GIG CYMRU NHS WALES | Bwrdd Iechyd Prifysgol Cwm Taf Morgannwg University Health Board

Cwm Taf Morgannwg University Health Board

Annual Report and Financial Statements

2020- 2021

MAE EIN GWERTHOEDD YN EIN HELPU NI I FOD AR EIN GORAU
##CTMareingorau

RYDYN NI'N GWRANDO, YN DYSGU AC YN GWELLA

WE LISTEN, LEARN AND IMPROVE

RYDYN NI'N TRIN PAWB Â PHARCH

WE TREAT EVERYONE WITH RESPECT

RYDYN NI I GYD YN CYDWEITHIO FEL UN TÎM

WE ALL WORK TOGETHER AS ONE TEAM

OUR VALUES HELP US BE AT OUR BEST
#CTMatourbest

What will this Annual Report tell you?

Our Annual Report is part of a suite of documents that provides you with information about the 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 2020/2021 and how we plan to improve. It also acknowledges the importance of working with you and listening to your feedback so that you can take the best care of yourselves and we can deliver better services that meet your needs as close to you as possible.

In accordance with the NHS Wales 2020-2021 Manual for Accounts and HM Treasury's Financial Reporting Manual, our Annual Report for 2020-2021 includes:

- Our **Performance Report** which details how we performed in relation to the need to adapt and respond to the 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 Annual Governance Statement (AGS) provides information about how we manage and control our resources and risks, and comply with governance arrangements.
- Our summarised **Financial Statements** which detail how we have spent our money and met our obligations under the National Health Service Finance (Wales) Act 2014.

For 2020-21, there was no requirement to prepare a separate Annual Quality Statement as in previous years, however, key quality themes are captured within our Performance Report.

At the time of writing, CTMUHB is still responding to the impact and challenges faced by the Covid-19 pandemic. This report sets out progress made in this respect and includes challenges we now face as an organisation living alongside Covid-19.

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

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Welcome from the Chair and Chief Executive

By any standards, the past year has been truly unprecedented for Cwm Taf Morgannwg University Health Board (CTMUHB) and the response to Covid-19 was and continues to be remarkable. We wish to start by taking this opportunity to pay tribute to our staff who have worked so hard to support the care and treatment of our patients over the past year. We also wish to thank the population CTMUHB serves; the local community, charities and local companies who were superbly generous and supportive particularly during the height of the pandemic. Their input was hugely important in lifting the spirits of patients and staff alike. We truly value 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.

We would also like to thank our three local authorities for the invaluable support they have provided to us in our response to the Covid-19 pandemic. This partnership working has been vital in many key areas, including the delivery of our Test Trace Protect and Vaccination Programmes and in working with our Communications and Engagement Team to engage with our communities on localised issues while promoting the central public safety messaging.

One of the most significant developments of the past year has been the implementation of our new operating model across CTMUHB from April 2020. This has seen the creation of three Integrated Locality Groups (ILGs) covering the population CTMUHB serves. These localities, which are clinically led, now enable decision-making closer to those citizens who rely on our services and therefore more tailored to local population needs. This new way of working has empowered staff and provided opportunities for leadership and involvement in developing and delivering quality services, with a focus on population health.

Extensive engagement with staff, partner organisations and our local communities has helped us to begin the journey to transform our organisational culture to one that is underpinned by a clear and shared set of values and behaviours. These values and behaviours define what is important to us so that we can 'be at our best'. Looking ahead, these are now being embedded into our workplace culture at every stage of the staff journey with a view to ensuring CTMUHB is always seen as a great place to work and one which staff are proud to work for.

As seen throughout the world, Covid-19 has brought unprecedented and at times unrelenting service pressures and sadly many deaths. Clinical teams had to move quickly to respond to the pandemic, adopting new ways of working to care for patients despite the challenges, and this has ensured we were able to continue to provide many essential services. Staff have worked under extreme pressures, both professionally and personally, and their wellbeing is one of the key considerations in our recovery plans to provide the support needed and prevent the potential for burnout.

