical appointments to assist in the management of and care for patients at the 'front door' – including additional medical staff and pharmacists as an example;
  - Gold / Silver / Bronze command decision hierarchy continued; and
  - A significant amount of work around an Improvement Project at Prince Charles Hospital, working with Health Inspectorate Wales and Improvement Cymru, with 'Safe to Start' as an example.

- **Diabetes** – activity was maintained within diabetes as much as possible during Covid-19 but despite this, in common with other specialties, there are challenges within follow-up. Where possible, additional protected time has been allocated to clinics via the use of locum medical staff.

- **Mental Health** – It is recognised that Covid-19 continues two years on to have significant impact on the mental well-being of our population and that this is likely to continue as differing specific issues are now emerging in relation to increased need. Some emerging areas include:
  - Increased people experiencing alcohol dependence and then the associated need for support to reduce same and for some full detoxification;
  - Demand for eating disorder related support; and
  - More general crisis support and psychological interventions.

  Pleasingly a number of pandemic service responses have been very positive and will inform our longer term strategic direction, particularly in relation to **crisis retreats** and pathways for those with very **acute mental distress** and increased **tier 1 responses by the third sector**.

  A wide range of Inpatient and Community Adult Mental Health services are delivered across CTMUHB with significant partnership working with our local authority and third sector partners. Despite the additional pressures outlined above, **demand is growing** in several areas including for Local Primary Mental Health Support Services (LPMHSS) and Memory Assessment Services. Both of these areas have seen a return to pre-pandemic levels and continue to increase. To address this, services have accessed resources to maintain recovery in key areas:

  - Psychological therapy - directing internal capacity to support waiting list validation and interventions as well as seeking opportunities to bring in external capacity with some impact;
  - Increased capacity to reduce waiting times for memory assessment with good impact; and
  - Working to remodel some group interventions, with third sector partners, to increase capacity, again which has been effective.

During 2022-2023, the service will continue to monitor key performance indicators in order to identify areas of challenge early so that appropriate action can be taken to address this. A key focus will be on core service capacity in services as often that can reduce demand into sub-speciality areas. Work will also continue to modernise the outpatient offer and, linked to this, to continue work to move away from shared care in a historic form, while progressing some exciting developments with primary care in relation to accelerated cluster development and more formal models of joint and integrated care.

CTMUHB is restructuring how mental health services will be delivered in 2022-2023. Given the pressures and emerging demands and risks being seen from the pandemic this will help us maintain a strong focus on categorically resetting the mental health strategic direction in adult and older adult services so we really focus in on having the capacity, the right workforce and the right experience critically for our population. In turn this will help us develop deliverable plans and to set priorities for transformation and investment to inform investment. We have already committed to some key areas aligned to the commitment to work in a more integrated way with Primary Care and also increased opportunities and the voice of people with lived experience. Examples include:

- £190k for Primary Care Mental Health Practitioners;
- £43k for a Local Enhanced Service in conjunction with Primary Care to address physical health needs of some of most complex service users; and
- £91k for peer mentors to work in and with our community services.

There are other priority areas that will complete utilisation of 2021-2022 service improvement funding and continue to feature in 2022-2023 including:

- Strengthening **Mental Health Pharmacy** working to address a range of prescribing areas and opportunities;
- Tier 2 **eating disorder interventions**;
- Further **streamlining of service access** to give a consistently better experience;
- **Building in third sector capacity** to follow-up people who had an emergency assessment but were not in need of admission or home treatment; and
- **Digital options** to support self-help and first level interventions.

- Early work on a 111 mental health pilot will also continue and inform the move to a single point of access for the management of people requiring urgent care. An area of increasing focus for us over the past 12 months has been providing more mental health help directly into GP practices. We now have eight **Mental Health Practitioners** employed to work in practices with over 100 first contact appointments available weekly across five GP clusters with more planned. Evaluation systems have been embedded and feedback from people accessing the service and from practice staff is very positive.

- **Our Early Intervention in Psychosis** (EIP) Service) offers assessment, care delivery, and support to young people experiencing their first episode

of psychosis. The Adult EIP service was established in 2020, with the team taking on new referrals and care coordination from 2021. The CAMHS and Adult EIP services merged in September 2021 to cover the 14-35 age group providing a more resilient service. In line with the service model of a three-year intervention, the EIP service will continue to expand.

- One area of significant pressure has been the **Autism Spectrum Disorder** (ASD) service and an early pilot is underway with an external company providing a digital path to diagnosis which if successful would be rolled-out further in 2022-2023.

- **Weight Management Service -** work has begun on the development of a level 1 service with provision to introduce access to level 2 and 3 of the weight management pathway: The model involves the development of a single point of access to support the integrated service. Referrals will be processed by the proposed service and patients triaged into the appropriate level. The service will offer a multi-disciplinary approach to weight management and give patients an improved level of support to make change.

- **Treating People as Individuals -** CTMUHB is committed to meeting the needs and overall experience of patients with dementia, cognitive impairment or sensory loss. Great care is always taken and this level of care was maintained during the pandemic, with adaptions to manage the safety element of their treatment. In some cases, the suspension of services within the acute setting meant that GP and other primary care services stepped into this space. In other cases, remote consultation has taken place with appropriate support. Where services have closed (for example, day-care for vulnerable dementia patients), each patient has had a clear personal plan of support from the service. These changes will have varied from individual patient to patient, but the basic needs and the response to them are always paramount.

- **Managing Dignified Care and End-of-Life Care -** CTMUHB continues to undertake the following measures to ensure it effectively provided dignified and care and end-of-life care, such measures included:
  - Advice from the Chief Medical Officer on the need for clarity and prompt discussion with patients and / or families around Do Not Attempt Resuscitation (DNAR);
  - Guidance on the best approach to prescribing;
  - Strong clinical leadership "on the ground" at ward level at what was a very difficult time;
  - Kindness and high quality basic patient care; and
  - Strong communication maintained with families and next of kin.

- **Digital Enablers** – the use of Attend Anywhere and Consultant Connect represent another change in practice necessitated by the pandemic which has had a positive impact on patient care, allowing consultations to go ahead where Covid-19 restrictions would have made it almost impossible. It is anticipated that this will be maintained and developed going forward;

- **Text and Remind Services** – this a tool that the organisation has used in the past and provides an effective way of reminding patients about their appointments. Though not applicable for some age groups, it remains a useful way of positively influencing outpatient efficiency.

Planning and delivery of safe, effective and quality services for Covid-19 Care

Redesigning primary care services to deliver emergency care during the acute phase of Covid-19 and Redesign of acute services to provide Covid-19 Care

Much of the redesign of services to provide Covid-19 care was put in place during waves 1 and 2 of the pandemic and the main issue for 2021-2022 was maintaining this while trying to increase activity and also managing the implications of the vaccination programme needed in late 2021 to early 2022. The main issues that required redesign were:

Critical Care – all three District General Hospital sites had developed plans to manage care of Covid-19 cases in parallel with non-Covid-19 cases. This involved expansion into other areas in some cases, with additional equipment purchased and some capital works undertaken (examples below). This has now become the new normal way of working within critical care.

Field Hospitals – CTMUHB had two field hospitals, with Ysbyty'r Seren in Bridgend being the only one commissioned and remaining operational as at March 2022. Ysbyty'r Seren provided a tailored area for patients to recuperate and so freed beds on the acute sites for more acutely unwell patients and was a vital part of our response to the pandemic. Plans for the patients being cared for there are being developed as the site is due to close in the spring of 2022.

Emergency Care – our three emergency departments have been on the front line of the work undertaken to care for our local population and the pressure has been significant. There have been changes in practice to separate Covid-19 and non-Covid-19 patients, though as of March 2022 these are now largely not needed.

Close working with **Welsh Ambulance Services Trust** (WAST) is continuing with communication occurring continuously between operational staff daily. CTMUHB takes a full part in the national Safety Huddle meetings which are held daily and relationships at all levels are very positive.

Services within **optometry** practices have now fully resumed and activity levels are close to those that were seen pre-pandemic. To date CTMUHB has not received any complaints from patients reporting that they have not been able to access primary are eye care services although practices have reported they are experiencing high demand for services.

To support the reduction of waiting times in the hospital eye care service, **new shared care pathways** are being developed in collaboration with the hospital clinical teams to enable relevant patients to have assessments undertaken by

suitably qualified optometrists in practice instead of attending appointments in the hospital. This enables the patient to be seen sooner and closer to home and in turn releases capacity within the hospital setting to provide more timely care for those with more complex needs. Typical pathways include glaucoma, diabetic retinopathy and delivery of optometry in a domiciliary setting i.e. in the setting where a person lives. In addition to this, investment has supported the funding for Independent Optometry Prescribing Services. CTMUHB currently has nine accredited optometrists who can take referrals from other optometric practices and can treat patients who would otherwise have had to be seen within the acute hospital Eye Care services.

Throughout the pandemic, **health visitors have remained a frontline** service to children and families in communities across CTMUHB. The service adopted new and innovative ways of working such as the use of virtual platforms to ensure families continued to receive Health Child Wales Programme essential contacts. During redeployment, the service readjusted the focus to the most vulnerable children and families by creating health visiting safeguarding hubs. Home visits have continued to be provided for the most vulnerable children and families throughout. As soon as staff returned to practice all face-to-face Healthy Child Wales Programme were delivered.

Dental practices were impacted significantly by the pandemic due to the use of aerosol generating procedures. These services are continuing to adhere to the Welsh Government's standard operating procedures requiring enhanced infection control procedures. As a result, there is an impact on the number of patients dental practices are able to treat during a normal working day. CTMUHB has offered practices additional funding to improve ventilation in surgeries which helps reduce the fallow times between patients to increase patient flow.

As a result of the limited access in practices and therefore fewer patients being seen, there has been an increase in demand on urgent dental services and in order to respond to this CTMUHB has funded additional **In-hours** and **Out-of-Hours urgent access appointments** and a dedicated emergency dental hub has been established to signpost patients who do not have a regular dentist but need treatment. The dental contract reform is restarting and the changes will encourage dentists to prioritise and balance clinical priorities i.e. patients who are in need and new patients requiring continuous courses of treatment against regular routine check-ups.

General Practitioner practices have faced significant challenges during the pandemic both from an unprecedented increase in demand and at the same time recurrent workforce absence as a result of staff being impacted by Covid-19. Practices continue to manage patient access, through a telephone triage process or via online enquiries using websites such as My Health Online, My Surgery app or e-Consult and the majority of all initial enquiries are triaged to ensure patients are directed appropriately.

There has been largely positive feedback from patients who have utilised the eConsult facility and telephone triage but not all patients are content and would prefer full access to **face-to-face consultations**.

Most practices will continue to operate a "contact first" triage system to avoid unnecessary "walk-ins" to keep both patients and staff safe and ensure patients are seen by the appropriate clinician where required.

Patient demand is currently at an unprecedented level and GP practices have been inundated with patient requests on a daily basis. The challenge going forward will be to continue to support practices in improving access whilst responding to the backlog for chronic conditions management. Additional funding has been made available through the Welsh Government for practices to increase capacity through additional workforce and these plans are being worked through. In 2022-2023 there will be a drive to **further enhance GP 'cluster working'** through the Accelerated Cluster Development and this will provide opportunities for a collaborative approach between health and social care to plan and develop services which are more responsive to patient needs.

In July 2020, a ministerial statement set out the need to review how NHS Wales delivers urgent and emergency care. Health Boards were asked to establish 111-First for urgent and ambulatory or same day emergency care (AEC/SDEC) in line with the National Collaborative Commissioning Unit's (NCCU) Welsh Access Model (WAM).

The Urgent Primary Care Centre in the Rhondda has continued to deliver services and learning has been taken from this. CTMUHB has been working on the development of a flow-centre model which would enable delivery of an Urgent Care Improvement Programme by providing a central navigation hub to channel patients to the correct service. This aims to improve the outcomes and experience for those who could potentially and who do actually need Urgent Care. This includes prevention, early intervention, rapid response, effective acute pathways and early discharge, in line with NHS Wales's **six goals for Emergency and Urgent Care.** The challenge for 2022-2023 will be to bring together and align the current range of health and social services within the community, to ensure they are wrapped around the patient and are accessed via professionals through a single point of access.

Staff Training - during the pandemic, CTMUHB has maintained regular contact with retired professional healthcare staff, to make them aware of staff bank and fixed-term contract opportunities, to encourage them to apply for vacant and new temporary posts with a view to supporting our response to the pandemic. This initiative has resulted in a number of registered healthcare professionals returning to work, on short-term contracts, in our existing hospitals, our field hospital and more recently community vaccination centres.

In accordance with governance requirements, all returning retired staff have been required to undertake the necessary online and face-to-face training and competency assessments, before being assigned to a post. This approach ensures that these recruits are able to perform to the expected standard and deliver safe and effective patient care.

Design and implementation of testing and immunisation for Covid-19

The **testing and vaccination services** have adapted and responded to incredible short term pressures such as the response to the Omicron variant and accelerated booster campaign. With the continued roll-out of the vaccine to different groups, including 5-11 year olds, and with the expectation that Covid-19 boosters will continue to be provided in the medium term and targeted testing will be needed, plans are being developed to create a Prevention and Protection Directorate to meet these needs. It is also an opportunity to provide support to restarting services, maximise other vaccination programmes such as Influenza and the childhood programmes and proactive health check programmes. Furthermore, with the challenges of losing skilled staff due to temporary contracts, this will enable a more sustainable workforce to support this programme.

To date, through a tremendous partnership effort, we have **administered more than one million vaccinations.** Despite workforce challenges the testing service has remained consistently responsive and supported targeted testing, for example in the community to support the control of new Variant of Concerns (VOCs); testing in care homes, hospital sites, prison and schools, all of which have been integral to support outbreak control within these settings. In addition our testing services will continue to offer up to 125,000 tests per year as part of the new more targeted model.

Local Data for Covid-19 Vaccination - Across CTMUHB and Local Authority Areas as of 15th March 2022 shows a total of 1,005,237 Covid-19 vaccines have been administered in CTMUHB (365,051 1st doses, 350,863 2nd doses, 6,864 3rd doses and 282,459 booster doses). Of this, 950,514 vaccines were administered to residents of Rhondda Cynon Taf, Bridgend or Merthyr Tydfil (344,442 1st doses, 331,408 2nd doses, 6,568 3rd doses and 268,096 booster doses), with the additional vaccines mainly being administered to health and social care staff working within the region.

The breakdown by Local Authority is as follows (absolute figures):

Local Authority	1st dose	2nd dose	3rd dose	Booster
Bridgend County Borough Council	112,089	108,107	1,789	88,554
Rhondda Cynon Taf County Borough Council	186,879	179,708	3,929	144,891
Merthyr Tydfil County Borough Council	45,474	43,593	850	34,651
	344,442	331,408	6,568	268,096

Influenza Vaccinations - for the second winter season, CTMUHB has reached the target of vaccinating more than 75% of people aged over 65, and this reflects a higher demand from our communities for vaccination this season. More vaccines were administered this flu season in community pharmacy than ever before. In addition, CTMUHB had the highest vaccination figures for staff with direct patient contact amongst all health boards in Wales.

For the first time, the school-based flu vaccination programme was extended to include children up to the age of 15 years old. In CTMUHB, vaccination figures for 4-10 year old children (71.6%) were above the national Welsh average. Along with children aged 11-15 years (56.9% uptake), this represents a total of 40,430 vaccines given to children in CTMUHB this flu season. Challenges with pupils and staff isolating due to Covid-19 and the Omicron variant were encountered. To address these challenges, a mop-up session was held over a weekend in January 2022 in the Community Vaccination Centres (CVCs) across CTMUHB; this resulted in an additional 263 children being vaccinated. For children aged between 4 and 10 years, this resulted in an increase of uptake from 71.6% pre mop-up session to 71.8%, and for children aged 5-11 years, 56.5% to 56.90% respectively. The CTMUHB nursery school immunisation programme continues to be successful, resulting in vaccination of 61.9% of 3 year olds attending nursery classes, compared with 40.1% of those not attending nursery classes.

The upcoming **flu plan for 2022-2023** will focus on the priority groups where uptake was below targets set by Welsh Government this year. This includes focussing on 2-3 year old children, those aged 6 months to 64 years old in clinical 'at-risk' groups, and NHS staff with direct patient contact. To support this work, community and staff surveys have been undertaken to gain insight into barriers and facilitators for vaccination, and as a result, our flu plan will seek to develop ways to improve vaccine take-up amongst our staff and our communities. It is yet to be confirmed whether the next flu programme will be co-delivered alongside the anticipated annual Covid-19 booster campaign.

The Contact Tracing Team has been very responsive and adapted services for the second year, embracing all the challenges of a fast moving situation.

The **tracing service** continued throughout this period with significant variation in staffing needed. Recruitment was successful, particularly in advance of the impact of new variants. Throughout the year, tracing at peak points required the use of the e-forms that had a low level of completion and poor quality information provided on them. As such, the ability of the tracing service to control the transmission of Covid-19 in the community became less effective at peak times.

Increasingly changing isolation/contact tracing requirements, again with the challenge of being able to communicate these as clearly as possible to the public, has been a consistent challenge for the Contact Tracing Team.

As the **Test, Trace, Protect** (TTP) service took full effect, local governance structures monitored the effectiveness and this showed how the vaccine roll-out impacted positively on illness and deaths. The Local Resilience Forum stood down in February 2022, but maintained contact with the Regional Incident Management Team. With reducing incidence and mortality and the return to level zero controls by the Welsh Government, the Regional Incident Management Team was also stood down in February 2022. The Regional Tactical Group and Regional Strategic Oversight Group continue oversight, planning and implementation of the ongoing Covid-19 response and the transition from pandemic to endemic phase.

Planning and delivery of safe, effective and quality services for Non-Covid-19 care

Managing Health Inequalities

The challenges of poorer health outcomes for our population are considerable, both compared to the rest of Wales and due to inequalities within CTMUHB area.

Our population has high levels of deprivation, with 57.1% of the population of CTMUHB estimated to be living in the most deprived 40% of areas in Wales. The highest levels of deprivation are in valleys to the north of CTMUHB. Life expectancy for men and women in CTMUHB is less that the Welsh average, and the difference in healthy life expectancy (the number of years a person can expect to live in good health) across CTMUHB is also considerably lower for men and women when compared to the Welsh average.

The inequality gap for our population compared to the rest of Wales in terms of life expectancy and healthy life expectancy can be seen on page 3 of our draft Three Year Plan (2022-25), which is available here.

Additionally, CTMUHB lags behind Wales in terms of practicing healthy behaviours which impact on the occurrence of conditions such as diabetes, heart disease, dementia and cancer. The following are some of the key risk factors for our population:

- **High smoking prevalence**, with Wales at 17.4 % of the population aged 16 years or older who smoke, Bridgend at 17.9%, Rhondda Cynon Taf at 18.2% and Merthyr Tydfil at 22.7%. (2018-18 – 2019-20 National Survey for Wales); and

- 63% of adults in CTMUHB are **overweight or obese**. The Wales average for eating five portions of fruit or vegetables a day for the population aged 16 or over is 24.3%. Bridgend is higher at 26% but Rhondda Cynon Taff is much lower at 20.6% and Merthyr Tydfil with the lowest in Wales at 15.1%. Similarly, adults meeting the physical activity guidelines aged 16 or above in Wales is 53.2% of the population, with Bridgend much lower at 41.3%, Rhondda Cynon Taf at 42.3% but Merthyr Tydfil, again the lowest in Wales at 39.6% (2018-18 – 2019-20 National Survey for Wales) with:

    - The highest levels of **childhood obesity** in Wales;

    - High levels of **teenage pregnancy** and **low levels of breastfeeding;** and

    - A higher percentage of babies in CTMUHB born with **low birth weight** compared with the rest of Wales. This is associated with high smoking rates in particular along with premature birth.

Covid-19 has continued to have a devastating impact on our communities' **rates of infection having been at times amongst the highest in the UK** underlining the profound interdependence between population, societal, economic and

environmental wellbeing. Covid-19 figures for Wales are published by Public Health Wales and can be found here.

We acknowledge that to deliver effective health and wellbeing services for our communities we must work in **close collaboration with key partners**, including local authorities, third sector organisations, universities, other health boards, trust's and our communities. This has been particularly important during the various waves of the pandemic. The closeness of such working arrangements enabled us to maintain critical services for our population when they needed them most and we remain truly grateful to all our partners for their support. There is more about such work on page 37 onwards.

The document published by Public Health Wales "Placing health equity at the heart of the Covid-19 sustainable response and recovery: Building prosperous lives for all in Wales" highlights the less immediately visible, impacts of Covid-19 on issues such as poverty and deprivation, social exclusion, unemployment, education, the digital divide, harmful housing and working conditions, violence and crime. Alongside our partners, **there is much work to do to address these underlying issues and this will be reflected in our strategies going forward**.

Given the pre-risk factors that exist within our population, coupled with the impact of Covid-19 on health and social care services has led to our population experiencing longer waiting times for diagnostics tests and treatment. As a result our service plans set out **meaningful steps to address inequalities,** at the same time as **delivering healthcare service reset and recovery.**

This position, coupled with the impact of Covid-19 on health and social care services, means our population are experiencing longer waiting times for diagnostic tests and treatment. Our draft three-year sets out meaningful steps to address inequalities, at the same time as delivering healthcare service reset and recovery.

Population Health and Improvement

Population Health is an approach aimed at **improving the health and wellbeing of an entire population, while reducing health inequalities**. As previously stated, the health of our population is adversely affected by deprivation and high levels of chronic disease and this has been further exacerbated by Covid-19.

Population health outcomes are not performance measures of service delivery but the health outcomes of population as a whole. They include factors such as mortality, healthy life expectancy and prevalence of chronic disease, certain lifestyle behaviours and levels of clinical risk. Improving outcomes requires a multi-agency, system wide approach and a combination of population wide and targeted interventions taking into account the wider determinants of health. CTMUHB has a key role, however, in prioritising prevention and early detection and intervention in all its pathways and striving to improve the equity of care it delivers.

CTMUHB is collaborating with wider partners in working to improve lifestyle and reduce clinical risk contributing to a reduction in inequalities and inequities in our population and our services. In particular all three local authorities have

committed prioritise actions to address high levels of obesity. This will be supported by:

- Effective use of data, including utilisation of different needs assessment methodology and staff/public contributions to identify need and priorities;
- An evidence based but innovative approach to care planning with opportunity for further research and development at a local level;
- Maximising learning around behavioural insights and change while incorporating into practice;
- Enabling individuals to have the knowledge, skills and confidence to look after their own health;
- Building on the use of Population Health Management techniques such as population segmentation and risk stratification to help address multi morbidity and identify groups at greater risk of ill-health. This enables us to focus specific interventions and proactively allocate resources more effectively; and
- Continued partnership work to achieve a whole system approach and maximise community assets.

CTMUHB aims to be a leading organisation in Population Health Management aligning services to best support the people who need it the most.

To identify those people, the Public Health Team has led the Population Health Management (PHM) Programme of work to seek to understand patient populations by characteristics related to their need and use of health care resources. By understanding population groups we can better decide how best to use limited time and resources to deliver care for patients much earlier to help avoid chronic conditions e.g. diabetes, heart disease and stroke.

To do this, Population Segmentation and Risk Stratification has been utilised. Segmentation is grouping the local population by what kind of care they need as well as how often they might need it. Risk stratification helps understanding who, within each segment, has the greatest risk of having a significant health event or is at most risk of deterioration.

The original pilot using this approach in the Rhondda Cluster has now been expanded across the organisation. A small team of analysts and public health practitioners are supporting strategic groups and ILGs to turn the intelligence from this work into actions at a local level. The first data for the whole CTMUHB population is now available at an aggregated level and patient identifiable data is being shared with GP practices.

A Public Health Management Programme has been established to **oversee practical implementation of a range of actions,** with responsible executive leads for each of the following:

- Value based healthcare in Diabetes;
- Stroke health equity audit and plan;
- Detection and treatment of Atrial Fibrillation;
- Weight management;
- Health promotion;
- A supportive environment for health and wellbeing;

- Orientation to prevention in services and for staff;
- Primary and Community services will be aligned to meet those needs through integrated primary, community and social service 'villages' at cluster level aligning community services to integrated care villages (circa 20k population);
- A CTMUHB healthy housing programme;
- Social prescribing;
- Enhancing employment opportunities including through apprenticeships; and
- Positive use of estate.

As a result, services will be **increasingly personalised to meet individuals' needs** and the impact further understood through the increasing use of data in line with a value based healthcare approach.

CTMUHB is developing as a population health organisation to maximise its role in promoting good health and well-being to staff and residents through the most effective use of all its resources and opportunities from estates, health promoting hospitals, employment and skills and maximising our role as an anchor organisation.

There are numerous examples of good practice that will be further developed as we move forward such as:

- Continued development of a system wide approach to smoking cessation delivery which include the 'Help me Quit' service, community pharmacy, antenatal cessation (MAMSS) and the development of a mental health service cessation model, working to embed referral routes into all care pathways;
- Embedding the "Making Every Contact Count" (MECC) approach into clinical practice to encourage uptake of the key five positive lifestyle behaviours as part of normal care;
- Continued roll-out of the over 50 Health Check programme, to detect and reduce cardiovascular risk;
- Condition specific education programmes which promote self-care e.g. X-PERT, Pulmonary Rehabilitation the Education Programme for Patients;
- Extending the National Exercise Referral Scheme across the organisation in prevention and management of chronic conditions including the Joint Care Programme as a conservative treatment for knee and hip osteoarthritis;
- A range of work focussing on Early Years and the prevention of Adverse Childhood Experiences, a priority for the Pre-Conception, 1st 1000 days Strategic Group;
- Use of Pharmacist and Stroke clinician to support management of AF at primary care level;
- Promotion of social prescribing by helping patients to improve their health, wellbeing and social welfare by connecting them to community services which might be run by the council or a local charity; and
- Reducing clinical risk e.g. detection and optimum management of pre-diabetes and hypertension.

The commitment to being a population health organisation of the Board at its meeting in May 2021 also includes clear goals to improve population health and reduce inequalities that will drive service improvement. These goals include:

1. By 2026, in men and women in CTM, Life Expectancy at birth and Healthy Life Expectancy match the Wales average;
2. By 2026, the Slope Index of Inequality in Life Expectancy at birth and Healthy Life Expectancy between the most and least deprived population quintiles in CTM has been reduced by 20%;
3. By 2026, Avoidable Mortality in CTM matches the Wales average;
4. By 2026, Life Expectancy in people with mental health problems in CTM matches that of those without;
5. By 2026, the prevalence of key LTCs (stroke, diabetes, cancer and heart disease) in people with mental health problems in CTM matches that in those without;
6. By 2026, Infant Mortality Rate (IMR) in CTM is lower than 2 per 1000 live births and percentage of Low Birth Weight (LBW);
7. By 2026, the current inequality in smoking prevalence between groups at extremes of deprivation in CTM has been eliminated; and
8. By 2026, the prevalence of overweight & obesity has been reduced by 5 percentage points from its current levels.

The Phase One Priority Measures set out by the Minister of Health and Social Services, in January 2022, provide a helpful focus in support of the CTMUHB goals for population health improvement. In particular targeting the behavioural and clinical risk factors that contribute to poor population health outcomes.

A key priority in 2022-2023 will be to continue the journey in relation to implementing the **Healthy Wales Healthy Weight strategy**, building on developments made during 2021-2022. These include implementing provision across Level 2 and Level 3 of the adult obesity pathway. Childhood obesity will remain a key focus and is a priority for the Children and Young People System Group, continuing the Whole System Approach to Childhood Obesity, including a social marketing campaign to promote physical activity, nutrition and healthier lifestyle for families, as well as The HENRY healthy families intervention to be delivered to our communities and families and a trial of a new programme in Merthyr Tydfil. Work will continue with our Local Authority and Leisure Trust partners to deliver digital programmes and ensure that our population is aware of, and has access to, our incredible environment.

The Strategy Group plans and the **CTM2030: Our Health, Our Future** strategy, underpin the short, medium and long term focus on population health improvement. This has been developed with our partners, showing a system wide commitment to addressing inequalities in health and well-being so starkly exposed by the Covid-19 pandemic. Building on these strong partnerships will allow a life course approach across five strategic areas and enable a step change to align the whole system in support of the shared goals.

Delivery of infection control measures to deliver both Covid-19 and non-Covid-19 care

The Infection Prevention and Control (IPC) team have been integral to CTMUHB's Covid-19 **preparedness and response**. The main focus for the IPC team over the last two years has been preparing and responding to the pandemic; however wherever possible, work has continued in relation to all other aspects of the IPC team portfolio.

CTMUHB did not meet the Welsh Government reduction (Tier 1) targets for 2021-2022. This was due in part to an increase in C. difficile, Methicillin Sensitive Staphylococcus aureus (MSSA), E.coli and Pseudomonas infections compared with the same period in the previous year. In addition, improvement work to reduce levels of hospital acquired infection rates has also been impacted by the ongoing response to the COVID-19 pandemic.

In order to bring about an increased focus on this improvement work, specific targets for our ILGs have been developed based on the Welsh Government reduction expectations to enable and encourage local ownership in driving this important agenda forward. Multi-professional collaborative approach has been critical for the identification, investigation and management of individual Covid-19 cases and outbreaks of infection. The IPC team have also developed monthly infographics displaying the ILG position/progress against the agreed reduction expectations. These are shared with the ILG Nurse Directors and Heads of Nursing and feature on their local IPC meeting agendas. **Compliance with the reduction targets is monitored and discussed** via reports to both the IPC Committee and as part of the wider performance report presented at each meeting of the Board.

The majority of these infections are acquired in the community and there will be an enhanced focus in the coming year to explore this further to determine what more can be done to help influence a reduction in C. difficile, Staphylococcus aureus and gram negative bacteraemia. There is an identified need for investment in the primary care services to support the achievement of these healthcare improvement goals. Health Education and Improvement Wales (HEIW) is coordinating and leading a task and finish group looking at workforce requirements for IPC teams across Wales. The recommendations from this group will outline the "ideal team" in an attempt to build multidisciplinary teams who are appropriately skilled and resourced to drive and deliver the IPC agenda across Wales. Welsh Government have confirmed investment with regard to nosocomial infections for a two-year period. This will help support implementation of the national framework in relation to patient safety incidents arising from hospital acquired Covid-19.

In line with Welsh Government guidance, during Covid-19, CTMUHB adopted **hierarchy of control risk assessments and used colour-coded pathways** to provide the operational teams a clear, consistent approach to the recommendations described in the guidance; that of Covid-19 specific care pathways (High, Medium and Low). In June 2021, the third wave of Covid-19 occurred with a variant of concern identified as Omicron. The severity was milder than other variants with a reduced risk of hospitalisation, particularly amongst those vaccinated. However, there remained a number of outbreaks across the hospital sites that required IPC support and management. Any deaths associated with Covid-19 require a detailed mortality review.

The IPC team has worked closely with the ILG's and Public Health Wales in response to outbreaks. With rising community rates of infection throughout the winter period, the outbreaks were increasingly difficult to contain, particularly as hospitals were operating at maximum capacity with staff sickness, often due to Covid-19, being a limiting factor. In January 2022, Welsh Government issued further guidance which recommended the removal of the three Covid-19 specific pathways and a move to respiratory and non-respiratory pathways. However due to the continuing high levels of Covid-19 and the emergence of the Omicron variant of concern, CTMUHB continued the use of the Covid-19 specific pathways, up until the end of March 2022.

Management of Safe Personal Protective Equipment (PPE) - In 2021-2022, the NHS Wales Shared Services Partnership (NWSSP) frontline CTMUHB Procurement Team has continued to provide expertise, guidance and support to the organisation through collaborative business partnership with Clinical Service Groups, the ILGs and Finance, to ensure continuity of supply, compliance and value for money.

Throughout the Covid-19 pandemic, CTMUHB has been supplied with a range of personal protective equipment (PPE) to **maintain safe practice and protect** both staff and patients, with significant increases in demand being met during such a challenging and unprecedented period. We have worked closely with Infection Prevention & Control, Health & Safety and clinical colleagues to ensure quality products compliant with the required standards are available, and highlighted the need for a dedicated, centralised fit testing strategy.

In May 2021, Procurement Services implemented a new and innovative PPE model, which facilitated the release of both clinical and managerial staff back to their substantive roles, having previously been redeployed to manage local PPE hubs in the ILGs. The model introduced standardised, centralised ordering and supply processes and has continued to operate successfully throughout the year.

In terms of governance, reporting and communication, Procurement Services have been integral to CTMUHB **emergency response structure**, with regular updates provided regarding PPE availability, supply and local issues. As members of the national PPE Executive Leads Group, Procurement have also reported back to the organisation on national strategies and developments.

Further to the pandemic, Procurement Services have also managed the continued effects of Brexit, with the combination of manufacturing constraints due to raw material availability, global supply chain and logistics disruption and rising costs, resulting in product shortages during the year.

As CTMUHB emerges from the pandemic and returns to business as usual, Procurement Services will continue to promote the use of compliant products, projects and agreements, provide leadership in areas of innovation such as Value Based Procurement and Sustainability, and demonstrate best value for money, with patient care always at its heart.

During 2021-2022 the IPC team reinstated face-to-face **training sessions** for staff which includes donning/doffing (putting on/safely taking-off) PPE in line with national guidance. The IPC team have also conducted regular audits to monitor compliance with Standard Infection Control Precautions/IPC policies.

Redesign of the Local Estate

During the 2021-2022 financial year, CTMUHB had the largest capital programme across Wales with a £79M capital investment across the estate, Information Communications Technology (ICT) and equipment. This funding has, and continues to support some major changes in the estate which are outlined below:

Prince Charles Hospital (PCH) – Ground and First Floor Programme

The PCH Ground and First floor refurbishment programme was developed to address fire related deficiencies associated with a statutory Fire Enforcement Notice. The Health Board received approval from Welsh Government in October 2020 for £220m for the Phase two works, which commenced in November 2020. This Phase is broken into six sections delivering new Theatres, ITU, Radiology, Pathology and a combination of ambulatory care service accommodation housing Outpatients, Maxillo-Facial, Endoscopy, Transfusion as well as some support accommodation.

The first major section within this phase two has recently been completed to create accommodation for Diabetes, Cardiopulmonary and Podiatry services along with a significant amount of decant accommodation, required to free up main hospital space ready for full remediation. Another vast improvement in the past year is the improvement to the parking facilities which has increased capacity by over 100 spaces.

Primary Care Pipeline Investment

CTMUHB had four schemes funded by Welsh Government in the first round of pipeline funding, two of these Tonypandy Health Centre and Mountain Ash Primary Care centre had completed earlier than 2021-2022, however the remaining two schemes continued into 2021-2022.

This year saw the completion of the £7.5M investment in the second (and final) phase of the Dewi Sant Health Park supporting the development of integrated mental health services, the provision of onsite community dental services and the creation of an upgraded outpatient and radiology service on the ground floor. This investment has also supported the installation of PV solar panels on the site in the move towards decarbonisation. Secondly the development of a £10.7M health and wellbeing centre in Bridgend, on the Sunnyside site continues which will see the integration of primary, community and third sector services from three smaller clinical sites in the Bridgend area. Unfortunately due to the original contractor entering into administration this has been delayed however it is expected that works will re-commence in 2022-2023 for completion by the end of 2023-2024.

Infrastructure, Ligature and Imaging Programmes

In 2021-2022 Welsh Government ran a pilot infrastructure upgrade programme across Wales, with up to £16M funding available to Health Bodies to invest in programmes to support infrastructure upgrades, decarbonisation, mental health infrastructure and fire prevention and protection. CTMUHB was fortunate to receive £5.8M across a range of targeted projects that has enabled the replacement of the fire alarm system at Princess of Wales Hospital, replacement windows for the ward block at PCH and the introduction of solar panels and LED lighting across the Health Board. In addition £1.4M of this funding was provided for upgrades to the inpatient mental health unit at Royal Glamorgan hospital. This funding has built on the ongoing Welsh Government funding for the electrical infrastructure works on the Royal Glamorgan site, this £3.2M scheme commenced in 2021-2022 and will complete by late spring 2023.

CTMUHB is currently developing a programme of works to address the fire enforcement notice in place in the Princess of Wales Hospital theatres. Significant works have been ongoing to provide a solution to discharge the notice whilst retaining continuity and the provision of safe theatre services on the site.

In late 2020-2021 CTMUHB commenced a £4.2M programme to implement anti ligature measures in the inpatient mental health facilities in the Bridgend area. This project made significant progress during 2021/2022 with works completing in the Princess of Wales and Glanrhyd Hospitals. The final phase of works will complete in the late spring/early summer 2022-2023 to provide consistent anti ligature protection across all mental health inpatient units.

As part of its National Imaging equipment replacement programme, Welsh Government funded £3.1M for the replacement of the MRI magnet and fluoroscopy room at Princess of Wales Hospital, this investment enabled both the replacement of key equipment and an upgrade to the surrounding environment to improve patient flow in the area. In 2022-2023 the Health Board has confirmed funding to support the replacement of the MRI magnet at the Royal Glamorgan Hospital, the gamma camera at Princess of Wales Hospital and to refurbish and replace 5 general x ray rooms across Princess of Wales, Royal Glamorgan and Ysbyty Cwm Rhondda sites.

Service Transformation Schemes

In addition to the above CTMUHB has invested its discretionary capital programme in a number of projects to support service change and support increased elective capacity:

- Following the purchase of two vacated buildings in Gwaun Elai Medi Park, Llantrisant, directly adjacent to the Royal Glamorgan Hospital, the Health Board has invested over £3M on the refurbishment and equipping of these buildings to create a single centralised outpatient breast unit in one and a long term conditions hub in the second. These units will provide dedicated one stop outpatient services in a setting close to the hospital but in purpose-designed facilities;

- A first phase of works to invest in the future of Maesteg Hospital was undertaken in 2021-2022 with infrastructure works around the roof and improvements to onsite GP surgery. This initial work is part of a planned larger phased investment to upgrade the hospital into a modern community hospital and health park facility similar to the other community sites across CTMUHB. Discussions around funding options with Welsh Government will be further progressed in 2022-2023; and

- Works around elective capacity increases on all hospital sites remain ongoing with investment to support the siting of a mobile endoscopy facility on the Royal Glamorgan Site as well as works to investigate re-purposing the vacated maternity theatre to increase elective capacity also on the site. In 2022-2023 it is expected that there will be further investment in this area.

As part of a Welsh Government all-Wales exercise CTMUHB developed and submitted a 10 year infrastructure investment plan at the end of March 2022. This mapped a series of investment programmes, covering general infrastructure programmes, primary and community developments, investments in inpatient and community mental health infrastructure, reconfiguration and expansion of elective and emergency capacity and decarbonisation schemes to achieve net-zero by 2030. The significantly constrained capital funding position in Wales will provide challenges in securing funding to move this forward however CTMUHB will continue to work closely with Welsh Government to secure funding to take these investment programmes forward.

Delivering in Partnership

CTMUHB's **Stakeholder Reference Group** (SRG) is one of the Health Board's three advisory groups. It continued to meet during 2021/22 virtually using Teams on a bi-monthly basis apart from the April 2021 meeting which was cancelled due to the level of apologies tendered. The theme for the June 2021 meeting was Transport with presentations were received from CTMUHB, Welsh Ambulance Services NHS Trust and from the third sector, discussions were held and members given an opportunity to share information and pose questions. Information in relation to the Pharmaceutical Needs Assessment 60 day consultation was shared and members invited to take part.

The September 2021 received presentations from the Deputy Director of Operations in relation to Winter Planning and members were given an opportunity to share their views and post questions. In addition CTMUHB's Chief Operating Officer met members for questions and answers session. Members were also given an update around CTMUHB's Strategy Our Health Our Future's development.

For the October 2021 presentations were received from CTMUHB's Carers Coordinator, Barnardo's and from the Lead Officer for Cares at Bridgend County Borough Council. The theme for the December 2021 meeting was Arts and Health, with presentations received from CTMUHB's Arts Coordinator, Third Sector, Local Authorities and the Artis Community. Members met the Director of Nursing, Midwifery and Patient Care and were given an opportunity to pose questions directly. Members were provided with an update around the development of CTMUHB's Strategy Our Health Our Future 2030.

For the February 2022 meeting, the Group received a number of presentations including an update on CTMUHB's Integrated Medium Term Plan 2022-25, the Wellness Improvement Programme (WISE) and the services being offered for residents with long Covid.

Regional Partnership Board (RPB)
Part 9 of the Social Services and Wellbeing Act (2014) required local authorities and health boards to establish RPBs to manage and develop services to secure strategic planning and partnership working and to ensure effective services, care and support are in place to best meet the needs of their respective population. A funding stream is in place by way of the Health and Social Care Regional Integrated Fund (RIF) which is providing a five years of revenue funding to deliver a programme of change from April 2022 to March 2027.

The Social Services and Wellbeing (Wales) Act 2014, requires RPB to produce a Population Needs Assessment on a five-year cycle. The first was produced in 2017 and the 2022 Assessment has now completed and is available here. The RPB website is regularly updated with engagement activity which can be accessed here.

Public Service Boards (PSBs)
Whilst there are currently two PSBs in operation within the CTM area, work is well under way to combine these into a single forum. A transition group is being established to plan the merger and establish timelines. Progress reports on the work of the RPB and the PSBs is reported through CTMUHB's Population Health & Partnerships Committee.

South Wales Local Resilience Forum and Strategic Co-ordination Group (SWLRFSCG) - CTMUHB continued to work closely with the South Wales Local Resilience Forum (SWLRF), with representatives from our Public Health and Planning teams attending both the weekly Strategic Co-ordination Group (SCG) and Tactical Co-ordination Group during the pandemic. This enabled the provision of updates on the prevalence of Covid-19 in our communities and within our hospitals and the implementation of our Test, Trace and Protect (TTP) and Vaccination Programmes. Our attendance at these meetings has ensured that maximum benefit is achieved from close partnership working across our communities, particularly in the context of emergency planning and civil contingencies. The 'SW02' facility was established by the South Wales Local Resilience Forum based on the PCH site to provide mortuary capacity for excess deaths in the South Wales area. A debrief to review SWLRF processes, structures and format for the SCG and TCG meetings related to the response to Covid-19 was undertaken in November 2021.

The SCG has been established on two further occasions since being stood down from the initial commencement of the pandemic, firstly in relation to Omicron in January 2022 and secondly in February 2022 in relation to Storm Eunice.

Input into Carer Services - In order for services to continue to meet the need of carers, organisations have continued to adapt their working practices due to Covid-19, and CTMUHB in conjunction with Bridgend County Borough Council, Merthyr Tydfil County Borough Council and Rhondda Cynon Taf County Borough Council have built upon the closer working relationships cemented in 2020-21.

This drive is to work more collaboratively and in doing so continually improve the support and recognition of carers, whilst making best use of a wide range of knowledge, expertise and support services across the community.

Carer services are currently provided by a range of organisations in the statutory and third sector. As well as accessing general services like GPs in primary care available to everyone, there are also specific services to support carers, including young carers and young adult carers. These include:

- In Rhondda Cynon Taf, a Carers Support Project run by the local authority.
- Services commissioned from the third sector including Action for Children, Barnardo's and Age Connects Morgannwg;
- A network of Carers Champions;
- Carers Trust South East Wales providing Information and advice to carers across Bridgend; and
- Carers Hospital Discharge project across the organisation.

Carers Officer Learning and Improvement Network meetings have continued to be held virtually during 2021-2022 attended by local authorities, CTMUHB, along with a number of other working groups within the third sector and Welsh Government. This allows us to champion the voice of our carers and to continue to actively contribute to the support of such services.

Working and Supporting Nursing Homes - CTMUHB has continued to work in conjunction with Public Health Wales, local authority colleagues (including those in Social Care and Environmental Health) to provide ongoing support and advice to care homes in relation to Covid-19 as well as to operate systems that reflect national guidance for hospital discharge, using the trusted assessor role to support the Nursing Homes with safe discharge of patients. At times, it was necessary to provide weekly contact with Nursing Homes and virtual Nursing Home Forums were also held which included Care Home Managers; key speakers from Public Health Wales, Care Inspectorate Wales and the Covid Testing Team participated with a view to keeping colleagues updated. More recently the emphasis of national policy has increased the responsibility of care home managers to undertake individual assessments for all new admissions with a view to ensuring that each new admission can be safely welcomed into such facilities.

CTMUHB are prioritising the review and reassessment of care home residents with nursing needs to ensure they have up-to-date care plans that meet their individual needs. Annual assessments are also being undertaken to ensure the statutory obligation to review Funded Nursing Care and Continuing Health Care provision.

Chaplaincy and Spiritual Care (CSC) – CSC colleagues continued to offer spiritual, pastoral and religious care to all throughout 2021/22. This amounted to support for over 3,000 staff and in excess of 2,000 patients as well as over 300+ carers. Over 700 religious rites were given to patients and their carers', for some this was given virtually, due to the impact of the pandemic. Sadly there have been a number of deaths in service this past year. They have supported clinical teams by visiting units to give a listening ear, providing condolence books for staff to write their thoughts and messages of condolence to colleague family members, and also arranged along with memorial events. Services have continued to be

provided 24/7 service for spiritual, pastoral and religious care as well as funerals for stillborn babies and blessing /naming ceremonies in close collaboration with maternity services. A new project began during 2021-2022 offering bereavement support through art which has received very positive feedback. The team have also produced a number of virtual services that have gone out on CTMUHB's social media platforms and taken an active part during Mental Health awareness week offering and providing support for staff across the organisation.

Veterans Service - the Patient Experience Team continues to maintain a presence on the working group with representatives from Local Authorities and third party stakeholders to ensure we support veterans in line with the Armed Forces Covenant. Posters and leaflets have been sent to primary care colleagues to provide an understanding of how the covenant can support veterans with medical conditions associated with their time in service for distribution and information. CTMUHB is currently reviewing the systems in place to see how we can further support veterans and staff within this arena.

Volunteer Service - even through adversity the continued support and dedication along with the positive impact our volunteers have made has been truly inspirational. The volunteer service continues to network with other NHS Volunteer Managers across Wales and our community volunteer partners and exploring new and adapted volunteer roles going forward.

Volunteers have provided much needed meet and greet support at our various CTMUHB vaccination centres and during peak times, we have been fortunate enough to have as many as 120 volunteers undertaking shifts including evenings and weekends. Our Health Board Volunteers continue to support the Education Programme for Patients (EPP), Dietetics & Nutrition Teams supporting participants to attend online courses. To date our volunteers have digitally supported over 100 participants, enabling them to join and take part with the online sessions.

Prior to the pandemic our Breast Feeding Peer Support Volunteers were providing support for new mothers on maternity wards and community venues across CTMUHB. However, over the past 12 months the volunteer service, in conjunction with the research team and infant leads have launched a new initiative which supports new mothers via virtual breast feeding peer support. We continue to hold workshops with our arts and crafts volunteers and a number of events have been showcased on our social media platforms and many of the items have been donated to identified wards and community areas.

Despite the challenges and uncertainties the pandemic has brought about, we continue to evaluate and explore alternative ways in which our volunteers engage and support us to deliver services. We would like to take this opportunity to thank all concerned for their time and commitment.

Communication and Engagement

CTMUHB continues to engage with our communities to listen to the needs of our communities and help to support them making the right choices to live a healthy life and access our services.

Such activities have been of paramount importance during the pandemic and CTMUHB has sought to ensure that these activities have been undertaken to a high standard within the changing environment.

As well as increased use of social media and digital tools, we have worked hard to strengthen working relationships with local authorities, the police and other public sector partners to ensure a joined-up and as targeted approach. We have also been able, via our local authority colleagues to community groups and networks as well as those we already work with and this has been extended to ensure continual communication and engagement with sectors such as schools, universities and local businesses.

A close working arrangement has been established between the Board's Communications & Engagement Team and their counterparts in similar roles in our three local authorities. This continues to help with a coherent and co-ordinated sharing of messaging and updates into our communities.

A Covid-19 Communications and Engagement Group was established comprising Board Members, local authorities and Public Health Wales NHS Trust representatives. This has ensured that all communication opportunities and available networks have been available to all partners. The forum has also been used to respond to local intelligence and feedback from local communities. As part of the Test, Trace, Protect work, a Protect work-stream has also been set-up which is made up of community representatives and third sector organisations who are supporting the communications and engagement work through tailored messaging and the delivery of key messages into the community.

In addition, there has been activity aimed at strengthening relationships with local community groups, such as the Rhondda Cynon Taf over 50s Forum, and ensure that weekly briefings are sent to their representatives so they can disseminate information to their members. Paper copies of the 'CTM A to Z Carers Handbook' have been distributed through the Carer Champion network, hospital settings and the third sector within our footprint.

Recognising that many staff reside within the CTMUHB footprint and are therefore part of the communities CTMUHB serves, the focus on communications and engagement includes:

- **Internal communications** continue to be developed with a weekly staff message conveying key information and highlighting important developments and complementary local Integrated Locality Group communications;
- A staff Facebook group launched during Covid-19 to make access to important updates easier, which has attracted more than 8,500 CTMUHB members and continues to be an engaging platform for staff to connect with each other across the organisation; and

- The implementation of Microsoft Teams enabled live staff questions and answer sessions on a regular basis which have been maintained with monthly frequency as a way of staying connected across the whole organisation and facilitate two-way discussion. Teams meetings have been complemented by localised ILG 'On Tour' staff engagement events, so we are embedding these approaches across our leadership structures.

In addition, the NHS Wales Choose Well campaign has been superseded with the **'Help Us Help You'** campaign and CTMUHB has actively engaged in this with the additional support via Welsh Government communications. Whilst it initially had a pandemic focus, the campaign has been widened to promote health and wellbeing more broadly and promoting the right service for specific needs. The campaign has continued to be supported and in addition to this the primary care team have also benefited from dedicated communications focus and resource and have produced media posts, short videos focusing on helping patients understand the challenges facing primary care, particularly GPs and dentists**. The information helps inform patients of the range of services available,** e.g. common ailments scheme, access to Covid-19 immunisations, self-care and management and making the right choices.

Through **CTM2030: Our Health, Our Future** (CTM's 10 year organisational strategy), all CTMUHB residents, including patients and service users, have been invited to have their say around their lived experience/s of health care and treatment within CTMUHB and this has included seeking their ideas and views around good health care in CTMUHB for the next 10 years and beyond.

In early January 2022, we began to share ways to access CIVICA which is a service user feedback system to help us gather information from patients to provide a **better understanding of their experiences** when accessing our services. The system enables the organisation to gain an understanding of the patient's journey through services, alongside those of their family and any carers. The system takes into account many aspects of a patient's experience, such as whether they feel listened to, if they were treated with **dignity and respect**, where they were treated, were they involved as much as they wanted to be in decisions about their care, and were they given the opportunity to speak in Welsh as well as other equality questions.

Media communications has long been a key part of our communications function; enabling key public messages to be reinforced as well as explain challenges and issues specific to CTMUHB services and treatment. This direction of travel will continue and all communications with a view to:

- Aligning to national messaging working with Welsh Government and NHS Wales organisations on joined-up and shared approaches, sharing collateral and assets where possible;
- Engaging directly with stakeholders on joined-up messaging / issues handling related to care and treatment;
- Capitalising on the available technology to engage directly with our patients and service users on their care, treatment and experiences; and
- Remaining agile to supporting operational pressures.

Transparency remains key and technology has and continues to be used to broadcast meetings of the Board held in public and the Board's Annual General Meeting (AGM) which will be held in this format for the third year running in July 2022. The AGMs along with all public Board meetings are broadcast live, recorded and routinely published on CTMUHB's website.

All communications will continue to align to national messaging working with Welsh Government and NHS Wales organisations on joint approaches, sharing collateral and assets where possible. We also plan to continue to engage directly with stakeholders on joined-up campaigns/issues handling. We will be seeking to capitalise on the available technology to engage directly with target audiences on specific topics creating engagement touchpoints to provide insights as well as convey key messages, which will aid us in remaining agile in terms of supporting operational pressures.

Listening to our Staff

The Health Board has a number of policies in place i.e. Raising Concerns, Dealing with Anonymous Communications and Respect and Resolution policies, which help to ensure the voices of our employees are heard.

In October 2020, CTMUHB launched its new values and behaviours, which were developed to ensure our workforce works together as one CTM team and to help focus on **how we can be at our best**. Aligned to these values and behaviours, the organisation has an ambition to create a more open, transparent and inclusive culture, which is based on trust and where our people feel safe and supported. To encourage our people to **listen, learn and improve**, the Health Board is committed to moving away from a retributive to a restorative justice culture. The restorative approach will encourage our people to feel confident to speak-up when things do not go as expected, rather than fearing blame. This change will be further underpinned and supported by the all-Wales Freedom to Speak-Up Framework, which will be introduced across all NHS Wales organisations by the end of 2022.

Quality Governance & Patient Safety

What is Quality - Quality in health care is defined as:

- The effectiveness of health services;
- The safety of health services; and
- The experience of individuals to whom health services are provided [Health and Social Care (Quality and Engagement) (Wales) Act 2020].

The importance of understanding the components of quality are fundamental to addressing improvements in health care delivery. These are detailed by the Institute of Medicine (IOM, 2001) as safety, timeliness, effectiveness, efficient, equitable and person-centred; providing a valuable framework to evaluate and advance quality of care.

Whilst it is important to identify and deliver against the six separate elements that comprise quality, it is critical to recognise that, though different, they are all aspects of the same thing: high quality care.

What is our Quality Governance Framework - created in June 2020 and revised in November 2020, building on the work done following the boundary change to provide services for our Bridgend populations, Quality Governance is the combination of structures and processes from point of care to Board and within our communities. This includes commissioned services and provides support and monitoring of Health Board wide quality performance.

Quality governance provides board assurance through a systematic approach to maintaining high quality care and standards, which uses ongoing measurement, and reporting on safety, effectiveness, staff and user experience, identifying areas for improvement and enabling the sharing of good practice in accordance with statutory obligations. We are committed to achieving the vision clearly articulated in 'A Healthier Wales' (WG 2018) and in particular echoing the NHS core value of putting quality and safety first, providing high value evidence based care for our citizens at all times. The purpose is to embed the framework across CTMUHB, its services, localities, hospitals, and all who work in it; to monitor and continuously improve the standards of care planned and delivered directly, or by others on our behalf and to avoid unintended harm.

It is intended to support the delivery of the following outcomes:

- Support people who receive care, their families and the people who provide it;
- Supports culture and practice to promote and facilitate continuous improvement by listening and learning;
- Demonstrates a just culture, where the whole system works to reduce opportunities for patient safety incidents occur; individuals are appropriately accountable and there is a duty of candor with when things go wrong.;
- Underpins the delivery of safe, timely, effective, efficient, equitable and person-centred care;
- Increases the level of assurance for all stakeholders through its implementation, with the aim of increasing public trust and confidence;
- Articulates the expectations of the Board in relation to quality, patient safety & risk management;
- Improves the opportunity for the provision of safe care through clear lines of communication and reporting from 'Ward to Board' and 'Board to Ward' ('Ward' represents any service or point of care delivery); and
- Supports clarity in roles, responsibilities and lines of reporting.

The framework is an important part of the Board Assurance Framework (BAF) and links with the Health Board Risk Management Strategy 2018 – 2023.

As defined by the Institute of Medicine in 1999 and adopted by Welsh Government as quality aims, high quality care can be described as care that is safe, effective, patient-centred, timely, efficient, equitable (this also includes care that is accessible to those who experience any form of disadvantage).

Welsh Government has launched a new Framework for NHS bodies in 2021 to reflect that learning and improving is at the heart of the NHS in Wales with quality and safety being highlighted as a priority above all else. The national Quality and

Safety Framework emphasises that quality needs to be the central focus of any decision made with regards to the care of the population as well as the design of services.

The **Health and Social Care (Quality and Engagement) Act 2020** introduces a strengthened Duty of Quality and Duty of Candour for the NHS in Wales, as well as create a Citizen Voice Body to strengthen the voice of our population. This legislation, the need to learn from system failings, harmful incidents, positive practice and innovation, as well as recovery from the Covid-19 pandemic, are the principle drivers in the development of a National Quality and Safety Framework (WG 2021).

The National Framework states that organisations at every level should function as a *quality management system* to ensure that care meets the six domains of quality; care that is safe, effective, patient-centred, timely, efficient and equitable. The National Framework sets out the need for a robust quality assurance that brings all the information encompassing quality together so it is utilised to implement effective change and improvement in care, ensuring that we have a quality-driven NHS.

The CTMUHB Quality Governance & Patient Safety Framework (QGPSF) must now be reviewed in light of the national framework, and this has been prepared through a gap analysis, clearly identifying required improvements through a structured action plan. CTMUHB can be assured that the organisation already has in place a comprehensive framework for quality with clear governance and safety at the centre of its functions.

Quality Assurance & Measurement - whilst the process of ensuring quality and patient safety is a Health Board wide objective, the management and oversight of this has been transformed over the last year.

CTMUHB has taken steps to strengthen responsibilities in relation to quality and patient safety across the Executive Team and within its ILGs. Collective responsibility for Quality and Safety is shared by the four clinical executive directors. A weekly 'at a glance' report has facilitated high-level awareness of quality and patient safety concerns and celebration. As an example, the weekly meetings have provided an effective route to management of priority areas of risk, such as falls, pressure damage and treatment errors.

CTMUHB has invested in additional capacity to support quality and patient safety at a corporate and ILG level. ILGs are held to account by the Director of Operations and Chief Executive for the delivery of high-quality patient centred care in line with the QGPSF.

CTMUHB's plan to develop a three-year Quality Priority Strategy in partnership with the ILG's, local community, colleagues, and other key stakeholders was paused during first wave of the pandemic. This work has been resumed as a priority for 2022-2023.
The quality of information presented to the Quality and Safety Committee (Q&SC) for assurance and scrutiny has improved. Q&SC routinely receives quality and patient safety reports from each ILG and an organisation wide report. These

reports cover all service settings including acute, primary and community, and mental health services. They also include a set of overarching Health Board wide quality metrics. The reports contain information across a wide range of quality indicators and enable scrutiny of patient experience across all three ILGs in a standard template, which enables comparisons.

Quality Indicators, measures and standards are a way of systematically measuring and benchmarking quality of healthcare and performance. An indicator can be defined as a measure that provides information about a variable that is difficult to measure directly. The aim of any health service is provide assurance that its services are effective, safe and person-centred. A growing focus on value-based healthcare requires a standardisation of measurement of outcomes including the primacy of patient reported outcomes. There is a growing appetite in CTMUHB to analyse data and develop robust measurement methodology. Measuring quality of care is important for a range of stakeholders and builds the basis for assurance and improvement strategies. Measurements should encompass the quality dimensions of effectiveness, patient safety and patient/user focus.

Quality indicators themselves need to be of high quality and should be carefully chosen and implemented in cooperation with clinicians and those who provide our services in order to present a balanced culture within our healthcare provision. There are a number of factors that need to be taken into account when using quality indicators such as:

- Fit for purpose;
- Quality of data and indicators;
- Limitations of quality measurements;
- Quality measures require risk adjustment; and
- Awareness of unintended consequences.

Quality measures have evolved in CTMUHB to give greater insight and assurance within the breadth of services provided by our organisation. There is an ambition to provide a greater range of indicators that reflect the population health ethos, incorporating primary and community services. The first phase of this work has facilitated a comprehensive and easily accessible set of metrics which next requires greater granularity in terms of its definition, remit and use as a quality indicator. It is also recognised that this is an iterative approach that will become more refined as data integrity improves; not least with the Once for Wales information management system, and as areas of concern improve sufficiently to facilitate a greater focus on performance elsewhere. It has been agreed that one scorecard will facilitate core measures for each service and locality area, whom will also be free to demonstrate metrics, which apply to their particular region. It is anticipated that, for consistency core indicators will be used at all Board and Committee meetings.

Quality Impact Assessments – these Assessments are routinely used by services within CTMUHB to demonstrate the effects of service change and or development. This has been particularly useful analysing the impact of service pause and change during the pandemic. High-risk changes are escalated for executive oversight and approval.

Patient Safety Alerts - the internal management, monitoring and reporting process for Patient Safety Alerts (PSAs) and Patient Safety Notices (PSNs) is now operating in a structure of devolved responsibility to the relevant ILG teams with the central Patient Care and Safety Team providing support, co-ordination and oversight leading to reporting compliance. Welsh health board and trust compliance with patient safety alerts and notices is reported publicly via the NHS Wales Delivery Unit website.

'Walkarounds' – Our Executive Director and Independent Member Walkarounds have taken place across CTMUHB for a number of years in its many different versions. The main aim of these Walkarounds is to seek additional assurance as regards the safety of our patients and colleagues, together with the quality of care. The outcomes of the Walkarounds further support, enable and influence improvement to our services as understanding the experience and outcomes for the population receiving care and those delivery it is a fundamental cornerstone of CTMUHBs Quality and Patient Safety Governance Framework (April 2019).

The Walkarounds are focused on listening to patients, their relatives, carers, staff and stakeholders, all of whom have a strong interest in ensuring CTMUHB is optimally positioned to provide high quality, safe, effective and timely care. There are a number of methods by which internal assurance is generated, as well as methods for identifying areas for improvement; the Walkarounds are found to be very worthwhile and provide our Board Members with a level of assurance across the areas visited as well as facilitating engagement, visibility and enabling the Executive Director and Independent Member to gain a feel for the area they are visiting. Feedback to date has been positive, with Board Members and service leads finding these to be very valuable.

From September to December 2021, a total of ten Walkarounds were undertaken until a 'pause' was put on the Walkarounds process due to the Omicron variant of Covid-19. It was agreed by the Executive Team that from March 2022 Executive Director and Independent Member Walkarounds would be reintroduced with a new programme of Walkarounds being developed for the year.

Safeguarding & Public Protection - effective safeguarding and public protection is demonstrated through effective leadership, commitment and operational support in all aspects of Safeguarding and Public Protection across CTMUHB and how CTMUHB complies with legislation, external standards and good practice guidance.

Learning from Safeguarding reviews: the response to the Covid-19 pandemic has had an impact on safeguarding practice and has brought many changes for staff within CTMUHB, including redeployment to areas outside of their normal roles. This has brought challenges in maintaining a robust, effective process in the recognition of safeguarding concerns.

The effects of a prolonged lockdown on our vulnerable populations in terms of abuse and harm are not fully known, however we have recognised increased reporting of domestic abuse throughout the CTMUHB area; a 47% increase in adult protection referrals made in the previous year, the majority of these in relation to neglect; and unexpected deaths of children within the Bridgend region.

From multi-agency reviews, the following learning themes were identified:

- The importance of effective communication between professionals and professional curiosity when working with families where there are safeguarding concerns;
- The importance of escalating concerns regarding inter-agency safeguarding practice;
- Need for considering the voice, wishes and feelings of the child within safeguarding processes;
- In environments where there are a high number of incidents between vulnerable adults there is the danger that a culture of professional tolerance develops, resulting in high staff thresholds for challenging behaviour and an under reporting of serious incidents;
- Where there are concerns over the appropriate placement for any patient, these should be escalated and staff need to have a clear understanding of the referral process;
- Timely referrals to advocacy services should be made without delay where patients lack capacity;
- Evidence suggests that there is an association between domestic violence and deprivation;
- There is a high volume of incidents of domestic violence reported to South Wales Police. Including an increase of incidents whereby young people have been the perpetrator of violence;
- The Covid-19 pandemic has highlighted that domestic abuse helplines had seen

a significant increase in calls over 2021; and
- Routine Enquiry was reduced in community services due to restrictions in completing face-to-face visits. Health care staff have ensured that opportunities to identify those in need have been maximised.

Good safeguarding practice themes identified:

- Increased awareness and appropriate referral among frontline staff to recognise children who are suffering with poor mental health or at risk of self-harming behaviours;
- Frontline workers are recognising child protection concerns and referring appropriately. This is demonstrated in the increase of referrals received from A&E in comparison to pre-pandemic figures;
- Improved working relationships between safeguarding and Adult & Child Adolescent Mental Health Services; and
- The introduction of Child Protection medical hub based at the Royal Glamorgan Hospital has promoted an improved child friendly approach to undertaking medicals. In addition, it has improved interagency working between health, police and children services.

Examples of the ways that CTMUHB has continued to focus on quality and or made service improvements during the past year are set out below:

- The **advent of Medical Examiners** has given an opportunity for NHS Wales to look at how mortality reviews can be conducted to maximise learning, prevent future harm and improve the experience of patients, families and NHS staff. The framework provides a coordinated and systematic approach to the mortality review process to enable local and national implementation of learning. The Medical Examiner Service is currently reviewing the majority of in-hospital deaths that occur within CTMUHB. The remaining deaths are reviewed using the Universal Mortality Review (UMR) process (previously known as Stage 1 Mortality Review). Learning from the process is captured and shared via a quarterly newsletter. Immediate make-safe cases are instantly communicated to the ILG Directors/Nurse Directors as required. From April 2022 the mortality review module within the DATIX reporting system will assist us with capturing information in a more systematic way and each learning point will have an action plan assigned to it.

- Focused effort to **reducing the increased waiting list for aural care and wax management services** which had developed as a result of the pandemic. As well as extending such services in the Bridgend locality the team have reduced the waiting time from nine to two months and efforts will continue to be made to reduce further;

- **The Identification and Referral to Increase Safety (IRIS) scheme**, which is a GP based domestic abuse service providing training, support and referrals to other services, with the aim to work with GP practices to ensure they are trained and supported to recognise and respond to patients who are or who have been affected by domestic abuse. There is a service in all GP practices in CTMUHB, funded by the Health Board and managed by the Community Safety Partnership. Support services have now received a total of 967 referrals from practices;

- A focused piece of work has been undertaken collaboratively between Primary Care, GP practices and the school room **to increase the number of babies with completed health checks.** CTMUHB are now reporting higher than the Wales average for all Health Child Wales contacts;

- As a result of an initial pilot in the Taff Ely GP Cluster area **to support homeless individuals,** a Primary Care Specialist Nurse has enabled access to services such as podiatry, sexual health and dental care via hostels, which has been extremely valuable for the service users. It has been such a success that the service has been funded for a further 12 months;

- The Clinical Practice Educators developed a competency framework **for nurses working in general practice** and the General Practice Nurse (GPN) Ready scheme which equips newly qualified nurses with the knowledge, competencies and skills to work in General Practice. This work has since been incorporated into the Health Education Improvement Wales (HEIW) all-Wales Framework;

- Considerable work has taken place to ensure the **sustainability of general practice following retirements.** This has involved working with GPs to find solutions for mergers, joint support and collaborative working;

- **Quantitative faecal immunochemical testing (FIT)** is a sensitive method to detect blood in stools, used clinically to identify potential bowel cancer in either symptomatic patients or through an asymptomatic screening programme.

  The first UKAS accredited FIT service in Wales was recently established in CTMUHB Clinical Biochemistry, following a successful Bevan Commission Health Technology award. In the past year a **new clinical pathway** went live and is identifying those in urgent need of endoscopy, since patient contact time and Endoscopy services have been impacted due to Covid-19.

  This service development has involved partnership working across Clinical Biochemistry, Gastroenterology, Surgery, Endoscopy and Primary Care. The Clinical Biochemistry team includes medical laboratory assistants, associate practitioners, biomedical scientists and clinical scientists; and their successful partnership with the reagent suppliers, Alpha Laboratories, was recently recognised at the 2021 MediWales Innovation Awards. The CTMUHB Clinical Biochemistry FIT services (including patient sample collection packs) are also provided to a number of other Welsh health boards;

- During the pandemic, **Clinical Biochemistry** colleagues introduced two new investigations **for the measurement of antibodies** to the SARS-CoV-2 virus - the coronavirus which causes Covid-19. This has been useful in the identification of patients eligible for treatment, where vaccination or infection has not generated a sufficient immune response. In 2022, CTMUHB Clinical Biochemistry commenced daily antibody testing as part of a joint study with Public Health Wales and Welsh Blood Service. This is an exciting ongoing collaboration to help **our understanding of immune responses to Covid-19** by monitoring serology changes in responses to Covid-19 infections and

vaccinations. Our biomedical and clinical scientist teams have been working closely to develop and deliver these antibody investigations;

- **Point of Care Testing team** in CTMUHB have evaluated and supported the use of new testing devices during the pandemic for the detection of Covid-19. Evaluations of four different devices, each using different ways of detecting Covid-19, resulted in three types of devices being implemented in different settings at different times. The clinical teams within CTMUHB have been grateful for the availability of these tests to assist with rapid decisions for patients in hospitals. There has been healthcare support worker, biomedical scientist and clinical scientist input into aspects of the evaluation, procurement, training, implementation and maintenance of these new services;

- Healthcare scientists and support workers from Pathology have worked with colleagues in CTMUHB's Research and Development Department to deliver excellent **research in response to the Covid-19 pandemic**. Examples include the verification and use of a lateral flow testing device for Covid-19 testing in the community which was used to compare antibody levels between those working in three different environmental settings and employment roles. Also the evaluation of a Covid-19 testing device as part of a national study: Facilitating Accelerated Clinical validation Of Novel diagnostics for Covid-19 (FALCON-C19). The team from CTMUHB **achieved the highest recruitment figures** in the UK to the FALCON-C19 study, demonstrating the determination and dedication of this study;

- **Biomedical Scientists** within the POCT Department have utilised digital technology to encourage patients to self-test using **home based anti-coagulation (INR) tests**. Through utilisation of national digital connectivity, the health care professional is able to dose remotely, confident that the patients receive the dosing instruction at home. This innovative alternative to the traditional anticoagulation clinic model of care reduces dependence on services, promote self-management, empowers patients, improves patient safety and provides the flexibility for patients to carry on with their day to day lives whilst improving clinical outcomes. CTMUHB have 84 patents enrolled on this pilot, the next steps is to connect the patient INR result and dosing regimen to the Welsh Clinical Portal.

- The **Microbiology Department** have analysed approximately 190,000 Covid-19 tests in CTMUHB since testing began in June 2020. By undertaking rapid validation, typically within a day or two of instruments arriving they were being used to test patient samples. By autumn 2020, CTMUHB were running two traditional PCR methods and 3 rapid platforms in Royal Glamorgan Hospital with a maximum capacity of 500 Covid-19 tests per day. The team provide 56 rapid tests from the laboratory at the Royal Glamorgan Hospital, with Public Health Wales providing the same testing at Princess of Wales and Prince Charles Hospitals. Additionally 400 tests are provided per day through the standard PCR platform;

- **Lung cancer** is the leading cause of cancer related death in Wales with the one year patient survival directly related to stage of the cancer when detected - the later the stage, the poorer the survival rates. In order to enable detection

at an early a stage as possible and bearing in mind the national shortage of radiologists, funding was secured from the Welsh Cancer Network enabling the **accreditation of four radiographers**. This is enabling patients to attend for a chest x-ray and have this reported upon in the same visit with Computerised Tomography (CT) scanning arranged for further exploration of potential abnormalities, again during the same visit.

The project has resulted in **significant time savings for GP Single Cancer Pathway patients** with effective multidisciplinary team collaboration and communication. This has led to a 98% reduction in Chest X-ray reporting time, a 94% reduction in Chest X-ray to CT scan time and most importantly an 81% reduction in time from Chest X-ray to Chest Physician with CT diagnostic results;

- Patient referrals to the CTMUHB Healthcare Scientist-Led Sleep Clinic is an example of **Advanced Practice in Healthcare Science.** These are generated by GPs, Consultants in Respiratory and Cardiology, ENT Specialists, Neurology Consultants and Pre-assessment specialist nurses and Anaesthetists. Patients are thoroughly assessed and patient treatment plans are developed which may include onward referrals to other specialists fields such as Maxillofacial Consultants or ENT Specialist for review;
- A **collaboration between CTMUHB's Paediatric Physiotherapy team and staff and pupils at Ysgol Ty Coch,** Rhondda Cynon Taf won the National MOVE Programme - 'Better Together Award' which celebrates fantastic partnerships to achieve best outcomes for pupils with a disability through gaining independent movement through an activity-based programme. It combines the approach of education, therapy and family knowledge to teach the skills of sitting, standing and walking. Five other MOVE schools across the CTMUHB area are also being supported by the paediatric physio team;

- Speech and Language Therapy (SLT) provision at Heronsbridge School in Bridgend **has been improved in partnership with the school with drop-in clinics being established for advice,** a training package being developed and a suite of resources for parents and school staff. This has resulted increased confidence of parents and school staff in terms of their ability to support communication needs, improved universal provision for pupils, a reduction in the SLT workload and more clinical time for those children in greatest need;

- A Macmillan Specialist Occupational Therapist and the CTMUHB Palliative Care Team work with patients and their families to make adjustments to people's homes to **maintain independence for as long as possible.** The team want to encourage people to have more open conversations about death and dying and to move away from the stigma surrounding it. Macmillan Cancer Support in Wales worked in partnership with CTMUHB donate £2.5m towards the Y Bwthyn Specialist Palliative Care Unit with a further £2.5m given by the National Garden Scheme. By working with staff, patients, their loved ones and the local community, the architects and artists created a calm, welcoming and comforting environment for people with incurable illnesses including cancer and their loved ones;

- Our Public Health Dietitians have been instrumental in the development and launch of the **'Nutrition Skills for Life'** website. The website provides signposting to nutrition education and training for community staff and volunteers; supporting school, childcare and older adults care settings to improve food and drink provision and support the introduction of quality community food and nutrition initiatives. The site features information for the public about accredited nutrition and practical food skills courses and also offers practical nutrition tips and advice, recipe ideas and interactive games that are suitable for all ages. Beyond this, the website also houses specific information about accredited nutrition training that is available for community workers and volunteers, as well as a section for Health and Care Professionals. This is one of a suite of self-help and self-referral pages being developed, and plays a key role in delivering CTMUHB's population health commitments; and

- **Back to Community Life -** a collaborative response to support people who are struggling since the pandemic to leave their home, and get back to community life. These include people with dementia, people previously shielding or people who are vulnerable. The project supports the Covid-19 Recovery and Integrated Care agenda. The initiative began in Mountain Ash, and has been created in partnership with CTMUHB, Rhondda Cynon Taf Local Authority, Improvement Cymru, Police, Welsh Ambulance Services Trust, GP, Age Connect, local people, transport, shops and businesses. The project is led by CTMUHB's Principal Occupational Therapist, with input from our Memory Assessment Occupational Therapist and Primary Care Physiotherapist providing detailed plans for rehabilitation within a booklet. This is a holistic example of how the **community can come together** to provide an integrated approach to support and enable people to get back to community life.

Organisational Learning

CTMUHB is committed to promoting a culture which values and facilitates learning, and in which the lessons learned are used to continually improve the quality of patient care, safety and experience. CTMUHB does not currently have a documented, systematic approach to learning and improvement, however a **Shared Listening and Learning Forum** is a Health Board wide initiative in place since February 2021, to support and facilitate learning across all professional groups on a health board wide scale.

A **Listening and Learning Framework** is under development and will clearly illustrate how learning is identified, triangulated, disseminated and improvements implemented in practice, in order to facilitate and embed a culture of appreciative enquiry and continually improving health care services. The Listening & Learning Framework will recognise that the ILGs and Clinical Service Groups have internal governance and learning structures. This Framework will complement and build on these arrangements by adding a strategic approach to support the organisation to learn lessons from a range of internal and external sources, and to use this learning to share knowledge, shape change and create opportunities to develop excellence in practice.

Health and Care Standards

The Health and Care Standards (H&CS) came into force from 1 April 2015 and incorporate a revision of the 'Doing Well, Doing Better: Standards for Health Services in Wales (2010)' and 'Fundamentals of Care Standards (2003). The Standards provide a consistent framework that enables health services to look across the range of their services in an integrated way to ensure that all that they do is of the highest quality and that they are doing the right thing, in the right way, in the right place at the right time and with the right staff.

Although not mandated as compulsory, H&CS provide an established framework arrangement through which self-assessments can be undertaken and action taken to implement improvements and changes required to enable the organisation to deliver the highest quality of services. CTMUHB uses and electronic system called the Health and Care Monitoring System (HCMS), to capture and assess its compliance against the standards.

Due to the impact of Covid-19 pandemic over the past two years and the requirement to re-deploy staff, re-purposing of clinical areas and the overall response to the pandemic, the Annual H&CS audits have been postponed. Ward assurance and monitoring of key quality and patient safety metrics have continued using a combination of Ward Assurance audits and/or monthly Ward Point Review audits.

In relation to the Governance, Accountability and Leadership Standard, CTMUHB considers that a self-assessment against the criteria has been undertaken through the various reviews and audits, including the HIW and Audit Wales Joint Review referred to earlier in this governance statement, the assessment of compliance with the Corporate Governance Code and the Annual Assessment of Board Effectiveness, the latter is captured on page 87.

Putting Things Right (PTR)

Putting Things Right *(2013)* was established to review the existing processes for the **raising, investigation of and learning from concerns**. Concerns are issues identified from patient safety incidents, complaints and, in respect of Welsh NHS bodies, claims about services provided by a Responsible Body in Wales. The aim is to provide a single, more integrated and supportive process for people to raise concerns.

This reporting period has been a very challenging year due to the COVID 19 pandemic within CTMUHB and its communities. CTMUHB has **implemented new ways of working and models of care** in order to respond and meet the extreme and unprecedented pressure that CTMUHB has experienced in this reporting period.

CTMUHB has continued to strive to respond and support patients, families and carers alike when replying to concerns within the Putting Things Right Guidance.

During the year we have recorded the following concerns:

Complaints received – 3,147
Incidents reported – 25,350 (22,033 Patient Safety, 3,317 Non-Patient Safety)
Claims received – 72
Investigations by Public Services Ombudsman for Wales- 84

We have also recorded:

Compliments received - 893

Complaints/Concerns

Welsh Government NHS Delivery Framework was amended to require health boards and trusts to report quarterly to Welsh Government on the percentage of complaints that were responded to within 30 working days. The target is to respond to 75% of complaints within this timeframe. The target was set at 75% as some complaints are too complicated to be dealt with within 30 working days and the target takes into account the need for a good quality response to concerns to help ensure a satisfactory resolution of concerns whenever possible.

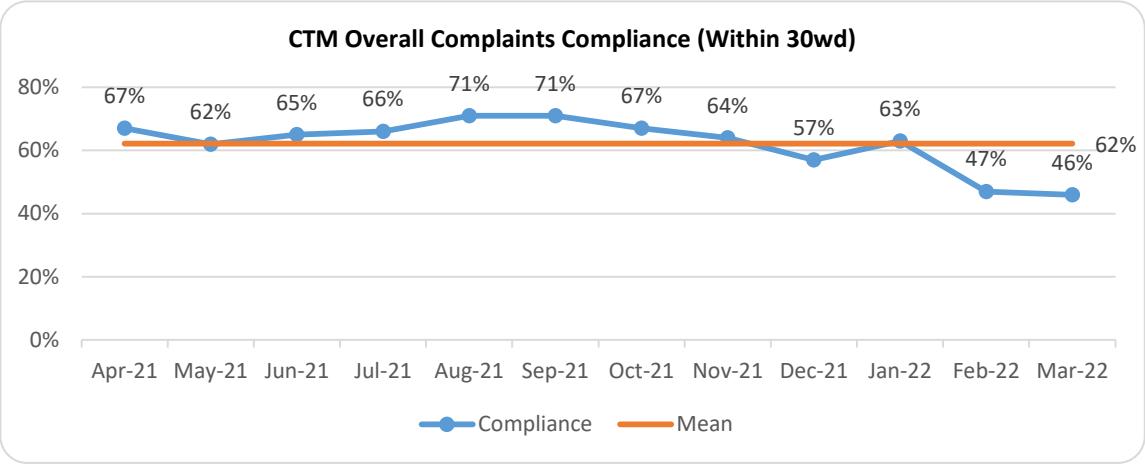
CTUMHB are fully committed to resolving any complaint within 30 working days. However, some complaints can be more complex and take a little longer to provide a detailed response and we aim to resolve those within 6 months.

During the year, 1,454 formal complaints were closed, we responded to 62.7% (911) of concerns received within 30 working days and 32.5% (473) within 6 months, 4.8% (70) were closed over 6 months.

Of the total complaints received during April 1, 2021 to March 31, 2022 - 175 formal complaints and 35 early resolution complaints remain open.

Closed Complaints 2021/2022	**Number**
Total Number of complaints received and closed	3,147 Received 3,132 Closed
Total managed via early resolution	1,729
Total managed as formal	1,418
Total formal responded to within 30 working days	916
Total formal responded to within 6 months	506

The following graph sets out CTMUHB's monthly response compliance rates:



Complaints highlight various aspects of concern regarding our services and the care that we provide. This helps to identify emerging themes and trends in specific areas, where we can focus improvement work.

The following areas have emerged as themes over the past year:

Top 3 Themes	Total
Clinical Treatment/Assessment	525
Communication Issues (including Language)	280
Appointments	88

Public Service Ombudsman for Wales

The Public Service Ombudsman for Wales (PSOW) has the power to review complaints about public services in Wales. If a complainant is not content with CTMUHB's response, they can request the PSOW to review the case independently.

Between, 1st April 2021 to 31st March 2022, there have been 84 Ombudsman cases received by CTMUHB. The PSOW decided to fully investigate 41 cases, with 15 enquiries where CTMUHB were requested to provide further information. 25 cases were not investigated by the PSOW with three matters still being considered at the time this report was written.

Ombudsman Cases Received by Locality	
Bridgend Locality	30
Merthyr & Cynon Locality	24
Rhondda & Taf Locality	22
Corporate Function / Operations	8
Total	84

Top Themes identified from Ombudsman cases are outlined below:

Treatment Error	30
Communication	22
Delays	6
Admission / Transfer / Discharge	6

Of the 84 cases received from the PSOW, 2 responses have been received, both cases were upheld.

The remaining cases are still under investigation.

CTMUHB received 20 Section 21 reports during Apr-21 to Mar-22, whereby CTMUHB agreed to make any necessary changes required as per the recommendations.

Redress
If during the investigation of a complaint a breach of duty in our care has been identified which has caused the patient harm, there may be a qualifying liability. The complaint will move into Redress to undergo further detailed investigation.

Out of the 1,453 formal complaints received between 1st April 2021 and 31st March 2022, 29 were referred to Redress. Of these, 2 have been closed with an outcome of no qualifying liability.

Claim
If a case is of a higher value than one that can be managed by Redress (i.e. over £25,000), it will be managed as a claim. There are two types of claims, clinical negligence or personal injury.

During 1st April 2021 to 31st March 2022 there were:

Claims	Total
Clinical Negligence	52
Personal Injury	20

Compliments
Compliments are extremely valuable and are a source of learning. They are one measure of patient satisfaction and a reinforcement of what we are doing well.

Compliments by Locality	**Total**
Rhondda & Taf Locality	334
Merthyr & Cynon Locality	279
Bridgend Locality	264
Corporate Function / Operations	16
Total	**893**

We received the most compliments in relation to going beyond the duty of care.

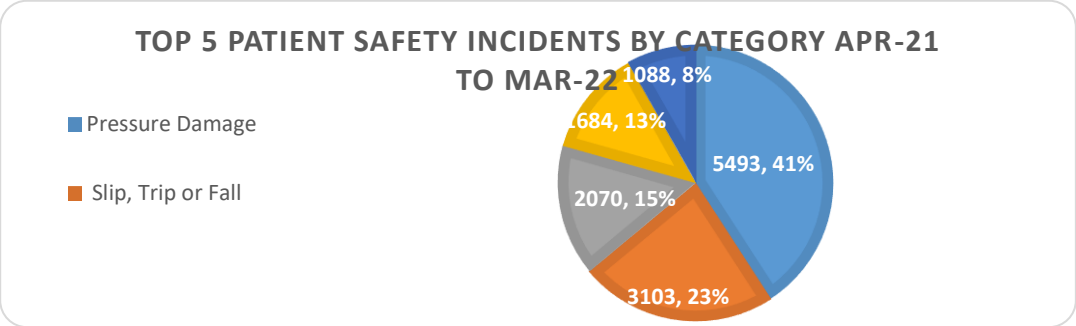
Top 5 Sites for Compliments	Total
Royal Glamorgan Hospital	284
Prince Charles Hospital	263
Princess of Wales Hospital	234
Patient's Home	31
Tonteg Site	15

Effective management of patient safety incidents

It has been more important than ever during this period of significant challenge to place patient safety at the heart of our services. A weekly overview thematic report is produced by the Patient Safety Team for internal scrutiny and to inform our weekly Clinical Executives quality and safety meetings. There were 25,350 incidents reported between April 1, 2021 to March 31, 2022, of which 22,033 (87%) were patient safety incidents. Of the 22,033 patient safety incidents, 13,612 (62%) were deemed to have caused harm. The following harm categories were recorded:

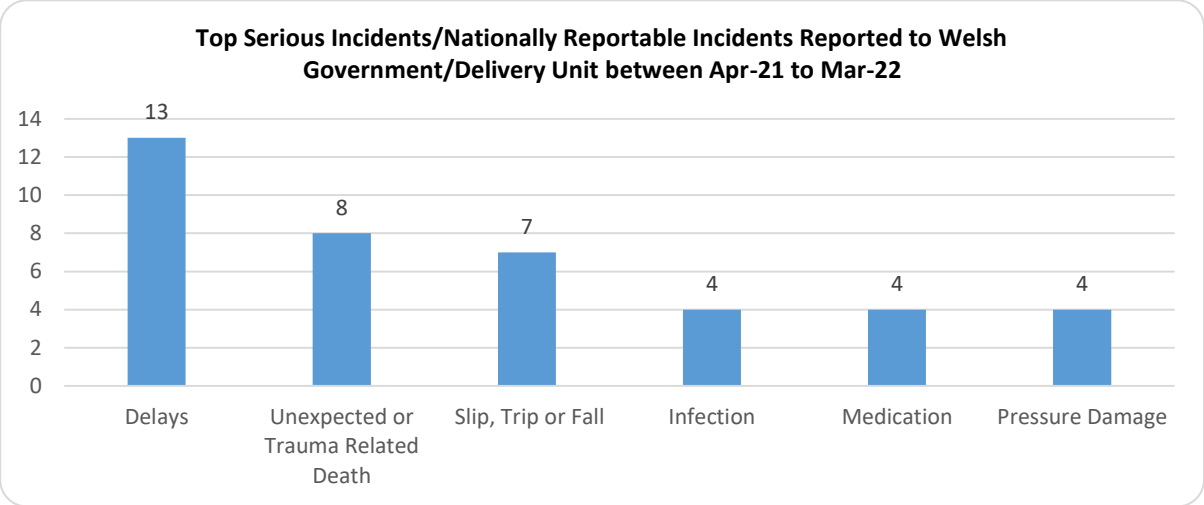
Level of Harm	Total Number
No harm	8,421
Low harm	9,817
Moderate harm	3,488
Severe harm	107

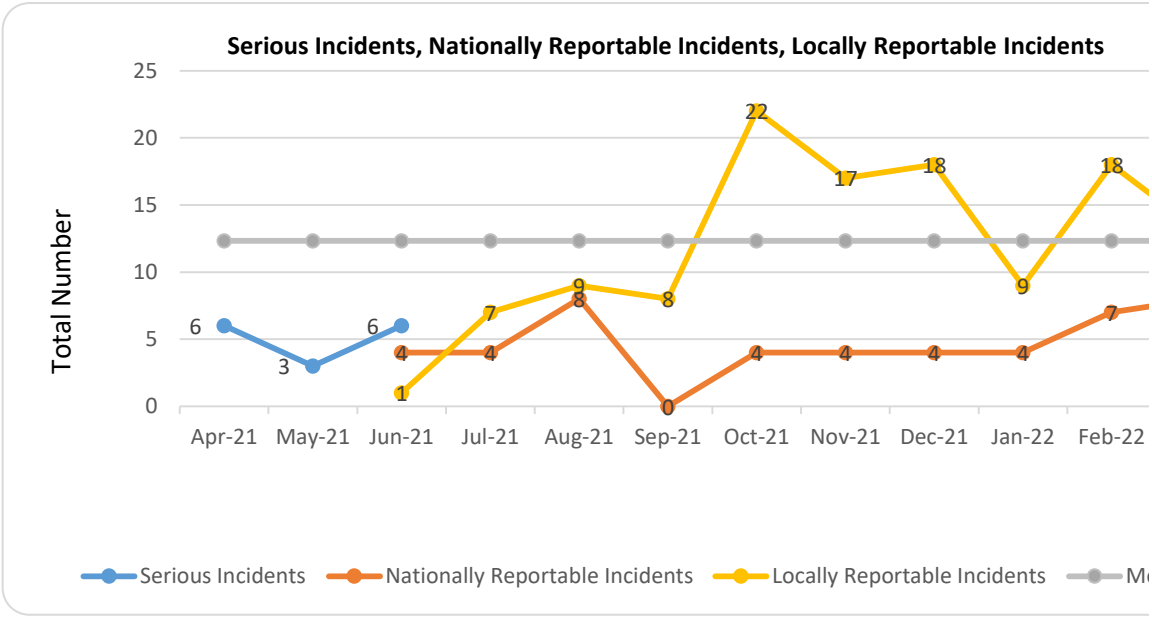
The top five Patient Safety incidents reported for the year are depicted in the chart below:



During the year, we reported 61 Serious Incidents/Nationally Reportable Incidents to Welsh Government and the NHS Wales Delivery Unit. During 2020/21, Welsh Government, in recognition of the impact of the Covid-19 pandemic, amended the guidance for reporting of serious incidents. Therefore, a comparison to previous years reporting cannot be made as to whether incident numbers have increased or decreased.