As we updated in last year's annual review, 2019 saw the organisation's escalation level with Welsh Government increased to 'Targeted Intervention' in relation to trust and confidence, leadership and culture and quality governance and to 'Special Measures' relating to our maternity services. Further updates on this important and ongoing programme of improvement work are detailed on page 9 of this report. We sincerely thank those involved in the ongoing reviews and development work, including both staff and former patients. This is helping the organisation continue to improve its services and ensure we continue to build trust with the population we serve.

Staff will recall the leadership provided by Dr Sharon Hopkins who was appointed as CTMUHB's interim Chief Executive in June 2019 until her retirement in August 2020. Her many years of experience and clinical expertise were invaluable in steering the organisation through our initial response to our increased escalation status and the first wave of the pandemic, for which we are very grateful. Our new substantive Chief Executive Paul Mears joined us in September 2020.

Finally, a year on from when the pandemic was first declared, it is difficult to have predicated the enormous impact that it would have on our lives and the many ways CTMUHB would need to adapt. What we have seen in the past year is that we have dedicated, extremely hard-working and committed staff who are continually doing their best for our patients. We wish to sincerely thank and pay tribute to each and every one of them for the part they have played over the past year.

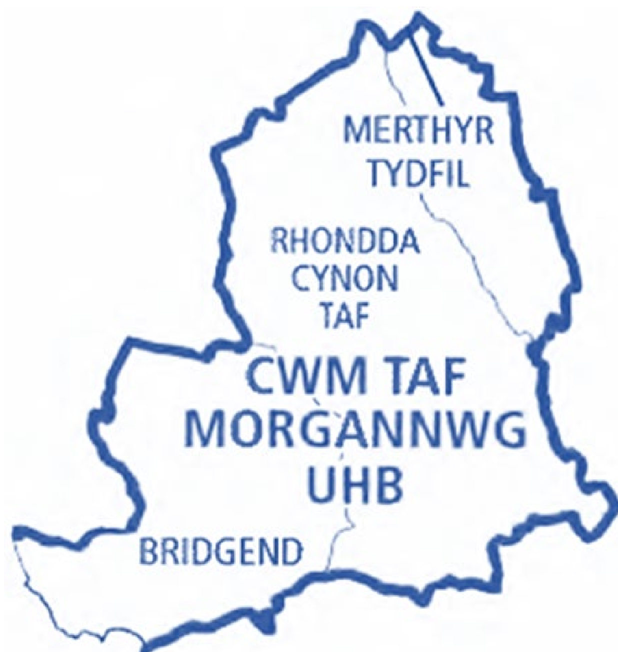
The challenges for the organisation of learning to live with Covid-19 for the foreseeable future mean that we will continue to develop and evolve our services to respond to Covid-19 as well as re-starting many of our services which were suspended during the pandemic. In addition we will continue to develop our strategy as an organisation to truly focus 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.

Professor Marcus Longley
Chair

Paul Mears
Chief Executive

About Us:

Cwm Taf Morgannwg University Health Board (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.** A significant number of our 12,500 strong workforce (headcount) live and work within our communities with CTMUHB being one of the largest employers in the area.



CTMUHB acts as **host to the NHS National Imaging Academy** which is training Wales's next generation of radiologists, radiographers, sonographers and imaging professionals **as well as the following two all-Wales Joint Statutory Committees**:

- **Welsh Health Specialised Services Committee (WHSSC),** is a statutory joint committee of the seven Local Health Boards and three NHS Trusts and is responsible for the joint planning and commissioning of specialised and tertiary health care services across Wales.

- **Emergency Ambulance Services Committee (EASC),** is a statutory joint committee of the seven Local Health Boards, with three Welsh NHS Trusts as Associate Members. EASC is responsible for the joint planning and commissioning of emergency ambulance services across Wales, including Emergency Medical Retrieval and Transfer Service (otherwise known as the air ambulance) and the commissioning non-emergency patient transport.

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 the CTMUHB boundary.

CTMUHB's resident population was estimated at 448,639 in 2019 increasing to 530,000 when accounting for patient flow. Our population live in the Bridgend, Rhondda Cynon Taff and Merthyr Tydfil localities. There are **high levels of deprivation** within our localities with more than 57% estimated to be living in the most deprived 40% of Wales with high levels of chronic disease.