Whilst there was a reduction in external reporting, the management of serious incidents within CTMUHB did not change and all incidents have, or are undergoing, a proportionate investigation to identify any learning and improvement from the incident.





Never Events

Between, April 1, 2021 to March 31, 2022, a total of four Never Events were reported to Welsh Government and the NHS Wales Delivery Unit. These never events relate to an incorrect surgical procedure, a medication incident, treatment error and unexpected complications with three events reported in Merthyr and Cynon Locality, one was reported in the Bridgend Locality.

In early 2021, the NHS Delivery Unit announced that incident management and escalation across Wales would be changing. The new National Patient Safety Incident Reporting Policy was introduced and effective from June 14, 2021.

Whilst the policy sets out new ways of incident management, and outlines criteria for reporting, internal reporting and monitoring has required local development. CTMUHB has developed mechanisms for the monitoring and reporting of incidents across all levels of harm. This has resulted in the introduction of a Locally

Reportable Incident (LRI) reporting mechanism. LRIs incorporate all incidents that would have previously fallen under the category of a Serious Incident (SI) under the Putting Things Right Regulations, but no longer meet the criteria of an NRI.

This enables effective oversight and facilitates the identification of themes and trends to **enable wider health board learning** with a focus on **improving patient safety and experience.** In the latest national task and finish group to review the policy implementation, other health boards in Wales raised this element as a risk and CTMUHB were commended on the introduction of the LRI monitoring process.

To facilitate, support and promote the effective delivery of this work, CTMUHB has re-developed the Incident Management Framework & Toolkit to outline, detail and provide guidance to colleagues on each step of the process, including 'how to guides' throughout incident management. The early part of 2022 will see this become digitalised and interactive to ensure we are able to provide the most modern format of access to our staff.

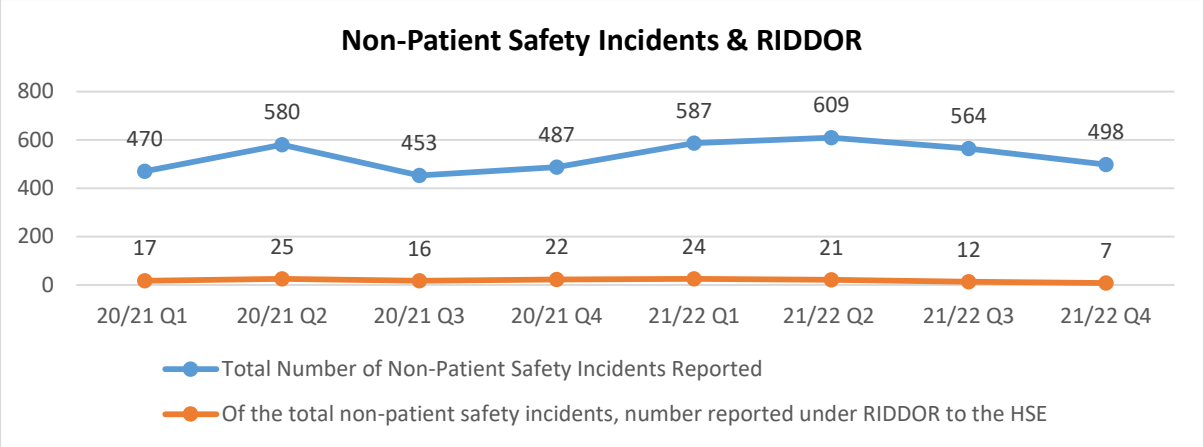
Over the year Root Cause Analysis investigation training has been delivered virtually to over 80 colleagues across varying specialities, although the availability of colleagues to deliver training and attend sessions has been impacted upon by the pandemic. CTMUHB has invested in a robust training package and now offer and facilitate this through Electronic Staff Record (ESR) to ensure investigations are led by trained individuals, is consistent and of high quality. All investigations are independently quality assured prior to submission for executive sign-off.

The systems and processes have proven to be robust and effective and are now operating effectively. The early part of the next year will see these processes transition into the new 'Once for Wales' Datix system as this replaces the existing Datix programme. The roll out of Once for Wales will also see the introduction of the new Action Plan module which will enable a more detailed and robust arrangement for developing, implementing and monitoring actions to ensure effective learning across all clinical service groups.

Health, Safety & Fire Management

During 2021-2022, the Health Board has continued to manage the day to day legal responsibilities placed on it by the Health and Safety at Work Act and the Regulatory Reform (Fire Safety) Order. Furthermore, the challenges the pandemic have introduced have equally been important to the safety of staff, patients and visitors.

Listed below are the annual statistics of incidents that have occurred during the year for both Health and Safety and Fire Safety. The Health Board continues to undertake focussed work to tackle trends.



Each of the ILGs have in place Health, Safety and Fire Groups and their work enables issues to be raised and managed. This is conducted in partnership with trade union Safety Representatives and supports the essential organisation culture to enable compliance and support the safety of all staff, patients and visitors. CTMUHB's Health, Safety and Fire Sub Committee have meet quarterly throughout the year and have gained assurance from the work undertaken to address compliance.

Learning from Concerns

CTMUHB is committed to promoting a culture which values and facilitates learning and in which the lessons learned are used to improve the quality of patient care, safety and experience.

A Listening & Learning framework has been developed and demonstrates how **learning will be identified, disseminated and implemented** in practice, in order to facilitate and embed a culture of appreciative enquiry and continually improving health care services. Learning from Events Reports (LFERs) following a concern which resulted in a Redress or Claims case is a key mechanism used to capture learning. These focus on identifying key learning and how it is captured, implemented, shared and embedded across the organisation, ensuring closing of the learning loop. These are scrutinised by an external Welsh Risk Pool panel in order to gain assurance that learning has been effectively undertaken and shared.

Below are some examples of changes made following concerns being raised:

- Some of the top reported themes in relation to complaints are communication related. CTMUHB has therefore implemented communications training available across the organisation.
- A refurbishment programme has begun within the Emergency Department at PCH.
- 'Safe to Start' meetings have commenced every morning in wards/departments where staff numbers, patient numbers and acuity of patients are reviewed each morning.
- A Medical Scrutiny Panel has been established to review all medication errors to target improvements.
- Within PCH, Patient Advisory Liaison Officers are now attending the Emergency Department on a daily basis, speaking to and supporting patients, assisting with early resolutions. Drinks are also being offered to patients who have been triaged and are waiting to be treated.

Shared Listening & Learning Forum - The Shared Listening and Learning Forum has been established to provide oversight and assurance of CTMUHB's framework for listening to and learning from incidents and patient/staff related concerns and experiences which promote and support a 'Just and Learning Culture'.

Patient Experience - Patient experience is a key component of a patient's journey through our acute and community settings, how we as an organisation support our patient's/families/carers and staff to ensure everyone's voice is heard and informs how we can improve upon the services we provide to our communities. Whilst Covid-19 has continued to impact on how we were able to engage with the communities feedback has continued to be gathered from various sources such as through virtual visiting, 'have your say cards', concerns, incidents, Community Health Council visits and the launch of the Civica patient feedback system in January 2022.

Our 'have your say' cards are available in an electronic format, with posters containing QR codes distributed across our sites, as well as being accessible via the CTMUHB website and social media platforms. There are also a number of surveys being populated from our maternity, paediatric, therapies departments to name a few. The system continues to be developed and allows our staff and management teams an insight into feedback in a real time format to develop services and provide support where needed.

The Patient Advice Liaison Service Officers continue to obtain real-time patient feedback within clinical environments and have contributed to engagement sessions such as with the work that has taken place around to improve and plan our future maternity services.

Improving Communication - We have worked collaboratively with our partners and stakeholders, Public Services Ombudsman for Wales and Communication Access UK via the Royal College of Speech and Language Therapists to access communications training for our Health Board staff.

Our goal is to provide regular communications training to our staff which is accessible via virtual platform. The pandemic proved challenging for families to visit our sites and we made good progress in implementing virtual visiting. This was supported by the Patient Advisory Liaison Support Officers and our volunteers.

The Communication and Engagement Team in conjunction with patient experience team are currently exploring how we can support staff with more effective communication with patients and families.

Workforce Management and Wellbeing

The organisation faces an immediate challenge of ensuring appropriately resourced clinical services with the right workforce with the right skills, values, and behaviours in the right place to deliver ambitious recovery plans in planned and unplanned care with a challenging financial envelope while always providing high quality patient care to be proud of.

CTMUHB will not be able to deliver its ambitions alone and effective partnership working with stakeholders will be key. Strong partnership working with trade union partners has never been more important. We believe the continued strengthening of these relationships is critical to our future success and look forward to further developing our ways of working together to achieve our shared ambitions for CTMUHB moving forward.

Supporting our Staff
Early in the pandemic, CTMUHB recognised that significant action needed to be taken to support all staff who were going above and beyond to provide services in a very challenging environment. A counselling service began in June 2020 and the Wellbeing Service now offers a wide range of services including an **Employee Assistance Programme**, services offering advice on supporting children and young people, a Long Covid-19 Support Group and Mindfulness Courses.

Staff have easy access to these services via our intranet or through internal promotion of their availability. The Service is available on all three acute sites and also in community hospitals. The team is small but dedicated, and is overseen by Dr Clare Wright, the Wellbeing Lead, along with our Clinical Psychologists and trained professionals.

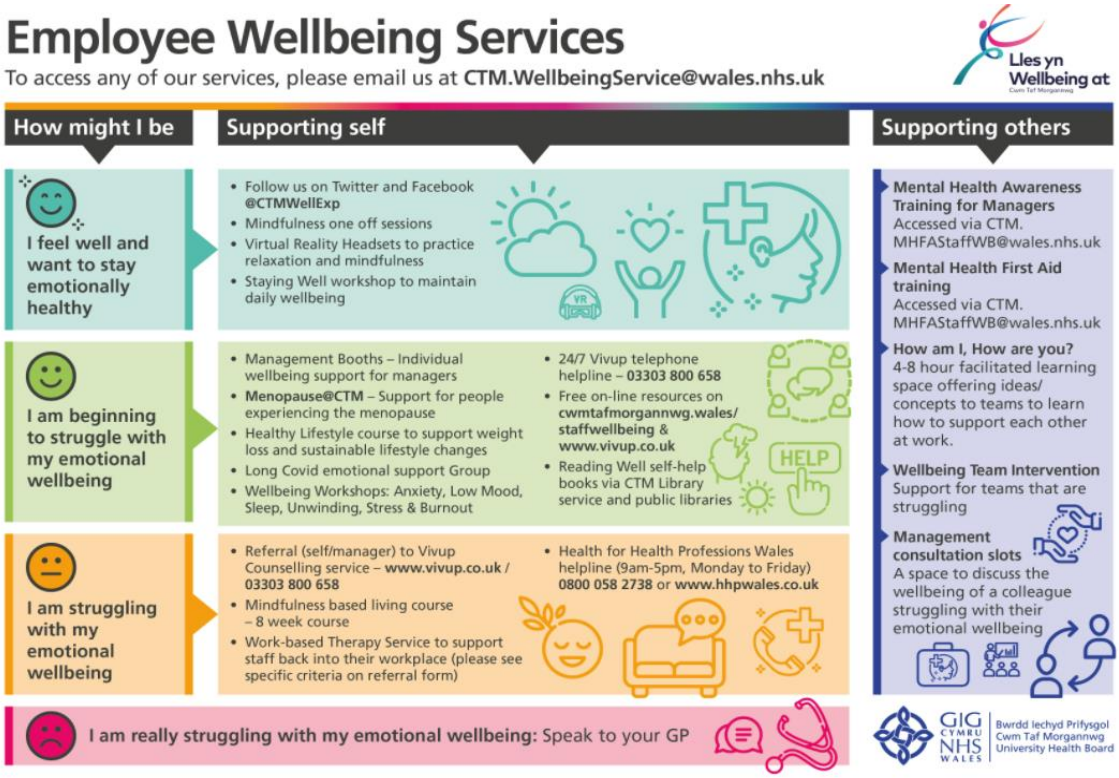
Wellbeing Initiatives
CTMUHB Wellbeing Service has further developed its Stepped Care approach, to broaden the range of initiatives available to staff. In promoting **positive staff wellbeing**, the service has introduced a scheme whereby staff can borrow a virtual reality (VR) headset to practice mindfulness and relaxation exercises.

A broader range of psychological education workshops are now available based on the results of a staff wellbeing survey, conducted in the summer of 2021. Over 2,000 staff responded, clearly identifying difficulties with anxiety, sleep and being able to unwind after work. The service has increased the support available to line managers in the form of Management Consultation slots, and a Mental Health Awareness training course. Targeted sessions are also provided for managers to ensure they too access these services themselves.

The service has also introduced Mental Health First Aid Training, recruiting over 70 Wellbeing Activists, who are actively supporting initiatives in their own departments. It has established a Men's Mental Health Steering Group, to ensure CTMUHB's wellbeing initiatives are accessible and engaging to staff, who identify as men.

In addition, the Wellbeing Service had launched a range of services to support staff affected by the menopause, including an information hub, Menopause Café,

Mindfulness for Menopause sessions and a workshop on how to manage the four lifestyle pillars (stress/anxiety, healthy eating, sleep, and exercise) that affect symptoms. The Wellbeing service also signposts to voluntary sector providers on a need specific basis. The service provides initiatives that support self-care, peer support and upskill managers to support their staff.



An ambitious programme of **leadership development** has been launched to ensure all leaders are equipped with core skills to be a great manager; to lead their team with impact and influence, and; to empower senior leaders to create the culture at CTMUHB through their actions and behaviours. Given the plans for transformational service change across the CTMUHB including unscheduled care and planned care recovery, the availability of skilled leaders who embrace change and can achieve it with their teams is crucial if this organisation is to grow and deliver differently for its population.

The development of **capability and capacity** to deliver service change within leaders and across the workforce is a priority requiring the use of improvement and organisation development tools and techniques to support people through uncertainty. Ensuring that we have the right people, in the right place, doing the right work, with the right skills and at the right cost has never been as important as now given the demands on the health and social care system together with societal and demographic changes impacting on the availability of a skilled

workforce; all of which have been exacerbated by the disruption caused by the pandemic.

While a focus on the here and now is important, **learning** from the last two years shows us that change is inevitable and as such a longer-term perspective is required to ensure the supply chain of the **right people and skills in the future**. This strategic lens to workforce planning will enable CTMUHB to explore and understand the workforce complexities and opportunities of system wide planning with local authorities and other partners, multidisciplinary workforce models as well as the future workforce required to deliver our future strategy - CTM2030.

Central to the development of the workforce priorities is the recognitions that with a workforce of around 13,000 staff CTMUHB is one of the largest employers in the area and a considerable proportion of our workforce live and work within these communities. As such, CTMUHB has a real opportunity to make a difference to the lives of its population by opening improved opportunities and **employment pathways** that provide the chance for people to gain experience of work and understand the full range of career paths available. This will include development of the apprenticeship offering; careers discussions with local schools; kick-start programmes; partnerships with local Universities and Colleges that make a difference to the communities we serve.

Risk Assessments and Shielding of Staff

During 2021-2022, CTMUHB has continued to mandate all staff, regardless of their protected characteristics, to complete on a quarterly basis, the NHS Wales Covid-19 Workforce Risk Assessment. Compliance was monitored and reported on a monthly basis. During September 2021, CTMUHB reduced the requirement to complete this risk assessment to twice yearly. The risk assessment information is used to support staff and to protect their health and wellbeing in the workplace or to determine whether they should work from home, where they are able to do so.

The number of clinically extremely vulnerable (CEV) staff (former shielding staff), significantly reduced in year, as CTMUHB work with them to find ways to bring them back to work, via deployment to non-patient facing roles, undertaking alternative meaningful work from home etc. Staff embraced the approach, as many of them were reporting that shielding had had a negative impact on their mental wellbeing and they wanted to get back to work. For the very small number of staff who were unable to work from home or return to the workplace, they continued to be provided with ongoing support via their manager, the Wellbeing Service and the Occupational Health Service.

Review of Covid-19 Staff Deaths

Staff safety has always been our priority and robust health and safety measures, including the use of **Personal Protective Equipment (PPE)** and **social distancing** have been put into place to protect staff from becoming exposed to the virus in the workplace in the course of their work. As required by the NHS Wales and Health and Safety Executive's Reporting of Injuries, Diseases and Dangerous Occurrences (RIDDOR) Regulations any staff deaths are subject to investigation with a view to determining if the contraction of the virus was work-related.

Workforce Metrics
Performance against workforce metrics such as staff appraisals, statutory & mandatory training etc. is reported through CTMUHB's People & Culture Committee. As the Committee meeting scheduled for February 2022 was stood down due to a Covid surge the workforce metrics performance report was submitted to the meeting held in May 2022 and is available here.

Nurse Staffing Act / Safe Staffing Levels
Section 25A of the Nurse Staffing Levels Wales Act All-Wales Nursing Staffing Act (NSLWA) (2016) Act requires CTMUHB to ensure that it has robust workforce plans, recruitment strategies, structures and processes in place to ensure appropriate nurse staffing level across their organisation. As part of the Act, the Executive Nurse Director has determined that a review of nurse staffing level across all clinical areas across all settings when nursing care is either provided and or commissioned in line with the requirement in Section 25A wards provides assurance that the principles behind the 2016 Act are considered. Staffing levels are reviewed, calculated by Locality Groups Nurse Directors and this is reported via Nursing and Midwifery workforce meetings.

The Covid-19 pandemic has created many challenges for us in that all wards that are under Section 25B of the Act, have had to be flexible and adaptable in the last two years to meet the needs of all patients. Some of the wards during this period have been **repurposed, moved, closed and opened** depending on the situation and the requirement at the time. As a consequent the ward establishments have also varied, due to the uncertain nature of the pandemic establishment levels on some wards were temporarily increased non-recurrently. Any recurrent changes under the Act were presented to the Board via the ILG Directors. Any area that provides nursing care or commissioned areas that have been repurposed due to Covid-19 has been calculated accordingly and reported via CTMUHB Senior Leadership Group meetings.

In addition there has been workforce efficiency meetings where the Locality Groups discuss and plan to ensure that the required workforce is fulfilled to meet the statutory guidance of 2016 Act, this includes trajectories in relation to retirement, estimated turnover and student streamlining into the CTMUHB.

Each Service Group within the ILGs continue to monitor the staffing situation daily and ensure that clinical areas manage the risk where there are any staffing deficits. Monitoring and reporting of the daily staffing levels is formally recorded together with the mitigating actions taken in order to maintain the nurse staffing levels in wards and departments areas.

The triangulated methodology prescribed in the NSLWA as the required approach to calculating the nurse staffing levels for each ward has **become embedded as a routine** as part of a 6-monthly cycle that is undertaken with the nursing teams responsible for each ward within Section 25B.

In October 2021, the Act's second duty to paediatric inpatient wards was implemented into CTMUHB. Whilst the adult and paediatric wards are within Section 25B of the Act there are three other work streams that although there is no immediate date to include these work streams into the 2nd duty of Act in 2022-

2023. Heath Boards are expected to demonstrate that they are working towards the interim principles for district nursing, mental health and health visiting.

Wellbeing of Future Generations (Wales) Act 2015

Our mission, vision and strategic wellbeing objectives approved by the Board in January 2020, reflected the review following the boundary change including Bridgend local authority area. As outlined in the following paragraphs, these objectives remained for the period 2021-2022, however our plan for 2022-2023 is that our Wellbeing Objectives will be fully aligned and integrated with the **CTM2030: Our Health, Our Future** strategy and our ambition to being a population health organisation.

CTMUHB Mission	Building healthier communities together
CTMUHB Vision	In every community people begin, live and end life well, feeling involved in their health and care choices
CTMUHB Strategic Wellbeing Objectives	Work with communities and partners to reduce inequality, promote wellbeing and prevent ill-health. Provide high quality, evidence based, and accessible care. Ensure sustainability in all that we do, economically, environmentally and socially. Co-create with staff and partners a learning and growingculture.

A significant development to **embed the Wellbeing of Future Generations Act sustainability principle, seven goals and five ways of working has been the development to the CTM2030: Our Health, Our Future Strategy**. This has been led by Strategy Groups of being born well, growing well, living well, ageing well and dying well. The process including multi-agency partners, also involving patients in workshops collaborating and agreeing priorities, including areas of integration, with a preventative focus and for the first time a longer term time frame, has demonstrated the full application of the ways of working.

As the new CTM2030: Our Health, Our Future strategy is being developed the sustainable principle, five ways of working and seven well-being goals are being embedded throughout the strategy, such that this strategy will fulfil future well-being objectives.

In April 2021, Sophie Howe, Future Generations Commissioner was invited to address a Board Development session. This was an opportunity to share feedback on progress, challenge the Board to integrate the Well-being of Future Generations Act into the operations of CTMUHB and provide examples of good practice to inform future action. During the same session, the Deputy Director of Public Health presented a population health approach and a challenge as to how CTMUHB could become a Population Health Organisation. Key to this was embedding the five ways of working. This challenge was accepted by the Board and in May 2021 the **Board agreed to population health targets** including 36 projects to improve population health, embed prevention, reduce inequalities, develop the organisation as an anchor institution and improve services involving our population working more closely with partners, including the local authorities and

third sector. The Leadership of these projects rests with Executive Directors to ensure ownership across the organisation.

Examples of progress include:

Project Title	**Progress**
Implement pre-Diabetes Pathway improvement across CTM.	**Prediabetes -** South Cynon pilot due completion September 2022. All Wales Diabetes Prevention Programme (AWDPP) implementation – two clusters in CTM chosen to implement using WG funding (Bridgend West and Merthyr). Working with PHW and CTM primary care/dietetics to implement this from April 2022. They are currently developing a proposal for a model to roll this out across the remaining clusters within Inverse Care Law programme.
Conduct a Health Equity Audit for stroke in CTM.	Completed and presented to relevant groups. Action plan being developed based on recommendation.
Implement an integrated Level 2/3 weight management service for CTM.	Plan approved and funded. Agreement of job descriptions and recruitment process.
Develop a health promotion policy for CTMUHB and enable healthy behaviours for staff.	CTMUHB Staff Health Needs Assessment completed. This will inform action.
Explore the use of CTMUHB facilities for staff to undertake physical activity e.g. use of physiotherapy gyms/pools, large rooms for staff exercise classes.	Proposals to build the "Anchor Institute" role of CTMUHB have been researched and Report to Population Health & Partnerships Committee is imminent.
Invest in a Population Involvement Unit to ensure that our population are co-producing their care options.	Collaborative project with three Local Authorities. HDRC bid through to stage two.
Engage Community Housing Cymru and CTM's network of Registered Social Landlords to design and implement a 'CTM Healthy Housing' Programme.	Multi-agency Housing and Health Alliance established. Regular Housing Health Group meetings and Workshops with development of a data sharing mechanism between housing and health, working alongside the RIIC hub.

Welsh Language

The Welsh Language (Wales) Measure 2011 gives the Welsh language official status in Wales. Since the end of May 2019 CTMUHB has had a statutory duty to comply with Welsh Language Standards (WLS) which aim to provide clarity on the organisation's duties in terms of **what Welsh speakers can expect to receive by way of services in Welsh.**

The WLS also help bring further consistency and general quality improvement. Responsibility for compliance with the WLS is the responsibility of every member of staff here in CTMUHB as all staff contribute in some form to service provision.

Below are some examples of how CTMUHB met its obligations in 2021-2022. Further details will be published as part of a **Welsh Language Standards Annual Report,** which will be published by 30th September 2022 and will be available via our website:

- Development of a new recruitment site, including information for recruiting managers regarding CTMUHB's Bilingual Skills Strategy;
- Increasing compliance of the recording staff Welsh language skills by 10%.
- Auditing service compliance with a new online auditing tool;
- Extending the internal translation service, to support primary care services;
- Training a member of staff to become a qualified Welsh interpreter, to support meetings and case conferences;
- Working collaboratively with stakeholders to promote 'Welsh in the Workplace' and through the 'More Than Just Words' Regional Forum, to increase bilingual service provision across the region;
- Providing opportunities for patients and staff to take part in 'Arts in Health' projects, through the medium of Welsh; and
- CTMUHB celebrated 'Welsh Language Rights Day' on 7th December 2021 by promoting the Welsh language courses across its workforce. Further details regarding this are available from our website by clicking here.
- Increased the proportion of Welsh speaking Board Members following two Independent Board Member appointments (Lynda Thomas and Geraint Hopkins) of fluent Welsh speakers.

Environmental Sustainability

CTMUHB requires that all staff and in particular all managers at all levels of the organisation to be aware of, and fully supportive, of our **responsibilities to sustainability**, in line with our compliance to the ISO14001:2015 environmental certification. As part of the CTM2030 Clinical Strategy development CTMUHB has identified 'Sustaining our Future' as one of the four strategic goals. This goal encompasses the sustainable development principles of the Wellbeing of Future Generations Act (2015) and demonstrates CTMUHB's commitment to:

- Becoming a green organisation;
- Ensuring our services financial sustainability;
- Embedding value based healthcare; and
- Ensuring our estate is fit for the future.

A copy of the CTMUHB Annual Sustainability Report for 2021-2022 will be available via our website at the end of June 2022. In 2022-2023 we will work on the following priorities to take forward the Sustaining our Future Agenda:

- Further develop CTMUHB's De-carbonisation Strategic Delivery Plan inclusive of appropriate governance arrangements and alignment of existing internal delivery groups working towards the de-carbonisation agenda;
- Use our Smart metering data and validation software to plan how to reduce our energy consumption and carbon emissions, setting annual and longer-term targets;
- Work with Dwr Cymru/ Welsh Water to install smart meters on all sites to support monitoring and targeted interventions to reduce our water consumption;
- Work with Re:fit Cymru (the WG Energy Service programme) to make our buildings more energy efficient, applying for capital funding as required;
- Work with our three local authority partners to explore Solar Farm Connections to our acute hospital sites;
- Continue collaborative working with Bridgend County Borough Council regarding the connection of a heat network to Princess of Wales and Glanrhyd hospitals and a private wire cable connection to a wind turbine farm;
- Work to reduce medical gases, in particualr targeting the use of Nitrous Oxide anaesthetic gas across CTMUHB estate;
- Work with NHS Wales Shared Services Partnership procurement to review our suppliers and look to develop local partnerships to promote the Welsh economy and reduce transportation related carbon emissions;
- Continue project work between CTMUHB's RIICS (Research Innovation and Improvement Co-ordination Service), Procurement and Pathology to investigate how to reduce supply chain emissions and reduce waste packaging with Roche;
- Continue project work between RIICS and neighbouring Health Boards to identify and tackle plastic waste through Cardiff City Regional, SBRI and Life Science Hwb funding opportunities;
- Continue to develop Green Space and CTM Green as a means of engaging, communicating and inspiring our workforce to learn about and tackle climate change;
- Work with staff to raise awareness and understanding of the importance of waste segregation is ongoing to ensure we can continue to meet our recycling targets; and
- We will review our fleet in order to identify how to improve efficiency and switch to electric vehicles (EV) over time inclusive of identifying how to use electric vehicles within CTMUHB and where EV charging points could be installed as well as reviewing staff mileage to identify patterns of travel and implement potential initiatives to reduce frequent unnecessary travel.

Performance Report Conclusion and Forward Look

2021-2022 has seen Covid-19 dominate our work each and every life lost due to the virus has been tragic. The impact on our communities and staff will of course be felt for some considerable time.

Despite the challenges of the pandemic, this Annual Report has highlighted how we have continued to deliver service improvements, new ways of working, taken opportunities to be innovative and embraced new technology – all of which have contributed to improving the quality, safety and sustainability of services and will inform our thinking for the future. Notwithstanding the challenges ahead, CTMUHB will maintain its efforts to return to pre Covid-19 levels of activity, while ensuring that the service is safe. Where possible new ways of working will be used and the best of the more established practices.

As we continue to look forward and seek to reset our services we remain committed to ensuring that people, **quality and safety are at the heart of everything we do.**

In developing our long term strategy – CTM2030: Our Health, Our Future - there are clear opportunities for us to focus on how we best provide timely and accessible services but also tackle the long-standing inequalities and health and lifestyle factors which have contributed to the significant impact that Covid-19 has had on the CTMUHB population. Throughout this work we will continue to build on the partnership working across primary and secondary care and with our partners and communities to ensure that we all work together to deliver the high quality services and support our communities deserve.

Signed:
Paul Mears
Chief Executive and Accountable Officer Date: 14th June 2022

Chapter 2 – Accountability Report

Introduction to the Accountability Report

The Accountability Report is one of the three reports which form CTMUHB's Annual Report and Accounts. The accountability section of the annual report is to meet key accountability requirements to the Welsh Government (WG). 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. As not all requirements of the Companies Act apply to NHS bodies, the structure adopted is as described in the HM Treasury's Government Financial Reporting Manual (FReM) and set out in the 2021-2022 Manual for Accounts for NHS Wales, issued by Welsh Government.

The Accountability Report consists of three main parts:

- The **Corporate Governance Report:** this report explains the composition and organisation of CTMUHB and governance structures and how they support the achievement of CTMUHB's objectives. The Corporate Governance Report itself is in three main parts; the Directors' Report, the Statement of Accounting Officer's Responsibilities and the Governance Statement;

- The **Remuneration and Staff Report:** the Remuneration and Staff Report contains information about senior managers' and Independent Members remuneration. It will detail salaries and other payments, CTMUHB's policy on senior managers' remuneration, and whether there were any exit payments or other significant awards to current or former senior managers. In addition, the Remuneration and Staff Report sets out the membership of the CTMUHB's Remuneration Committee, and staff information with regards to numbers, composition and sickness absence, together with expenditure on consultancy and off-payroll expenditure; and

- The **Parliamentary Accountability and Audit Report:** the Parliamentary Accountability Report provides information on such matters as regularity of expenditure, fees and charges, and the Audit Report by the Auditor General for Wales's provides a report on the examination of the financial statements.

Corporate Governance Report

The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across CTMUHB during 2021-22.

It includes:

- **The Directors' Report:** this provides details of the Board and Executive Team who have authority or responsibility for directing and controlling the major activities of CTMUHB during the year. Some of the information which would

normally be shown here is provided in other parts of the Annual Reportand Accounts and this is highlighted where applicable;

- **The Statement of Accounting Officer's Responsibilities and Statement of Directors' Responsibilities:** this requires the Accountable Officer, Chair and Executive Director of Finance to confirm their responsibilities in preparing the financial statements and that the Annual Report and Accounts, as a whole,is fair, balanced and understandable; and
- **The Governance Statement:** this is the main document in the Corporate Governance Report. It explains the governance arrangements and structures within CTMUHB and brings together how the organisation managesgovernance, risk and control.

Directors Report:
The Directors' Report provides details about CTMUHB including the Independent Members and Executive Directors, the structure of the board and components of itsgovernance and risk management structure.

The Composition of the Board and Membership

The Board is made up of Independent Members (who are appointed by the Minister for Health and Social Services through the public appointments process) and Executive Directors who are employees of CTMUHB. Current Board Members and other members of the executive leadership team are outlined in this section (further details of which are also listed at Appendix B – page 117):

- Linda Prosser was appointed as Executive Director of Strategy and Transformation from 1st June 2021 (with Claire Williams having been in post as interim Director of Planning prior to this);
- Sally May was appointed as Executive Director of Finance taking up post from 2nd August 2021 (with Steve Webster being in this post prior to this);
- Dom Hurford was appointed as Interim Executive Medical Director from 1st July 2021 (with Nick Lyons having been in post prior to this);
- Stuart Morris was appointed to the new post of Director of Digital taking-up post from 13th December 2021;
- Gethin Hughes was appointed towards the end of 2021/22 as substantive Chief Operating Officer taking up post from April 2022 (with Gareth Robinson having been in this post on an interim basis prior to this); and
- Lauren Edwards was also appointed towards the end of 2021/22 as substantive Executive Director of Therapies and Health Sciences and took-up post during April 2022 (with Fiona Jenkins having been in post as interim joint appointment with Cardiff and Vale University Health Board prior to this).

The Minister for Health & Social Services announced the following public appointments during 2021/22:

- Jayne Sadgrove, an existing Independent Board Member was appointed to the Vice Chair role taking up her role from 1st June 2021 (with Maria Thomas having been in this role prior to this);
- Carolyn Donoghue was appointed as an Independent Board Member (University) from 4th August 2021 (with Jayne Sadgrove in this position prior to this);

- Emrys Elias as Interim Chair took up his role from 1st October 2021 (with Marcus Longley having been the substantive Chair prior to this);
- Lynda Thomas was appointed as an Independent Member (Corporate Business) from 8th October 2021 (with Keiron Montague having been the previous post-holder); and
- Councillor Geraint Hopkins was appointed as an Independent Board Member (Local Authority) taking up post 6th January 2022 (with Councillor Phillip White having previously been the previous post-holder).

Where there were changes in Independent Board Member appointments during the year, every effort was made to ensure that the interval until a new appointee was confirmed was a short as possible and this was also the case for executive appointments. Such action helped to bolster Board Member arrangements and therefore avoid any adverse impact on decision-making. Where Executive appointments were made, Interim roles were secured for fixed term appointments to ensure there was no gap in leadership whilst plans were put in place for the recruitment to substantive appointments.

Independent (Voting) Board Members as at March 31, 2022
Emrys Elias, Chair (Interim) is supported by 10 other Independent Members. Confirmation of their membership of Board Committees is set out below and biographies are available via our website by clicking here:

Jayne Sadgrove, Vice Chair / Independent Board Member
Chair of Mental Health Act Monitoring Committee
Chair of Quality & Safety Committee
Chair of Population Health & Partnerships Committee
Vice-Chair of Remuneration Committee
Member of Audit & Risk Committee
Member of Digital & Data Committee

Mel Jehu, Independent Board Member
Chair of Planning Performance & Finance Committee
Member of Mental Health Act Monitoring Committee
Member of People & Culture Committee
Member of Remuneration Committee

Ian Wells, Independent Board Member
Chair of Digital & Data Committee
Vice Chair of Audit & Risk Committee
Member of Remuneration Committee
Member of Planning Performance & Finance Committee

James Hehir, Independent Board Member
Vice-Chair of Mental Health Act Monitoring Committee
Member of Remuneration Committee
Member of Charitable Funds Committee
Member of Quality & Safety Committee

Dilys Jouvenat, Independent Board Member
Chair of People & Culture Committee
Vice-Chair of Digital & Data Committee
Member of Remuneration Committee
Member of Charitable Funds Committee
Member of Quality & Safety Committee

Nicola Milligan, Independent Board Member
Vice-Chair of Charitable Funds Committee
Vice-Chair of People & Culture Committee
Member of Remuneration Committee
Member of Planning Performance & Finance Committee
Member of Quality & Safety Committee

Patsy Roseblade, Independent Board Member
Chair of Audit & Risk Committee
Chair of Charitable Funds Committee
Member of Remuneration Committee
Member of Planning Performance & Finance Committee
Member of Quality & Safety Committee

Carolyn Donoghue, Independent Board Member
Vice-Chair of Planning Performance & Finance Committee
Vice-Chair of Population Health & Partnerships Committee
Vice-Chair of Quality & Safety Committee
Member of Remuneration Committee
Member of Audit & Risk Committee

Lynda Thomas, Independent Board Member
Member of Remuneration Committee
Member of Digital & Data Committee
Member of People & Culture Committee
Member of Population Health & Partnerships Committee

Cllr Geraint Hopkins, Independent Board Member
Member of Remuneration Committee
Member of Mental Health Act Monitoring Committee
Member of Planning Performance & Finance Committee
Member of Population Health & Performance Committee

Executive Directors (Voting Board Members) as at 31st March 2022 -

- Paul Mears, Chief Executive
- Dom Hurford, Executive Medical Director (Interim)
- Greg Dix, Executive Director of Nursing, Midwifery and Patient Care
- Gareth Robinson, Chief Operating Officer (Interim) – this role encompasses Executive Director responsibility for Primary, Community and Mental Health Services.
- Hywel Daniel, Executive Director for People
- Kelechi Nnoaham, Executive Director of Public Health
- Linda Prosser, Executive Director of Strategy & Transformation

- Sally May, Executive Director of Finance
- Fiona Jenkins, Executive Director of Therapies and Health Science (Interim) (Joint interim appointment with Cardiff and Vale University Health Board which ended on 31st March 2022)

Points to Note:
Gethin Jenkins took up post from April 2022 as Chief Operating Officer and Lauren Edwards took up post as Director of Therapies and Health Science from April 2022 with Dom Hurford taking up the substantive post of Medical Director from May 2022.

Non-Voting Associate Independent Members 2021-2022

- Lisa Curtis-Jones (Local Authority)
- Sharon Richards, Chair, CTMUHB Stakeholder Reference Group (until February 2022 - from May 2022 this role was taken up by Anne Morris).
- Anna Lewis, Chair, Clinical Advisory Group (incorporating the remit of the Health Professionals Forum) (from August 2021).

Other Board Level Directors

- Georgina Galletly, Director of Corporate Governance/Board Secretary
- Stuart Morris, Director of Digital (from December 2021)

Public Interest Declaration

Each CTMUHB Board Member has stated in writing that they have taken all the steps that they ought to have taken as a Director to report public interest declarations for the reporting year. All Board Members and Senior Managers and their close family members (including Directors of all Hosted Organisations) have declared any pecuniary interests and positions of authority which may result in a conflict with their responsibilities. **No material interests have been declared** during 2021-2022, a full register of interests for this period is available upon request from the Director of Corporate Governance or via the Audit & Risk Committee papers available here.

Statement of the Chief Executive's Responsibilities as Accountable Officer for CTMUHB

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer to the Cwm Taf Morgannwg University 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.

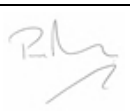
The Accountable Officer is required to confirm that, as far as he or she is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accountable Officer has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accountable Officer is required to confirm that the annual report and accounts as a whole is fair, balanced and understandable and that they take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

The Accountable Officer is responsible for authorising the issue of the financial statements on the date they are certified by the Auditor General for Wales.

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

Signed:

	Paul Mears Chief Executive and Accountable Officer	Date 14th June 2022

Statement of Directors Responsibilities in Respect of the Accounts

The Directors 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 Cwm Taf Morgannwg University Health Board and of the income and expenditure of the Cwm Taf Morgannwg University Health Board for that period.

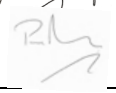
In preparing the accounts, the Directors are required to:

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

The Directors confirm that they have complied with the above requirements in preparing the accounts.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the authority and to enable them to ensure that the accounts comply with the requirements outlined in the above mentioned direction by the Welsh Ministers.

By Order of the Board
Signed:

	Emrys Elias, (Interim) Chair	Date 14th June 2022
	Paul Mears Chief Executive Officer	Date 14th June 2022
	Sally May Executive Director of Finance	Date 14th June 2022

Governance Statement

Accountable Officer Statement: Scope of Responsibility

"The Board is accountable for Governance, Risk Management and Internal Control. As Chief Executive of the 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. Where necessary additional information is provided in the Governance Statement, 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.

The Executive Team assist me as Chief Executive in discharging my accountabilities and meet weekly for formative discussion and support and decision-making. The Executive meets more formally with the wider leadership management group via the monthly Senior Leadership Group meetings. It has strong links to all relevant governance forums inside and outside CTMUHB. The organisation's work is supported by the achievement of the policies, aims and objectives. These are delivered in the knowledge that there is a need to safeguard public funds and the organisation's assets for which Board Members are personally responsible."

Targeted Intervention

CTMUHB is continuing on its comprehensive improvement journey in response to the Welsh Government escalation status in 2019. The Improvement Programme continues to deliver continuous sustainable improvement in response to Special Measures for Maternity Services and Neonatal Improvement and in response to Targeted Intervention for Leadership and Culture; Quality and Governance and Rebuilding Trust and Confidence. Progress in relation to these plans continues to be monitored by the relevant Committees, the Board and by Welsh Government in bi-monthly Targeted Intervention (TI) meetings.

At the most recent formal review it was agreed that CTMUHB is now very firmly in 'Level 3 – Results' stage for Targeted Intervention with some domains approaching 'Level 4 – Maturity'. This represents a tremendous amount of progress despite ongoing operational and COVID-19 pressures.

Our Governance Framework

The Board is accountable for governance, risk management and internal control and focuses on strategy, performance and behaviour. Board Members have responsibility for the strategic direction and to provide leadership and direction to the organisation, ensuring sound governance arrangements are in place. The Board is also responsible for encouraging an open culture with a view to ensuring

high standards.

Board members share corporate responsibility for all decisions and play a key role in **monitoring the performance of the organisation** and for making sure it is responsive to the needs of its communities. Independent Members will often have a designated area of interest or focus and may also be allocated to 'champion' a particular issue. Independent Members are supported by an annual development appraisal discussion with the Chair.

The Chair's Performance is assessed by the Minister for Health and Social Services whilst the Chief Executive's performance is assessed by the Chair with input from the Director General Health and Social Services/Chief Executive NHS Wales, WelshGovernment.

Monitoring quality and performance information occurs at all levels of the organisation to provide 'Community/Ward to Board' reporting. Performance, risk and incident reports are received regularly by the Strategic Leadership Group providing oversight that CTMUHB is meeting both internal and external targets for quality and performance. The Board Assurance Framework discussed later in this section will also now be received at every routine Health Board meeting.

Hosted Organisations (WHSSC, EASC and the National Imaging Academy) provide a Governance Statement or Compliance Statement to support the Chief Executive in signing the CTMUHB Governance Statement. These are available upon request from the Director of Corporate Governance/Board Secretary or via CTMUHB's Audit & Risk Committee papers on our website, available here.

CTMUHB continues to work closely with local authority partners and stakeholders, and the third sector which has strengthened further during the collaborative response to Covid-19. The organisation's 'University Health Board' status which continues to help the ongoing drive **to provide high quality, responsive care and services** for the communities in strengthened collaboration with our academic partners.

Application of the Model Standing Orders

Standing Orders are agreed by NHS organisations in Wales for the regulation of proceedings and business and are designed to translate the statutory requirementsinto day-to-day operating practice, and, together with the adoption of a scheme of matters reserved to the Board, a scheme of delegation and Standing Financial Instructions provide the regulatory framework for business conduct. This is further supported by declarations of interest being sought before the start of all Board and Committee meetings. These together with the range of corporate policiesmake- up the organisation's Governance Framework.

Variation to CTMUHBs Standing Orders

In accordance with the Public Bodies (Admissions to Meetings) Act 1960 CTMUHB is required to meet in public. As a result of the public health risk linked to the pandemic there were for a time limitations on public gatherings. As a result CTMUHB was unable to allow the public to attend meetings of the Board. As a result of the need to ensure business was conducted in as open and transparent manner as possible the follow outlines actions taken to maintain this requirement.

When the pandemic was initially declared in March 2020, the Board agreed to vary its Standing Orders to enable officers to focus on the operational pressures arising from CTMUHB's response to Covid-19. As a result non-essential business meetings were limited at times when Covid-19 cases were at their height. This first occurred in between April – June 2020 and then again from January - February 2021 and most recently for the months of January and February of 2022.

By standing down non-essential meetings, this enabled Officers to focus on the response to the demands placed upon operational services by Covid-19**.**

The Board agreed to the following actions:

- **To continue to hold all Board meetings via Teams**, with live broadcasts for Board meetings held in public live-streamed to enable members of the public to observe proceedings. This includes receiving the minutes of any Board meetings held in private. CTMUHB does not currently comply fully with the Public Bodies (Admission to Meetings) Act as Board Committees are not currently open with the public to attend /join via live broadcast, however, agendas and papers are published on CTMUHB's website in advance of Committee meetings. CTMUHB has risk assessed its compliance with this Act;
- To reserve the ability to take **Chair's Urgent Action only in exceptional circumstances**;
- To plan agendas to ensure **only essential business** is dealt with to reduce the burden on Executives and Operational staff who author papers;
- To continue to use a **'Consent Agenda'** for all Board meetings and to maximise its use wherever possible; and
- All **Board Committee meetings** with **the exception of Audit and Risk Committee and Quality and Safety Committee** to be stood-down. The exception for these two particular Board Committees reflects their critical roles during public health emergencies in scrutinising decision-making and performance, thereby ensuring inputs are of the appropriate quality and were risk-assessed in the best interests of the public and staff.

As a consequence of certain Board Committee meetings being stood-down during Covid-19 surges it was necessary for the respective Committee Chair and relevant Executive leads to review work programmes, re-prioritising issues and where appropriate taking reports directly to the Board. A summary of the various meetings that were stood-down is set within Appendix C at page 118.

Board Committee meetings were reinstated from the 1st March 2022 with the Planning Performance & Finance Committee holding a reduced agenda meeting towards the end of February 2022 to focus predominantly on the IMTP.

The arrangements put in place to support CTMUHB's response to the pandemic have been subject to internal audit with subsequent assurance reported to Audit and Risk Committee.

Even when it became possible for Board meetings to resume meeting in public, a decision was made that CTMUHB would continue to live-stream its meetings to ensure maximum transparency and accessibility to Board business. Should members of the public be unable to watch such meetings live, a copy of the video recording of the meeting is available via our website along with Board meeting papers.

CTMUHB Board & Committee Meetings

Health Board Meetings

As a minimum, the Board meets in public six times a year, but there are occasions when special board meetings take place, for example to agree the annual accounts.

Each regular meeting now begins with a patient/staff story, setting out the personal experience of someone who has used one of CTMUHB's services. This is an opportunity to learn lessons and help improve and plan services for the future. The topics covered during 2021-2022 included:

- A Staff Experience Story in May 2021 relating to the Covid-19 challenges and opportunities;
- A patient story in July 2021 regarding a pregnancy experience;
- In September 2021 a story relating to the impact of Covid-19 restrictions where a creative writing group had been developed;
- A staff story in November 2021 relating to the experience of a member of staff following him developing Covid-19 which reflected on his admission for treatment;
- In January 2022 a patient story relating to the Wish Journey Project; and
- A staff story in March 2022 relating to the way staff responded to a fire at one of our community hospital sites, Ysbyty Cwm Rhondda, which resulted in a staff bravery award from the South Wales Fire & Rescue Service.

All the meetings of the Board held during 2021-2022 were appropriately constituted and quorate.

Private (in-committee) Board meetings are only convened by exception. Such circumstances relate to those issues that can be justified under CTMUHB's Freedom of Information Publication Scheme following advice from the Director of Corporate Governance. On those occasions when it is necessary to hold a Board meeting in private these, where possible, will take place after the meeting held in public. To support transparency, the minutes of the private meeting are reported to the subsequent public meeting, rather than kept for approval at the subsequent private meeting.

Board Committees

Board Committees have a key role in undertaking scrutiny and assurance in relation to the delivery of the Board's strategic priorities, compliance with legislation, providing safe and effective services, learning lessons, sharing good practice and delivering other key targets identified within the IMTP. These Committees are:

- Audit and Risk Committee;
- Charitable Funds Committee;
- Digital and Data Committee;
- Mental Health Act Monitoring Committee;
- People and Culture Committee;
- Planning, Performance and Finance Committee;
- Population Health and Partnerships Committee;
- Quality and Safety Committee; and
- Remuneration and Terms of Service Committee.

Sub Committee(s)

- Health, Safety and Fire Sub-Committee *(A Sub-Committee of the Quality and Safety Committee).*

Details of the remit, authority and responsibility delegated to each of these Committees through their terms of reference as part of our Standing Orders available here.

The governance structure of the Board Committees and Advisory Groups of the Board is captured in Appendix D of the Accountability Report on page 119.

Board Committees are chaired by Independent Members (details of which Board Members act in this capacity is set out on pages 74-75) and meet regularly with cross-representation between Board Committees to support the connection of the business of committees and also to seek to integrate assurance reporting. Details of membership and levels of attendance at both the Board and these Committees is set out at Appendix B on page 113.

The Board receives a highlight report from each Committee at its meetings held in public. Such reports provide an effective structure with defined information flows for monitoring performance, receiving assurance and identifying any under-performance and concerns which require escalation.

Each Committee Chair is also responsible for providing the Board with an annual report of its activities, undertaking a self-assessment to review how it might improve its operation and also to review its terms of reference once every 12 months.

As well as reporting to the Board, Committees work together on behalf of the Boardto ensure, where required, that cross-reporting and consideration takes place and assurance and advice is provided to the Board and the wider organisation.

Each Board Committee has an Executive Director lead who works closely with the Chair of each Committee in agenda setting, business cycle planning and to support good quality, timely information being relayed to the Committee.

Whilst all the Board Committees provide important sources of assurance for the Board our Audit and Risk Committee has a specific role in relation to reviewing the effectiveness of our risk management systems and the Board Assurance Framework which provides assurance to the Board on the delivery of its objectives as outlined within the organisation's three-year plan. The Audit and Risk Committee meeting is held in two parts, part one relates to matters relating to CTMUHB and part two is for matters relating to the hosted organisations.

The Audit and Risk Committee is a key source of assurance to the Board that the organisation has effective controls in place to manage the significant risks to achieving its strategic objective. During 2021-2022, key aspects of CTMUHB business activity delegated to the Audit and Risk Committee included:

- Overseeing systems of internal control, including receiving regular progress reports on the Standards of Behaviour Framework and the Organisational Risk Register;
- Overseeing systems of internal control, including receiving regular progress reports on the Standards of Behaviour Framework and the Organisational Risk Register;
- Receiving regular reports on the Post Payment Verification Process, including an Annual Report;
- Receiving specific reports on Covid-19 related activity;
- Review and endorsement for Board Approval the Annual Accounts and Accountability Report for onward submission to Welsh Government;
- Agreement of the Internal and External Audit Plans for the year;
- Receiving Internal and External Audit Reports and subsequently monitoring progress against Audit Action Plans;
- Monitoring the implementation of agreed audit recommendations;
- Receiving and noting the Head of Internal Audit Opinion and Annual Report
- Agreeing the Annual Counter Fraud Plan and monitoring counter fraud activities;
- Monitoring the development and draft content of CTMUHB's Accountability Report;
- Monitoring of Governance Arrangements across the organisation, including hosted bodies;
- Provided oversight and scrutiny to hosted bodies, namely Welsh Health Specialised Services Committee (WHSSC), the Emergency Ambulance Services Committee (EASC) and the National Imaging Academy of Wales (NIAW);
- Endorsed the approval of the Revised Risk Management Strategy; and
- Endorsed approval of any revisions made in relation to the Standing Orders and Scheme of Financial Delegations Board Committee meeting papers classified as 'public' are published on the CTMUHB website in advance of each meeting in the spirit of openness and transparency.

CTMUHB Advisory Groups

The Board also has three advisory groups, to highlight any issues of significance to the Board:

- **Local Partnership Forum (LPF) –** the LPF is the formal mechanism for the Trade Union/Professional Organisation Representatives to work collaboratively with the executive and senior managers across the organisation to improve health services. The LPF hold quarterly meetings, submitting highlight reports to the Board. During 2021-2022, the LPF has continued to meet regularly using a virtual platform which has enabled the sharing of key workforce intelligence and ensure prompt actions were taken, as and when required. The report presented to the Board in November 2021 is available here.
- **Stakeholder Reference Group (SRG) -** the Group is formed from a range of partner organisations from across CTMUHB's area and engages with and has involvement in CTMUHB's strategic direction, advises on service improvement proposals and provides feedback to the Board on the impact of its operations on the communities it. Links to the SRG reports to the Board in September 2021, the January 2022 and the March 2022 Board are provided here as examples. A summary of themes for the year is set out on page 37-38.
- **Clinical Advisory Group (CAG)** - during 2021/2022, the former Health Professions Forum was reinvigorated into the now named Clinical Advisory Group (CAG), which was established in May 2021. The CAG is a diverse group of multi-professional clinicians that provides a mechanism by which frontline clinical staff can communicate directly with the Board as its Chair attends Board meetings. This enables clinical staff to have a voice within the organisation to discuss ideas or concerns. It also provides a vehicle for the Board to gain a clinical opinion on its clinical strategy. A copy of the March 2022 report to the Board is available here.

NHS Wales Shared Services Partnership Committee (SSPC) – CTMUHB is a member of the SSPC which is represented by all NHS organisations in Wales to ensure all views are taken into account when making decisions in respect of Shared Services activities e.g. payroll, recruitment etc.

NHS Wales Joint Committees

- **Welsh Health Specialised Service Joint Committee** – CTMUHB is also a member of the WHSSC Joint Committee. This committee is established as a Statutory Sub Committee of each of the Local Health Boards (LHB's) in Wales. It is led by an Independent Chair, appointed by the Minister for Health and Social Services, and membership is made up of three Independent Members, one of whom is the Vice Chair, the Chief Executive Officers of the Local Health Boards, Associate Members and a number of Officers. Whilst the Joint Committee acts on behalf of the seven LHBs in undertaking its functions, the responsibility of individual LHBs for their residents remains and they are therefore accountable to citizens and other stakeholders for the provision of specialised and tertiary services. Cwm Taf Morgannwg University Health Board

as host LHB, employs the staff supporting the Joint Committee and the Financial Statements of Welsh Health Specialised Services Committee (WHSSC) have been incorporated into their Financial Accounts.

- **Emergency Ambulance Services Committee (EASC)** - the EASC was formed as a "Joint Committee" under the Emergency Ambulance Services Committee (Wales) Directions 2014 which were made on March 10, 2014 and provide that the seven Local Health Boards in Wales will work jointly to exercise functions relating to the planning and securing of emergency ambulance services and for the purpose of jointly exercising those functions. CTMUHB is a member of EASC. CTMUHB acts as a host organisation employing the staff supporting the Joint Committee and the Financial Statements of Welsh Health Specialised Services Committee (WHSSC) have been incorporated into their Financial Accounts.

Board Development

CTMUHB has held regular Board Development Session throughout 2021-2022 on a variety of topics to support ongoing awareness, learning and development for the Board.

CTMUHB also engaged the Good Governance Institute (GGI) at the end of 2021, to support the Board Development Programme in terms of providing high calibre masterclasses in strategic leadership. The following sessions have been held to date:

- **November 2021 –** the session was split into two parts, session one focussed on the diagnostic stage of the Board Development Programme, with short discussions held in small groups to think about improvement and changes Board Members may wish to see to the Board and the way it works. The second part of the session was to reintroduce the concept of a Board Assurance Framework, describe what the ingredients are that make one, its significance in governance terms and how to make use of it.
- **February 2022** – The first part of the session was a joint presentation by CTMUHB and GGI on the proposed approach for the revised BAF. The second part of the session was delivered by GGI 'Supporting Development & Improvement - Competency Matrix', the presentation included a Director Skills Matrix for Welsh Health Boards.

A final GGI-led session is planned for June 2022.

Board Effectiveness

Board Annual Self-Assessment of its Effectiveness

During 2021-2022, CTMUHB has undertaken and/or engaged in a number of assessments that would provide internal and external sources of assurances to support the Board in undertaking its annual effectiveness assessment, these are:

Sources of Internal Assurance:

- An assessment against the **Corporate Governance in Central Governance Departments: Code of Good Practice 2017**, has been completed using the "Comply" or "Explain" approach. Whilst there is no requirement to comply with all elements of the Corporate Governance Code for Central Government Departments, an assessment was undertaken in March 2022 against the main principles as they relate to an NHS public sector organisation in Wales. CTMUHB is satisfied that it is complying with the main principles of, and is conducting its business in an open and transparent manner in line with, the Code. There were no reported/identified departures from the Corporate Governance Code during the year, other than those where there variations to the Standing Orders during 2021-2022 in response to the Covid-19 pandemic and the departure from the Public Bodies (Admission to Meetings) Act as Board Committees are not currently broadcast live or open to the public to attend. CTMUHB has undertaken a risk assessment in relation to its compliance with the Act.

- A **training programme** for Board and Committee Report Writing and Awareness commenced in June 2021, delivering training to staff to support the improvement in quality of Board & Committee reports.

- Introduction of **reflective practice** following all Committee and Board meetings to aide continuous improvement of the management of meetings and Board business.

- Board **Committee Effectiveness** – there is a programme in place to ensure Board Committees review the following activity on an annual basis:

    - Terms of Reference and Operating Arrangements;
    - Committee Effectiveness Annual Surveys;
    - Committee Cycle of Business;
    - Annual Committee Reports on Activity to the Board; and
    - Themes identified from the self-assessment of Board and Committees has been captured and shared with the Board.

- **Independent Member Scrutiny Toolkit** launched. This toolkit is designed to support Independent Members (IMs) to provide constructive challenge in their role as Board Members. It may also be of use to Executive Directors to provide constructive challenge to their peers as papers progress through Committees to the Board.

- **Good Governance Institute (GGI)** engaged with CTMUHB to review and develop the new **Board Assurance Framework** which was approved by the Board on the 31st March 2022 and

- **Shared Services Partnership – Audit & Assurance Services –** Governance Arrangements during Covid-19 Pandemic Follow-Up – Advisory Review Report.

Audit Wales

- **Audit Wales Structured Assessment –** was undertaken during 2021 and the full report and management response is available upon request. The recommendations are monitored via the Audit & Risk Committee through to completion;
- **Audit Wales** – thematic and national audits undertaken throughout the year (refer to page 107);
- **Audit Wales -** audit of CTMUHB's annual accounts and charitable funds annual accounts.
- **Joint Escalation and Intervention Arrangements status -** Joint Escalation and Intervention Arrangements, the Welsh Government meets with Audit Wales and HIW twice a year to discuss the overall assessment of each health board and trust in relation to the arrangements. Refer to pages 7-9 for CTMUHB's current Targeted Intervention and Special Measures status.

Following due consideration of the sources of assurances and supporting documentation, the Board were asked to consider an overall level of maturity in respect of governance and board effectiveness, based on the same criteria used in previous years, the Board concluded its maturity rating in respect of Board Effectiveness / Governance, Leadership and Accountability to be ***"Level 4 –We have well developed plans and processes and can demonstrate sustainable improvement throughout the service"***, and this was formally approved by the Board at its meeting on 31st March 2022.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable levelrather than to eliminate all risks; it can therefore only provide reasonable and notabsolute assurances of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place for the year ended 31 March 2022 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 aids achievement of the organisation's objectives. It has been supported in this role by the work of the main Committees, each of which provides regular reports to the Board, underpinned by a Board Committee structure, as outlined in Appendix D on page 119. 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.

CTMUHB recognises that scrutiny has a pivotal role in promoting improvement, efficiency and collaboration across the whole range of its activities and in holding those responsible for delivering services to account. The role of scrutiny remains vitally important during the COVID-19 pandemic, when CTMUHB is continuing to respond to the challenge of its special measures and targeted intervention status whilst also continuing to drive forward its plans as outlined in the IMTP.

CTMUHB's Capacity to Handle Risk

The Board is responsible for the effective management of the organisation's risks in pursuance of its aims and objectives. The Board collectively has responsibility and accountability for setting 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.

The Chief Executive, as Accountable Officer, has overall responsibility for ensuring that CTMUHB has an effective risk management framework and system of internal control, however Executive Directors have responsibility for the ownership and management of principal risks and operational risks within their portfolios.

CTMUHB's lead for risk is the Director of Corporate Governance, who has responsibility for leading on the design, development and implementation of the Board Assurance Framework (BAF) and Risk Management Framework.

Risk Management Strategy

CTMUHB's Risk Management Strategy was most recently approved in January 2021, and is available here. It:

- Sets out respective responsibilities for strategic and operational risk management for the Board and staff throughout the organisation;
- Sets out responsibility for Board committees, in particular, the Audit and Risk Committee; and
- Describes the procedures to be used in identifying, analysing, evaluating and controlling risks to the delivery of strategic objectives.

The Risk Management process in terms of Service to Board Escalation is outlined in Appendix 3 of the Strategy which also describes the threshold for highlighting risks to the Organisational Risk Register which is currently based on the following criteria:

- If it is considered that the risk can no longer be managed locally and requires Executive / Board intervention; and
- If the risk is rated 15 and above.

Prior to highlighting to the Organisational Risk Register a triage type approach is undertaken by the lead Executive and/or ILG Director Triumvirate (for corporate and/or operational risks accordingly) to ensure that the risk have been appropriate assessed, calibrated and moderated. Following the ILG/Exec

calibration stage the Organisational Risk Register is reviewed and 'signed off' by the Strategic Leadership Group to ensure all mitigations are appropriate and that risk ratings are proportionate prior to onward scrutiny by Committees and the Board.

Risk Appetite Statement

CTMUHB's Risk Appetite Statement is described in Appendix 4 of the Risk Management Strategy, however, in summary given that CTMUHB operates as part of a publicly funded healthcare system in Wales, the Board has determined that CTMUHB's overall risk appetite will be **cautious**.

This means that it will contain risks to a generally low level in order to:

- Protect public investment through careful and vigilant management of its finances;
- Safeguard its assets, including estates, facilities, equipment and information;
- Ensure the continuity, quality and accessibility of its services;
- Protect and enhance its reputation, and
- Avoid harm to the environment.

Notwithstanding the above, in two key areas CTMUHB's risk appetite will be **averse**, which means that risks will be eliminated or reduced to the lowest practical level should they impact negatively upon:

- The quality and safety (including physical and/or psychological harm) of its patients, workforce and the public; and
- Compliance with statutory duty, regulatory compliance, accreditation

During the report period, work was undertaken to review CTMUHB Board's Risk Appetite Statement reflecting on the impact of the COVID-19 pandemic and the need for CTMUHB to vary its risk appetite depending on the need to respond and manage uncertainty.

The revised Risk Appetite Statement was agreed in March 2022 Board meeting and is available here. The statement harnesses the activities that identify and manage uncertainty, allows the Board to take opportunities and to take managed risks not simply to avoid them. It also allows the Board to systematically anticipate and prepare targeted responses. A key consideration in balancing risks and opportunities, supporting informed decision-making and preparing tailored responses is the conscious and dynamic determination of the organisation's risk appetite.

Board Assurance Framework (BAF)

As identified in the 2020-2021 Annual Report, during 2021/22 CTMUHB embarked on a review of its BAF and engaged the Good Governance Institute in to work in partnership with CTMUHB to refresh a bespoke BAF to ensure it appropriately reflects;

- The four new strategic goals of CTMUHB *(Creating Health, Improving Care, Improving People and Sustaining our Future)*;

- Assurance reporting that supports a streamlined and effective committee and reporting structure;
- A robust mechanism that reaches into each of the localities and central functions to provide assurance on performance, quality and resources across the breadth of the integrated Health Board;
- International best practice; and
- The management of board meetings and agendas to be focused equally on Oversight, Insight and Foresight i.e. balancing the governance of immediate operational priorities with the need to focus on long-term strategic planning.

The Board approved the revised BAF at its meeting on March 31, 2022. A copy of report summarising the position is available here.

The revised BAF identifies a number of Strategic/Principal Risks within the organisation and how they align to the four strategic goals and with risks on the Organisational Risk Register. The BAF also aims to triangulate performance and assurance. CTMUHB has also integrated the Phase 1 Ministerial Priority Delivery Measures within its BAF.

Risk Management Training

The continuing impact of the Covid-19 pandemic has meant that face to face training has been paused, however, CTMUHB has been committed to continue to deliver risk training throughout the pandemic and since January 2021 has ran monthly risk training in a virtual format, delivered by the Assistant Director of Governance & Risk and the Heads of Quality & Safety from each of the three Locality Groups. The training captures the risk management strategy, the identification and escalation of risk and how to manage risks via the Datix Risk Management System. To date 320 members of staff have been trained since the training was implemented in January 2021.

The Assistant Director of Governance & Risk is working with colleagues across NHS Wales to develop a consistent Training Needs Analysis and risk training modules that will align to the new Once for Wales System for Risk Management, which is likely to be implemented within CTMUHB in the latter part of 2022.

Risk Assessment Procedure

CTMUHB's Risk Assessment Procedure sets out the process to be followed when a risk has been identified and supports the Risk Management Policy by explaining;

- When to undertake a risk assessment;
- How to undertake a risk assessment;
- What is a generic risk assessment;
- The principles of risk assessment; and
- The risk assessment process.

Impact of COVID-19 on the Management of Risk

During 2021, the ILGs undertook a robust review of their risks to ensure they aligned with CTMUHB's Risk Management Strategy which was approved in January 2021. Although the pace of this activity was impacted by the operational challenges the teams faced by the response to the pandemic the activity was completed in October 2021. Each of the Locality Groups provided a presentation to the Board at Board Development Session in October 2021 showcasing their progress.

As noted through updates to Board Committees and scrutiny by Board Members the timely review of risk mitigation action plans has been impacted by the challenges faced by the pandemic with some dates passed their identified review date. This area for improvement has been acknowledged by the operational risk leads and is kept under review and is raised in training and performance meetings and the regular monthly meetings between risk leads and the Assistant Director of Governance & Risk. It also raised at the Strategic Leadership Group meetings as the Strategic Risk Owners.

A new risk was opened in January 2021 **(Datix Risk ID 4491**), relating to the *"Failure to meet the demand for patient care at all points of the patient journey"*, which is a risk exacerbated by the COVID-19 pandemic. CTMUHB has established a Planned Care Board, with a full programme of work to address FUNB, demand and capacity and a recovery programme which will include cancer patients. The plans have timescales which are being monitored, however it is likely that it will take time to reduce waiting times to acceptable levels in the post Covid-19 environment.

Datix Risk ID 4071 – *"Failure to sustain services as currently configured to meet cancer targets"* - is a risk which has been exacerbated by the Covid-19 pandemic. Maintaining cancer services during this challenging time is a priority for CTMUHB. CTMUHB has established enhanced monitoring processes which provides further assurance of the steps CTMUHB has deployed and are putting into place to re-establish appropriate performance levels within the Suspected Cancer Pathway.

Datix Risk ID 4103 – *"Sustainability of a safe and effective Ophthalmology Service"* - ophthalmology services are delivered across CTMUHB and since February 2021 have been hosted by Bridgend ILG, under the Surgery, Theatres and Critical Care Clinical Services Group. Demand and capacity for Ophthalmology has historically been challenging across both the former Cwm Taf footprint (the 'North' element of the service) and Bridgend (the 'South'), leading to extensive new and follow up waiting times. The position has been further exacerbated by the impact of Covid-19.

Datix Risk ID 4203 – *"Unable to provide Surgical Services",* Since March 2020 the Covid-19- 19 Pandemic has resulted in Surgery being impacted for Urgent and Routine listed patients.

It should be noted that this is a snapshot of some of the risks impacted as a result of the Covid-19 pandemic and the reader is directed to the links to the Organisational Risk Register (links included on page 93) where it will evident where Covid-19 has exacerbated existing risks in terms of impact and the ability

to respond to original timeframes due to the requirement to focus on clinical operational service delivery during the pandemic.

Covid-19 Risks – Command Structure

As Gold Command was re-established in response to a rise in infection rates in CTMUHB communities, a Covid-19 Gold Command Risk Log has been developed and monitored based on the risks to delivery of the CTMUHB Covid-19 Strategic Aims:

- Prevent deaths from Covid-19;
- Protect the health and people in CTMUHB communities; and
- Protect the health and wellbeing of staff in our public service.

The risk log was managed separately to the Organisational Risk Register due to the evolving position. The Covid-19 Risk log was updated following Gold Command meetings and shared with Board Members through the Admincontrol portal and discussed weekly at the Independent Member and Chief Executive briefings. As and when the Gold Command structure is stood down, any relevant legacy risks were and will be transferred to the Organisational Risk Register as appropriate.

Newly Identified Risks during 2021-2022

A number of new risks were identified for highlighting to the Organisational Risk Register during 2021-2022, and these are reported through the following assurance structures:

- Strategic Leadership Group (Bi-Monthly);
- Health Board Meetings (All Regular Meetings);
- Audit & Risk Committee (All Regular Meetings); and
- Board Committees and Sub Committees (Assigned risks received at all regular meetings).

The following links will take you direct to the Organisational Risk Register received at each of the Board Meetings held during 2021-2022, the cover paper accompanying the Organisational Risk Register outlines;

- New Risks;
- Changes to Risks (increase or decrease in risk rating); and
- Closed Risks.

Health Board Meetings:

27th May 2021 – Organisational Risk Register & Report

29th July 2021 – Organisational Risk Register & Report

30th September 2021 – Organisational Risk Register & Report.

25th November 2021 – Organisational Risk Register & Report

27th January 2022 – Organisational Risk Register & Report

31st March 2022 – Organisational Risk Register & Report.

Stakeholder involvement in Risk Management

The full Organisational Risk Register continued to be received at each Board meeting during 2021-22 along with the Audit and Risk Committee meeting. Where risks are assigned to Board Committees (as the assuring Committee) those assigned risks are routinely received at the respective Committee meetings as appropriate. Community Health Council colleagues are routine attendees at Board as well as Quality & Safety Committee meetings where the Organisational risk register is reviewed.

The Stakeholder Reference Group has been engaged on key areas activity during the year as summarised on pages 37-38.

The Performance Section of this report (page 11 onwards describes how CTMUHB worked with "Redesigning Primary Care Services to Deliver Emergency Care during Acute Phase of Covid-19" this included work around Ophthalmology which is a significant risk on the Organisational Risk Register.

Audit Assurance on Risk Management

Audit Wales Structured Assessment Phase 2 Report received in December 2021, noted the following in relation to the Management of Risk in CTMUHB:

"We found that CTMUHB has made good progress to improve risk management arrangements, although work to develop a Board Assurance Framework is still underway and needs to ensure that the risks to achieving strategic priorities are appropriately articulated."

NWSSP Assurance Services undertook an Internal Audit Review of risk at the end of 2020 which concluded that "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." A follow up review is scheduled to take place in 2022.

Internal Audit will be undertaking a further audit on risk management commencing in March 2022, with the overall objective to evaluate and determine the adequacy of the systems and controls in place within CTMUHB in relation to risk management. The review will seek to provide assurance to CTMUHB's Audit and Risk Committee that risk material to the system's objectives are managed appropriately.

Risk Management Continuous Improvement Programme – Focus for 2022-2023

CTMUHB is committed to continuous improvement across the whole risk management pathway, areas of significant focus during 2022 are:

- Implementing and embedding the new BAF and Risk Appetite;
- Training and Awareness; and
- Implementing the Once for Wales Risk Management System (Datix) and aligned training programmes.

The Control Framework

Quality is at the heart of CTMUHB and our aim is to improve outcomes for our people, whoever they are and wherever they live, by providing access to high quality health and care, delivered through a sustainable culture of learning and improvement.

A Quality Strategy is being developed to support CTMUHB in delivering on the NHS Wales Core Value of **putting quality and safety above all else – providing high-value evidence-based care for our patients at all times**. The Quality strategy outlines a framework for quality assurance and improvement across all our services that will underpin CTMUHB's approach to quality as we build towards ***CTM2030: Our Health Our Future***.

Within the Quality Strategy, CTMUHB's Strategic Goals that were identified as part of CTM2030 will then be turned into more specific quality goals. For example:

- *Creating Health* goal: Reducing Health Inequalities;
- Quality goals: improve local access to health services; improve the acceptability of those services;
- *Improving Health* goal: Delivering safe and compassionate care;
- Quality goals: reduce medication errors by 50%;
- *Improving Health* goal: Ensuring timely access to care; and
- Quality goals: improve access to diagnostics and early treatment; improve effectiveness through evidence-based practice; ensure continuity of care.

The Quality and Patient Safety Framework that was developed in 2020-21 is embedded in the organisation and enabled and established systems and processes related to quality governance and improved the approach to assurance across the organisation. This Framework underpins the delivery of CTMUHB's over-arching Quality statements for 2020-2023:

- Strengthened focus on quality in strategic planning;
- Individuals' voices are better heard; and
- Shared learning and continuous.

CTMUHB is continuing on its comprehensive improvement journey following its increase in Welsh Government escalation status in 2019. The Improvement Programme developed to deliver continuous sustainable improvement incorporates Maternity Services and Neonatal Improvement along with Leadership and Culture; Quality and Governance and Rebuilding Trust and Confidence. Progress in relation to these plans continues to be monitored by the relevant Committees, the Board and by Welsh Government in bi-monthly Targeted Intervention (TI) meetings.

At the last formal review it was agreed that CTMUHB is now very firmly in 'Level 3 – Results' stage for Targeted Intervention with some domains approaching 'Level 4 – Maturity'. This represents a tremendous amount of progress despite ongoing operational and Covid-19 pressures.

Independent Maternity Services Oversight Panel (IMSOP)

A key area of our quality improvement work continues to be focussed on our response to the concerns raised in 2019 regarding failings in maternity services with the former Cwm Taf Health Board. The service and Maternity Improvement

Team has continued to deliver improvements during 2021-2022 we will continue to progress this work into 2022-2023. CTMUHB worked with IMSOP to create a series of 'Conditions for Sustainability' which were recently presented by and approved by the Health Minister. These provide the focus for the improvement work in Maternity and neonatal Services.

The high level proposal is that the Clinical Review work completes during June 2022, with some members of the Improvement Programme Team being stood down. Across the rest of the financial years, plans are for the leadership and operation of the Improvement Programme to transition to operational teams by March 2023. Now that the service, with support from NHS Wales Delivery Unit, has completed all the historical Serious Incidents reviews no additional resource has been included with the Improvement Team for this work.

Neonatal Services - IMSOP started a deep-dive into neonatal services at PCH in May 2021. The report of the deep dive was published in February 2022. The report incorporated 42 recommendations for the Health Board in additional to 14 immediate concerns that had been escalated in August 2021. A detailed update is available on page 7-8.

Joint Review – Quality Governance
Health Inspectorate Wales and Audit Wales undertook a follow-up review in early 2021, following their initial report in November 2019 which was in response to the identification of a number of weaknesses in governance around patient safety and quality of care.

The follow-up review considered the progress made by the CTMUHB in relation to quality governance and risk management arrangements and the findings published in May 2021 are available here. This found that despite the pandemic having understandably impeded the pace of improvement, progress had been made against many of the original recommendations. It said that CTMUHB had ensured a greater focus on quality, patient safety and risk and the arrangements for the organisational scrutiny of quality and patient safety had also improved. Furthermore the report found that the management of incidents, concerns and complaints had improved and positive steps had been taken by the organisation to improve organisational culture and learning so that it was better placed to respond to issues that may arise in terms of quality and safety of patient care.

Notwithstanding the good progress, at the time of the follow-up review, each of the 14 recommendations remained open with a further joint follow-up work scheduled for September 2022.

Clinical Audit
The challenges posed by Covid-19 inevitably impacted upon the delivery of our Clinical Audit Plan with staff who would normally have supported the plan being redeployed to deliver clinical services such as vaccination. Clinical staff have also at times had to prioritise service delivery rather than progressing audit. As at the end of March 2022 the position has improved to allow colleagues to fully engage in the delivery of this plan.

Our Clinical Audit Assurance Framework was approved by the Board in 2021. The framework clearly identifies the roles and responsibilities delegated by the Board to the Quality & Safety Committee and Audit & Risk Committee, both of which have a role in relation to seeking assurances in relation to clinical audit.

The Clinical Audit function provide regular reports to the Audit & Risk Committee to provide assurance regarding CTMUHB's Clinical Audit Forward Plan along with the associated online Clinical Audit Operational Plan, held on the organisations Clinical Audit and NICE Compliance Monitoring System. This ensures that robust evidence of the monitoring and escalation of audit compliance is in place, and that audit outcomes are an integral part of the organisations continuous improvement programme of work. A report setting out progress on the Clinical Audit Forward Plan for 2021-2022 was submitted to the Quality & Safety Committee at its meeting in March 2022 and is available here.

A Clinical Audit and Effectiveness Group is responsible for development of the organisation's annual forward plan, identifying priority clinical audit topics and for the monitoring of national clinical audit recommendations and action plans. The group is also responsible for reviewing progress local Clinical Audit Operational Plans established at Integrated Locality Group level and is able to escalate any concerns to Audit and Risk and Quality and Safety Committee.

Clinical Education

The continued focus of the Clinical Education function is the activity in relation to the education and training of the next generation of Health Care professionals as well as continuing to develop and educate our current workforce. Without this activity, quality, safe and effective patient care would not be sustainable.

In April 2021, the Board approved the Strategic Direction for Clinical Education and we continue to make good progress in delivery of the ambition articulated, including innovative pathfinder activity to support multi-professional education and learning in partnership with Health Education Improvement Wales (HEIW) and University Partners.

During 2021-2022, there has been a significant amount of training activity led by the Clinical Education team to help the Health Board respond to the Covid-19 pandemic, some examples of which are included below:

- Organising, prioritising and supporting preregistration 'extended' nursing placements;
- Providing nursing registrant updates on emergency standards;
- Upskilling training for current registrants and those returning to practice;
- Vaccine administration training for registrants;
- E-resource training materials made available;
- Resuscitation services and CPR training delivered supporting Covid-19 response sites and mass testing & vaccination centres;
- Induction training delivered to new Health Care Support Workers recruited in response to the pandemic;
- Education and Training activity maintained for all medical, nursing & midwifery and AHP students on clinical placements and Foundation Trainees;

- Delivering in partnership – successfully evidenced and retained University Health Board status in the Triennial Review. (Education and Training, Research and Innovation activity – 6 university partners; and
- Regular education and training activity pre and post registration.

Information Governance (IG)
Information Governance is robustly managed through a framework includes the IG Group (IGG) and a central IG Team. The IGG drives the IG agenda and provide CTMUHB with the assurance that effective information governance best practice mechanisms are in place, such as:

- 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 from a corporate viewpoint; and
- A Data Protection Officer (DPO) whose role it is to ensure CTMUHB is compliant with data protection legislation.

The IG Team, led by the Head of IG, provides assurance on its activity and compliance with the relevant legislation which can be evidenced by:

- Quarterly reports to the IGG, including key performance indicators
- A detailed operational work plan, taken to the IGG quarterly, detailing progress made against actions required to ensure compliance with data protection legislation;
- A range of information governance and information security policies, procedures and guidance documents;
- IG training and bespoke learning in addition to Induction for new staff;
- Information Commissioner's Office (ICO) Audit;
- Robust management of all reported breaches, including proactive reporting to the ICO;
- An Information Asset Register used to manage information across the organisation;
- Registers of data sharing agreements and of data protection impact assessments;
- IG Risk Register, received at all regular meetings of the IGG;
- Annual SIRO report; and
- Highlight Reports from the IGG to the Digital & Data Committee.

In terms of the Freedom of Information (FOI) Act, 554 FOI requests were received in 2021-2022 (an increase on the previous 12 month period during which 478 FOI requests were received) and as at 19th April 2022, 503 (90%) had been fully processed fully within the 20 working day requirement.

As at mid-March 2022, compliance for IG Level 1 training stood at almost 72% of the workforce (9,027 have completed the training out a total of 12,602).

Corporate Governance Code - This is captured on page 87.

Planning Arrangements

On March 31, 2022, CTMUHB submitted to Welsh Government its Board **approved plan for 2022-2025** which set a three year context and set of ambitions but focused the actions within it on 2022-2023. CTMUHB was not able to submit an **Integrated Medium Term Plan (IMTP)** as this requires a financially balanced plan which the organisation is not able to achieve in the foreseeable future.

Welsh Government has advised that NHS **organisational plans are being reviewed** during early to mid-April 2022, with invites to individual organisations into collective reviews of plans in late April/early May 2022, following which they will be presented for Ministerial approval in late May 2022.

Disclosure Statements
Control measures are in place to ensure that all the organisation's obligations under **equality, diversity and human rights legislation** are complied with.

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 Schemeregulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments in to the Scheme are in accordance with theScheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Carbon Reduction Delivery Plans - Welsh Government have an ambition for the public sector to be carbon neutral by 2030. This ambition sits alongside the Environment (Wales) Act 2016 and Wellbeingof Future Generations (Wales) Act 2015 as legislative drivers for decarbonisation of the Public Sector in Wales. We have undertaken risk assessments and Carbon Reduction Delivery Plans are in place in accordance with emergency preparedness and civil contingency requirements as based on UKCIP 2009 weather projections to ensure that the organisation's obligation under the Climate Change Act and the Adaptation Reporting requirements are complied with.

Lapses in Information / Data Security - Data protection legislation requires that where personal data breaches meet a certain set criterion, they be notified to the ICO as the statutory body for data protection in the UK. Information governance incidents are assessed against the threshold for notification by the Information Governance Team.

Incident reports which include data breaches are submitted to the Information Governance Group for scrutiny. For the financial year 2021-2022, six personal data breaches were notified to the ICO - these are summarised in the table on the following page. Each of these breaches has been reviewed and closed by the ICO. Where recommendations were made by the ICO, these have been considered for implementation as set out as follows:

Incident Summary	Status	Closed / Investigated
Letter sent to incorrect address	Recommendations made on system improvements.	No investigation by ICO. Closed
Inappropriate access to patient record	Recommendations to monitor the situation and review processes where needed.	No investigation by ICO. Closed
Patient handover list left at premises.	Recommendations made on system improvements, such as spot checks, audits.	No investigation by ICO. Closed
Complaint file sent to wrong address.	Recommendations issued Information Governance training undertaken.	No investigation by ICO. Closed
Email sent external to NHS containing personally identifiable information.	Data breach mitigated and recipient has deleted all files.	No investigation by ICO. Closed
Inappropriate access	Under Investigation	No investigation by ICO. Closed

As of the beginning of March 2022, staff compliance with the Core Skills Training Framework stood at 72.28% against a target of 85% and an action plan is in place to help drive improvement. This includes:

- The requirement to attain compliant will feature more prominently in our staff induction programme from 2022 – all new starters are invited to attend training to equip them with the skills to complete their IG compliance training with a requirement to undertake training within 30 days of commencing employment;
- The introduction of 'compliance clinics' from December 2021, supporting staff to improve their IG compliance training; and
- Recovery plans are in place to target underperforming areas.

Emergency Preparedness - the Pandemic has seen an extension of CTMUHB response over a protracted period of time. CTMUHB has engaged its Strategic, Tactical and Operational level coordination groups to maintain core services and respond to the dynamic demands of the pandemic in line with the CTMUHB Major Incident and Critical Business Procedural Guidance (Plan). Partnership working has been central to the planning and response with examples of increased working seen across the Local Resilience Forum membership and in-particular the Health and Social Care Sectors of the NHS, Local Authority and Private sector. This has been in line with the aforementioned plan and other plans such as the Communicable Disease Outbreak Plan for Wales.

Business continuity plans have been activated on a number of occasions to deal with non-covid-19 critical business continuity incidents, namely: Loss of a Radiology ICT system, Community Hospital Fire, Chemical spillage, Global blood tube shortages, National Fuel issues and staff shortage planning. All have resulted in a measured and effective response to the circumstances and enabled the maintenance of core services.

The CTMUHB Strategic Emergency Preparedness, Response and Recovery Group will oversee future planning and preparedness within the HB and support the ILGs to continually improve their business continuity arrangements.

Quality of Data - CTMUHB makes every attempt to ensure the quality and robustness of its data. As such processes have been implemented that include regular checks to assure the accuracy of information relied upon.

These processes are underpinned by a policy framework incorporating Data Quality, IG and Information Security. It is important to recognize that the adoption of these policies as custom and practice across the organisation has been variable. The reasons for this variation are multi-factorial, and include: the supporting technologies available to make the record; the effectiveness of the record keeping processes that are in place across a diverse range of environments and services, and user training and behaviours relating to the direct and indirect value perceived to be gained from maintaining an accurate and consistent record. There are also a multiplicity of systems and data inputters across the organization that means there is always the potential for variations in quality.

The quality of data provided by all Health Boards throughout the Covid-19 pandemic has been acknowledged by the Welsh Government, as this data was instrumental in formulating both the national and local response. Now is the time to consolidate on what has been achieved to date and to further strengthen our ability to improve services to our population through the utilization of quality data to inform the development and transformation of our services to derive the best possible value and outcomes for our communities.

To that end, a **Data Quality Assurance Framework** has been developed with the overarching aim of ensuring that all staff irrespective of roles are aware of:

- What is needed to deliver high quality data;
- Why it is so important;
- The consequences of non-delivery; and
- The role each individual has to play in ensuring delivery.

In the past two years, we have rapidly increased our use of, and dependency on, digital technologies and data. As the opportunities become apparent from the data available to improve health and care, the quality of our data has undoubtedly improved. As a Health Board we have learnt from this and are increasingly committed to a data and digital programme that seeks to improve the quality of data by:

- Improving our digital technologies, making them easier and quicker to use;
- Democratising and increasing our use of the data, so that our clinical teams and decision makers have increased access to all the requisite parts of the record and gain greater benefit from its completeness and accuracy; and
- Improving the knowledge and skills or our teams and providing direct feedback to them through auditing prospective and retrospective.

Ministerial Directions (refer to Appendix A)

Welsh Government has issued non-statutory instruments and **Welsh Health Circulars (WHC) s** since 2014-15, and a list of circulars for 2020-2021 can be found on the Welsh Government website. Welsh Health Circulars are logged centrally and an Executive Lead assigned. The list of WHC's are captured in Appendix A to the Governance Statement.

Environmental, Social and Community Issues - as outlined in the Environmental Sustainability section on page 70, CTMUHB works hard to reduce its impact on the environment, to encourage staffto make healthy lifestyle choices, and to strengthen our relationships and engagement with local communities. Our strategic approach to sustainability ensures that we not only look at ways to reduce fixed costs such as energy, water and waste, but we also embed efficiency principles within our processes for procuring goods and services.

Review of Effectiveness

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.

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

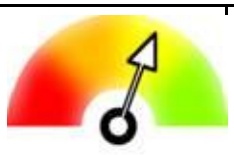
The overall opinion by the Head of Internal Audit on governance, risk management and control is a function of this risk based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The programme has been impacted by the need to respond to the COVID-19 pandemic with some audits deferred, cancelled or curtailed as the organisation responded to the pandemic. 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 (HIA) Opinion:

The **scope of the HIA opinion** is confined to those areas examined in the risk-based audit plan which has been agreed with senior management and approved by the Audit Committee. The HIA assessment should be interpreted in this context when reviewing the effectiveness of the system of internal control and be seen as an internal driver for continuous improvement.

The HIA opinion on the overall adequacy and effectiveness of the organisation's **framework of governance, risk management, and control** is set out below.

Reasonable Assurance	 Yellow	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 **evidence base** upon which the overall opinion is formed is as follows:

- An **assessment of the range of individual opinions and outputs** arising from risk-based audit assignments contained within the Internal Audit plan that have been reported to the Audit & Risk Committee throughout the year. In addition, and where appropriate, work at either draft report stage or in progress but substantially complete has also been considered, and where this is the case then it is identified in the report. This assessment has taken account of the relative materiality of these areas and the results of any follow-up audits in progressing control improvements.
- The **results of any audit work related to the Health & Care Standards** including, if appropriate, the evidence available by which the Board has arrived at its declaration in respect of the self-assessment for the Governance, Leadership and Accountability module.
- Other assurance reviews which impact on the Head of Internal Audit opinion including **audit work performed at other organisations.**
- **Other knowledge and information** that the HIA has obtained during the year including cumulative information and knowledge over time; observation of Board and other key committee meetings; meetings with Executive Directors, senior managers and Independent Members; the results of *ad hoc* work and support provided; liaison with other assurance providers and inspectors; research; and cumulative audit knowledge of the organisation that the Head of Internal Audit considers relevant to the Opinion for this year.

As stated above, these detailed results have been aggregated **to build a picture of assurance** across the Health Board.

In reaching this opinion the Internal Audit have identified that the majority of reviews during the year **concluded positively with robust control arrangements operating in some areas.**

From the opinions issued during the year, **three were allocated 'Substantial Assurance'**, **18 were allocated 'Reasonable Assurance'** and **seven were allocated 'Limited Assurance'.** No reports were allocated a 'no assurance' opinion. Two advisory or non-opinion report were also undertaken.

Please note that our overall opinion has also taken into account both the number and significance of any audits that have been deferred during the course of the year and also other information obtained during the year that we deem to be relevant to our work.