Covid-19 has had an unprecedented and 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. The latest Covid-19 figures for Wales are published daily by Public Health Wales and can be found here.

We recognise 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, trusts and our public. Nevermore so was this proved than during the unprecedented challenges that we faced during the height of the pandemic. There were countless examples of true partnership working from 2020/21 and the closeness of our working arrangements enabled us to deliver for our population when they needed us most and we remain truly grateful to all our partners for their support. The harms that have been caused for many in our communities are broader than the direct harm from the virus itself.

Public Health Wales recently published "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**. Life expectancy for men and women in CTMUHB is less than the Welsh average, and the difference in healthy life expectancy (the number of years a person can expect to live in good health) across CTM is a reduced life expectancy of 4.8 years for women and 4.4 years for men.

Additionally, CTMUHB falls behind Wales in terms of **healthy behaviours**, with 12.2% of the population of CTMUHB reporting fewer than two health lifestyle behaviours compared to an all-Wales average of 10%. Healthy behaviours impact on the rates 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, reflecting that in Wales prevalence ranges from 11% in the least deprived fifth to 26% in the most deprived fifth;
- According to data from the National Survey for Wales, the latest figures (2020) show that 64% of the adult population in CTMUHB are overweight or obese (BMI 25+), with 27% being obese (BMI 30+)[1]
- Highest levels of childhood obesity in Wales;
- High levels of teenage pregnancy and low levels of breastfeeding; and
- Higher percentage of babies born in CTMUHB with low birth weight compared with the rest of Wales.

This position, coupled with the impact of Covid-19 on health and social care services leading to our population are experiencing longer waiting times for diagnostics tests and treatment, means that our 2021/22 Annual Plan must set out **meaningful steps to address inequalities,** at the same time as **delivering healthcare service reset and recovery.**

Our **mission, vision and strategic wellbeing objectives** were approved by the Board in January 2020 having drawn on sources including: public engagement and patient concerns; discussion with staff and partners; feedback from independent reviews; and from key documents such as the Wellbeing of Future Generations Act, the Social Service and Wellbeing Act and 'A Healthier Wales: Our Plan for Health and Social Care'.

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 growing culture.

Following extensive consultation with staff, patients and service users, our **values and behaviours** were launched in October 2020; helping to define how together, working as one team, we can focus on how we can 'be at our best'. Considerable work has been undertaken in launching the Values and Behaviours which are encapsulated in the banner below:
The focus for 2021/22 in terms of our Values and Behaviours will be progressing this to connect and embed into the wider workplace culture and at every stage of the employee journey. We remain committed to improving employee experience and wellbeing and making CTMUHB a great place to work.

[1] Link to data source below: https://statswales.gov.wales/Catalogue/National-Survey-for-Wales/Population-Health/Adult-Lifestyles/adultlifestyles-by-localauthority-healthboard

Matters of Particular Note:

Covid-19 Pandemic

The Performance Report section of this Annual Report is understandably predominantly focussed on the significant impact of the pandemic and the way in which CTMUHB operated as a result. This is explored in detail in chapter 1, page 12 onwards.

Service Quality and Governance Issues

A key area of our improvement work focuses on our response to the concerns raised in 2018 regarding failings in maternity services within the former Cwm Taf Health Board (predecessor organisation to CTMUHB).

Welsh Government commissioned the Royal College of Obstetrics and Gynaecologists (RCOG) to undertake an **independent review of these services** and their report, undertaken jointly with the Royal College of Midwives (RCM), was published in April 2019, raising a number of **areas of very significant concern**. Wider concerns in relation to governance were also raised by Welsh Government, Wales Audit Office (which is now called Audit Wales) and Healthcare Inspectorate Wales (HIW) regarding quality, culture, leadership and governance within the service. As a result, Welsh Government placed the organisation into 'Targeted Intervention' for Leadership and Culture, Trust and Confidence and Quality Governance and Maternity services into 'Special Measures', and in relation to the latter, 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 the Health Board and others.

CTMUHB has continued to deliver improvements during 2020/2021, with 50 of the 70 recommendations now completed. Working with IMSOP and women and families, a comprehensive maternity and neonatal improvement programme was developed. This has resulted in capturing the insight, experience and thoughts of women and their families, as well as developing systems to improve safety and enable the provision of high standard care. We are grateful to all the women and families who have shared their experiences with us to help us develop and improve our services. CTMUHB remains committed to being **open and honest** about what went wrong and how the learning that has been identified is underpinning **meaningful improvement**.

The IMSOP have reported that CTMUHB has made good progress despite the challenging circumstances, including progression against the maturity matrices (the IPAAF), with all three domains of Safe and effective Care, Quality of Management and Leadership and Quality of Women's and Families' Experience all now assessed as being in the 'Results' phase. It was also noted, however, that despite the progress made there remains a significant amount of work to be done to fully deliver against all of the recommendations and that the pursuit of exemplar status remains a longer-term ambition. The Maternity Improvement team will continue to progress this work into 2021/2022.

The external clinical review of cases are being undertaken in three categories; Maternal Morbidity, Stillbirth and Neonatal Death. The maternal morbidity category has been completed and an IMSOP thematic report was published on 25 January 2021 and CTMUHB's response published on the same day, available on our website. Work is ongoing in relation to the Stillbirth and Neonatal Deaths and this will be completed during 2021/22.

Whilst recognising the work that remains, the service has received further **positive feedback** on progress from a Community Health Council review, HIW report and Health Education and Improvement Wales report. There remain areas for development and ongoing improvement and during 2021/2022 CTMUHB will aim to continue to further learn from the engagement work we have committed to, and further implement the recommendations made. Key areas of focus will be:

- Continue to improve complaint response times and identifying learning;
- Continue to improve the quality and response of serious incident investigation;
- Improvement plan focussing on moving maturity from 'results' through to 'exemplar' phase;
- Focus on working in partnership with staff, women and families and other stakeholders to drive sustained improvement;
- Cultural Improvement through the lens of Values and Behaviours; and
- Engagement to underpin a maternity strategic plan.

Closely aligned to this, neonatal services came under the more formal review of IMSOP in July 2020, following agreement that they would oversee a Neonatal response in relation to 16 of their original recommendations. To support our response, a **Neonatal Improvement Team** has been introduced, providing medical and clinical leadership and the ability to coordinate the programme of work across both Neonatal units at Prince Charles Hospital and the Princess of Wales Hospital.

At the time of writing, the most recent report published by IMSOP was in January 2021 and CTMUHB's response is available here.

A programme of work is progressing and will continue to be a key focus in 2021/22: family engagement and communication, documentation; revised training and competence programmes; shared audit plans; and the intent to develop a small Quality Improvement Team on both sites. Performance indicators are to be agreed.

IMSOP have confirmed that a deep-dive in relation to Neonatal Services will progress in early 2021/22, led by the neonatology experts and this will also incorporate a review of the Network Peer Review of both Neonatal Units that is planned for April 2021.

The areas in need of improvement in response to Targeted Intervention will continue to be taken forward as a priority during 2021-2022 with scrutiny via self-assessment against the Maturity Matrix agreed with Welsh Government and by regular escalation meetings with the Director General and his leadership team. Progress will be periodically assessed via collective consideration by Welsh Government, Health Inspectorate Wales and Audit Wales.

Chapter 1
Performance Report

Chief Executive's Introduction and Performance Overview

Introduction

This section of the Annual Report would normally summarise key performance outturn during the year being reported and provide commentary on the related reasons, improvements underway and the direction of travel going forward. The commentary this time is so very different from previous years due to the **significant impact of the Covid-19 pandemic.** Its arrival placed an unprecedented challenge upon CTMUHB and the indeed the wider NHS to plan and respond to the Covid-19 pandemic demanding a dynamic, agile response which presented a number of opportunities and risks.

The need to respond and recover from the pandemic will continue both for the organisation and wider society throughout 2021 and beyond. As you will see from this Annual Report, the pandemic has had a **notable impact on our performance, finance and governance arrangements** during 2020-21.