Summary of Audits 2021-2022

Substantial Assurance	Reasonable Assurance
• Mass Vaccinations Programme • PCH – Validation of management actions • Information Governance Toolkit	• Welsh language standards compliance • Financial systems (Draft) • Innovations and improvement • Digital strategy • IT service management follow-up • Continuing health care and funded nursing care • Integrated locality group • Child & Adult Mental Health Services (CAMHS) governance and risk management follow-up • Overtime and additional hours • Sunnyside health & wellbeing centre • Prince Charles Hospital (PCH) governance • PCH financial management • PCH technical compliance (draft) • PCH quality management (draft) • Consultant job planning follow-up • Network and information systems (NIS) directive (Cyber Security) • Welsh Risk Pool claims (draft) • Waste management (draft)
Limited Assurance	**Advisory/Non-Opinion**
• Concerns • CAMHS workforce follow-up • Bridgend transfer of informatics services • Single cancer pathway data integrity • Fire safety management • Facilities systems (draft) • Princess of Wales Hospital Theatres – fire safety works (draft)	• Recruitment and retention • Annual Governance Statement
No Assurance	
• Not applicable	

The seven 'Limited Assurance' rated reports are further detailed below:

1. **Concerns –**a number of recommendations were raised in this review, which included four that were high priority. These related to: the Health Board's need to develop procedures to ensure consistent practices across ILGs that align to the Health Board's concerns policy; a training programme in relation to concerns; procedures in relation to the related quality assurance process; and ensuring that lessons are learnt. We issued a **limited** assurance report for this review.
2. **CAMHS Workforce – Follow-Up** – At the time of our fieldwork the high priority recommendations relating to consultant job plans and sickness absence records were outstanding. However, the Health Board had implemented our high priority recommendation relating to staff personal development plan compliance, and made some progress with other recommendations. We issued a **limited** assurance opinion.
3. **Bridgend transfer of informatics services** – Our review identified that there had been no formal assessment or sustained monitoring of the impact on services. We also identified that the move of core IT services had not happened due to a lack of resource. The uncertainty over funding also meant that detailed planning for the move had not occurred. We issued a **limited** assurance opinion.
4. **Single Cancer Pathway – Data integrity** – We raised three high priority and two medium priority recommendations. We issued a **limited** assurance report. The high priority recommendations related to the design of the process to accurately report data, safeguarding the integrity of data, and quality assurance monitoring.
5. While our **fire safety management** audit resulted in a **limited** assurance opinion, this was not out-of-line with the opinions provided at other health organisations. We note that further work was needed in relation to fire risk assessments and reporting of fire training compliance. Within the estates function this year our review of waste provided reasonable assurance, similar to other work that we have done in this area, suggesting that the issues identified were specific to the management of fire.
6. **Facilities governance** [Draft] – The Health Board asked us to look at requisitioning, budgetary control and governance arrangements within the facilities directorate following the identification of some matters by management. We issued a **limited** assurance report as we made high priority recommendations in relation to quotations and ordering, clarity over areas of responsibility and the approval hierarchy.
7. **Princess of Wales Hospital theatres - Fire Safety Works** [Draft] – We looked at the arrangements applied to address the Fire Enforcement Notice issued at the Princess of Wales Hospital theatres. Based on the information provided at the time of preparing the draft report, the systems of monitoring, reporting and accountability were not reflective of the project's complexity, value and strategic importance. The cost increases and delays to date could impact the organisation's ability to meet the Fire Enforcement Notice deadline of December 2023. Accordingly, subject to provision of additional information and management discussion, we have provided **limited** assurance.

In addition, the Head of Internal Audit has considered residual risk exposure across those assignments where limited assurance was reported. Further, the Head of Internal Audit has considered the impact where audit assignments planned this year did not proceed to full audits following preliminary planning work and these were either: removed from the plan; removed from the plan and replaced with another audit; or deferred until a future audit year. The reasons for changes to the audit plan were presented to the Audit Committee for consideration and approval. Notwithstanding that the opinion is restricted to those areas which were subject to audit review, the Head of Internal Audit has considered the impact of changes made to the plan when forming their overall opinion.

A summary of the findings in each of the domains as per the structure of the plan for 2021-2022 is available in the Head of Internal Audit Opinion and Annual Report 2021-2022 which forms part of the Board meeting papers for the meeting held on 14th June 2022 available from our website.

Where a **limited assurance report is received,** a follow up audit will be commissioned by the Audit & Risk Committee for inclusion in their audit programme as appropriate. Furthermore, where a 'follow-up' limited assurance report is received, the Health Board will ensure the lead officer attends the Audit & Risk Committee as appropriate.

The **management response** to all assurance reports will be reviewed by the Audit & Risk Committee via the Audit Tracker process, and progress against management actions will be monitored at each meeting until all actions have been appropriately implemented.

The Internal Audit Reports which outline the management responses and detailed actions which have been agreed to address the weaknesses identified are **published within the Audit & Risk Committee papers** which are available here.

Audit Wales

Structured Assessment - The Board received its Structured Assessment 2021 from Audit Wales in December 2021. The full report which includes the management response to individual recommendations is available here. The key messages extracted from the report are set out below:

- "CTMUHB has effective Board and committee arrangements and has developed plans for recovery from Covid-19. However, recovering routine services, delivering required financial savings, and fully responding to critical external reviews pose significant challenges;
- A number of services have recently been highlighted as a concern, and CTMUHB needs to assure itself that these issues are not more widespread. Further work is needed to ensure that deliverables set out in action plans are specific, measurable and time bound to allow effective scrutiny of their delivery;
- Risk management arrangements have improved, although further work remains to ensure that the Board Assurance Framework enables good scrutiny of strategic risks. CTMUHB has made progress to address recommendations from external reviews of quality governance arrangements and maternity services. However further work is necessary to fully address the

recommendations and address issues relating to clinical leadership, and organisational culture; and
- CTMUHB achieved its financial duties at the end of 2020-21 but delivering the required savings in 2021-2022 will be challenging. Generally, CTMUHB's financial controls are appropriate, but there are opportunities for further improvements".

Audit Wales 2021 Annual Audit Report – this report was received by the Audit & Risk Committee at its December 2021 meeting and is available here.

The case studies we have captured under the Wellbeing of Future Generations Act section on page 67 onwards highlights how the steps we have taken demonstrates our commitment to the five *Ways of Working* and the National Wellbeing Goals suchas A Healthier Wales, A Globally Responsible Wales, A Resilient Wales etc.

Audit Wales All-Wales Audit Reports – the Audit Committee received copies of all-Wales Reports on thematic and national audits including:

- Unscheduled Care (April 21)
- Roll-out of Covid-19 (June 21)
- A Picture of Public Services (Sept 21)
- A Picture of Healthcare (Oct 21)
- Home Care Commissioning for Older People (Dec 21)

Conclusion
As indicated throughout this statement and the Annual Report the need to plan and respond to the Covid-19 pandemic has had a significant impact on the organisation, wider NHS and society as a whole. It has required a dynamic response which has presented a number of opportunities in addition the risks. The need to respond and recover from the pandemic will be with the organisation and wider society throughout 2021-2022 and beyond. I will ensure our Governance Framework considers and responds to this need.

There have been no significant governance issues identified during this period other than those already referenced in this document.

Signed: xxx

Paul Mears, Chief Executive and Accountable Officer

Date: 14th June 2022

Governance Statement Appendices - The following should be shown as appendices rather than in the main body of the Governance Statement.

a. Table of Welsh Health Circulars / Ministerial Directions 2021-2022
b. Table of Board Membership and Attendance 2021-2022
c. Table of Board & Committee Meetings held during 2021-2022
d. Board and Committee Structure Infographic

Appendix A - Table of Welsh Health Circulars and Ministerial Directions – Received during 2021-2022

Ministerial Direction / Date of Compliance	Date/Year of Adoption	Action to demonstrate implementation/response
WHC 2021 (012) – Implementing the agreed approach to preventing violence and aggression towards NHS staff in Wales	April 2021	On-going actions implemented to collate, review and analyse the body of incident reports relating to violence against staff in order to prevent violence occurring in the first instance and revise risk management measures by learning from events.
WHC 2021 (011) – Test, Trace, Protect	May 2021	Revised guidance for submitting monitoring returns implemented.
WHC 2021 (008) – Revised national steroid treatment card	May 2021	Revised guidance disseminated to local pharmacists/GPs
WHC 2021 (015) – NHS Covid-19 Pay Bonus for Primary Care Staff	May 2021	Bonus payment application process implemented where applicable for Primary Care Staff.
WHC 2021 (019) – The National Influenza Immunisation Programme 2021-2022	August 2021	Guidance on the influenza roll-out disseminated to local pharmacists/GPs
WHC 2021 (024) – NHS Wales Decarbonisation Strategic Delivery Plan	September 2021	The following actions have been implemented: Cascade the NHS Wales Decarbonisation Strategic Delivery Plan across the organisation. Action to be developed which will form the basis of how NHS Wales's organisations will implement the Delivery Plan initiatives. These need to be developed two-yearly and committed to within IMTP's. Share best practice initiatives that reduce carbon with Welsh Government policy leads. CTM Green Group established.
WHC 2021 (025) – Carpel Tunnel Syndrome Pathway	September 2021	Development Plan implemented which outlines the transition to the new Carpal Tunnel Syndrome Pathway. November 2021

WHC 2021 (010) – Amendments to Model Standing Orders, Reservation and Delegation of Powers and Model Standing Financial Instructions NHS Wales	September 2021	CTMUHB Model Standing Orders approved at CTMUHB meeting in May 2021. CTMUHB Model Standing Financial Instructions approved at CTMUHB Meeting on November 2021. Schedule 4.1 – WHSSC SO's and SFI's were endorsed for approval at CTMUHB Meeting in September 2021. Schedule 4.2 - EASC SO's and SFI's were endorsed for approval at CTMUHB Meeting in November 2021.
WHC 2021 (023)- Care Decisions for the Last Days of Life	September 2021	Replacement of the current Care Decisions Guidance was disseminated and implemented with immediate effect.
WHC 2021 (027) – NHS Wales Blood Health Plan	September 2021	Actions recommended within the Plan have been implemented to ensure the overarching strategic aims and commitments are contained within the Integrated Medium Term Plan.
WHC 2021 (030) – Urology Referral Guidelines	October 2021	New referral guidance for five urology conditions disseminated to all relevant staff and implemented.
WHC 2021 (015) – Role and Provision of Dental Public Health in Wales	November 2021	Guidance which replaced WHC/2008/057 disseminated to Dental Public Health Consultants on the provision of dental public health advice and support available in Wales.
WHC 2021 (033) – Role and Provision of Oral Surgery in Wales	December 2021	Guidance on the provision of NHS Oral Surgery in Wales disseminated to all relevant staff.
WHC 2022 (005) – Data requirements for Value in Health	March 2022	Further update to arrangements set out in WHC 2020(003) regarding the collection and sharing of clinical audit and patient-reported outcome data. It reflects the establishment of both Digital Health and Care Wales and the Welsh Value in Health Centre to support the delivery of the digital health agenda across NHS Wales, and aligns with the Duty of Quality as set out in the Health and Social Care (Quality and Engagement) (Wales) Act 2020.
WHC 2022 (007) – Recording of Dementia READ codes.	March 2022	Disseminated to all services where assessment and diagnosis of dementia is undertaken e.g. Neurology, Old Age Medicine,

		Mental Health and Learning Disability services and Primary Care.
WHC 2022 (010) – Reimbursable vaccines and eligible cohorts for the 2022-2023 NHS Seasonal Influenza Vaccination Programme	March 2022	Actions required to supply the clinical audit/registry data to DHCW to support the work of the Welsh Value in Health Centre and to continue to submit data to UK-wide clinical audit and outcome reviews and national PROMs platforms; provide audit and PROMs data to DHCW for the purposes of creating visualisations and dashboards for Value Based Health Care approaches.
WHC 2022 (011) – Patient Testing Framework Updated Guidance	March 2022	Disseminated to all services where hospital testing for patients is required.
National Alerts & Guidance		
Welsh Government National Patient Safety Incident Reporting Policy Implementation Guidance Document	June 2021	Guidance, document and supporting materials disseminated to relevant staff across the organisation in preparation for the new reporting process implemented June 2021.
Welsh Government Update to Hospital Visiting During the Coronavirus Outbreak – June 2021	June 2021	Updated guidance disseminated to all relevant staff.
Public Health Wales Covid-19 UK IP&C Guidance Updated 01.06.2021	June 2021	Updated Guidance disseminated to all IPC Lead Nurses, Medical Microbiologists

Delivery Plan Enactment	Date/Year of Adoption	Status
2021. No.41 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2021	April 2021	Enacted
2021. No.59 – Directions to Local Health Boards and NHS Trusts in Wales on the Delivery of Autism Services 2021	July 2021	Enacted
2021. No.65 – Primary Care (PfizerBioNTech Vaccine COVID-19 Immunisation Scheme) Directions 2021	July 2021	Enacted
2021. No.70 – Primary Care (Contracted Services: Immunisations) Directions 2021	August 2021	Enacted
2021. No.75 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2021	September 2021	Enacted
2021. No.77 – National Health Service (General Medical Services – Recurring Premises Costs during the COVID-19 Pandemic) (Wales) (Revocation) Directions 2021	September 2021	Enacted
2021. No.83 – Pharmaceutical Services (Fees for Applications) (Wales) Directions 2021	October 2021	Enacted
2021. No.84 – Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2021	October 2021	Enacted
2021. No.85 – Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2021	October 2021	Enacted
2021. No.88 – Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No. 3) Directions 2021	October 2021	Enacted
2021. No.89 – Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No. 3) Directions 2021	October 2021	Enacted
2021. No.90 – Primary Medical Services (Influenza and Pneumococcal Immunisation Scheme) (Directed Enhanced Service) (Wales) (No. 2) (Amendment) Directions 2021	November 2021	Enacted
2021. No.93 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No.3) Directions 2021	December 2021	Enacted
2021. No.97 – Primary Care (Contracted Services: Immunisations) (Amendment) Directions 2021	December 2021	Enacted
2022. No.06 – Pharmaceutical Services (Clinical Services) (Wales) Directions 2022	March 2022	Enacted
2022. No.13 – The Wales Infected Blood Support Scheme (Amendment) Directions 2022	March 2022	For action by Velindre University NHS Trust only.

Appendix B Table of Board Membership and Attendance

BOARD MEMBER	POSITION (AREAOF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD / BOARD COMMITTEE ATTENDANCE 2021/2022	CHAMPION ROLE (where relevant)
Marcus Longley (until 30th September 2021)	Chair	Board Remuneration and Terms of Service Committee (Chair)	**4/4** **5/5**	
Emrys Elias (from 1st October 2021)	Interim Chair	Board Remuneration & Terms of Service Committee (Chair)	**3/3** **4/4**	
Maria Thomas (until 31st May 2021)	Vice-Chair	Board Remuneration and Terms of Service Committee Audit and Risk Committee Quality and Safety Committee Mental Health Act Monitoring Committee (Chair) Population Health and Partnerships Committee**	**0/1** **2/2** **3/3** **2/2** **1/1** **1/1**	Mental Health, Children & Young People
Jayne Sadgrove (from 1st June 2021)	Vice-Chair	Board Remuneration & Terms of Service Committee (Vice-Chair) Audit & Risk Committee Digital & Data Committee ** Mental Health Act Monitoring Committee (Chair) Population Health & Partnerships Committee ** Quality & Safety Committee (Chair)	**6/6** **7/7** **8/8** **3/3** **3/3** **1/2** **6/6**	Mental Health, Children & Young People
Patsy Roseblade	Independent Member (Finance)	Board Remuneration and Terms of Service Committee Audit and Risk Committee (Chair) Planning, Performance and Finance Committee Quality and Safety Committee	**4/7#** **3/9#** **4/6#** **5/5** **7/8**	
James Hehir	Independent Member (Legal)	Board Remuneration and Terms of Service Committee Quality and Safety Committee Digital and Data Committee** Mental Health Act Monitoring Committee (Vice-Chair)	**6/7** **7/9** **8/8** **2/2** **4/4**	Equality, Putting Things Right

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD / BOARD COMMITTEE ATTENDANCE 2021/2022	CHAMPIONROLE
Jayne Sadgrove (until 31st May 2021)	Independent Member (University)	Board Remuneration and Terms of Service Committee Audit and Risk Committee Digital and Data Committee** People and Culture Committee (Chair)** Quality and Safety Committee (Chair)	**1/1** **2/2** **1/1** **1/1** **1/1** **1/1**	
Carolyn Donoghue (from 4th August 2021)	Independent Member (University)	Board Remuneration & Terms of Service Committee Audit & Risk Committee Planning, Performance & Finance Committee	**4/4** **4/4** **3/3** **3/3**	
Mel Jehu	Independent Member (Community)	Board Remuneration and Terms of Service Committee Planning, Performance and Finance Committee (Chair) Mental Health Act Monitoring Committee People and Culture Committee**	**7/7** **4/9** **6/6** **3/4** **3/3**	Veterans & Armed Forces
Keiron Montague (until September 2021)	Independent Member (Community)	Board Remuneration and Terms of Service Committee People and Culture Committee** Population Health and Partnerships Committee **	**0/3** **0/5** **1/1** **2/2**	
Lynda Thomas (from 4th October 2021)	Independent Member (Corporate Business/General)	Board Remuneration & Terms of Service Committee Digital & Data Committee** People & Culture Committee** Population Health & Partnerships Committee **	**3/3** **4/4** **0/1** **0/0** **0/0**	
Cllr Phillip White (until 14th October 2021)	Independent Member (Local Authority)	Board Remuneration and Terms of Service Committee Planning, Performance & Finance Committee Population Health & Partnerships Committee (Chair)** Mental Health Act Monitoring Committee	**0/3~** **0/5~** **0/3~** **0/2~** **0/2~**	Older Persons
Cllr Geraint E Hopkins (from 6th January 2022)	Independent Member (Local Authority)	Board Remuneration and Terms of Service Committee Planning, Performance & Finance Committee Population Health & Partnerships Committee** Mental Health Act Monitoring Committee	**1/2** **2/2** **0/1** **0/0** **0/1**	

Nicola Milligan	Independent Member (Trade Union)	Board Remunerations and Terms of Service Committee Quality and Safety Committee People and Culture Committee** Planning, Performance and Finance Committee**	**7/7** **8/9** **5/6** **3/3** **6/6**	Infection Prevention and Control
Dilys Jouvenat	Independent Member(Third Sector)	Board Remunerations and Terms of Service Committee People and Culture Committee** Digital and Data Committee ** Quality and Safety Committee	**6/7** **7/9** **3/3** **2/2** **6/6**	Raising Concerns
Ian Wells	Independent Member (ICT and Governance)	Board Remuneration and Terms of Service Committee Audit and Risk Committee Digital and Data Committee (Chair) ** Planning, Performance and Finance Committee	**7/7** **5/9** **5/6** **2/2** **6/6**	
Lisa Curtis-Jones	Associate Board Member	Board	**4/7**	
Sharon Richards (Associate Board Member until 25th February 2022)	Associate Board Member / Chair, Stakeholder Reference Group	Board Stakeholder Reference Group	**0/7** **3/3**	
Anna Lewis (Associate Board Member from 3rd August 2021)	Associate Board Member / Chair, Clinical Advisory Group *(incorporating the functions of the Health Professionals Forum)*	Board Clinical Advisory Group	**6/6** **8/10**	
Paul Mears	Chief Executive	Board Emergency Ambulance Services Committee Welsh Health Specialised Services Committee Remuneration and Terms of Service Committee (**IA)**	**7/7** **4/7*** **4/8*** **8/9**	
Steve Webster (until 1st August 2021)	Director of Finance	Board Audit and Risk Committee (**IA**) Planning, Performance and Finance Committee (**IA**)	**1/2** **4/5** **2/2**	
Sally May (from 2nd August 2021)	Director of Finance	Board; Audit and Risk Committee (**IA**) Planning, Performance and Finance Committee (**IA**)	**4/4** **6/6** **6/6**	

Kelechi Nnoaham	Director of Public Health	Board Quality and Safety Committee **(IA)** Population Health and Partnerships Committee **(IA)**** Digital and Data Committee **(IA)****	**5/7** **3/6** **2/3** **2/2**	
Nick Lyons (Until 22nd August 2021)	Medical Director/ Deputy Chief Executive	Board Quality and Safety Committee (**IA**) Population Health and Partnerships Committee **(IA)**** Digital and Data Committee **(IA)** **	**1/1** **2/2** **0/1** **0/1**	
Dom Hurford (from 1st July 2021)	Interim Medical Director	Board Quality & Safety Committee	**4/4** **8/10**	
Greg Dix	Director of Nursing	Board Quality and Safety Committee **(IA)** People & Culture Committee	**5/7** **5/6** **1/3**	Children and Young People, Putting Things Right
Clare Williams (until 31st May 2021)	Director of Planning and Performance (Interim)	Board; Planning, Performance and Workforce Committee **(IA)** Population Health and Partnerships Committee **(IA)** **	**1/1** **1/1** **1/1**	
Linda Prosser (from 1st June 2021)	Director of Strategy & Transformation	Board Planning, Performance and Workforce Committee **(IA)** Population Health and Partnerships Committee **(IA)** **	**6/6** **5/5** **2/2**	
Hywel Daniel	Director of People	Board; People and Culture Committee **(IA)** ** Remuneration and Terms of Service Committee **(IA)**	**7/7** **3/3** **9/9**	Fire Safety, Violence & Aggression, Raising Staff Concerns, Welsh Language
Gareth Robinson (until April 2022)	Interim Chief Operating Officer	Board; Planning, Performance and Workforce Committee **(IA)** ** Quality and Safety Committee **(IA)** Mental Health Act Monitoring Committee **(IA)** Population Health and Partnerships Committee **(IA)** **	**6/7** **4/6** **6/6** **0/4^** **2/3**	
Fiona Jenkins	Interim Director of Therapies and Health Sciences	Board Quality and Safety Committee **(IA)** Population Health and Partnerships Committee **(IA)** **	**6/7** **4/6** **3/3**	

Explanatory Notes

Where the appointment of a Board Member is made part way through a financial year they would only have been able to attend a proportion of the full number of meetings held - in such cases the level of meeting attendances has been reduced accordingly. Lower attendance figures may also reflect changes to the membership arrangements in-year.

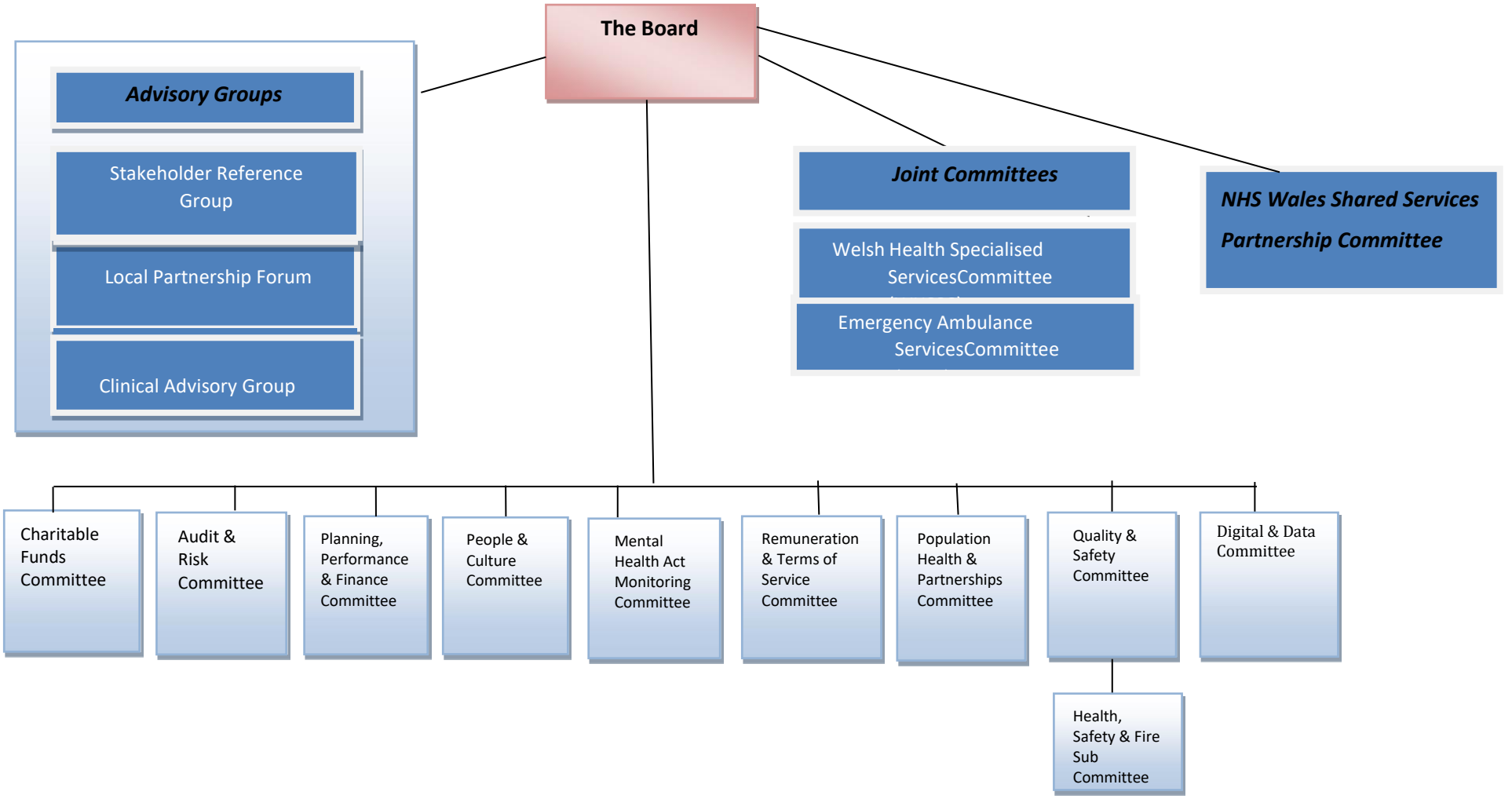
*CEO nominated a deputy where they were unable to attend a meeting of WHSSC/EASC
** No meetings of this committee held for the months of January and February 2022 due to an upsurge in Covid-19
^ Director of Primary Community & Mental Health Services attends this meeting on behalf of Chief Operating Officer
# Patsy Roseblade was unable to attend some meetings due to a close family bereavement. Sadly, Patsy experienced two family bereavements in close succession during the reporting period
~ By mutual agreement with the Chair, Cllr White did not attend Board or Committee meetings between 1 April 2021 and 30 July 2021. He continued to perform other duties during this time. In August 2021 Cllr White took formal leave of absence and did not return to his role as he sadly died in October 2021.
'IA' stands for 'in attendance'.

Appendix C Table of Board & Committee Meetings held during 2021-22

Board/Committee								
Board Meeting (held in public)*	27/05/21	9/6/21	29/7/21	30/9/21	25/11/21	27/01/22	31/3/22	
Audit and Risk Committee	13/04/21	17/05/21	09/06/21	17/08/21	04/10/21	07/12/21	24/02/22	
Charitable Funds Committee				11/08/21				
Quality and Safety Committee	18/05/21	09/08/21 & 16/08/21	22/09/21 & 29/0921	22/11/21 & 23/11/21	18/01/22	09/02/22	22/03/22 & 23/03/22	
Planning, Performance and Finance Committee	27/04/21	22/06/21	24/08/21	18/10/21	21/12/21	22/02/2022		
People and Culture Committee	26/04/21	14/07/21	13/10/21	Scheduled to have met on 09/02/22 but stood down due to surge in Covid-19)				
Population Health and Partnerships Committee	07/04/21	07/07/21	06/10/21	Scheduled to have met on 02/02/22 but stood down due to surge in Covid-19				
Digital and Data Committee	12/07/21	14/10/21	Scheduled to have met on 25/01/22 but stood down due to surge in Covid-19)	23/03/22				
Mental Health Act Monitoring Committee	05/05/21	04/08/21	03/11/21	02/03/22				
Remuneration and Terms of Service Committee	20/04/21	20/05/21	15/06/21	24/06/21	19/08/21	20/10/21	09/12/21	24/03/22

** Where it was necessary to hold a Board/Committee Meeting in-committee the nature of this was reported to the next available Board Meeting. Board Development Sessions generally took place in the months when Board meetings 'in public' were not scheduled.*

Appendix D Board and Committee Structure



Modern Slavery Act 2015 – Transparency in Supply Chains

The Welsh Government's Code of Practice: Ethical Employment in Supply Chains highlight the need, at every stage of the supply chain, to ensure good employment practices exist for all employees, both in the United Kingdom and overseas.

CTMUHB has continued to embed the principles and requirements of the Code, and the Modern Slavery Act 2015. In doing so it is demonstrating our continued commitment 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;
- Paying the Living Wage; and
- Applying to become an Accredited Living Wage Employer.

To promote this agenda CTMUHB has been **raising awareness** of the Code with our workforce as well as with our suppliers and contractors. It has also continued to work in partnership with NHS Wales Shared Services Partnership, recruitment and, buying and procurement staff, to ensure the code commitments underpin and support our activities in these areas.

The development of an Ethical Employment in Supply Chains Action Plan, during 2021-2022 had to be deferred due to COVID-19 activity. This work will commence from 2022-2023 with our stakeholders and trade union partners. The action plan will also support CTMUHB to achieve Accredited Living Wage Employer status, which will not only benefit our workforce but that of our third party contracted workers, who provide services to our organisation.

During 2022-2023 CTMUHB will continue to take the following actions, to deliver on the Code's commitments:

- Produce an Ethical Employment Statement, which will be made available on CTMUHB's internal and external SharePoint sites;
- Achieve Accredited Living Wage Employer Status;
- Continue to pay the minimum living wage rate on its lowest pay scale, which is at Agenda For Change Bands one and two;
- Promote the Raising Concerns (Whistleblowing) Policy, 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 that of suppliers / contractors working on our premises;
- Pay our suppliers within the 30 day target, of receipt of a valid invoice;
- Continue to implement our robust IR35 processes, to ensure there is no unfair use of false self-employed workers or workers being engaged under umbrella schemes. These processes also ensure the fair and appropriate engagement of all workers and prevents individuals from avoiding paying Tax and National Insurance contributions. It also ensures that no worker is unduly disadvantaged in terms of pay, rights or substantive employment opportunities;

- Not engage or employ any staff or workers on Zero Hours Contracts;
- Rigorously implement our robust Recruitment and Selection Policy and Procedure, to ensure a fair and transparent appointment process;
- Rigorously implement our robust Equality and Diversity Policy, to ensure no potential applicant, employee or worker engaged by CTMUHB is in any way unduly disadvantaged, in terms of pay, employment rights, employment, training and development or career opportunities;
- Utilise the tender process to obtain assurances that potential suppliers do not make use of blacklists / prohibited lists.
- Ensure, In accordance with the Transfer of Undertaking (Protection of Employment) Regulations any staff required to transfer to a third party organisation, will retain their NHS Pay and Terms and Conditions of Service; and
- Use the Transparency in Supply Chains (TISC) Report - Modern Slavery Act (2015) compliance tracker, through contracts procured by NWSSP Procurement Services, on the behalf of CTMUHB.

Remuneration and Staff Report

The Welsh Government's Manual for Accounts requires that a Remuneration Report shall be prepared by NHS bodies providing information under the headings in SI 2008 No 41 http://www.legislation.gov.uk/uksi/2008/410/contents/ made to the extent that they are relevant.

This Remuneration and Staff 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.'

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

Board Composition by Gender

Board Member Gender at 31 March 2022	Female	Male
Independent Members	6	5
Associate Board Members	3	0
Executive Directors / Directors	3	6

Staff Composition by Gender

This figure represents the composition as at 31 March 2022.

Employee Gender	Headcount	Full Time Equivalent	% of Headcount
Female	10,736	9,209.95	80.73
Male	2,574	2,429.94	19.27
Total	**13,310**	**11,639.89**	100

Staff Composition by Staff Group

During 2021-2022 the average whole-time equivalent (FTE) number of staff permanently employed was 11,106.92. The average number of employees is calculated a full time equivalent number of employees in each week of the financial year, divided by the number of weeks in the financial year.

Staff Groups at 31 March 2022	Female		Male		Totals	
	Headcount	FTE	Headcount	FTE	Headcount	FTE
Add Prof Scientific and Technic	307	260.04	110	96.74	417	356.77
AdditionalClinical Services	2,168	1,831.65	350	328.59	2,518	2,160.25
Administrative and Clerical	2,262	1,939.24	423	406.84	2,685	2,346.08
Allied Health Professionals	696	626.18	188	184.11	884	810.29
Estates and Ancillary	955	657.62	484	448.93	1,439	1,106.54
Healthcare Scientists	129	115.59	87	86.81	216	202.40
Medical and Dental	385	346.08	551	514.11	936	860.19
Nursing and Midwifery Registered	3,820	3,419.56	379	361.81	4,199	3,781.37
Students	14	14.00	2	2.00	16	16.00
Totals	**10,736**	**9,209.95**	**2,574**	**2,429.94**	**13,310**	**11,639.89**

Sickness Absence Data

CTMUHB's 2021-2022 sickness absence rate was 7.50% which means we did not achieve the Welsh Government's target of 5% or less. During the last financial year sickness absence rates were significantly affected due to the continued transmission to Covid-19 virus and the effect this had on the general health and wellbeing of our workforce.

Anxiety/stress/other psychiatric illnesses and musculoskeletal issues remain the top reasons and account for 39.90% of all sickness absence. This is not unexpected, given the pressured environment our staff have been working in for an extended period of time. A comprehensive programme of work is in place, which includes working with trade union partners and the Wellbeing Service to address sickness absences, which are managed in line with the all-Wales Managing Attendance at Work.

	2020/21	2021/2022
Total Days Lost (Long Term):	208,668.03	220,858.48
Total Days Lost (Short Term):	69,887.15	83,285.70
Total Days Lost:	278,555.18	304,144.17
Total Staff Years Lost: (Average Staff Employedin the Period – Full Time Equivalent	10,966.64	11,106.62
Average Working Days Lost:	11.32	17.10
Total Staff Employed in Period (Headcount):	12,795	12,763
Total Staff Employed in Period with No Absence(Headcount)	4,453	3,595
Percentage Staff with No Sick Leave:	40%	31.50%

Absence	
March 2022	**Rolling to 31st March 2022**
7.06%	7.50%

Staff Policies

During 2021-2022, a total of 23 staff policies and procedures were reviewed and re-approved or approved as new documents by the partnership Workforce Policy Review Group. All policies and procedures were equality impact assessed against the nine protected characteristics, to ensure they did not discriminate against individuals who apply to work with in CTMUHB or are employed by us.

CTMUHB is also focused on developing more progressive policies, which reinforce our values and assist to provide our staff with an employment experience. An example of this is the Pregnancy and Loss Policy, approved in November 2021. CTMUHB is the first organisation in Wales to implement such a policy.

All policies and procedures are available by contacting: CTM_Corporate_Governance@wales.nhs.uk.

Salary and Pension Disclosure Tables (Audited) – Single Total Figure of Remuneration

This Remuneration Report includes a single total figure of remuneration. The amount of pension benefits for the year which contributes to the single total figure is calculated based on guidance provided by the NHS Business Services Authority Pensions Agency.

The amount included in the table for pension benefit is based on the increase in accrued pension adjusted for inflation. This will generally take into account an additional year of service together with any changes in pensionable pay. This is not an amount which has been paid to an individual 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.

The salary and pension disclosures reflect the senior managers' information. The senior management team consists of the Chief Executive,the Executive Directors and the Independent Members, the Chief Operating Officer, the Director of Digital and the Director of Corporate Governance.

Salary and Pension Tables

Cwm Taf Morgannwg University Local Health Board							
Salary and Pension benefits of Senior Managers							
Single Total Figure of Remuneration 2021-22	**Full-Year equivalent salary**	**Salary**	**Benefits in kind(taxable)**	**Pension benefits**	**Pension benefits**	**Pension benefits**	**Total**
				1995 scheme	**2008 scheme**	**2015 scheme**	
	(bands of £5,000)	**(bands of £5,000)**	**to nearest £100**	**to nearest £1000**	**to nearest £1000**	**to nearest £1000**	**(bands of £5,000)**
Executive Directors	**£000**	**£000**	**£00**	**£000**	**£000**	**£000**	**£000**
Paul Mears	205-210	205-210	0	24	n/a	51	280-285
Chief Executive							
Steve Webster	175-180	55-60	0	n/a	n/a	n/a	55-60
Director of Finance to 1st August 2021(Note 1)							
Sally May	160-165	105-110	0	17	n/a	49	170-175
Director of Finance from 2nd August 2021							
Nick Lyons	190-195	95-100	0	n/a	n/a	n/a	95-100
Medical Director to 22nd August 2021 (Note 1 & 2)							
Dom Hurford	165-170	120-125	4	0	n/a	28	145-150
Interim Medical Director from 1st July 2021							
Greg Dix	130-135	130-135	6	0	n/a	21	150-155
Director of Nursing, Midwifery and Patient Care							
Clare Williams	120-125	20-25	0	n/a	0	28	45-50
Interim Director of Planning and Performance to 31st May 2021							
Linda Prosser	135-140	110-115	0	74	n/a	n/a	185-190
Director of Strategy & Transformation from 1st June 2021							
Hywel Daniel	130-135	130-135	8	26	n/a	33	190-195
Director of People							
Kelechi Nnoaham	135-140	135-140	0	n/a	6	35	175-180
Director of Public Health							
Fiona Jenkins	135-140	70-75	0	219	n/a	n/a	290-295
Interim Director of Therapies and Health Sciences (Note 3)							
Gareth Robinson	150-155	150-155	0	0	n/a	35	185-190
Interim Chief Operating Officer							
Directors							
Georgina Galletly	105-110	105-110	2	0	n/a	29	135-140
Director of Corporate Governance/ Board Secretary							
Stuart Morris	110-115	30-35	2	59	n/a	32	120-125
Director of Digital from 13th December 2021							

	Full-Year equivalent salary	Salary	Benefits in kind(taxable)	Pension benefits	Pension benefits	Pension benefits	Total
				1995 scheme	2008 scheme	2015 scheme	
Independent Members	(bands of £5,000)	(bands of £5,000)	to nearest £100	to nearest £1000	to nearest £1000	to nearest £1000	(bands of £5,000)
	£000	£000	£00	£000	£000	£000	£000
Marcus Longley	55-60	25-30	0				25-30
Chair to 30th September 2021							
Emrys Elias	65-70	30-35	0				30-35
Interim Chair from 1st October 2021							
Maria Thomas	45-50	5-10	0				5-10
Vice-Chair to 31st May 2021							
Jayne Sadgrove	55-60	45-50	0				45-50
Independent Member (University) to 31st May 2021							
Vice-Chair from 1st June 2021							
Patsy Roseblade	10-15	10-15	0				10-15
Independent Member (Finance)							
James Hehir	10-15	10-15	0				10-15
Independent Member (Legal)							
Ian Wells	10-15	10-15	0				10-15
Independent Member (ICT)							
Keiron Montague	10-15	5-10	0				5-10
Independent Member (Community) to 30th September 2021							
Cllr Phillip White	10-15	0-5	0				0-5
Independent Member (Local Authority) until 14th October 2021							
Mel Jehu	10-15	10-15	0				10-15
Independent Member (Community)							
Nicola Milligan	0	0	0				0
Independent Member (Staff) (Note 4)							
Dilys Jouvenat	10-15	10-15	0				10-15
Independent Member (Third Sector)							
Carolyn Donoghue	10-15	5-10	0				5-10
Independent Member (University) from 4th August 2021							
Lynda Thomas	10-15	5-10	0				5-10
Independent Member (Corporate Business) from 8th October 2021							
Cllr Geraint E Hopkins	10-15	0-5	0				0-5
Independent Member (Local Authority) from 6th January 2022							

Sharon Richards (until 25th February 2022), Lisa Curtis-Jones and Anna Lewis (from 3rd August 2021) received no remuneration for their role as Associate Members
Independent Members do not receive pensionable remuneration for their Board membership.
Salary figures relate to remuneration for the period as Senior Manager only.
Pension benefits relate to benefits accrued during the year, not just the period relating to their senior management service.
The Full-time equivalent salary relates to the salary payable if the Senior Manager was employed full time for the full year.
The NHS and social care financial recognition scheme bonus of £735 payment to reward eligible NHS staff was paid in 2021-22. This has not been included in the NHS Remuneration Report calculations. This bonus payment is not a contractual payment, but a one off payment to reward eligible staff for their commitment and tireless efforts in the most challenging circumstances.
Notes
1 - Steve Webster and Nick Lyons chose not to be covered by the NHS pension arrangements during 2021-22.
2 - The salary for Nick Lyons includes £20,000 in connection with his resignation from the Health Board and relocation.
3 - Fiona Jenkins was employed by Cardiff & Vale ULHB for 2021-22 with a joint appointment with Cwm Taf Morgannwg ULHB for 0.5wte. Included in the salary is £2,625 relating to untaken annual leave. The Pension benefits relate to her total membership of the NHS Pension Scheme.
4 - Nicola Milligan is a paid, full time employee of the organisation and receives no additional remuneration as an Independent Member.

Single Total Figure of Remuneration 2020-21	**Full-Year equivalent salary**	**Salary**	**Benefits in kind(taxable)**	**Pension benefits**	**Pension benefits**	**Pension benefits**	**Total**
				1995 scheme	**2008 scheme**	**2015 scheme**	
	(bands of £5,000)	**(bands of £5,000)**	**to nearest £100**	**to nearest £1000**	**to nearest £1000**	**to nearest £1000**	**(bands of £5,000)**
Executive Directors	**£000**	**£000**	**£00**	**£000**	**£000**	**£000**	**£000**
Sharon Hopkins	190-195	80-85	0	n/a	n/a	n/a	80-85
Interim Chief Executive to 31st August 2020 (Note 1)							
Paul Mears	195-200	105-110	0	0	n/a	28	135-140
Chief Executive from 14th September 2020							
Steve Webster	180-185	180-185	0	n/a	n/a	n/a	180-185
Director of Finance (Note 1 & Note 2)							
Alan Lawrie	130-135	100-105	0	152	n/a	34	290-295
Director of Clinical Service Operations to 10th January 2021 (Note 3)							
Nick Lyons	190-195	190-195	0	n/a	n/a	n/a	190-195
Medical Director (Note 1)							
Deputy Chief Executive from 3rd August 2020							
Acting Chief Executive from 1st - 13th September 2020							
Greg Dix	130-135	130-135	0	166	n/a	38	335-340
Director of Nursing, Midwifery and Patient Care							
Clare Williams	120-125	120-125	0	n/a	97	31	250-255
Interim Director of Planning and Performance							
Hywel Daniel	120-125	120-125	0	134	n/a	31	285-290
Interim Director of Workforce and Organisational Development to 2nd February 2021							
Director for People from 3rd February 2021							
Kelechi Nnoaham	130-135	130-135	0	n/a	1	34	165-170
Director of Public Health							
Elizabeth Wilkinson	115-120	65-70	0	117	n/a	n/a	185-190
Director of Therapies and Health Sciences to 14th October 2020							
Fiona Jenkins	130-135	25-30	0	115	n/a	n/a	140-145
Interim Director of Therapies and Health Sciences from 2nd November 2020 (Note 4)							

Directors

	Full-Year equivalent salary	Salary	Benefits in kind(taxable)	Pension benefits	Pension benefits	Pension benefits	Total
				1995	2008	2015	
	(Bands of £5,000)	(Bands of £5,000)	To nearest £100	To nearest £1000	To nearest £1000	To nearest £1000	(Bands of £5,000)
	£ 000	£ 000	£ 00	£ 000	£ 000	£ 000	£ 000
John Palmer	125-130	15-20	0	n/a	3	50	65-70
Chief Operating Officer to 17th May 2020							
Gareth Robinson	145-150	30-35	0	0	n/a	14	45-50
Interim Chief Operating Officer from 11th January 2021							
Georgina Galletly	105-110	105-110	0	26	n/a	27	160-165
Interim Director of Corporate Services & Governance/ Board Secretary to 19th July 2020							
Director of Corporate Services & Governance/ Board Secretary from 20th July 2020							
Independent Members							
Marcus Longley	55-60	55-60	0				55-60
Chairman							
Maria Thomas	45-50	45-50	0				45-50
Vice Chair							
Paul Griffiths	10-15	10-15	0				10-15
Independent Member (Finance) to 31st December 2020							
Patsy Roseblade	10-15	0-5	0				0-5
Independent Member (Finance) from 1st March 2021							
James Hehir	10-15	10-15	0				10-15
Independent Member (Legal)							
Ian Wells	10-15	10-15	0				10-15
Independent Member (ICT)							
Keiron Montague	10-15	10-15	0				10-15
Independent Member (Community)							
Phillip White	10-15	10-15	0				10-15
Independent Member (Local Authority)							
Mel Jehu	10-15	10-15	0				10-15
Independent Member							

Jayne Sadgrove	10-15	10-15	0		10-15
Independent Member (University)					
Nicola Milligan	0	0	0		0
Independent Member (Staff) (Note 5)					
Dilys Jouvenat	10-15	10-15	0		10-15
Independent Member (Third Sector)					

Gio Isingrini (to 13th January 2021), Suzanne Scott-Thomas (to 27th October 2020) and Sharon Richards received no remuneration for their role as Associate Members

Independent Members do not receive pensionable remuneration for their Board membership.

Salary figures relate to remuneration for the period as Senior Manager only.

Pension benefits relate to benefits accrued during the year, not just the period relating to their senior management service.

The Full-time equivalent salary relates to the salary payable if the Senior Manager was employed full time for the full year.

The NHS and social care financial recognition scheme bonus of £735 payment to reward eligible NHS staff has not been included in the NHS Remuneration Report calculations. This bonus payment is not a contractual payment, but a one off payment to reward eligible staff for their commitment and tireless efforts in the most challenging circumstances.

Notes

1 – Sharon Hopkins, Mr S Webster and Mr N Lyons chose not to be covered by the NHS pension arrangements during 2020-21

2 – Steve Webster retired on 17th February 2021 under the provisions of the 1995 NHS Pension Scheme in order to access his pension. He returned to the same position on 19th February 2021. Included in his salary is £10,025 relating to untaken annual leave.

3 – Alan Lawrie continued to be employed by the Health Board between 11th January and 31st March 2021 in a non-executive capacity.

4 – Fiona Jenkins was employed by Cardiff & Vale ULHB for 2020-21 with a joint appointment with Cwm Taf Morgannwg ULHB for 0.5wte from 2nd November 2020. The Pension benefits relate to her total membership of the NHS Pension Scheme.

5 - Nicola Milligan is a paid, full time employee of the organisation and receives no additional remuneration as an Independent Member.

Pension Benefits 2021-22	**Real increase in pension at pensionable age**	**Real increase in pension lump sum at pensionable age**	**Total accrued pension at pensionable age at 31 March 2022**	**Lump sum at pensionable age related to accrued pension at 31 March 2022**	**Cash Equivalent Transfer Value at 31 March 2022**	**Cash Equivalent Transfer Value at 31 March 2021**	**Real increase in Cash Equivalent Transfer Value**	**Employer's contribution to stakeholder pension**
Name and title	**(bands of £2,500)**	**(bands of £2,500)**	**(bands of £5,000)**	**(bands of £5,000)**				
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Cwm Taf Morgannwg University Local Health Board								
Executive Directors								
Paul Mears 1995 Pension Scheme	0-2.5	2.5-5	25-30	85-90	587	551	34	0
Paul Mears 2015 Pension Scheme	2.5-5	0	15-20	0	220	166	23	0
Chief Executive (Note 2)								
Steve Webster	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Director of Finance to 1st August 2021(Note 1)								
Sally May 1995 Pension Scheme	0-2.5	0-2.5	45-50	145-150	1085	1041	26	0
Sally May 2015 Pension Scheme	0-2.5	0	15-20	0	265	216	21	0
Director of Finance from 2nd August 2021(Note 2)								
Nick Lyons	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Medical Director to 22nd August 2021 (Note 1)								
Dom Hurford 1995 Pension Scheme	0	0	15-20	55-60	334	332	0	0
Dom Hurford 2015 Pension Scheme	0-2.5	0	10-15	0	152	124	10	0
Interim Medical Director from 1st July 2021 (Note 2)								
Greg Dix 1995 Pension Scheme	0	0	25-30	75-80	520	637	0	0
Greg Dix 2015 Pension Scheme	0-2.5	0	10-15	0	189	159	10	0
Director of Nursing, Midwifery and Patient Care (Note 3)								

Pension Benefits 2021-22 (continued)

	Real increase in pension at pensionable age	Real increase in pension lump sum at pensionable age	Total accrued pension at pensionable age at 31 March 2022	Lump sum at pensionable age related to accrued pension at 31 March 2022	Cash Equivalent Transfer Value at 31 March 2022	Cash Equivalent Transfer Value at 31 March 2021	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)				
	£000	£000	£000	£000	£000	£000	£000	£000
Clare Williams 2008 Pension Scheme	0	0	10-15	0	130	142	0	0
Clare Williams 2015 Pension Scheme Interim Director of Planning and Performance to 31st May 2021(Note 4)	0-2.5	0	10-15	0	109	85	1	0
Linda Prosser 1995 Pension Scheme Director of Strategy & Transformation from 1st June 2021(Note 5)	2.5-5	7.5-10	40-45	120-125	n/a	n/a	n/a	0
Hywel Daniel 1995 Pension Scheme	0-2.5	2.5-5	20-25	65-70	352	325	25	0
Hywel Daniel 2015 Pension Scheme Director for People (Note 2)	2.5-5	0	10-15	0	115	88	7	0
Kelechi Nnoaham 2008 Pension Scheme	0-2.5	0	10-15	0	164	155	7	0
Kelechi Nnoaham 2015 Pension Scheme Director of Public Health (Note 4)	2.5-5	0	15-20	0	212	175	17	0
Fiona Jenkins 1995 Pension Scheme Interim Director of Therapies and Health Sciences (Note 6)	5-7.5	15-17.5	70-75	210-215	n/a	n/a	n/a	0
Gareth Robinson 1995 Pension Scheme	0	0	0-5	10-15	77	75	2	0
Gareth Robinson 2015 Pension Scheme Interim Chief Operating Officer (Note 7)	0-2.5	0	0-5	0	45	11	12	0
Directors								
Georgina Galletly 1995 Pension Scheme	0	0	20-25	60-65	397	389	6	0
Georgina Galletly 2015 Pension Scheme Director of Corporate Governance/ Board Secretary (Note 2)	0-2.5	0	10-15	0	133	108	10	0
Stuart Morris 1995 Pension Scheme	0-2.5	0-2.5	15-20	50-55	329	274	16	0
Stuart Morris 2015 Pension Scheme Director of Digital from 13th December 2021 (Note 2)	0-2.5	0	5-10	0	111	88	6	0

Notes:

1 - Steve Webster and Nick Lyons chose not to be covered by the NHS pension arrangements during 2021-22

2 - Paul Mears, Sally May, Dom Hurford, Hywel Daniel, Georgina Galletly and Stuart Morris transferred from the 1995 pension scheme to the 2015 pension scheme on the 1st April 2015.

3 - Greg Dix was a member of the 1995 pension scheme up to 2018-19 and re-joined the 2015 pension scheme on 1st July 2020.

4 - Clare Williams and Kelechi Nnoaham transferred from the 2008 pension scheme to the 2015 pension scheme on 1st April 2015

5 - Linda Prosser is over the Normal Retirement Age for the scheme and therefore a CETV is not applicable.

6 - Fiona Jenkins was employed by Cardiff & Vale ULHB for 2021-22 with a joint appointment with Cwm Taf Morgannwg ULHB for 0.5wte.

The total accrued pension and lump sums relate to her total membership of the NHS Pension Scheme. Fiona Jenkins is over the Normal Retirement Age for the scheme and therefore a CETV is not applicable.

7 - Gareth Robinson was a member of the 1995 pension scheme up to 2008-09 and joined the 2015 pension scheme during 2020-21

The NHS Pension scheme which is open to all NHS employees requires all members to contribute on a tiered scale from 5% up to 14.5% of their pensionable pay depending on total earnings, with the employers contributing 20.68%. Pensionable pay is determined by the number of year's pensionable service and is related to the level of earnings/final salary at the time of retirement. Pension contributions of Executive Directors are entirely consistent with the standard NHS Pension Scheme. Pension benefits are calculated on the same basis for all members.

As Independent Members do not receive pensionable remuneration for Board duties, there will be no entries in respect of pensions for Independent Members.

Cash Equivalent Transfer Values

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 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

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 scheme or arrangement) and uses common market valuation factors for the start and end of the period. In August 2019 the method used to calculate CETVs changed, to remove the adjustment for Guaranteed Minimum Pension (GMP). The calculation of the real increase in CETV, for individuals entitled to GMP, would have an effect on the values disclosed (mainly 1995 & 2008 schemes).

Pension Benefits 2020-21	**Real increase in pension at pensionable age**	**Real increase in pension lump sum at pensionable age**	**Total accrued pension at pensionable age at 31 March 2021**	**Lump sum at pensionable age related to accrued pension at 31 March 2021**	**Cash Equivalent Transfer Value at 31 March 2021**	**Cash Equivalent Transfer Value at 31 March 2020**	**Real increase in Cash Equivalent Transfer Value**	**Employer's contribution to stakeholder pension**
Name and title	**(bands of £2,500)**	**(bands of £2,500)**	**(bands of £5,000)**	**(bands of £5,000)**				
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Cwm Taf Morgannwg University Local Health Board								
Executive Directors								
Sharon Hopkins Interim Chief Executive to 31st August 2020 (Note 1)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Paul Mears 1995 Pension Scheme	0	0	25-30	80-85	551	532	5	0
Paul Mears 2015 Pension Scheme Chief Executive from 14th September 2020 (Note 2)	0-2.5	0	10-15	0	166	137	6	0
Steve Webster Director of Finance (Note 1)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Alan Lawrie 1995 Pension Scheme	5-7.5	17.5-20	50-55	150-155	1155	967	171	0
Alan Lawrie 2015 Pension Scheme Director of Clinical Service Operations to 10th January 2021	2.5-5	0	10-15	0	183	141	20	0
Nick Lyons Medical Director (Note 1) Deputy Chief Executive from 3rd August 2020 Acting Chief Executive from 1st - 13th September 2020	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Greg Dix 1995 Pension Scheme	5-7.5	20-22.5	30-35	95-100	637	473	155	0
Greg Dix 2015 Pension Scheme Director of Nursing, Midwifery and Patient Care (Note 3)	2.5-5	0	10-15	0	159	124	18	0

	Real increase in pension at pensionable age	Real increase in pension lump sum at pensionable age	Total accrued pension at pensionable age at 31 March 2021	Lump sum at pensionable age related to accrued pension at 31 March 2021	Cash Equivalent Transfer Value at 31 March 2021	Cash Equivalent Transfer Value at 31 March 2020	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)				
	£000	£000	£000	£000	£000	£000	£000	£000
Clare Williams 2008 Pension Scheme	2.5-5	0	10-15	0	142	84	57	0
Clare Williams 2015 Pension Scheme	0-2.5	0	5-10	0	85	60	8	0
Interim Director of Planning and Performance (Note 4)								
Hywel Daniel 1995 Pension Scheme	5-7.5	15-17.5	20-25	60-65	325	227	94	0
Hywel Daniel 2015 Pension Scheme	0-2.5	0	5-10	0	88	64	5	0
Interim Director of Workforce and Organisational Development to 2nd February 2021 / Director for People from 3rd February 2021 (Note 2)								
Kelechi Nnoaham 2008 Pension Scheme	0-2.5	0	10-15	0	155	149	4	0
Kelechi Nnoaham 2015 Pension Scheme	2.5-5	0	15-20	0	175	139	14	0
Director of Public Health								
Elizabeth Wilkinson 1995 Pension Scheme	5-7.5	20-22.5	35-40	115-120	n/a	n/a	n/a	0
Director of Therapies and Health Sciences to 14th October 2020 (Note 5)								
Fiona Jenkins 1995 Pension Scheme	0-2.5	2.5-5	60-65	180-185	n/a	n/a	n/a	0
Interim Director of Therapies and Health Sciences from 2nd November 2020 (Note 6)								
Directors								
John Palmer 2008 Pension Scheme	0-2.5	0	0-5	0	19	18	1	0
John Palmer 2015 Pension Scheme	2.5-5	0	10-15	0	158	132	22	0
Chief Operating Officer to 17th May 2020 (Note 4)								

	Real increase in pension at pensionable age	Real increase in pension lump sum at pensionable age	Total accrued pension at pensionable age at 31 March 2021	Lump sum at pensionable age related to accrued pension at 31 March 2021	Cash Equivalent Transfer Value at 31 March 2021	Cash Equivalent Transfer Value at 31 March 2020	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
	(bands of £2,500)	(bands of £2,500)	(bands of £5,000)	(bands of £5,000)				
	£000	£000	£000	£000	£000	£000	£000	£000
Gareth Robinson 1995 Pension Scheme	0	0	0-5	10-15	75	73	0	0
Gareth Robinson 2015 Pension Scheme Interim Chief Operating Officer from 11th January 2021 (Note 7)	0-2.5	0	0-5	0	11	n/a	1	0
Georgina Galletly 1995 Pension Scheme	0-2.5	2.5-5	20-25	60-65	389	354	29	0
Georgina Galletly 2015 Pension Scheme Interim Director of Corporate Services & Governance/ Board Secretary to 19th July 2020 Director of Corporate Services & Governance/ Board Secretary from 20th July 2020 (Note 2)	0-2.5	0	5-10	0	108	78	14	0

Notes:

1 - Sharon Hopkins, Steve Webster, Nick Lyons chose not to be covered by the NHS pension arrangements during 2020-21

2 - Paul Mears, Hywel Daniel and Georgina Galletly transferred from the 1995 pension scheme to the 2015 pension scheme on the 1st April 2015.

3 - Greg Dix was a member of the 1995 pension scheme up to 2018-19 and re-joined the 2015 pension scheme on 1st July 2020.

4 – Clare Williams and John Palmer transferred from the 2008 pension scheme to the 2015 pension scheme on 1st April 2015

5 – Elizabeth Wilkinson retired during 2020-21 therefore a CETV is not applicable.

6 – Fiona Jenkins was employed by Cardiff & Vale ULHB for 2020-21 with a joint appointment with Cwm Taf Morgannwg UHB for 0.5wte from 2nd November 2020. The Total accrued pension and lump sums relate to her total membership of the NHS Pension Scheme. Fiona Jenkins is over the Normal Retirement Age for the scheme and therefore a CETV is not applicable.

7 – Gareth Robinson was a member of the 1995 pension scheme up to 2008-09 and joined the 2015 pension scheme during 2020-21

The NHS Pension scheme which is open to all NHS employees requires all members to contribute on a tiered scale from 5% up to 14.5% of their pensionable pay depending on total earnings, with the employers contributing 20.68%. Pensionable pay is determined by the number of years pensionable service and is related to the level of earnings/final salary at the time of retirement. Pension contributions of Executive Directors are entirely consistent with the standard NHS Pension Scheme. Pension benefits are calculated on the same basis for all members.

As Independent members do not receive pensionable remuneration for Board duties, there will be no entries in respect of pensions for Independent members.

Cash Equivalent Transfer Values

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 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

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 scheme or arrangement) and uses common market valuation factors for the start and end of the period. In August 2019 the method used to calculate CETVs changed, to remove the adjustment for Guaranteed Minimum Pension (GMP). The calculation of the real increase in CETV, for individuals entitled to GMP, would have an effect on the values disclosed (mainly 1995 & 2008 schemes).

Reporting of Other Compensation Schemes – Exit Packages

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). Where CTMUHB has agreed early retirements, the additional costs are met by the organisation and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the tables provided. No exit costs were paid in 2021-2022.

The remuneration for Nick Lyons, former Executive Medical Director and Deputy Chief Executive, for the year 2021/22 included a sum of £20,000 in connection with his resignation from the Health Board and relocation.

Expenditure on Consultancy Fees

Consultancy services are the provision to management of advice and assistance relating to strategy, structure, management or operations of an organisation in pursuant of its objectives. During 2021-2022 CTMUHB spent £708,000 on external consultancy fees compared with £423,000 in 2020-21.

Tax Assurance for Off-Payroll Engagements

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012, departments must publish information on their highly paid and/or senior off-payroll engagements.

The information, contained in the three tables below, includes all off-payroll engagements as at 31 March 2022 for those earning more than £245 per day, its executive agencies and its arm's length bodies.

Table 1: Off-payroll engagements as at 31 March 2022, for more than £245 per day

Number of existing engagements as of 31 March 2022	35
Of which, the number that have existed:	
for less than one year at time of reporting.	16
for between one and two years at time of reporting.	6
for between two and three years at time of reporting.	4
for between three and four years at time of reporting.	2
for four or more years at time of reporting.	7

Table 2: For all new off-payroll engagements, between 1 April 2021 and 31 March 2022, for more than £245 per day

Number of new engagements, between 1 April 2021 and 31 March 2022	33
Of which…	
Number assessed as caught by IR35	17
Number assessed as not caught by IR35	16
Number engaged directly (via PSC contracted to department) and are on the departmental payroll.	0
Number of engagements reassessed for consistency/assurance purposes during the year.	0
Number of engagements that saw a change to IR35 status following the consistency review.	0

Table 3; For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022

No. of off-payroll engagements of board members, and /or, senior officials with significant financial responsibility, during the financial year.	0
No. 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.	14

Fair Pay Disclosures - Remuneration Relationship

		2021-22	**2021-22**	**2021-22**		2020-21	2020-21	2020-21
		£000	**£000**	**£000**		£000	£000	£000
		Chief Executive	**Employee**	**Ratio**		Chief Executive	Employee	Ratio
Total Pay & Benefits								
	25th percentile pay ratio	**208**	**23**	**9.1**		203	23	8.7
	Median pay	**208**	**32**	**6.5**		203	31	6.5
	75th percentile pay ratio	**208**	**42**	**5.0**		203	41	5.0
Salary Component of Total Pay & Benefits								
	25th percentile pay ratio	**208**	**23**	**9.1**		203	23	8.7
	Median pay	**208**	**32**	**6.5**		203	31	6.5
	75th percentile pay ratio	**208**	**42**	**5.0**		203	41	5.0
Total Pay & Benefits								
		Highest Paid Director	**Employee**	**Ratio**		Highest Paid Director	Employee	Ratio
	25th percentile pay ratio	**213**	**23**	**9.3**		203	23	8.7
	Median pay	**213**	**32**	**6.7**		203	31	6.5
	75th percentile pay ratio	**213**	**42**	**5.1**		203	41	5.0
Salary Component of Total Pay & Benefits								
	25th percentile pay ratio	**213**	**23**	**9.3**		203	23	8.7
	Median pay	**213**	**32**	**6.7**		203	31	6.5
	75th percentile pay ratio	**213**	**42**	**5.1**		203	41	5.0

In 2021-22, 12 employees (2020-21, 11) received remuneration in excess of the highest paid director. Remuneration for all staff ranged from £5,000 to £351,000 (2020-21, £5,000 - £365,000). The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

Financial Year Summary

There is a slight increase on the 25th percentile ratio for both the Chief Executive and the highest paid director. The increase is due to a change in the highest paid director. As the median ratio remains the same CTMUHB believes the median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the employees taken as a whole.

Percentage Changes

		2020-21 to 2021-22	2019-20 to 2020-21
% Change from previous financial year in respect of Chief Executive		**%**	%
	Salary and Allowances	**3**	N/A
	Performance Pay and Bonuses	**3**	N/A
% Change from previous financial year in respect of highest paid Director			
	Salary and Allowances	**5**	N/A
	Performance Pay and Bonuses	**5**	N/A
Average % Change from previous financial year in respect of employees takes as a whole			
	Salary and Allowances	**1**	N/A
	Performance Pay and Bonuses	**1**	N/A

Reporting of other compensation schemes - exit packages - Audited

	2021-2022	2021-2022	2021-2022	2021-2022	2020-21
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	0	0	0	0
£10,000 to £25,000	0	3	3	0	4
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	3	3	0	0
£100,000 to £150,000	0	1	1	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	**0**	**7**	**7**	**0**	**4**

	2021-2022	2021-2022	2021-2022	2021-2022	2020-21
Exit packages cost band (including any special paymentelement)	**Cost of compulsory redundancies**	**Cost of other departures**	**Total costof exit packages**	**Cost of special element included in exit packages**	**Total cost of exit packages**
	£'s	**£'s**	**£'s**	**£'s**	**£'s**
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	62,658	62,658	0	76,254
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	248,086	248,086	0	0
£100,000 to £150,000	0	101,977	101,977	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	**0**	**412,721**	**412,721**	**0**	**76,254**
Exit costs paid in year of departure					
Exit costs paid in year			**412,721**		**76,254**
Total			**412,721**		**76,254**

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). Where the LHB has agreed early retirements, the additional costs are met by CTMUHB 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. All 7 special payments are severance payments, the highest payment was £101,977 the lowest payment was £20,000 and the median value was for £72,703. All seven of the exit packages are in relation to CTMUHB employees.

Signed:

Paul Mears, Chief Executive 14th June 2022

Part 3– Parliamentary Accountability and Audit Report

Where CTMUHB undertakes an activity which is not funded directly by theWelsh Government, CTMUHB receives and income to cover its costs. Further detail of income received is published our annual accounts. CTMUHB confirms that it has complied with cost allocation and the charging requirements set out in HM Treasury guidance during the year.

Regularity of Expenditure

It is expected that public funds will be used in a way that gives reasonableassurance that public resources will be used to deliver the intendedobjectives. Expenditure must be compliant with relevant legislation including EU legislation, delegated authorities and following guidance in Managing Welsh Public Money. Please see the AGW's qualified regularity opinion is set out at page 151 in respect of irregular expenditure of £943,000.

Fees and Charges

Charges for services provided by public sector organisations normally pass on the full cost of providing those services. There is scope for charging more or less than this provided that the relevant Ministerial approval is given and there is full disclosure. Public sector organisations may also supply commercial services on commercial terms designed to work in fair competition with private sector providers. The Welsh Government expects proper controls over how, when and at what level charges may be levied. 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 Her Majesty's Treasury Guidance, material remote contingent liabilities, long-term expenditure trends, and the audit certificate and report.

Remote Contingent Liabilities

Detailed below are the remote contingent liabilities as at 31 March 2022:

	2021-2022	2020-21
	£'000	£'000
Guarantees	**0**	0
Indemnities	**200**	125
Letters of Comfort	**0**	0
Total	**200**	**125**

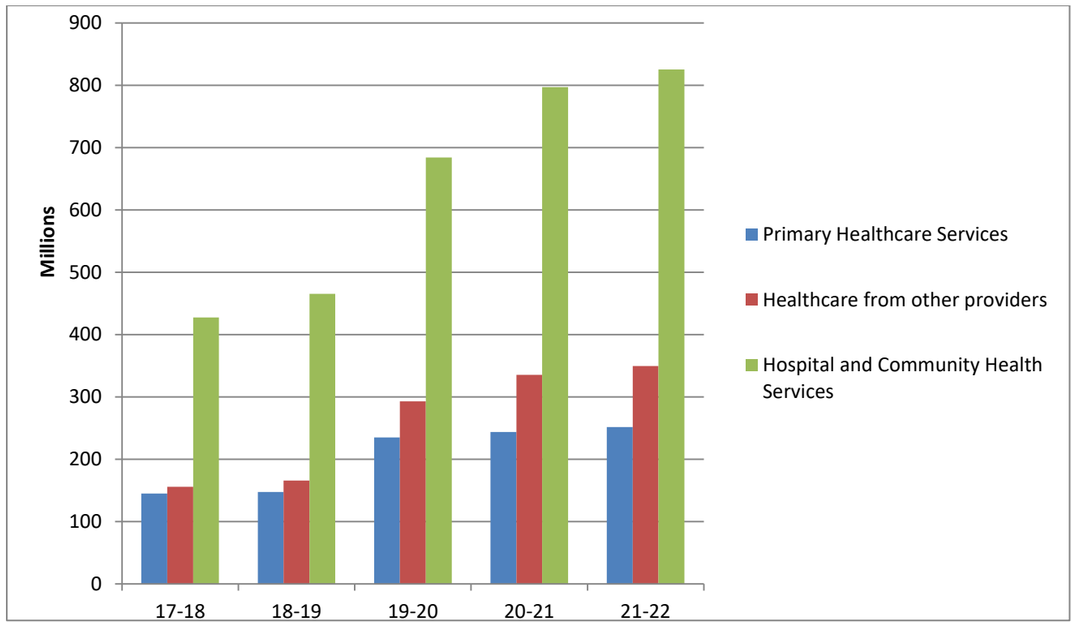
Miscellaneous Income

Detailed below is the miscellaneous income as at 31 March 2022:

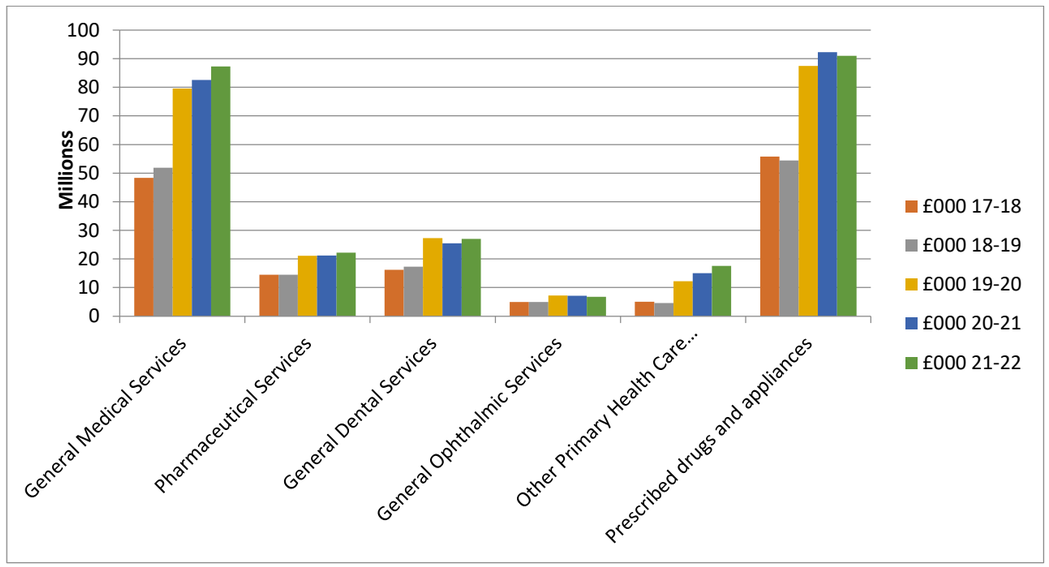
	2021-2022	2020-21
	£'000	£'000
Total	**148,099**	141,362

Long Term Expenditure Trends (excluding WHSSC/EASC)

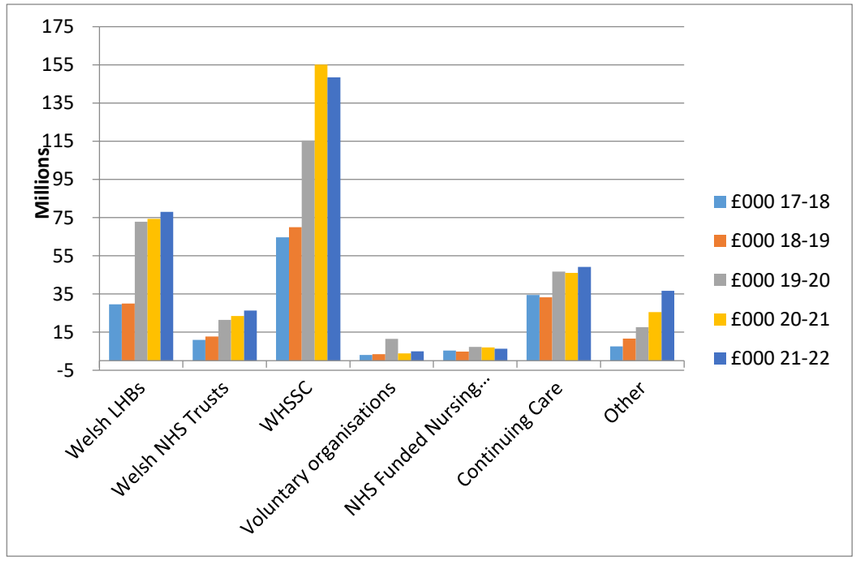
Operating Expenses	£000	£000	£000	£000	£000		%	%	%	%	%
	17-18	18-19	19-20	20-21	**21-22**		17-18	18-19	19-20	20-21	**21-22**
Primary Healthcare Services	144,853	147,605	234,802	243,573	**251,779**		19.89	18.95	19.37	17.70	**17.64**
Healthcare from other providers	155,798	165,770	292,814	335,415	**349,708**		21.40	21.28	24.16	24.38	**24.51**
Hospital and Community Health Services	427,501	465,516	684,350	797,071	**825,535**		58.71	59.77	56.47	57.92	**57.85**
Total	728,152	778,891	1,211,966	1,376,059	**1,427,022**		100.00	100.00	100.00	100.00	**100.00**



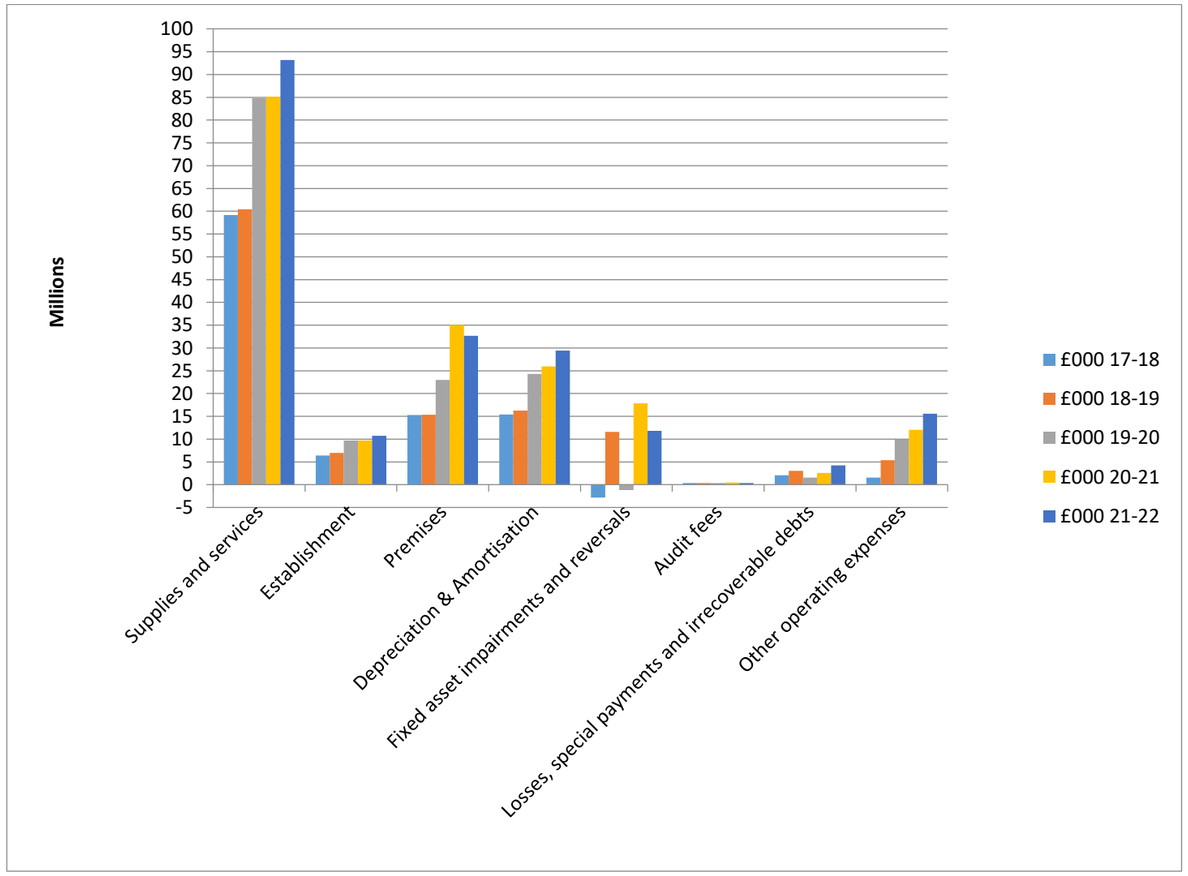
Expenditure on Primary Healthcare Services	£000	£000	£000	£000	**£000**		%	%	%	%	**%**
	17-18	18-19	19-20	20-21	**21-22**		17-18	18-19	19-20	20-21	**21-22**
General Medical Services	48,327	51,875	79,585	82,559	**87,317**		33.36	35.14	33.89	33.90	**34.21**
Pharmaceutical Services	14,512	14,479	21,081	21,196	**22,194**		10.02	9.81	8.98	8.70	**8.81**
General Dental Services	16,214	17,285	27,248	25,470	**26,977**		11.19	11.71	11.60	10.46	**10.73**
General Ophthalmic Services	4,941	4,949	7,211	7,101	**6,745**		3.41	3.35	3.07	2.92	**3.18**
Other Primary Health Care expenditure	5,050	4,588	12,231	14,984	**17,544**		3.49	3.11	5.21	6.15	**6.92**
Prescribed drugs and appliances	55,809	54,429	87,446	92,263	**91,002**		38.53	36.87	37.24	37.88	**36.14**
Total	144,853	147,605	234,802	243,573	**251,779**		100.00	100.00	100.00	100.00	**100.00**



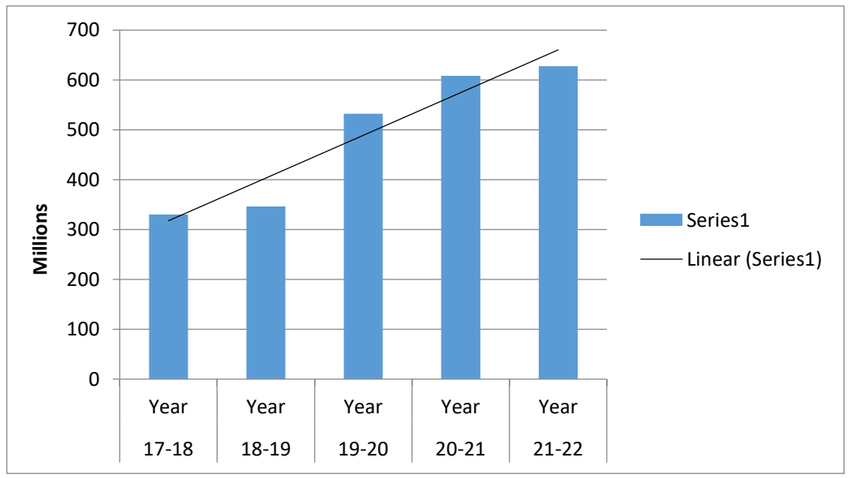
Expenditure on Healthcare from other providers	£000	£000	£000	£000	**£000**		**%**	**%**	**%**	**%**	**%**
	17-18	18-19	19-20	20-21	**21-22**		17-18	18-19	19-20	20-21	**21-22**
Welsh LHBs	29,549	29,927	72,875	74,359	**77,989**		18.97	18.05	24.89	22.17	**22.30**
Welsh NHS Trusts	10,932	12,690	21,462	23,392	**26,305**		7.02	7.66	7.33	6.97	**7.52**
WHSSC	64,727	69,963	115,411	155,190	**148,438**		41.55	42.20	39.41	46.27	**42.45**
Voluntary organisations	3,102	3,451	11,481	3,920	**4,975**		1.99	2.08	3.92	1.17	**1.42**
NHS Funded Nursing Care	5,400	4,867	7,269	7,022	**6,246**		3.47	2.94	2.48	2.09	**1.79**
Continuing Care	34,526	33,298	46,653	46,093	**49,163**		22.16	20.09	15.93	13.74	**14.06**
Other	7,562	11,574	17,663	25,440	**36,592**		4.85	6.98	6.03	7.58	**10.46**
Total	155,798	165,770	292,814	335,415	**349,708**		100.00	100.00	100.00	100.00	**100.00**



Expenditure on Hospital and Community Health Services	£000	£000	£000	£000	**£000**		**%**	**%**	**%**	**%**	**%**
	17-18	18-19	19-20	20-21	**21-22**		17-18	18-19	19-20	20-21	**21-22**
Supplies and services	59,146	60,447	84,783	85,152	**93,191**		60.69	50.62	55.61	45.10	**47.05**
Establishment	6,418	7,000	9,718	9,700	**10,766**		6.59	5.86	6.37	5.14	**5.44**
Premises	15,305	15,353	22,985	35,044	**32,685**		15.70	12.86	15.08	18.56	**16.50**
Depreciation & Amortisation	15,420	16,242	24,322	25,978	**29,428**		15.82	13.60	15.95	13.76	**14.86**
Fixed asset impairments and reversals	-2,811	11,569	-1,189	17,840	**11,826**		-2.88	9.69	-0.78	9.45	**5.97**
Audit fees	355	352	350	459	**378**		0.36	0.29	0.23	0.24	**0.19**
Losses, special payments and irrecoverable debts	2,070	3,062	1,586	2,602	**4,221**		2.12	2.56	1.04	1.38	**2.13**
Other operating expenses	1,555	5,394	9,898	12,023	**15,581**		1.60	4.52	6.49	6.37	**7.87**
Total	97,458	119,419	152,453	188,798	**198,076**		**100.00**	**100.00**	**100.00**	**100.00**	**100.00**



Expenditure on Hospital and Community Health Services - Staff Costs					
	17-18	18-19	19-20	20-21	**21-22**
	Year	Year	Year	Year	**Year**
Pay Costs	330,043	346,097	531,897	608,273	**627,457**



Performance against Resource Limits

	2017-18	2018-19	2019-20	2020-21	**2021-22**
	£'000	£'000	£'000	£'000	**£'000**
Net Operating Costs for year	645,338	687,347	1,066,986	1,234,585	**1,278,862**
Less general ophthalmic services expenditure and other non-cash limited expenditure	(784)	(725)	(672)	93	**(66)**
Less revenue consequences of bringing Private Finance Initiative schemes onto SoFP	(119)	(120)	(122)	(126)	**(131)**
Total operating expenses	644,435	686,502	1,066,192	1,234,552	**1,278,665**
Revenue Resource Allocation	644,435	686,518	1,067,075	1,234,640	**1,278,837**
Under/(over) spend against allocation	23	16	883	88	**172**

Capital Resource Performance

	2017-18	2018-19	2019-20	2020-21	**2021-22**
	£'000	£'000	£'000	£'000	**£'000**
Gross Capital Expenditure	34,962	27,283	40,244	53,772	**79,967**
Add: Losses on disposal of donated assets	0	0	0	0	**0**
Less NBV of property, plant and equipment and intangible assets disposed	(4)	0	(5)	(80)	**(717)**
Less capital grants received	0	0	(49)	(1,264)	**(13)**
Less donations received	(64)	(3115)	(1,862)	(197)	**(83)**
Charge against Capital Resource Allocation	34,894	24,168	38,328	52,231	**79,154**
Capital Resource Allocation	34,902	24,178	38,352	52,278	**79,196**
(Over/ Underspend against Capital Resource Allocation	8	10	24	47	**42**

The Certificate and independent auditor's report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Cwm Taf Morgannwg University Health Board for the year ended 31 March 2022 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 significant 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 the financial statements:

- give a true and fair view of the state of affairs of Cwm Taf Morgannwg University Health Board as at 31 March 2022 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 opinion on regularity* 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 Cwm Taf Morgannwg University Health Board's financial statements because those statements include a provision of £943,000 relating to the estimated liability arising from the Ministerial Direction dated 18 December 2019 on senior clinicians' pensions. In my view, this expenditure is irregular and material by its nature.

Further detail is set out in my Report on pages 156 -157.

Basis of 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 report. I am 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 report.

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.

Report on other requirements

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 information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Governance Statement has been prepared in accordance with Welsh Ministers' guidance; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Performance Report and Accountability Report has been prepared in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Board and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

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

- 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 Remuneration 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; or
- I have not received all the information and explanations I require for my audit.

Responsibilities

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 the preparation of financial statements which give a true and fair view and for such internal control 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.

In preparing the financial statements, the Directors and Chief Executive are responsible for assessing the 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 deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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 head of internal audit, and those charged with governance, including obtaining and reviewing supporting documentation relating to Cwm Taf Morgannwg University Health Board's 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: revenue recognition, posting of unusual journals; and
- Obtaining an understanding Cwm Taf Morgannwg University Health Board's framework of authority as well as other legal and regulatory frameworks that the Cwm Taf Morgannwg University 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 Cwm Taf Morgannwg University Health Board.

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, the Audit and Assurance Committee 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 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 Cwm Taf Morgannwg University 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.

Responsibilities for regularity

The Chief Executive is responsible for ensuring the regularity of financial transactions.

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

Report

Please see my Report on pages 156 to 157, in respect of my qualified opinion on regularity and the Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government.

Adrian Crompton
Auditor General for Wales
17 June 2022

24 Cathedral Road
Cardiff
CF11 9LJ

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 Cwm Taf Morgannwg University Health Board's (the LHB's) financial statements. I am reporting on these financial statements for the year ended 31 March 2022 to draw attention to one key matter for my audit. The matter is the qualification of my 'regularity' opinion relating to expenditure recognised as a result of the ministerial direction on senior clinicians' pensions. I have not qualified my 'true and fair' opinion in respect of this matter.

Ministerial direction on senior clinicians' pensions

NHS Pension scheme and pension tax legislation is not devolved to Wales. HM Treasury's changes to the tax arrangements on pension contributions in recent years included the reduction in the Annual Allowance limit from over £200,000 in 2011-12 to £40,000 in 2018-19. As a result, in cases where an individual's pension contributions exceed certain annual and / or lifetime pension contribution allowance limits, then they are taxed at a higher rate on all their contributions, creating a sharp increase in tax liability.

In a Written Statement on 13 November 2019, the Minister for Health and Social Services had noted that NHS Wales bodies were: 'regularly reporting that senior clinical staff are unwilling to take on additional work and sessions due to the potentially punitive tax liability'. In certain circumstances this could lead to additional tax charges in excess of any additional income earned.

On 18 December 2019, the First Minister (mirroring earlier action by the Secretary of State for Health and Social Care for England) issued a Ministerial Direction to the Permanent Secretary to proceed with plans to commit to making payments to clinical staff to restore the value of their pension benefits packages. If NHS clinicians opted to use the 'Scheme Pays' facility to settle annual allowance tax charges arising from their 2019-20 NHS pension savings (i.e. settling the charge by way of reduced annual pension, rather than by making an immediate one-off payment), then their NHS employers would meet the impact of those tax charges on their pension when they retire.

The Ministerial Direction was required because this solution could be viewed by HMRC to constitute tax planning and potentially tax avoidance, hence making the expenditure irregular. Managing Welsh Public Money (which mirrors its English equivalent) specifically states that 'public sector organisations should not engage in…tax evasion, tax avoidance or tax planning'.

A Ministerial Direction does not make regular what would otherwise be irregular, but it does move the accountability for such decisions from the Accounting Officer to the Minister issuing the direction.

The solution applies only to annual allowance tax charges arising from an increase in the benefits accrued in the NHS Pension Scheme during the tax year ended 5 April 2020. For the tax year ended 5 April 2021, the Chancellor increased the thresholds for the tapered annual allowance and, as a result, it is anticipated that the risk to the supply of clinical staff has been mitigated.

The LHB has received sufficient information during the year to calculate and recognise an estimate of the potential costs of compensating senior clinical staff for pension benefits that they would otherwise have lost, by using the 'Scheme Pays' arrangement. As a result, expenditure has been recognised as a provision as shown in note 20 of the financial statements.

All NHS bodies will be held harmless for the impact of the Ministerial Direction, however in my opinion, the transactions included in the LHB's financial statements to recognise this liability are irregular and material by their nature. This is because the payments are contrary to paragraph 5.6.1 of Managing Public Money and constitute a form of tax planning which will leave the Exchequer as a whole worse off. The Minister's direction alone does not regularise the scheme. Furthermore, the arrangements are novel and contentious and potentially precedent setting. As a result, I have qualified my 'regularity' opinion for 2021-22.

Adrian Crompton
Auditor General for Wales
17 June 2022

Chapter 3 – Financial Statements and Accounts

Thank you for reading CTMUHB's Annual Report 2021-2022.

How to contact us:

If you require a printed version of the Annual Report or in alternative formats/languages please contact us using the details below: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CWM TAF MORGANNWG UNIVERSITY 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

The Local Health Board was established on 1 October 2009 following the merger of Cwm Taf NHS Trust, Rhondda Cynon Taf Local Health Board and Merthyr Tydfil Local Health Board.

The Welsh Health Specialised Services Committee (WHSSC) was established on 1 April 2010, responsible for the joint planning of specialised and tertiary services on behalf of Local Health Boards in Wales. The Committee is hosted by Cwm Taf Morgannwg University Local Health Board.

The Emergency Ambulance Services Committee (EASC) was established on 1 April 2014, responsible for planning and securing the provision of emergency ambulance services on behalf of Local Health Boards in Wales. The Committee is hosted by Cwm Taf Morgannwg University Local Health Board.