Integrated Medium Term Plan (IMTP)

The completion of a three-year IMTP is a statutory requirement for CTMHB. As the IMTP process was suspended for 2020/23, this issue was formally addressed via a letter from Welsh Government confirming that CTMUHB's approved plan for 2019/22 remained extant. A draft Annual Plan 2021-2022 has been developed in line with the Welsh Government guidance setting out the requirement for an Annual Plan in place of the usual requirement for a three-year Integrated Medium Term Plan (IMTP). The Annual Plan was submitted to Welsh Government by the end of March 2021. Following approval, the Annual Plan will be monitored on a quarterly basis with the Health Board's Planning, Performance and Finance Committee overseeing this monitoring.

Performance Overview

This report provides a summary of performance against areas where CTMUHB has responded to the impact of Covid-19.

We are focussed on taking a **balanced approach** to responding to the four harms from Covid-19 (there is more about this on page 14) and on recovery planning from the moment that services were paused. Recognising the constraints of working with Covid-19, our clinicians have continued to provide as many patient services as possible, adapting where necessary such as the use of remote consultations, alternative pathways outside of hospitals, and alternative locations for care. Our teams have done all that they can to care for patients whilst also facing **exceptional pressures** in unscheduled care. Despite this, the challenge that lies ahead for

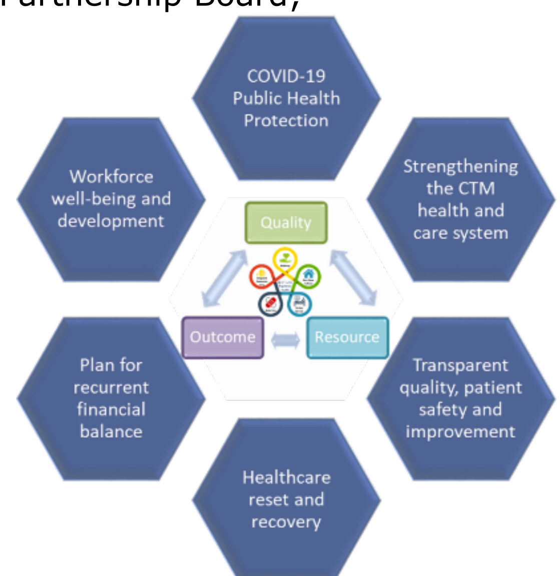
resetting all services is unprecedented and CTMUHB's draft Annual Plan for 2021-2022 sets out how we will transition from managing elective recovery in a pandemic situation into the planned recovery phase.
In progressing this work, we have sought to be ambitious but realistic in terms of what we can aspire to deliver. We have also sought to ensure that we are maximising this opportunity to align the reset plan with the longer term ambition to place population health outcomes at the heart of the care provided for our communities.

Forward Look to 2021-22

During 2021-22, in light of learning from Covid-19, we will review the work that has been undertaken to date on developing CTMUHB's Integrated Health and Care Strategy. The Strategy will set out for the next five years the organisation's reframed approach to **delivering high quality, effective healthcare services** on a population health basis. Covid-19 has, once again, brought into sharp focus some of the long-standing inequalities within our population. Our strategy will look to demonstrate how, working in partnership, our health and care system can develop and transform to meet the needs of our population.

As we continue to respond to the Covid-19 pandemic and develop and align to our strategic wellbeing objectives, the following priorities have been agreed for 2021/2022:

1. **Transparent quality, patient safety and improvement:** further embed our quality and patient safety governance as set out in the Quality and Patient Safety Governance framework and establish Improvement CTMUHB: putting learning into action, developing the skills and leadership for improvement;
2. **Covid-19 public health protection:** through sustainable contact tracing and case management, surveillance and sampling, testing and vaccination;
3. **Strengthening the CTM health and care system:** understanding the impact of Covid-19 and wider inequalities on our communities, further developing the Health Board Strategy in light of the learning from Covid-19; and implementation of the Transformation ambition of the Regional Partnership Board;
4. **Delivering healthcare service reset and recovery:** address the significant backlog in elective care including cancer services, with a whole-system approach involving community services and primary care and improve access to mental health services across all age groups, with a particular focus on the needs of children and young people and the younger adult population who are more likely to take their own lives;
5. **Workforce wellbeing and development:** support and improve the wellbeing of our staff, alongside further work to enhance and develop our leadership capabilities; and
6. **Plan for recurrent financial balance.**



Areas of Responsibility

Information in relation to the scope of responsibility for CTMUHB is captured in the "About Us" section of this report on page 6.

Impact of Covid-19 on Service Delivery

Covid-19 Cases and Positivity

The World Health Organisation (WHO) declared a pandemic on 11 March 2020, at which point it was clear that the NHS and the UK were facing a global crisis. Significant modelling of likely impacts was undertaken in association with partners in Public Health Wales and Welsh Government, which included assessment of the **four harms** that could arise from Covid:

The pandemic has had a devastating impact on our staff and communities, who have experienced the loss of many of their loved ones and the impact of this will be felt by all of us for some time to come. CTMUHB has the **second highest number of confirmed cases** in Wales at 40,123, next to Aneurin Bevan University Health Board at 40,760[2]. The seven-day rolling average of the testing rate increased from the first peak and whole area testing in Merthyr Tydfil and Lower Cynon (November-December 2020) is reflected in the rise in positive cases identified.

Of note is the difference in the lower **uptake of testing** among men compared with women compared to the positivity in the cases[3]. The difference indicates that there may have been factors influencing the lower testing uptake among men.

Similarly, since the 1st July 2020 positive cases were higher among 20-29, 30-39 (highest), 40-49 and 50-59 year olds and lowest among under 20s whilst positivity was highest among 40-49 year olds (10%) and over 9% for all the other age groups other than 80+year olds with 4.8% positivity. This suggests testing uptake was lower among 60-69 and 70-79 year old age groups. This is consistent with the

[2] Public Health Wales 2021 Rapid COVID-19 Virology 2021 Tableau Public, Health Protection, Public Health Wales https://public.tableau.com/profile/public.health.wales.health.protection#!/vizhome/RapidCOVID-19virology-Public/Headlinesummary

[3] Nelson AV 2021 COVID-19 Local Area Surveillance Report (Y). Informatics, CTM

evidence, that those under 20 years are known to have lower susceptibility to infection and clinical symptoms.

In relation to **deprivation**, cases were highest in the most deprived areas and lower in the more affluent areas.

CTMUHB's **case rate and positivity** may be related to occupation and workplace transmission as suggested by a local study of transmission carried out in 2021. It showed the top three sectors presenting the most cases in CTMUHB were:

- Public administration, defence, education and health sector (care workers, health care professionals and teachers)
- Wholesale, retail, transport, hotels and food' sector (retail workers, sales assistants and cashiers/check out operators)
- Professional, scientific and technical activities' sector (administrative roles and cleaners and domestics[4]).

Population densities (Bridgend, Rhondda Cynon Taff (RCT) and Merthyr Tydfil have the 6th, 7th and 8th highest respectively of the 22 local authorities in Wales), geography and history (particularly in Merthyr and RCT) resulting in densely populated, interconnected and multi-generational Valleys communities may also be other possible reasons[5,6].

Deprivation

Increasing deprivation is associated with **increased Covid-19 mortality risk**, with those in the most deprived areas being 1.79 times more likely to die compared with the most affluent, suggesting that social factors, rather than pre-existing disease or clinical factors, have an important role in moderating mortality risk[6]. As we plan our recovery from the pandemic and consider what lessons can be learned, we will be looking carefully at how we can work with our partners and our communities to tackle these underlying issues which have impacted our populations for some time.

Ethnicity

People from all **BAME groups** were at higher risk of death from Covid-19 than those of white ethnicity. When adjusted only for age and sex, hazard ratios ranged from 1.62–1.88 for Black and South Asian individuals and people of mixed ethnicities, compared to white ethnicity people, decreasing to 1.43–1.48 after adjustment for all risk factors. This reinforces the assertion that only a small part of the excess risk amongst BAME groups can be attributed to higher prevalence of medical problems such as cardiovascular disease or diabetes among BAME people, or by higher levels of deprivation[6].