Following the Bridgend boundary change on 1 April 2019, Cwm Taf Morgannwg University Health Board has responsibility for the commissioning and provision of healthcare for the communities of Merthyr Tydfil, Rhondda Cynon Taf and Bridgend County Borough Council.

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 2020-21. 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.

These accounts are a consolidation of the Health Board, WHSSC and EASC activities, with the balances relating to Cwm Taf Morgannwg University Health Board only separately disclosed where appropriate.

Statement of Comprehensive Net Expenditure for the year ended 31 March 2022

	Note	2021-22 £000 Cwm Taf HB Activities	2021-22 £000	2020-21 £000 Cwm Taf HB Activities	2020-21 £000
Expenditure on Primary Healthcare Services	3.1	**251,779**	**251,779**	243,573	243,573
Expenditure on healthcare from other providers	3.2	**349,708**	**1,130,174**	335,416	1,057,090
Expenditure on Hospital and Community Health Services	3.3	**825,533**	**833,624**	797,071	804,495
		1,427,020	**2,215,577**	1,376,060	2,105,158
Less: Miscellaneous Income	4	**(148,099)**	**(936,656)**	(141,362)	(870,461)
LHB net operating costs before interest and other gains and losses		**1,278,921**	**1,278,921**	1,234,698	1,234,697
Investment Revenue	5	**0**	**0**	0	0
Other (Gains) / Losses	6	**(38)**	**(38)**	(121)	(121)
Finance costs	7	**(21)**	**(21)**	8	8
Net operating costs for the financial year		**1,278,862**	**1,278,862**	**1,234,585**	**1,234,584**

See note 2 on page 25 for details of performance against Revenue and Capital allocations.

The notes on pages 8 to 75 form part of these accounts

Other Comprehensive Net Expenditure

	2021-22 £000	2020-21 £000
Net (gain) / loss on revaluation of property, plant and equipment	**(15,214)**	(7,930)
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	**(198)**	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 Boundar	**0**	0
Reclassification adjustment on disposal of available for sale financial asset	**0**	0
Other comprehensive net expenditure for the year	**(15,412)**	**(7,930)**
Total comprehensive net expenditure for the year	**1,263,450**	1,226,654

The notes on pages 8 to 75 form part of these accounts

Statement of Financial Position as at 31 March 2022

	Notes	31 March 2022 £000 Cwm Taf HB Activities	31 March 2022 £000	31 March 2021 £000 Cwm Taf HB Activities	31 March 2021 £000
Non-current assets					
Property, plant and equipment	11	**603,416**	**603,416**	549,909	549,909
Intangible assets	12	**3,596**	**3,596**	4,150	4,150
Trade and other receivables	15	**43,216**	**43,216**	39,298	39,298
Other financial assets	16	**0**	**0**	0	0
Total non-current assets		**650,228**	**650,228**	593,357	593,357
Current assets					
Inventories	14	**6,856**	**6,856**	6,061	6,061
Trade and other receivables	15	**91,571**	**105,305**	124,984	138,477
Other financial assets	16	**0**	**0**	0	0
Cash and cash equivalents	17	**438**	**37,548**	687	18,964
		98,865	**149,709**	131,732	163,502
Non-current assets classified as "Held for Sale"	11	**455**	**455**	0	0
Total current assets		**99,320**	**150,164**	131,732	163,502
Total assets		**749,548**	**800,392**	725,089	756,859
Current liabilities					
Trade and other payables	18	**(182,269)**	**(244,595)**	(175,210)	(218,462)
Other financial liabilities	19	**0**	**0**	0	0
Provisions	20	**(27,052)**	**(27,412)**	(49,579)	(49,939)
Total current liabilities		**(209,321)**	**(272,007)**	(224,789)	(268,401)
Net current assets/ (liabilities)		**(110,001)**	**(121,843)**	(93,057)	(104,899)
Non-current liabilities					
Trade and other payables	18	**(976)**	**(976)**	(1,143)	(1,143)
Other financial liabilities	19	**0**	**0**	0	0
Provisions	20	**(49,555)**	**(49,555)**	(45,680)	(45,680)
Total non-current liabilities		**(50,531)**	**(50,531)**	(46,823)	(46,823)
Total assets employed		**489,696**	**477,854**	453,477	441,635
Financed by :					
Taxpayers' equity					
General Fund		**427,163**	**415,321**	404,625	392,783
Revaluation reserve		**62,533**	**62,533**	48,852	48,852
Total taxpayers' equity		**489,696**	**477,854**	453,477	441,635

The financial statements on pages 2 to 7 were approved by the Board on 14 June 2022 and signed on its behalf by:

Chief Executive and Accountable Officer …….. Date: 14 June 2022.

The notes on pages 8 to 75 form part of these accounts

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2022

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2021-22			
Balance as at 31 March 2021	**392,783**	**48,852**	**441,635**
Adjustment	**0**	**0**	**0**
Balance at 1 April 2021	**392,783**	**48,852**	**441,635**
Net operating cost for the year	**(1,278,862)**		**(1,278,862)**
Net gain/(loss) on revaluation of property, plant and equipment	**0**	**15,214**	**15,214**
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**	**198**	**198**
Impairments and reversals	**0**	**0**	**0**
Other reserve movement	**0**	**0**	**0**
Transfers between reserves	**1,731**	**(1,731)**	**0**
Release of reserves to SoCNE	**0**	**0**	**0**
Transfers to/from LHBs	**0**	**0**	**0**
Total recognised income and expense for 2021-22	**(1,277,131)**	**13,681**	**(1,263,450)**
Net Welsh Government funding	**1,274,558**		**1,274,558**
Notional Welsh Government Funding	**25,111**		**25,111**
Balance at 31 March 2022	**415,321**	**62,533**	**477,854**

The notes on pages 8 to 75 form part of these accounts

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2021

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2020-21			
Balance at 31 March 2020	404,483	48,164	452,647
Adjustment	0	0	0
Balance at 1 April 2020	404,483	48,164	452,647
Net operating cost for the year	(1,234,584)		(1,234,584)
Net gain/(loss) on revaluation of property, plant and equipment	0	7,930	7,930
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	7,242	(7,242)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	0	0	0
Total recognised income and expense for 2020-21	(1,227,342)	688	(1,226,654)
Net Welsh Government funding	1,191,754		1,191,754
Notional Welsh Government Funding	23,888		23,888
Balance at 31 March 2021	392,783	48,852	441,635

The notes on pages 8 to 75 form part of these accounts

Statement of Cash Flows for year ended 31 March 2022

	Notes	2021-22 £000 Cwm Taf HB Activities	2021-22 £000	2020-21 £000 Cwm Taf HB Activities	2020-21 £000
Cash Flows from operating activities					
Net operating cost for the financial year		**(1,278,862)**	**(1,278,862)**	(1,234,585)	(1,234,584)
Movements in Working Capital	27	**36,633**	**55,466**	29,930	33,609
Other cash flow adjustments	28	**68,531**	**68,637**	74,642	74,934
Provisions utilised	20	**(20,952)**	**(21,058)**	(13,999)	(14,073)
Net cash outflow from operating activities		**(1,194,650)**	**(1,175,817)**	(1,144,012)	(1,140,114)
Cash Flows from investing activities					
Purchase of property, plant and equipment		**(80,552)**	**(80,552)**	(46,217)	(46,217)
Proceeds from disposal of property, plant and equipment		**756**	**756**	201	201
Purchase of intangible assets		**(198)**	**(198)**	(1,257)	(1,257)
Proceeds from disposal of intangible assets		**0**	**0**	0	0
Payment for other financial assets		**0**	**0**	0	0
Proceeds from disposal of other financial assets		**0**	**0**	0	0
Payment for other assets		**0**	**0**	0	0
Proceeds from disposal of other assets		**0**	**0**	0	0
Net cash inflow/(outflow) from investing activities		**(79,994)**	**(79,994)**	(47,273)	(47,273)
Net cash inflow/(outflow) before financing		**(1,274,644)**	**(1,255,811)**	(1,191,285)	(1,187,387)
Cash Flows from financing activities					
Welsh Government funding (including capital)		**1,274,558**	**1,274,558**	1,191,754	1,191,754
Capital receipts surrendered		**0**	**0**	0	0
Capital grants received		**0**	**0**	0	0
Capital element of payments in respect of finance leases and on-SoFP		**(163)**	**(163)**	(158)	(158)
Cash transferred (to)/ from other NHS bodies		**0**	**0**	0	0
Net financing		**1,274,395**	**1,274,395**	1,191,596	1,191,596
Net increase/(decrease) in cash and cash equivalents		**(249)**	**18,584**	311	4,209
Cash and cash equivalents (and bank overdrafts) at 1 April		**687**	**18,964**	376	14,755
Cash and cash equivalents (and bank overdrafts) at 31 March		**438**	**37,548**	687	18,964

The notes on pages 8 to 75 form part of these accounts

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 2021-22 Manual for Accounts. The accounting policies contained in that manual follow the 2021-22 Financial Reporting Manual (FReM), in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, except for IFRS 16 Leases, which is deferred until 1 April 2022; 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.

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.

1.3.1. WHSSC/EASC

Neither Welsh Health Specialised Services Committee nor Emergency Ambulance Services Committee hold any statutory responsibility for a resource limit. Services are funded by income from LHBs and based on an agreed financial plan. The committees account for all expenditure on agreed services against the income received as part of their plans. All variances from plan are allocated to LHBs on the basis of an agreed risk sharing framework and matched by income adjustments consistent with this framework. The net operating cost for the financial year is therefore zero.

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.

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 2017-18 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.

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.

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 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

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

1.11.1. The NHS Wales organisation as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the SoCNE.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

1.11.2. The NHS Wales organisation as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the NHS Wales organisation net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the NHS Wales organisation's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line 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 on a straight-line basis over the lease term.

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 2020-21 and 2019-20. The WRP is hosted by Velindre NHS Trust.

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.

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.

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 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.

Significant estimations are made in relation to the accruals/creditors for the bonus payments and the annual leave accrual.

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 WRPS Committee.

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	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%.*

Clinical negligence cases - In accordance with the Manual for Accounts, defence fee provision calculation is based on analysis of historical information covering a three year period. Accordingly, 35.78% of the defence fee costs are accounted for as provision and the remaining 64.22% is accounted for in Contingent Liabilities.

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 caused.

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.

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.

1.26.2. PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. 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.

1.26.3. 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.

1.26.4. 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.

1.26.5. 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 16 Leases is to be effective from 1st April 2022.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

1.30. Accounting standards issued that have been adopted early

During 2021-22 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

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 Cwm Taf Morgannwg NHS Charitable Fund, it is considered for accounting standards compliance to have control of the Cwm Taf Morgannwg NHS Charitable Fund as a subsidiary and therefore is required to consolidate the results of the Cwm Taf Morgannwg NHS Charitable Fund 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 Cwm Taf Morgannwg NHS Charitable Fund 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' note.

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 reponsible, 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			
	2019-20	2020-21	**2021-22**	**Total**
	£000	£000	**£000**	**£000**
Net operating costs for the year	1,066,986	1,234,585	**1,278,862**	**3,580,433**
Less general ophthalmic services expenditure and other non-cash limited expenditure	(672)	93	**(66)**	**(645)**
Less revenue consequences of bringing PFI schemes onto SoFP	(122)	(126)	**(131)**	**(379)**
Total operating expenses	1,066,192	1,234,552	**1,278,665**	**3,579,409**
Revenue Resource Allocation	1,067,075	1,234,640	**1,278,837**	**3,580,552**
Under /(over) spend against Allocation	883	88	**172**	**1,143**

Cwm Taf LHB has met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2019-20 to 2021-22.

The health board did not receive strategic cash only support in 2021-22.

2.2 Capital Resource Performance

	2019-20	2020-21	**2021-22**	**Total**
	£000	£000	**£000**	**£000**
Gross capital expenditure	40,244	53,772	**79,967**	**173,983**
Add: Losses on disposal of donated assets	0	0	**0**	**0**
Less NBV of property, plant and equipment and intangible assets disposed	(5)	(80)	**(717)**	**(802)**
Less capital grants received	(49)	(1,264)	**(13)**	**(1,326)**
Less donations received	(1,862)	(197)	**(83)**	**(2,142)**
Charge against Capital Resource Allocation	38,328	52,231	**79,154**	**169,713**
Capital Resource Allocation	38,352	52,278	**79,196**	**169,826**
(Over) / Underspend against Capital Resource Allocation	24	47	**42**	**113**

Cwm Taf LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2019-20 to 2021-22.

2.3 Duty to prepare a 3 year integrated plan

Due to the pandemic, the process for the 2020-23 integrated plan was paused in spring 2020 temporary planning arrangement were implemented.

As a result the extant planning duty for 2021-22 remains the requirement to submit and have approved a 2019-22 integrated plan, as set out in the NHS Wales Planning Framework 2019-22.

The Health Board submitted a 2019-22 integrated plan in accordance with the planning framework.

The Minister for Health and Social Services extant approval

Status	
Date	26/03/2019

The LHB **has** therefore 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 Health Board has achieved the following results:

	2021-22	2020-21
Total number of non-NHS bills paid	**249,925**	214,788
Total number of non-NHS bills paid within target	**239,146**	201,425
Percentage of non-NHS bills paid within target	**95.7%**	93.8%

The LHB has met the target.

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited	Non-cash limited	2021-22 Total	2020-21
	£000	£000	£000	£000
General Medical Services	86,136		86,136	82,559
Pharmaceutical Services	28,525	(6,331)	22,194	21,196
General Dental Services	27,011		27,011	25,470
General Ophthalmic Services	1,604	6,397	8,001	7,101
Other Primary Health Care expenditure	17,435		17,435	14,984
Prescribed drugs and appliances	91,002		91,002	92,263
Total	251,713	66	251,779	243,573

Included within Note 3.1 General Medical Services are staff costs of £7.202m (2020-21 £7.107m).

3.2 Expenditure on healthcare from other providers

	2021-22 £000 CT activities	2021-22 £000	2020-21 £000 CT activities	2020-21 £000
Goods and services from other NHS Wales Health Boards	77,989	557,398	74,359	517,518
Goods and services from other NHS Wales Trusts	26,305	261,125	23,392	242,851
Goods and services from Special Health Authorities	2,976	3,104	0	0
Goods and services from other non Welsh NHS bodies	335	179,578	153	159,575
Goods and services from WHSSC / EASC	148,438	0	155,190	0
Local Authorities	26,495	26,495	23,209	23,209
Voluntary organisations	4,975	6,878	3,920	8,243
NHS Funded Nursing Care	6,246	6,246	7,022	7,022
Continuing Care	49,163	49,163	46,093	46,093
Private providers	6,751	40,152	1,724	52,226
Specific projects funded by the Welsh Government	0	0	0	0
Other	35	35	354	353
Total	349,708	1,130,174	335,416	1,057,090

WHSSC do not hold any statutory responsibility for a resource limit and as such cannot receive funding directly from Welsh Government. Any funding from Welsh Government for WHSSC activities is received by Cwm Taf Morgannwg UHB. This funding is then passed to WHSSC, classified as expenditure between Cwm Taf Morgannwg and WHSSC.
WHSSC Covid 19 related expenditure included within Private Providers of £3,389,000.

Included within CT activities figures above is the following Welsh Government funding relating to WHSSC activities.

	£000
Goods and Services from WHSSC/EASC	14,208

3.3 Expenditure on Hospital and Community Health Services

	2021-22 £000 CT activities	2021-22 £000	2020-21 £000 CT activities	2020-21 £000
Directors' costs	2,235	2,235	2,042	2,042
Operational Staff costs	608,967	615,742	600,081	606,092
Non operational collaborative bank staff costs	0	0	0	0
Single lead employer Staff Trainee Cost	16,234	16,234	6,123	6,123
Collaborative Bank Staff Cost	21	21	27	27
Supplies and services - clinical	82,389	82,389	73,183	73,192
Supplies and services - general	10,802	10,802	11,969	11,969
Consultancy Services	708	1,003	423	1,453
Establishment	10,766	10,932	9,700	9,744
Transport	2,072	2,072	2,042	2,042
Premises	32,685	33,383	35,044	35,647
External Contractors	34	34	70	70
Depreciation	28,659	28,659	25,678	25,678
Amortisation	769	769	300	300
Fixed asset impairments and reversals (Property,	11,826	11,826	17,840	17,840
Fixed asset impairments and reversals (Intangibl	0	0	0	0
Impairments & reversals of financial assets	0	0	0	0
Impairments & reversals of non-current assets he	0	0	0	0
Audit fees	378	429	459	509
Other auditors' remuneration	0	0	0	0
Losses, special payments and irrecoverable debt	4,221	4,327	2,602	2,602
Research and Development	0	0	0	0
NWSSP centrally purchased Covid assets issuec	0	0	0	0
NWSSP centrally purchased Covid assets issuec	0	0	0	0
Other operating expenses	12,767	12,767	9,488	9,165
Total	**825,533**	**833,624**	797,071	804,495

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

Increase/(decrease) in provision for future payments:	**2021-22 £'000**	2020-21 £'000
Clinical negligence;		
Secondary care	1,180	12,553
Primary care	1	0
Redress Secondary Care	136	221
Redress Primary Care	0	0
Personal injury	946	705
All other losses and special payments	2,363	625
Defence legal fees and other administrative costs	993	750
Gross increase/(decrease) in provision for future payments	**5,619**	**14,854**
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	(81)	197
Less: income received/due from Welsh Risk Pool	(1,211)	(12,449)
Total	**4,327**	**2,602**

	2021-22 £	2020-21 £
Permanent injury included within personal injury £:	345,490	502,060

4. Miscellaneous Income

	2021-22 £000 CT activities	2021-22 £000	2020-21 £000 CT activities	2020-21 £000
Local Health Boards	76,968	874,394	74,939	812,604
Welsh Health Specialised Services Committee (WHSSC)/Emergency Ambulance Services Committee (EASC)	10,954	0	10,617	0
NHS trusts	8,216	8,331	7,111	7,207
Welsh Special Health Authorities	742	742	0	0
Foundation Trusts	0	0	0	0
Other NHS England bodies	898	898	341	341
Other NHS Bodies	0	0	0	0
Local authorities	11,050	11,050	10,859	10,859
Welsh Government	6,178	6,876	4,524	5,254
Welsh Government Hosted bodies	0	0	0	0
Non NHS:	0	0		
Prescription charge income	0	0	0	0
Dental fee income	3,909	3,909	1,433	1,433
Private patient income	273	273	152	152
Overseas patients (non-reciprocal)	0	0	0	0
Injury Costs Recovery (ICR) Scheme	1,297	1,297	807	807
Other income from activities	391	1,762	438	1,812
Patient transport services	0	0	0	0
Education, training and research	16,724	16,724	16,466	16,466
Charitable and other contributions to expenditure	250	250	264	264
Receipt of NWSSP Covid centrally purchased assets	0	0	5,471	5,471
Receipt of Covid centrally purchased assets from other organisations	0	0	0	0
Receipt of donated assets	83	83	200	200
Receipt of Government granted assets	13	13	1,428	1,428
Non-patient care income generation schemes	520	520	274	274
NHS Wales Shared Services Partnership (NWSSP)	0	0	0	0
Deferred income released to revenue	0	0	376	376
Contingent rental income from finance leases	0	0	0	0
Rental income from operating leases	0	0	0	0
Other income:				
Provision of laundry, pathology, payroll services	528	528	494	494
Accommodation and catering charges	3,010	3,010	2,472	2,472
Mortuary fees	521	521	484	484
Staff payments for use of cars	230	230	250	250
Business Unit	0	0	0	0
Scheme Pays Reimbursement Notional	943	943	0	0
Other	4,401	4,302	1,962	1,813
Total	**148,099**	**936,656**	141,362	870,461

Injury Cost Recovery (ICR) Scheme income is subject to a provision for impairment re personal injury claims

	2021-22 %	2020-21 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	23.76	22.43

5. Investment Revenue

	2021-22	2020-21
	£000	£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

	2021-22	2020-21
	£000	£000
Gain/(loss) on disposal of property, plant and equipment	38	63
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	58
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	38	121

7. Finance costs

	2021-22	2020-21
	£000	£000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under PFI contracts		
main finance cost	42	41
contingent finance cost	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	42	41
Provisions unwinding of discount	(63)	(33)
Other finance costs	0	0
Total	(21)	8

8. Operating leases

LHB as lessee

As at 31st March 2022 the LHB had 20 operating lease agreements in place for the leases of premises, 5 arrangement in respect of equipment and 89 in respect of vehicles, with 6 premises, 0 equipment and 34 vehicle leases having expired in year.

Payments recognised as an expense	**2021-22**	2020-21
	£000	£000
Minimum lease payments	**4,547**	5,046
Contingent rents	**0**	0
Sub-lease payments	**0**	0
Total	**4,547**	5,046

Total future minimum lease payments		
Payable	**£000**	£000
Not later than one year	**3,504**	4,710
Between one and five years	**10,304**	9,658
After 5 years	**10,576**	14,510
Total	**24,384**	28,878

LHB as lessor

Rental revenue	**£000**	£000
Rent	**207**	119
Contingent rents	**0**	0
Total revenue rental	**207**	119

Total future minimum lease payments		
Receivable	**£000**	£000
Not later than one year	**241**	235
Between one and five years	**506**	613
After 5 years	**825**	945
Total	**1,572**	1,793

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	2020-21
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	465,617	1,465	30,992	12,985	19	16,797	527,875	507,569
Social security costs	45,506	51	0	1,490	1	0	47,048	48,231
Employer contributions to NHS Pension Scheme	82,459	69	0	1,759	1	0	84,288	82,361
Other pension costs	247	0	0	0	0	0	247	199
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	84	0	0	0	0	0	84	417
Total	593,913	1,585	30,992	16,234	21	16,797	659,542	638,777

Charged to capital	1,831	1,300
Charged to revenue	657,711	637,060
	659,542	638,360
Net movement in accrued employee benefits (untaken staff leave total accrual included in note above)	3,984	13,077
The net movement in accrued employee benefits footnote above includes Covid 19 Net movement in accrued employee benefits	3,984	13,077

Following categories of costs are included within the 'Other' heading:
1) Medacs/Retinue contracted staff.
2) IR35 applicable staff.
3) GP out of hours staff.

9.2 Average number of employees

	Permanent Staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Collaborative Bank Staff	Other	Total	2020-21
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,206	20	42	0	0	1	2,269	2,165
Medical and dental	614	3	2	255	0	81	955	1,121
Nursing, midwifery registered	3,546	2	370	0	1	0	3,919	3,724
Professional, Scientific, and technical staff	339	0	0	0	0	0	339	377
Additional Clinical Services	2,070	0	111	0	0	0	2,181	2,006
Allied Health Professions	720	0	0	0	0	19	739	656
Healthcare Scientists	196	0	0	0	0	15	211	216
Estates and Ancilliary	1,127	0	55	0	0	1	1,183	1,172
Students	30	0	0	0	0	0	30	148
Total	10,848	25	580	255	1	117	11,826	11,585

9.3. Retirements due to ill-health

	2021-22	2020-21
Number	10	15
Estimated additional pension costs £	442,659	474,604

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 LHB does not have an employee benefit scheme.

9.5 Reporting of other compensation schemes - exit packages

Exit packages cost band (including any special payment element)	2021-22 Number of compulsory redundancies	2021-22 Number of other departures	2021-22 Total number of exit packages	2021-22 Number of departures where special payments have been made	2020-21 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	0	0	0	0
£10,000 to £25,000	0	3	3	0	4
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	3	3	0	0
£100,000 to £150,000	0	1	1	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	7	7	0	4

Exit packages cost band (including any special payment element)	2021-22 Cost of compulsory redundancies	2021-22 Cost of other departures	2021-22 Total cost of exit packages	2021-22 Cost of special element included in exit packages	2020-21 Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	62,658	62,658	0	76,254
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	248,086	248,086	0	0
£100,000 to £150,000	0	101,977	101,977	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	412,721	412,721	0	76,254

Exit costs paid in year of departure	2021-22	Total paid in year 2020-21
	£	£
Exit costs paid in year	412,721	76,254
Total	412,721	76,254

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). Where the LHB has agreed early retirements, the additional costs are met by the LHB 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.

All 7 special payments are severance payments, the highest payment was £101,977 the lowest payment was £20,000 and the median value was for £72,703.

All seven of the exit packages are in relation to CTM employees.

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. The 2021-22 financial year is the first year disclosures in respect of the 25th percentile pay ratio and 75th percentile pay ratio are required.

	2021-22	**2021-22**	**2021-22**	2020-21	2020-21	2020-21
	£000	**£000**	**£000**	£000	£000	£000
Total pay and benefits	**Chief Executive**	**Employee**	**Ratio**	Chief Executive	Employee	Ratio
25th percentile pay ratio	**208**	**23**	**9.1**	203	23	8.7
Median pay	**208**	**32**	**6.5**	203	31	6.5
75th percentile pay ratio	**208**	**42**	**5.0**	203	41	5.0
Salary component of total pay and benefits						
25th percentile pay ratio	**208**	**23**	**9.1**	203	23	8.7
Median pay	**208**	**32**	**6.5**	203	31	6.5
75th percentile pay ratio	**208**	**42**	**5.0**	203	41	5.0

	Highest Paid			Highest Paid		
Total pay and benefits	**Director**	**Employee**	**Ratio**	Director	Employee	Ratio
25th percentile pay ratio	**213**	**23**	**9.3**	203	23	8.7
Median pay	**213**	**32**	**6.7**	203	31	6.5
75th percentile pay ratio	**213**	**42**	**5.1**	203	41	5.0
Salary component of total pay and benefits						
25th percentile pay ratio	**213**	**23**	**9.3**	203	23	8.7
Median pay	**213**	**32**	**6.7**	203	31	6.5
75th percentile pay ratio	**213**	**42**	**5.1**	203	41	5.0

In 2021-22, 12 (2020-21, 11) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £5k to £351k (2020-21, £5k to £365k).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

Financial year summary
There is an slight increase on the 25th percentile ratio for both the Chief Executive and Highest paid director. The increase is due to a change in the highest paid director. As the median ratio remains the same Cwm Taf Morgannwg UHB believes the median pay ratio for the relevant financial year is consistent with the pay, reward and progression policies for the Health Boards employees taken as a whole.

9.6.2 Percentage Changes	**2020-21 to 2021-22**	2019-20 to 2020-21
	%	%
% Change from previous financial year in respect of Chief Executive		
Salary and allowances	**3%**	N/A
Performance pay and bonuses	**3%**	N/A
% Change from previous financial year in respect of highest paid director		
Salary and allowances	**5%**	N/A
Performance pay and bonuses	**5%**	N/A
Average % Change from previous financial year in respect of employees takes as a whole		
Salary and allowances	**1%**	N/A
Performance pay and bonuses	**1%**	N/A

9.7 PENSION COSTS

Past and present employees are covered by the provisions of the two 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 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 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 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 report of the scheme actuary, which forms part of the annual NHS Pension Scheme 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 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see Amending Directions 2021) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports.

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 contribuions, 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 £50,000 for the 2021-2022 tax year (2020-2021 £6,240 and £50,000).

Restrictions on the annual contribution limits were removed on 1st April 2017.

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.

	2021-22	**2021-22**	2020-21	2020-21
NHS	**Number**	**£000**	Number	£000
Total bills paid	**6,945**	**1,034,267**	8,060	960,506
Total bills paid within target	**5,914**	**1,020,146**	5,903	947,369
Percentage of bills paid within target	**85.2%**	**98.6%**	73.2%	98.6%
Non-NHS				
Total bills paid	**249,925**	**564,138**	214,788	507,341
Total bills paid within target	**239,146**	**528,050**	201,425	479,306
Percentage of bills paid within target	**95.7%**	**93.6%**	93.8%	94.5%
Total				
Total bills paid	**256,870**	**1,598,405**	222,848	1,467,847
Total bills paid within target	**245,060**	**1,548,196**	207,328	1,426,675
Percentage of bills paid within target	**95.4%**	**96.9%**	93.0%	97.2%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2021-22	2020-21
	£	£
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

11.1 Property, plant and equipment

	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 or valuation at 1 April 2021	37,494	514,784	6,767	32,736	102,293	329	32,165	6,815	733,383
Indexation	227	16,172	120	0	0	0	0	0	16,519
Additions									
- purchased	0	7,873	0	52,546	12,233	0	6,444	577	79,673
- donated	0	0	0	15	52	0	0	0	67
- government granted	0	0	0	0	13	0	0	0	13
Transfer from/into other NHS bodies	0	0	0	0	(2,216)	0	0	0	(2,216)
Reclassifications	0	21,030	0	(21,271)	(4)	0	245	0	0
Revaluations	0	(1,831)	(11)	0	0	0	0	0	(1,842)
Reversal of impairments	531	6,052	175	0	0	0	0	0	6,758
Impairments	0	(20,715)	0	0	0	0	0	0	(20,715)
Reclassified as held for sale	(76)	(87)	(94)	0	0	0	0	0	(257)
Disposals	0	0	0	0	(5,800)	(16)	(31)	(1,277)	(7,124)
At 31 March 2022	38,176	543,278	6,957	64,026	106,571	313	38,823	6,115	804,259
Depreciation at 1 April 2021	0	90,580	1,086	0	66,562	289	19,563	5,394	183,474
Indexation	0	2,318	34	0	0	0	0	0	2,352
Transfer from/into other NHS bodies	0	0	0	0	(1,536)	0	0	0	(1,536)
Reclassifications	0	(9)	0	9	0	0	0	0	0
Revaluations	0	(2,878)	(11)	0	0	0	0	0	(2,889)
Reversal of impairments	0	(2,082)	0	0	0	0	0	0	(2,082)
Impairments	0	(49)	0	0	0	0	0	0	(49)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(5,762)	(16)	(31)	(1,277)	(7,086)
Provided during the year	0	14,987	220	2	8,785	10	4,229	426	28,659
At 31 March 2022	0	102,867	1,329	11	68,049	283	23,761	4,543	200,843
Net book value at 1 April 2021	37,494	424,204	5,681	32,736	35,731	40	12,602	1,421	549,909
Net book value at 31 March 2022	38,176	440,411	5,628	64,015	38,522	30	15,062	1,572	603,416
Net book value at 31 March 2022 comprises :									
Purchased	37,302	433,255	5,628	64,015	37,329	30	14,873	1,511	593,943
Donated	874	7,156	0	0	183	0	177	61	8,451
Government Granted	0	0	0	0	1,010	0	12	0	1,022
At 31 March 2022	38,176	440,411	5,628	64,015	38,522	30	15,062	1,572	603,416
Asset financing :									
Owned	37,939	439,178	4,419	64,015	38,522	30	15,062	1,572	600,737
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	237	1,233	1,209	0	0	0	0	0	2,679
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2022	38,176	440,411	5,628	64,015	38,522	30	15,062	1,572	603,416

The net book value of land, buildings and dwellings at 31 March 2022 comprises :

	£000
Freehold	484,215
Long Leasehold	0
Short Leasehold	0
	484,215

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. 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.

11.1 Property, plant and equipment

	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 or valuation at 1 April 2020	38,312	489,519	6,589	33,019	97,298	329	32,467	8,094	705,627
Indexation	(233)	9,140	70	0	0	0	0	0	8,977
Additions									
- purchased	0	9,970	0	24,549	10,800	0	5,732	465	51,516
- donated	0	60	0	0	70	0	44	0	174
- government granted	0	0	0	0	1,260	0	3	0	1,263
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	24,811	0	(24,832)	(4)	0	21	4	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	3,888	108	0	0	0	0	0	3,996
Impairments	(570)	(22,549)	0	0	0	0	0	0	(23,119)
Reclassified as held for sale	(15)	(55)	0	0	0	0	0	0	(70)
Disposals	0	0	0	0	(7,131)	0	(6,102)	(1,748)	(14,981)
At 31 March 2021	37,494	514,784	6,767	32,736	102,293	329	32,165	6,815	733,383
Depreciation at 1 April 2020	0	76,907	861	0	66,164	279	22,211	6,581	173,003
Indexation	0	1,033	14	0	0	0	0	0	1,047
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	(2)	0	0	2	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	(1,283)	0	0	0	0	0	0	(1,283)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(7,121)	0	(6,102)	(1,748)	(14,971)
Provided during the year	0	13,923	211	0	7,521	10	3,454	559	25,678
At 31 March 2021	0	90,580	1,086	0	66,562	289	19,563	5,394	183,474
Net book value at 1 April 2020	38,312	412,612	5,728	33,019	31,134	50	10,256	1,513	532,624
Net book value at 31 March 2021	37,494	424,204	5,681	32,736	35,731	40	12,602	1,421	549,909
Net book value at 31 March 2021 comprises :									
Purchased	36,638	417,140	5,681	32,736	34,366	40	12,343	1,352	540,296
Donated	856	7,064	0	0	180	0	242	69	8,411
Government Granted	0	0	0	0	1,185	0	17	0	1,202
At 31 March 2021	37,494	424,204	5,681	32,736	35,731	40	12,602	1,421	549,909
Asset financing :									
Owned	37,261	422,938	4,488	32,736	35,732	40	12,603	1,421	547,219
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	233	1,266	1,191	0	0	0	0	0	2,690
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2021	37,494	424,204	5,679	32,736	35,732	40	12,603	1,421	549,909

The net book value of land, buildings and dwellings at 31 March 2021 comprises :

	£000
Freehold	467,380
Long Leasehold	0
Short Leasehold	0
	467,380

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. 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.

11. Property, plant and equipment (continued)

Disclosures:

Disclosures:

i) Donated Assets

Cwm Taf Morgannwg LHB has received the following donated assets during the year:

	£000
Bluebell room conversion POW Maternity	15
M Doddi project Health Pack	17
SMOTS system for Endoscopy Theatre	29
Macmillan VR Headset	8
Abbots Dietetics Bioscan Touch i8 IVF	15
Nova Blood Gas Analyser	13
Total	96

ii) Valuations

The LHBs land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. 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.

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/has not been no compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs

During 20-21 the following impairments arose:

	£'000
The impairments as a result of bringing assets into use:	
PCH Ground and first floor refurbishment phase 1b	14,111
Dewi Sant Health Park phase 2	2,847
CT replacement POW	8
POW fluoroscopy MRI	1,618
No impairments arose as a result of an asset held for sale:	
Reversal of impairments	(6758)
Total impairments	11,826

vi) The LHB does/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 two properties that were held for sale in the period but at the end of the year remain for sale:
Llwyn Yr Eos valued by the DV at £245,000 and 11 Cedar Wood Drive valued by the DV at £210,000

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 2021	**0**	**0**	**0**	**0**	**0**	**0**
Plus assets classified as held for sale in the year	**76**	**181**	**0**	**0**	**0**	**257**
Revaluation	**58**	**140**	**0**	**0**	**0**	**198**
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 2022	**134**	**321**	**0**	**0**	**0**	**455**
Balance brought forward 1 April 2020	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	15	55	0	0	0	**70**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	(15)	(55)	0	0	0	**(70)**
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 2021	0	0	0	0	0	**0**

12. Intangible non-current assets

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure (internally generated)	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2021	**4,232**	**0**	**2,496**	**0**	**0**	**6,728**
Revaluation	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Additions- purchased	142	0	56	0	0	198
Additions- internally generated	0	0	0	0	0	0
Additions- donated	17	0	0	0	0	17
Additions- government granted	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
Gross cost at 31 March 2022	**4,391**	**0**	**2,552**	**0**	**0**	**6,943**
Amortisation at 1 April 2021	**386**	**0**	**2,192**	**0**	**0**	**2,578**
Revaluation	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Impairment	0	0	0	0	0	0
Provided during the year	730	0	39	0	0	769
Reclassified as held for sale	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
Amortisation at 31 March 2022	**1,116**	**0**	**2,231**	**0**	**0**	**3,347**
Net book value at 1 April 2021	**3,846**	**0**	**304**	**0**	**0**	**4,150**
Net book value at 31 March 2022	**3,275**	**0**	**321**	**0**	**0**	**3,596**
At 31 March 2022						
Purchased	3,223	0	316	0	0	3,539
Donated	37	0	5	0	0	42
Government Granted	15	0	0	0	0	15
Internally generated	0	0	0	0	0	0
Total at 31 March 2022	**3,275**	**0**	**321**	**0**	**0**	**3,596**

12. Intangible non-current assets

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure (internally generated)	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2020	3,549	0	2,496	0	0	6,045
Revaluation	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Additions- purchased	796	0	0	0	0	796
Additions- internally generated	0	0	0	0	0	0
Additions- donated	23	0	0	0	0	23
Additions- government granted	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Disposals	(136)	0	0	0	0	(136)
Gross cost at 31 March 2021	4,232	0	2,496	0	0	6,728
Amortisation at 1 April 2020	377	0	2,037	0	0	2,414
Revaluation	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Impairment	0	0	0	0	0	0
Provided during the year	145	0	155	0	0	300
Reclassified as held for sale	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Disposals	(136)	0	0	0	0	(136)
Amortisation at 31 March 2021	386	0	2,192	0	0	2,578
Net book value at 1 April 2020	3,172	0	459	0	0	3,631
Net book value at 31 March 2021	3,846	0	304	0	0	4,150
At 31 March 2021						
Purchased	3,795	0	297	0	0	4,092
Donated	30	0	7	0	0	37
Government Granted	21	0	0	0	0	21
Internally generated	0	0	0	0	0	0
Total at 31 March 2021	3,846	0	304	0	0	4,150

Additional disclosures re Intangible Assets

No significant matters to report.

13 . Impairments

	2021-22 Property, plant & equipment £000	2021-22 Intangible assets £000	2020-21 Property, plant & equipment £000	2020-21 Intangible assets £000
Impairments arising from :				
Loss or damage from normal operations	0	0	0	0
Abandonment in the course of construction	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0
Unforeseen obsolescence	0	0	0	0
Changes in market price	0	0	0	0
Others (specify)	18,584	0	21,836	0
Reversal of Impairments	(6,758)	0	(3,996)	0
Total of all impairments	**11,826**	**0**	17,840	0
Analysis of impairments charged to reserves in year :				
Charged to the Statement of Comprehensive Net Expenditure	11,826	0	17,840	0
Charged to Revaluation Reserve	0	0	0	0
	11,826	**0**	17,840	0

14.1 Inventories

	31 March 2022	31 March 2021
	£000	£000
Drugs	3,075	2,590
Consumables	3,560	3,317
Energy	221	154
Work in progress	0	0
Other	0	0
Total	**6,856**	6,061
Of which held at realisable value	0	0

14.2 Inventories recognised in expenses

	31 March 2022	31 March 2021
	£000	£000
Inventories recognised as an expense in the period	96	82
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	**96**	82

15. Trade and other Receivables

Current	**31 March 2022 £000 CT activities**	**31 March 2022 £000**	31 March 2021 £000 CT activities	31 March 2021 £000
Welsh Government	**6,296**	**6,731**	4,326	4,739
WHSSC / EASC	**2,521**	**0**	2,016	0
Welsh Health Boards	**2,728**	**15,195**	1,983	13,733
Welsh NHS Trusts	**3,870**	**5,206**	2,682	4,722
Welsh Special Health Authorities	**341**	**341**	382	382
Non - Welsh Trusts	**299**	**2,177**	161	1,306
Other NHS	**0**	**0**	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	**9**	**9**	0	0
Welsh Risk Pool Claim reimbursement;				
NHS Wales Secondary Health Sector	**50,324**	**50,324**	75,060	75,060
NHS Wales Primary Sector FLS Reimbursement	**1**	**1**	0	0
NHS Wales Redress	**541**	**541**	608	608
Other	**0**	**0**	0	0
Local Authorities	**11,193**	**11,193**	22,787	22,787
Capital debtors - Tangible	**0**	**0**	430	430
Capital debtors - Intangible	**0**	**0**	0	0
Other debtors	**9,352**	**9,431**	6,564	6,633
Provision for irrecoverable debts	**(2,733)**	**(2,733)**	(2,850)	(2,850)
NHS Pension Prepayments	**0**	**0**	0	0
NEST Pension Repayments	**0**	**0**	0	0
Other prepayments	**6,343**	**6,403**	9,601	9,693
Other accrued income	**486**	**486**	1,234	1,234
Sub total	**91,571**	**105,305**	124,984	138,477
Non-current				
Welsh Government	**0**	**0**	0	0
WHSSC / EASC	**0**	**0**	0	0
Welsh Health Boards	**0**	**0**	0	0
Welsh NHS Trusts	**0**	**0**	0	0
Welsh Special Health Authorities	**0**	**0**	0	0
Non - Welsh Trusts	**0**	**0**	0	0
Other NHS	**0**	**0**	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	**934**	**934**	0	0
Welsh Risk Pool Claim reimbursement;				
NHS Wales Secondary Health Sector	**42,206**	**42,206**	39,195	39,195
NHS Wales Primary Sector FLS Reimbursement	**0**	**0**	0	0
NHS Wales Redress	**0**	**0**	0	0
Other	**0**	**0**	0	0
Local Authorities	**0**	**0**	0	0
Capital debtors - Tangible	**0**	**0**	0	0
Capital debtors - Intangible	**0**	**0**	0	0
Other debtors	**0**	**0**	0	0
Provision for irrecoverable debts	**0**	**0**	0	0
NHS Pension Prepayments	**0**	**0**	0	0
NEST Pension Repayments	**0**	**0**	0	0
Other prepayments	**76**	**76**	103	103
Other accrued income	**0**	**0**	0	0
Sub total	**43,216**	**43,216**	39,298	39,298
Total	**134,787**	**148,521**	164,282	177,775

15. Trade and other Receivables

	31 March 2022 £000 CT activities	31 March 2022 £000	31 March 2021 £000 CT activities	31 March 2021 £000
Receivables past their due date but not impaired				
By up to three months	**2,813**	**2,823**	2,005	2,102
By three to six months	**350**	**353**	654	654
By more than six months	**621**	**621**	995	995
	3,784	**3,797**	3,654	3,751
Expected Credit Losses (ECL) / Provision for impairment of receivables				
Balance at 1 April	**(2,850)**	**(2,850)**	(2,516)	(2,516)
Transfer from other NHS Wales body	**0**	**0**	0	0
Amount written off during the year	**20**	**20**	244	244
Amount recovered during the year	**20**	**20**	511	511
(Increase) / decrease in receivables impaired	**77**	**77**	(1,089)	(1,089)
Bad debts recovered during year	**0**	**0**	0	0
Balance at 31 March	**(2,733)**	**(2,733)**	(2,850)	(2,850)

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**	0	0
Other	**4,880**	**0**	2,201	2,201
Total	**4,880**	**0**	2,201	2,201

16. Other Financial Assets

	Current		Non-current	
	31 March 2022	31 March 2021	**31 March 2022**	31 March 2021
	£000	£000	**£000**	£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				
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

17. Cash and cash equivalents

	2021-22	**2021-22**	2020-21	2020-21
	£000	**£000**	£000	£000
	CT activities		CT activities	
Balance at 1 April	**687**	**18,964**	376	14,755
Net change in cash and cash equivalent balances	**(249)**	**18,584**	311	4,209
Balance at 31 March	**438**	**37,548**	687	18,964
Made up of:				
Cash held at GBS	**396**	**37,506**	640	18,917
Commercial banks	**11**	**11**	21	21
Cash in hand	**31**	**31**	26	26
Cash Total	**438**	**37,548**	687	18,964
Current Investments	**0**	**0**	0	0
Cash and cash equivalents as in Statement of Financial Position	**438**	**37,548**	687	18,964
Bank overdraft - GBS	**0**	**0**	0	0
Bank overdraft - Commercial banks	**0**	**0**	0	0
Cash and cash equivalents as in Statement of Cash Flows	**438**	**37,548**	687	18,964

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are;

Lease Liabilities £nil

PFI liabilities £163k

The movement relates to cash, no comparative information is required by IAS 7 in 2021-22.

18. Trade and other payables

Current	**31 March 2022 £000 CT activities**	**31 March 2022 £000**	31 March 2021 £000 CT activities	31 March 2021 £000
Welsh Government	**0**	**54**	0	0
WHSSC / EASC	**813**	**0**	1,373	0
Welsh Health Boards	**3,024**	**20,689**	1,740	14,795
Welsh NHS Trusts	**3,292**	**5,882**	1,949	3,431
Welsh Special Health Authorities	**29**	**31**	0	0
Other NHS	**3,588**	**36,304**	1,907	23,928
Taxation and social security payable / refunds	**0**	**68**	0	58
Refunds of taxation by HMRC	**0**	**0**	0	0
VAT payable to HMRC	**0**	**0**	0	0
Other taxes payable to HMRC	**3,261**	**3,261**	5,648	5,648
NI contributions payable to HMRC	**6,878**	**6,954**	4,794	4,860
Non-NHS payables revenue	**20,844**	**24,616**	13,474	17,334
Local Authorities	**14,101**	**14,101**	17,517	17,517
Capital Creditors-Tangible	**6,662**	**6,662**	8,010	8,010
Capital Creditors- Intangible	**39**	**39**	0	0
Overdraft	**0**	**0**	0	0
Rentals due under operating leases	**0**	**0**	0	0
Obligations under finance leases, HP contracts	**0**	**0**	1	1
Imputed finance lease element of on SoFP PFI contracts	**168**	**168**	163	163
Pensions: staff	**8,986**	**8,986**	5,128	5,128
Non NHS Accruals	**98,416**	**104,609**	84,334	88,413
Deferred Income:				
Deferred Income brought forward	**882**	**882**	492	492
Deferred Income Additions	**908**	**908**	766	766
Transfer to / from current/non current deferred income	**0**	**0**	0	0
Released to SoCNE	**(790)**	**(790)**	(376)	(376)
Other creditors	**11,168**	**11,168**	28,290	28,290
PFI assets –deferred credits	**0**	**0**	0	0
Payments on account	**0**	**3**	0	4
Total	**182,269**	**244,595**	175,210	218,462
Non-current				
Welsh Government	**0**	**0**	0	0
WHSSC / EASC	**0**	**0**	0	0
Welsh Health Boards	**0**	**0**	0	0
Welsh NHS Trusts	**0**	**0**	0	0
Welsh Special Health Authorities	**0**	**0**	0	0
Other NHS	**0**	**0**	0	0
Taxation and social security payable / refunds	**0**	**0**	0	0
Refunds of taxation by HMRC	**0**	**0**	0	0
VAT payable to HMRC	**0**	**0**	0	0
Other taxes payable to HMRC	**0**	**0**	0	0
NI contributions payable to HMRC	**0**	**0**	0	0
Non-NHS payables revenue	**0**	**0**	0	0
Local Authorities	**0**	**0**	0	0
Capital Creditors-Tangible	**0**	**0**	0	0
Capital Creditors- Intangible	**0**	**0**	0	0
Overdraft	**0**	**0**	0	0
Rentals due under operating leases	**0**	**0**	0	0
Obligations under finance leases, HP contracts	**0**	**0**	0	0
Imputed finance lease element of on SoFP PFI contracts	**976**	**976**	1,143	1,143
Pensions: staff	**0**	**0**	0	0
Non NHS Accruals	**0**	**0**	0	0
Deferred Income :				
Deferred Income brought forward	**0**	**0**	0	0
Deferred Income Additions	**0**	**0**	0	0
Transfer to / from current/non current deferred income	**0**	**0**	0	0
Released to SoCNE	**0**	**0**	0	0
Other creditors	**0**	**0**	0	0
PFI assets –deferred credits	**0**	**0**	0	0
Payments on account	**0**	**0**	0	0
Total	**976**	**976**	1,143	1,143
Total	**183,245**	**245,571**	176,353	219,605

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

19. Other financial liabilities

	Current		Non-current	
Financial liabilities	**31 March 2022 £000**	31 March 2021 £000	**31 March 2022 £000**	31 March 2021 £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

20. Provisions

	At 1 April 2021	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 2022
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-									
Secondary care	44,828	(18,986)	(4,495)	6,899	24,975	(16,200)	(16,005)	0	21,016
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	230	0	(43)	0	478	(119)	(341)	0	205
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	676	0	0	454	571	(881)	(37)	0	783
All other losses and special payments	0	0	0	0	2,363	(613)	0	0	1,750
Defence legal fees and other administration	1,837	0	0	6	1,327	(849)	(696)	0	1,625
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	117			103	181	(282)	(22)	0	97
2019-20 Scheme Pays - Reimbursement	0			0	9	0	0	0	9
Restructuring	0			0	0	0	0	0	0
Other	2,251		0	0	1,253	(626)	(951)		1,927
Total	49,939	(18,986)	(4,538)	7,462	31,157	(19,570)	(18,052)	0	27,412
Non Current									
Clinical negligence:-									
Secondary care	38,826	0	0	(6,899)	28,176	(1,453)	(16,980)	0	41,670
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	5,893	0	0	(454)	412	0	0	(60)	5,791
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	796	0	0	(6)	439	(35)	(77)		1,117
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	165			(103)	(16)	0	0	(3)	43
2019-20 Scheme Pays - Reimbursement	0			0	934	0	0	0	934
Restructuring	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
Total	45,680	0	0	(7,462)	29,945	(1,488)	(17,057)	(63)	49,555
TOTAL									
Clinical negligence:-									
Secondary care	83,654	(18,986)	(4,495)	0	53,151	(17,653)	(32,985)	0	62,686
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	230	0	(43)	0	478	(119)	(341)	0	205
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	6,569	0	0	0	983	(881)	(37)	(60)	6,574
All other losses and special payments	0	0	0	0	2,363	(613)	0	0	1,750
Defence legal fees and other administration	2,633	0	0	0	1,766	(884)	(773)	0	2,742
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	282			0	165	(282)	(22)	(3)	140
2019-20 Scheme Pays - Reimbursement	0			0	943	0	0	0	943
Restructuring	0			0	0	0	0	0	0
Other	2,251		0	0	1,253	(626)	(951)	0	1,927
Total	95,619	(18,986)	(4,538)	0	61,102	(21,058)	(35,109)	(63)	76,967

Expected timing of cash flows:

	In year to 31 March 2023	Between 1 April 2023 31 March 2027	Thereafter	Total
Clinical negligence:-	£000	£000	£000	£000
Secondary care	21,016	41,670	0	62,686
Primary care	0	0	0	0
Redress Secondary care	205	0	0	205
Redress Primary care	0	0	0	0
Personal injury	783	1,592	4,199	6,574
All other losses and special payments	1,750	0	0	1,750
Defence legal fees and other administration	1,625	1,117	0	2,742
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	97	43	0	140
2019-20 Scheme Pays - Reimbursement	9	24	910	943
Restructuring	0	0	0	0
Other	1,927	0	0	1,927
Total	27,412	44,446	5,109	76,967

The expected timing of cashflows are based on best available information; but they could change on the basis of individual case changes.

The Legal & Risk Service (part of the NHS Wales Shared Service Partnership) provide details of Clinical Negligence and personal Injury cases including estimated settlement amounts and the timing of the cashflow.

The provision for Permanent Injury Benefit is supplied by NHS Pensions Agency.

Other provisions include £75k for Continuing Healthcare restrospective claims.

The Health Board estimates that it will receive £63,848k from the Welsh Risk Pool in respect of losses and special payments cases (including Clinical Negligence, Redress and Personal Injury). In addition to the provisions shown above, contingent liabilities are given in Note 21.1 Contingent Liabilities.

20. Provisions (continued)

	At 1 April 2020	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 2021
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-									
Secondary care	34,103	(14,834)	(1,254)	25,344	21,464	(9,847)	(10,148)	0	44,828
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	334	0	(116)	26	593	(231)	(376)	0	230
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	843	0	0	388	555	(784)	(326)	0	676
All other losses and special payments	0	0	0	0	625	(625)	0	0	0
Defence legal fees and other administration	1,749	0	0	534	1,365	(868)	(943)		1,837
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	153			100	167	(300)	(3)	0	117
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
Other	1,803		(40)	0	975	(373)	(114)		2,251
Total	38,985	(14,834)	(1,410)	26,392	25,744	(13,028)	(11,910)	0	49,939
Non Current									
Clinical negligence:-									
Secondary care	49,115	0	0	(25,344)	16,075	(1,020)	0	0	38,826
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	26	0	0	(26)	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	5,836	0	0	(388)	476	0	0	(31)	5,893
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	1,027	0	0	(534)	328	(25)	0		796
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	255			(100)	12	0	0	(2)	165
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
Total	56,259	0	0	(26,392)	16,891	(1,045)	0	(33)	45,680
TOTAL									
Clinical negligence:-									
Secondary care	83,218	(14,834)	(1,254)	0	37,539	(10,867)	(10,148)	0	83,654
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	360	0	(116)	0	593	(231)	(376)	0	230
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	6,679	0	0	0	1,031	(784)	(326)	(31)	6,569
All other losses and special payments	0	0	0	0	625	(625)	0	0	0
Defence legal fees and other administration	2,776	0	0	0	1,693	(893)	(943)		2,633
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	408			0	179	(300)	(3)	(2)	282
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
Other	1,803		(40)	0	975	(373)	(114)		2,251
Total	95,244	(14,834)	(1,410)	0	42,635	(14,073)	(11,910)	(33)	95,619

21. Contingencies

21.1 Contingent liabilities

Provisions have not been made in these accounts for the following amounts :	**2021-22 £000**	2020-21 £000
Legal claims for alleged medical or employer negligence;		
Secondary Care	**267,024**	217,628
Primary Care	**397**	225
Secondary Care Redress	**1,225**	1,009
Primary Care Redress	**0**	0
Doubtful debts	**0**	0
Equal Pay costs	**0**	0
Defence costs	**2,844**	2,245
Continuing Health Care costs	**164**	15
Other	**0**	0
Total value of disputed claims	**271,654**	221,122
Amounts (recoverable) in the event of claims being successful	**(268,286)**	(217,807)
Net contingent liability	**3,368**	3,315

As part of the reimbursement process for claims, the Health Board is required to submit an adequate Learning from Events Report (LfER) within 60 working days to the Welsh Risk Pool (WRP). Where the information requested has not been provided within six calendar months, the WRP Committee may strike out a claim and permanently defer reimbursement. At present the Health Board has a significant number of LfERs which are over 6 months overdue and these have been referred to the WRP Committee meeting scheduled for 20th July 2022. The total value of these claims is circa £15.8million and £2.1million has been paid out to date. The Health Board is continuing to work with the WRP to reduce the number of outstanding LFERs prior to the Committee meeting, in order to alleviate the risk of permanent deferral. At this stage the Health Board is unable to place a reliable estimate on the possible penalty charge that may be imposed at the WRP Committee meeting on 20July 2022. No provision has therefore been made in the 2021/22 Annual Accounts for any possible penalty charges.

Other litigation claims could arise in the future due to known incidents. The expenditure which may arise from such claims cannot be determined and no provision has been made for them.

Liability for Permanent Injury Benefit under the NHS Injury Benefit Scheme lies with the employer. Individual claims to the NHS Pensions Agency could arise due to known incidents.

Liabilities for continuing healthcare costs continue to reduce following periods of increasing volume of claims after the introduction of deadlines and cut off dates by Welsh Government commencing on the 31st July 2014. The contingenct liability reflects claims that have been received by the LHB at the 31st March 2022.

Cwm Taf LHB is responsible for post 1st April 2003 costs and the financial statements include the following amounts relating to those uncertain continuing healthcare costs:

Note 20 sets out the £0.07m provision made for probable continuing care costs relating to 18 claims received;

Note 21.1 sets out the £0.164m contingent liability for possible continuing care costs relating to 15 claim received.

21.2 Remote Contingent liabilities

	2021-22 £000	2020-21 £000
Please disclose the values of the following categories of remote contingent liabilities :		
Guarantees	0	0
Indemnities	200	125
Letters of Comfort	0	0
Total	**200**	**125**

21.3 Contingent assets

	2021-22 £000	2020-21 £000
Please detail	0	0
	0	0
	0	0
Total	**0**	0

22. Capital commitments

Contracted capital commitments at 31 March	2021-22 £000	2020-21 £000
Property, plant and equipment	165,502	197,652
Intangible assets	0	0
Total	**165,502**	197,652

23. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore this note is prepared on a cash basis.

Gross loss to the Exchequer

Number of cases and associated amounts paid out during the financial year

	Amounts paid out during period to 31 March 2022	
	Number	**£**
Clinical negligence	163	19,169,975
Personal injury	61	883,371
All other losses and special payments	300	668,041
Total	524	20,721,387

Analysis of cases in excess of £300,000 and all other cases

Cases in excess of £300,000	**Number**	**Case Type**	**Amounts paid out in year £**	**Cumulative amount £**
	03RRSPI0020	Personal Injury	48,485	825,754
	05RRSMN0039	Clinical Negligence	65,000	895,800
	05RVEMN0022	Clinical Negligence	4,725,000	5,185,000
	08RVEMN0013	Clinical Negligence	-	5,760,000
	09RVEMN0017	Clinical Negligence	30,000	974,619
	10RYLMN0092	Clinical Negligence	-	343,000
	12RYLMN0004	Clinical Negligence	250,000	2,910,000
	12RYLMN0037	Clinical Negligence	3,975,000	5,275,000
	13RYLMN0096	Clinical Negligence	1,100,000	1,550,000
	13RYLMN0131	Clinical Negligence	140,000	8,395,000
	14RYLMN0127	Clinical Negligence	-	1,367,733
	14RYLMN0193	Clinical Negligence	-	312,500
	14RYLMN0200	Clinical Negligence	2,837,000	4,872,880
	14RYLMN0208	Clinical Negligence	-	377,520
	15RYLMN0010	Clinical Negligence	-	1,907,205
	15RYLMN0079	Clinical Negligence	55,000	883,344
	15RYLMN0109	Clinical Negligence	110,000	4,067,560
	15RYLMN0171	Clinical Negligence	-	400,000
	16RYLMN0073	Clinical Negligence	358,528	402,528
	16RYLMN0078	Clinical Negligence	-	973,030
	16RYLMN0089	Clinical Negligence	339,252	359,252
	16RYLMN0138	Clinical Negligence	140,000	1,005,270
	16RYLMN0205	Clinical Negligence	30,000	120,000
	17RYLMN0022	Clinical Negligence	122,500	752,114
	17RYLMN0093	Clinical Negligence	-	421,919
	17RYLMN0157	Clinical Negligence	240,000	300,000
	17RYLMN0185	Clinical Negligence	-	714,284
	18RYLMN0064	Clinical Negligence	702,756	702,756
	19RYLMN0006	Clinical Negligence	135,000	420,000
	20RYLMN0008	Clinical Negligence	308,000	363,000
	20RYLMN0035	Clinical Negligence	210,000	332,500
Sub-total			**15,921,521**	**53,169,568**
All other cases			4,799,866	15,412,333
Total cases			**20,721,387**	**68,581,901**

24. Finance leases

24.1 Finance leases obligations (as lessee)

There are no other significant leasing arrangements which require further disclosure.

Amounts payable under finance leases:

Land	**31 March 2022 £000**	31 March 2021 £000
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
Minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

24.1 Finance leases obligations (as lessee) continue

Amounts payable under finance leases:

Buildings	**31 March 2022**	31 March 2021
Minimum lease payments	**£000**	£000
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	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

Other	**31 March 2022**	31 March 2021
Minimum lease payments	**£000**	£000
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	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
Present value of minimum lease payments		
Within one year	**0**	0
Between one and five years	**0**	0
After five years	**0**	0
Present value of minimum lease payments	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

24.2 Finance leases obligations (as lessor) continued

The Local Health Board has no finance leases receivable as a lessor.

Amounts receivable under finance leases:

	31 March 2022	31 March 2021
Gross Investment in leases	**£000**	£000
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	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0
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	**0**	0
Included in:		
Current borrowings	**0**	0
Non-current borrowings	**0**	0
	0	0

25. Private Finance Initiative contracts

25.1 PFI schemes off-Statement of Financial Position

The LHB 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 2022	31 March 2021
	£000	£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	0	0
Total estimated capital value of off-SoFP PFI contracts	0	0

25.2 PFI schemes on-Statement of Financial Position

Capital value of scheme included in Fixed Assets Note 11	£000
Staff Residences - Royal Glamorgan Hospital	1,446
Contract start date:	09/10/1998
Contract end date:	21/09/2028

Scheme Description

The staff residences scheme covers the design, build, financing and operation of staff accommodation on the Royal Glamorgan Hospital site. The Health Board entered into a project agreement with Charter Housing Association on the 9th October 1998.

	£000
Combined Heat and Power Plant-Prince Charles Hospital	1,233
Contract start date:	01/04/2004
Contract end date:	31/03/2029

The contract is for the installation, operation, maintenance and ownership of a Combined Heat and Power plant and the complete management and operation of a central boiler plant installation, light fittings and building management system on the Prince Charles Hospital site.

The contract includes performance guarantees for the supply of hot water and electricity.

The charging structure requires the Health Board to pay for heat (in the form of hot water) created from the electricity generated by the Combined Heat and Power plant being supplied free of charge to the Health Board.

Total obligations for on-Statement of Financial Position PFI contracts due:

	On SoFP PFI Capital element 31 March 2022 £000	On SoFP PFI Imputed interest 31 March 2022 £000	On SoFP PFI Service charges 31 March 2022 £000
Total payments due within one year	168	30	450
Total payments due between 1 and 5 years	727	67	1,801
Total payments due thereafter	249	4	995
Total future payments in relation to PFI contracts	1,144	101	3,246

	On SoFP PFI Capital element 31 March 2021 £000	On SoFP PFI Imputed interest 31 March 2021 £000	On SoFP PFI Service charges 31 March 2021 £000
Total payments due within one year	163	36	435
Total payments due between 1 and 5 years	704	89	1,738
Total payments due thereafter	439	13	1,304
Total future payments in relation to PFI contracts	1,306	138	3,477

	31 March 2022 £000
Total present value of obligations for on-SoFP PFI contracts	0

25.3 Charges to expenditure	2021-22	2020-21
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	450	435
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	450	435

The LHB is committed to the following annual charges

PFI scheme expiry date:	31 March 2022 £000	31 March 2021 £000
Not later than one year	0	0
Later than one year, not later than five years	0	0
Later than five years	450	435
Total	450	435

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	2	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	
Staff residences, Royal Glamorgan Hospital	On
Combined heat and power plant, Prince Charles Hospital	On

25.5 The LHB has no Public Private Partnerships

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.

27. Movements in working capital

	2021-22 £000 CT activities	2021-22 £000	2020-21 £000 CT activities	2020-21 £000
(Increase)/decrease in inventories	(795)	(795)	10	10
(Increase)/decrease in trade and other receivables - non-current	(3,918)	(3,918)	10,771	10,771
(Increase)/decrease in trade and other receivables - current	33,413	33,172	(23,742)	(31,292)
Increase/(decrease) in trade and other payables - non-current	(167)	(167)	(164)	(164)
Increase/(decrease) in trade and other payables - current	7,059	26,133	42,096	53,325
Total	35,592	54,425	28,971	32,650
Adjustment for accrual movements in fixed assets - creditors	1,309	1,309	(5,191)	(5,191)
Adjustment for accrual movements in fixed assets - debtors	(430)	(430)	353	353
Other adjustments	162	162	5,797	5,797
	36,633	55,466	29,930	33,609

28. Other cash flow adjustments

	2021-22 £000 CT activities	2021-22 £000	2020-21 £000 CT activities	2020-21 £000
Depreciation	28,659	28,659	25,678	25,678
Amortisation	769	769	300	300
(Gains)/Loss on Disposal	(38)	(38)	(121)	(121)
Impairments and reversals	11,826	11,826	17,840	17,840
Release of PFI deferred credits	0	0	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0	0	0
Covid assets received credited to revenue but non-cash	0	0	(5,471)	(5,471)
Donated assets received credited to revenue but non-cash	(83)	(83)	(200)	(200)
Government Grant assets received credited to revenue but non-cash	(13)	(13)	(1,428)	(1,428)
Non-cash movements in provisions	2,300	2,406	14,156	14,448
Other movements	25,111	25,111	23,888	23,888
Total	68,531	68,637	74,642	74,934

29. Events after the Reporting Period

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 14th June 2022 and are expected to be certified by the Auditor General for Wales on 17th June 2022.

30. Related Party Transactions

During the year none of the Board members or members of the key management staff or parties related to them has undertaken any material transactions with the Local Health Board.

The Welsh Government is regarded as a related party. During the year Cwm Taf Morgannwg University Local Health Board has had a significant number of material transactions with the Welsh Government and with other entities for which the Welsh Government is regarded as the parent body namely,

	2021-22 Expenditure Including Capital £000	2021-22 Income Including Capital £000	2021-22 Creditors Including Capital £000	2021-22 Debtors Including Capital £000
Welsh Assembly Government	577	1,285,303		6,296
WHSSC (see below)	148,671	11,104	813	2,521
NHS Trusts				
Public Health Wales	2,309	3,726	437	837
Velindre	51,139	8,117	2,262	32,209
Welsh Ambulance Services	3,054	84	593	48
Local Health Boards				
Aneurin Bevan	1,684	23,911	69	415
Betsi Cadwaladwr	67	191	9	37
Cardiff & Vale	35,378	17,425	2,066	463
Hywel Dda	565	750	13	32
Powys	20	3,424	7	260
Swansea Bay	44,634	32,188	860	1,521
Special Health Authority				
HEIW	114	12,172	15	322
DHCW	4,271	742	14	19
TOTAL	292,483	1,399,137	7,158	44,980

In addition, the Local Health Board has had a number of material transactions with other Government Departments and other central and local Government bodies. Most of these transactions have been with:

Bridgend County Borough Council	7,774	1,433	3,945	16
Rhondda Cynon Taf County Borough Council	26,992	11,597	9,472	10,535
Merthyr Tydfil County Borough Council	3,388	1,145	1,049	424

The LHB has also received revenue payments from Cwm Taf Morgannwg NHS Charitable Funds totalling £0.250m (£0.264m in 2020-21) and capital contributions totalling £0.025m (£0.051m in 2020-21). The Trustees for which are also members of the Board.

A number of the LHB's Board members have interests in related parties as follows:

Name	Details	Interests
Greg Dix	Director of Nursing, Midwifery & Patient Care	Visiting Professor University of South Wales
		Spouse is employee of Cwm Taf Morgannwg University Health Board.
Dr Fiona Jenkins	Director of Therapies and Health Sciences (Interim)	Executive Director Therapies and Health Science at Cardiff and Vale University Health Board.
Dr Nicholas T Lyons	Executive Medical Director to 22 August 2021	Spouse is employee of Cwm Taf Morgannwg University Health Board
Sally May	Director of Finance	Daughter was employee at Cardiff and Vale University Health Board to January 2022
Dr Kelechi Nnoaham	Director of Public Health	Honorary professorship Cardiff University
		Spouse is employee of Cwm Taf Morgannwg University Health Board.
Steve Webster	Director of Finance to 1 August 2021	Board Member Welsh Wound Innovation Centre
Emrys Elias	Chair	Spouse was employee at Velindre NHS Trust and seconded clinical director at HIW to December 2021
Maria Thomas	Vice Chair to 31 May 2021	Trustee Safer Merthyr Tydfil.
		Member of the Order St John Cymru Wales.
Melvin Jehu	Independent Member	Chair (Standards Committee) Rhondda Cynon Taf Council.
		Trustee Cancer Aid, Merthyr Tydfil.
		Trustee Safer Merthyr Tydfil.
		Spouse is employee of Cwm Taf Morgannwg University Health Board.
Jayne Sadgrove	Independent Member	Senior Professional Fellow Cardiff University.
		Son is employee of Cardiff University School of Healthcare Sciences.
Dilys Jouvenat	Independent Member	Chair Rhondda Cynon Taf Citizens Advice
Carolyn Donoghue	Independent Member	Chair Welsh Wound Innovation Centre
		Governor University West of England
Lynda Thomas	Independent Member	Chief Executive Macmillan Cancer Support
Geraint Hopkins	Independent Member	Elected Member Rhondda Cynon Taf Council
Philip J White	Independent Member	Elected Member Bridgend County Borough Council
Sharon Richards	Associate Member	Chief Officer of Voluntary Action Merthyr Tydfil
Lisa Marie Curtis-Jones	Associate Member	Director of Social Services - Merthyr Tydfil County Borough Council

Total value of transactions with these related parties:

	Expenditure £000	Income £000	Creditors £000	Debtors £000
Cancer Aid, Merthyr Tydfil	13	0	42	0
Cardiff University	272	88	24	19
Macmillan Cancer Support	0	155	0	282
Rhondda Cynon Taf Citizens Advice	22	0	0	0
Safer Merthyr Tydfil	95	0	0	0
St John Cymru Wales	189	0	54	0
University of South Wales	92	481	1	127
University West of England	6	0	0	0
Voluntary Action Merthyr Tydfil	534	0	97	0
Welsh Wound Innovation Ltd	12	1	1	0

30. Related Party Transactions

Welsh Health Specialised Services and Emergency Ambulance Services

WHSSC and EASC are sub-committees of each of the 7 Local Health Boards in Wales. Therefore, any related transaction would form part of each LHB's statutory financial statements. Whilst the committees have executive teams these are not executive directors and they are employed by Cwm Taf Morgannwg LHB as the host organisation.

During 2021/2022, the Joint Committees adopted a risk sharing approach which is applied to all financial transactions. In accordance with the Standing Orders, the Joint Committees must agree a total budget to plan and secure the relevant services delegated to them. The Joint Committees must also agree the appropriate contribution of funding required from each LHB.

Each LHB will be required to make available to the Joint Committees the level of funds outlined in the annual plan.

The plan will include the risk sharing income received from each LHB during 2021/2022 as per Note 4, expenditure incurred by WHSSC and EASC with providers of tertiary and specialist services is as per Note 3.2 and analysed in the Segmental Analysis in Note 33. Running costs, staffing and admin expenditure incurred with other NHS Wales organisations has been extracted from Note 3.3 but does not encompass the total of all running costs, the majority of which are transactions with organisations outside NHS Wales or are staff costs.

Velindre and The Welsh Ambulance Service are included as providers only, as both are merely associate members of the Committees and do not have voting rights.

	Income (Note 4) £000's	Expenditure (Note 3.2) £000's	Running costs (Note 3.3)	Debtor (Note 15) £000's	Creditor (Note 18) £000's
Cardiff and Vale UHB	149,678	294,981	261	3,878	6,807
Aneurin Bevan UHB	177,048	9,673	99	4,487	3,038
Betsi Cadwalladr UHB	203,625	45,200	0	2,539	2,943
Swansea Bay UHB	113,177	126,899	63	264	2,259
Cwm Taf Morgannwg UHB	148,671	10,536	567	813	2,521
Hywel Dda UHB	109,290	2,606	92	910	2,079
Powys Teaching HB	44,608	51	3	389	539
Public Health Wales NHS Trust	65	0	0	17	0
Velindre NHS Trust	0	49,231	43	877	81
Welsh Ambulance Services NHS Trust	50	185,589	147	442	2,509
	946,212	**724,766**	**1,275**	**14,616**	**22,776**

Membership of the Joint Committees for 2021/2022 and voting rights:

LHB Chief Executives have voting rights on the committee while Trust Chief Executives are associate members only
During 2021/2022 WHSSC and EASC have entered into material transactions with the organisations represented as listed above

Judith Paget	Member WHSSC & EASC	Until Oct 2021	Chief Executive Aneurin Bevan UHB
Glyn Jones	Member WHSSC & EASC	From Nov 2021	Chief Executive Aneurin Bevan UHB
Carol Shillabeer	Member WHSSC & EASC		Chief Executive Powys Teaching HB
Jo Whitehead	Member WHSSC & EASC		Chief Executive Betsi Cadwalladr UHB
Paul Mears	Member WHSSC & EASC		Chief Executive Cwm Taf Morgannwg UHB
Steve Moore	Member WHSSC & EASC		Chief Executive Hywel Dda UHB
Mark Hackett	Member WHSSC & EASC		Chief Executive Swansea Bay UHB
Stuart Walker	Member WHSSC & EASC	Until Feb 2022	Interim Chief Executive Cardiff and Vale UHB
Suzanne Rankin	Member WHSSC & EASC	From Feb 2022	Chief Executive Cardiff and Vale UHB
Len Richards	Member WHSSC & EASC	Until Sept 2021	Chief Executive Cardiff and Vale UHB Council Member, Cardiff University. Expenditure transactions in year £2,729,612 of which creditor at year end £461,124

The following are Associate Members of the Joint Committees and therefore have no voting rights.

Tracey Cooper	Associate Member WHSSC & EASC	Chief Executive Public Health Wales NHS Trust
Steve Ham	Associate Member WHSSC & EASC	Chief Executive Velindre NHS Trust
Jason Killens	Associate Member EASC	Chief Executive, Welsh Ambulance Services NHS Trust

The following are officers with voting rights on the joint committee

Sian Lewis	Managing Director WHSSC	No declared interests
Stuart Davies	Director of Finance WHSSC & EASC	No declared interests
Iolo Doull	Medical Director WHSSC	No declared interests
Carole Bell	Nurse Director WHSSC	No declared interests
Stephen Harrhy	Chief Ambulance Services Officer EASC	No declared interests

Independent Members With a Declared Interest

Kate Eden	Chair WHSSC		Chair, Public Health Wales NHS Trust
Emrys Elias	Independent Member and Vice Chair \	Until May 2021	Independent Board Member, Aneurin Bevan UHB
Ceri Phillips	Vice Chair WHSSC	From June 2021	Independent Board Member, Cardiff and Vale UHB
Ian Phillips	Independent Member WHSSC and Chair of the Wales Renal Clinical Network		Independent Board Member, Powys Teaching HB
Ian Wells	Independent Member WHSSC	From May 2021	Independent Board Member, Cwm Taf Morgannwg UHB

31. Third Party assets

The LHB held £5,748.54 cash at bank and in hand at 31 March 2022 (31st March 2021, £8,862.32) which relates to monies held by the LHB on behalf of patients. Cash held in patient Investment Accounts amounted to £nil at 31st March 2022 (31st March 2021, £nil). This has been excluded from the Cash and Cash equivalents figure reported in the accounts.

32. Pooled budgets

Rhondda Cynon Taf, Bridgend and Merthyr Tydfil Integrated Community Equipment Service

The Health Board has entered into a pooled budget with

Rhondda Cynon Taf County Borough Council
Merthyr Tydfil County Borough Council
Bridgend County Borough Council

The partnership arrangement with Abertawe Bro Morgannwg University Local Health Board ended on 31st March 2019 due to the transfer of the responsibility for providing healthcare services for the people in the Bridgend County Borough Council (BCBC) area from Abertawe Bro Morgannwg UHB to Cwm Taf Morgannwg UHB from 1st April 2019.

Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 for the provision of an Integrated Community Equipment Service. The service is to enable children and adults who require assistance to perform essential activities of daily living to maintain their health and autonomy and to live life as fully as possible. The equipment provided can include, but is not limited to

- Community home nursing equipment
- Equipment for daily living
- Physiotherapy living
- Static Seating

A memorandum note to the accounts provides details of the joint income and expenditure.

The pool is hosted by Rhondda Cynon Taf County Borough Council. The financial operation of the pool is governed by a pooled budget agreement between the above named organisations and the Health Board. The Health Board accounts for its share of contributions to the budget in expenditure. Contributions are based on each individual organisations forecast activities. Assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

Funding	2021-22 £'000	2020-21 £'000
Rhondda Cynon Taf County Borough Council	1,276	1,260
Merthyr Tydfil County Borough Council	144	140
Bridgend County Borough Council	761	691
Cwm Taf Morgannwg University Local Health Board	893	640
Total Partners Funding	3,074	2,731
I.C.F Funding	33	39
Other Income Received	165	242
Total Funding	3,272	3,012
Expenditure	3,436	3,317
Provision of community equipment services within Rhondda Cynon Taf, Bridgend and Merthyr Tydfil County Boroughs.		
Pooled Budget surplus carried forward	(164)	(305)

32. Pooled budgets(cont)

Cwm Taf Morgannwg Care Home Accommodation

The Health Board has entered into a pool fund arrangement with Rhondda Cynon Taf County Borough Council and Merthyr Tydfil County Borough Council.

The Agreement for the CWM TAF MORGANNWG CARE HOME ACCOMMODATION POOLED FUND is made under The Social Services and Well-being (Wales) Act 2014 (the 'Act') and the Partnership Arrangements (Wales) Regulations 2015 (the 'Regulations').

The Agreement provides for the establishment of the CWM TAF MORGANNWG CARE HOME ACCOMMODATION POOLED FUND which will undertake the following functions on behalf of the Parties.

The functions of a local authority under sections 35 and 36 of the Act, where it has been decided to meet the adult's needs by providing or arranging to provide accommodation in a care home;

The functions of a Local Health Board under section 3 of the National Health Service (Wales) Act 2006 in relation to an adult, in cases where:

The adult has a primary need for health care and it has been decided to meet the needs of the adult by arranging the provision of accommodation in a care home, or
The adult does not have a primary need for health care but the adult's needs can only be met by the local authority arranging for the provision of accommodation together with nursing care

A memorandum note to the accounts provides details of the joint income and expenditure.

The pool is hosted by Rhondda Cynon Taf County Borough Council. The financial operation of the pool is governed by a pooled budget agreement between the above named organisations and the Health Board. The Health Board accounts for its share of contributions to the budget in expenditure. Contributions are based on each individual organisations forecast activities. Assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

Funding	2021-22 £'000	2020-21 £'000
Rhondda Cynon Taf County Borough Council	24,956	24,618
Merthyr Tydfil County Borough Council	4,788	4,478
Cwm Taf Morgannwg University Local Health Board	13,262	15,679
Bridgend County Borough Council	9,692	9,510
Total Partners Funding	52,698	54,285
Other Income Received	4	0
Balance carried forward	15	21
Total Funding (a)	52,717	54,306
Expenditure (b)	52,704	54,291
Objective - paying care fees to homes for the provision of residential & nursing care within the Rhondda Cynon Taf and Merthyr Tydfil County Boroughs.		
Net underspend/(overspend) (a) - (b)	13	15

32. Pooled budgets(cont)

Bridgend Integrated Community Services
The Health Board has entered into a pooled budget with:

Bridgend County Borough Council

Under the arrangement funds are pooled under section 33 of the NHS (Wales) Act 2006 for the provision of an Integrated Community Service. The approach of the Partners will be consistent with the principles in "Sustainable Social Services: A Framework for Action" which sets out the action needed to ensure care and support services respond to rising levels of demand and changing expectations, particularly for frail older people.

Partners deliver their stated commitment to benefit adults in the region:
Support for people to remain independent and keep well
More people cared for at home to maximise their recovery, with shorter stays in hospital if they are unwell
A change in the pathway away from institutional care to community care, available on a 7-day basis
Fewer people being asked to consider long term residential or nursing home care, particularly in a crisis
Earlier diagnosis of dementia and quicker access to specialist support for those who need it
More people living with the support of technology and appropriate support services
Provision of services that are more joined up around the needs of the individual with less duplication or hand-offs between health and social care agencies

A memorandum note to the accounts provides details of the joint income and expenditure.

The pool is hosted by Bridgend County Borough Council. The financial operation of the pool is governed by a pooled budget agreement between the above named organisations and the Health Board. The Health Board accounts for its share of contributions to the budget in expenditure. Assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

Pooled budget memorandum account for the period 1 April 2021 – 31 March 2022

	2021-22 £'000	2020-21 £'000
Funding		
Bridgend County Borough Council	£2,133	£2,231
Cwm Taf Morgannwg University Local Health Board	£2,661	£2,455
Total Funding	£4,794	£4,686
Expenditure		
Provision of Community Support Service & reablement	£4,794	£4,686
Net under/Over spend	NIL	NIL

ICF Funding of £707,000 has been received in respect of the pooled budget. This has been excluded from the figures above.

33. Operating segments

IFRS 8 requires bodies to report information about each of its operating segments.

The following information segments the results of Cwm Taf Morgannwg Local Health Board by:
- Healthcare activities
- Welsh Health Specialised Services Committee (WHSSC)
- Emergency Ambulance Services Joint Committee (EASC)

Operating Costs 2021-22

	Healthcare activities	WHSSC	EASC	Inter-segment transactions	Cwm Taf LHB Total
	£000	£000	£000	£000	£000
Expenditure on primary healthcare services	251,779	0	0	0	251,779
Expenditure on healthcare from other providers	349,708	746,385	193,216	(159,135)	1,130,174
Expenditure on hospital and community health services	825,533	5,165	3,675	(749)	833,624
	1,427,020	751,550	196,891	(159,884)	2,215,577
Less: Miscellaneous Income	(148,099)	(751,550)	(196,891)	159,884	(936,656)
LHB net operating costs before interest and other gains and losses	1,278,921	0	0	0	1,278,921
Investment Income	0	0	0	0	0
Other (Gains) / Losses	(38)	0	0	0	(38)
Finance costs	(21)	0	0	0	(21)
Net operating costs for the financial year	1,278,862	0	0	0	1,278,862

Net Assets 2021-22

	£000	£000	£000	£000	£000
Total non-current assets	650,228	0	0	0	650,228
Total current assets	99,320	50,306	3,872	(3,334)	150,164
Total current liabilities	(209,321)	(62,148)	(3,872)	3,334	(272,007)
Total non-current liabilities	(50,531)	0	0	0	(50,531)
Total assets employed	489,696	(11,842)	0	0	477,854
Total taxpayers' equity	489,696	(11,842)	0	0	477,854

Operating Costs 2020-21

	Healthcare activities	WHSSC	EASC	Inter-segment transactions	Cwm Taf LHB Total
	£'000	£'000	£'000	£'000	£'000
Expenditure on primary healthcare services	243,573	0	0	0	243,573
Expenditure on healthcare from other providers	335,415	706,342	180,674	(165,341)	1,057,090
Expenditure on hospital and community health services	796,974	5,544	3,045	(1,165)	804,398
	1,375,962	711,886	183,719	(166,506)	2,105,061
Less: Miscellaneous Income	(141,265)	(711,886)	(183,719)	166,506	(870,364)
losses	1,234,697	0	0	0	1,234,697
Investment Income	0	0	0	0	0
Other (Gains) / Losses	(121)	0	0	0	(121)
Finance costs	8	0	0	0	8
Net operating costs for the financial year	1,234,584	0	0	0	1,234,584

Net Assets 2020-21

	£'000	£'000	£'000	£'000	£'000
Total non-current assets	593,357	0	0	0	593,357
Total current assets	131,732	31,481	3,678	(3,389)	163,502
Total current liabilities	(224,789)	(43,323)	(3,678)	3,389	(268,401)
Total non-current liabilities	(46,823)	0	0	0	(46,823)
Total assets employed	453,477	(11,842)	0	0	441,635
Total taxpayers' equity	453,477	(11,842)	0	0	441,635

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 2021 to 31 March 2022. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2021 and February 2022 alongside Health Board/Trust/SHA data for March 2022.
Transactions include notional expenditure in relation to the 6.3% paid to NHS BSA by Welsh Government and

	2021-22	2020-21
Statement of Comprehensive Net Expenditure	**£000**	**£000**
for the year ended 31 March 2022		
Expenditure on Primary Healthcare Services	**572**	658
Expenditure on Hospital and Community Health Services	**24539**	23230
Statement of Changes in Taxpayers' Equity		
For the year ended 31 March 2022		
Net operating cost for the year	**25111**	23888
Notional Welsh Government Funding	**25111**	23888
Statement of Cash Flows for year ended 31 March 2022		
Net operating cost for the financial year	**25111**	23888
Other cash flow adjustments	**25111**	23888
2.1 Revenue Resource Performance		
Revenue Resource Allocation	**25111**	23888
3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	**37**	34
General Dental Services	**67**	79
Other Primary Health Care expenditure	**468**	545
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	**75**	56
Staff costs	**24464**	23174
9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	**25111**	23888
Charged to capital	**0**	0
Charged to revenue	**0**	23888
18. Trade and other payables		
Current		
Pensions: staff	**0**	0
28. Other cash flow adjustments		
Other movements	**25111**	23888

34. Other Information (continued)

34.2 Welsh Government Covid 19 Funding

Details of Covid 19 Pandemic Welsh Government funding amounts provided to NHS Wales bodies:

	CTM	WHSSC	Total
	2021-22	2021-22	2020-21
	£000	£000	£000
Capital	0	0	
Capital Funding Field Hospitals			571
Capital Funding Equipment & Works	5354	0	5118
Capital Funding other (Specify)	0	0	5403
Welsh Government Covid 19 Capital Funding	**5354**	**0**	**11092**

				Total
				As previously reported in 2020-21
Revenue				**£000**
Sustainability Funding				29,300
C-19 Pay Costs Q1 (Future Quarters covered by SF)				7,875
Field Hospital (Set Up Costs, Decommissioning & Consequential losses)				6,054
Bonus Payment				13,498
Independent Health Sector				23,470
Stability Funding	55,316	84	80,197	
Covid Recovery	23,423	8,097	0	
Cleaning Standards	1,222	0	0	
PPE (including All Wales Equipment via NWSSP)	3,564	0	6,063	
Testing / TTP- Testing & Sampling - Pay & Non Pay	4,299	0	5,759	
Tracing / TTP - NHS & LA Tracing - Pay & Non Pay	6,807	0	4,450	
Extended Flu Vaccination / Vaccination - Extended Flu Programme	1,001	0	238	
Mass Covid-19 Vaccination / Vaccination - COVID-19	12,060	0	2,758	
Annual Leave Accrual - Increase due to Covid	0	0	13,400	
Urgent & Emergency Care	3,058	1,659	4,723	
Private Providers Adult Care / Support for Adult Social Care Providers	805	0	3,400	
Hospices	0	0	0	
Social Care	2,491	0	0	
Other Mental Health / Mental Health	0	1,191	6,563	
Other Primary Care	0	0	1,875	
Other	330	0	1,588	
Welsh Government Covid 19 Revenue Funding	**114,376**	**11,031**	**131,014**	

Other Category includes - Covid Therapeutic Medicines

34. Other Information (continued)

34.3. Changes to accounting standards not yet effective - IFRS 16 Impact

IFRS 16 Leases supersedes IAS 17 Leases and is effective in the public sector from 1 April 2022. IFRS 16 provides a single lessee accounting model and requires a lessee to recognise right-of-use assets and liabilities for leases with a term more than 12 months unless the underlying value is of low value. The FReM makes two public sector adaptions

- The definition of a contract is expanded to include intra UK government agreements that are not legally enforceable;
- The definition of a contract is expanded to included agreements that have nil consideration.

IFRS 16 gives a narrower definition of a lease that IAS 17 and IFRIC 4 by requiring that assets and liabilities will be recognised initially at the discounted value of minimum lease payments After initial recognition, right of use assets will be depreciated on a straight line basis and interest recognised on the liabilities. Except where modified for revaluation where material, the cost model will be applied to assets other than peppercorn leases which will be measured on a depreciated replacement cost basis. The right of use asset in a peppercorn lease is accounted for similarly to a donated asset.

As required by the FReM IFRS 16 will be implemented using the accumulated catch up method.

The right of use assets and leasing obligation have been calculated and indicated that the total discounted value of right of use assets and liabilities under IFRS 16 is lower than the value of minimum lease commitments under IAS 17. This is due to various lease costs included under IAS17 which are not transitioning under IFRS16 such as short term leases, low value leases, personal cars and the portions of managed service contracts that are not linked to an asset which will not be converted into a right of use asset.

The impact of implementation is an

- Increase in expenditure of £39k (this being the difference between the lease payments for leases transitioning over under IFRS16 and the depreciation and interest expense payable once they become right of use assets)

- increase in assets of £18,813k and increase in liabilities of £18,613k.

These figures are calculated before intercompany eliminations are made, these will/will not have a material impact on the figures.

34. Other Information (continued)

34.4 Right of Use (RoU) Assets Impact

		Property	Non Property	Total
		£000	£000	£000
Statement of financial Position				
RoU Asset Recognition				
+	Transitioning Adjustment	16,999	1,814	**18,813**
+	As at 1 April 2022	16,999	1,814	**18,813**
+	Renewal / New RoU Assets 2022-23	591	0	**591**
-	Less (Depreciation)	(1,758)	(447)	**(2,205)**
+	As at 31 March	15,832	1,367	**17,199**

RoU Asset Liability		Property	Non Property	Total
		£000	£000	£000
-	Transitioning Adjustment	(16,799)	(1,814)	**(18,613)**
-	As at 1 April 2022	(16,799)	(1,814)	**(18,613)**
-	Renewal / New RoU Liability 2022-23	(591)		**(591)**
+	Working Capital	1,685	481	**2,166**
-	Interest	(155)	(18)	**(173)**
-	As at 31 March	(15,860)	(1,351)	**(17,211)**

Charges		Property	Non Property	Total
Expenditure		£000	£000	£000
	RoU Asset depreciation [1]	1,758	447	**2,205**
	Interest on obligations under RoU Asset leases [2]	155	18	**173**
		1,913	465	**2,378**

LHB

1 Expenditure on Hospital and Community Health Services

2 Finance Costs

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