The **highest Covid-19 mortality** has been observed in facility based outbreaks, including in long-term care facilities, retirement homes, and homeless shelters[6].

[4] McKibben MA and Slyne C 2021 Analysing Workplace transmission rates CTM region presentation v3. Local Public Health Team, CTM

[5] Stats Wales (2012): Using ONS 2019 Mid -Year Estimates

[6] Daniels P, Slyne C and Kulkarni-Johnston R 2021 Understanding COVID-19 mortality in CTM. Health Protection Public Health Wales and Local Public Health Team CTM

Hospital Admissions

Admissions were **higher in the second wave** of Covid-19 than the first with highest peak in January 2021. Increasing obesity was associated with increased risk with those people with a BMI of 40 or more being almost twice as likely to be admitted, as were a range of co-morbidities, including diabetes; severe asthma; respiratory disease; chronic heart disease, liver disease, stroke; dementia; other neurological diseases; reduced kidney function; autoimmune diseases; and other immunosuppressive conditions[6].

Healthcare / Hospital Acquired Infections (HCAI) - nosocomial infections

The Infection Prevention Control (IPC) team have been integral to CTMUHB's Covid-19 preparedness. Over the last 12 months the main focus for the IPC team has been **preparing and responding to the pandemic** but non-Covid-19 work continued as far as possible. Face-to-face training ceased but mandatory training continued via e-learning and despite not being in a position to complete the planned audit programme, any non-compliance with IPC policies and procedures was addressed as part of ward visits.

Whilst not meeting the reduction expectations set by Welsh Government for 2020/21 to reduce healthcare associated infections, **fewer cases were reported** in respect of C.difficile infection, S.aureus bacteraemia and gram negative bacteraemia compared with the same period last year. The IPC team are working with ILG leads to develop and agree local reduction expectations to further reductions in healthcare associated infections and improve patient care and safety. At the end of March 2021, the incidence of **Covid-19 is currently low in the community** and there are **no ongoing outbreaks** at any CTMUHB hospital sites and the IPC team planning to recommence the IPC annual audit programme, face-to-face training and ongoing improvement work.

A **multi-professional collaborative approach** has been critical for the identification, investigation and management of individual Covid-19 cases and outbreaks of infection. Further support has been provided to the three ILG's to maintain continuation and provision of key services. **Systems and processes** have been developed to manage and monitor the prevention and control of infection. These systems/processes use risk assessments and consider the susceptibility of service users and any risks posed by their environment and other service users. CTMUHB adopted a **whole-system approach** working with colleagues in Public Health Wales, and our three local authorities as well as primary and secondary care. IPC also worked in partnership with key stakeholders to establish appropriate pathways based on national guidance.

A **testing strategy** was introduced to support early identification and appropriate placement of patients, separating Covid-19 risk at a local level to enable service provision. Colour coded patient pathways were developed to segregate patients appropriately to reduce the transmission risk of Covid-19.

Standard Operating Procedures have been developed by the Integrated Locality Groups (ILG's) describing the measures **implemented to safely deliver services**.

Estates and Capital Planning colleagues refurbished a number of wards/departments to support IPC requirements.

IPC training including donning/doffing (putting on/safely taking-off) of Personal Protective Equipment (PPE) in line with national guidance. The IPC team have conducted regular audits to monitor compliance with standard infection control precautions/IPC policies. The ILG's worked with procurement leads to monitor the supply of PPE in the organisation.

All of our hospitals experienced high rates of HCAIs at differing times. The response to outbreaks of Covid-19 infection in the hospital environment has proved exceptionally challenging. The first Covid-19 outbreak was identified in Royal Glamorgan Hospital in September 2020 with subsequent outbreaks in each district general hospital and four community hospitals. The initial Outbreak Control Team (OCT) identified a *15 Point Plan* for implementation to contain and prevent further transmission. As outbreaks were identified in other hospital settings, the OCT became overarching to utilise the consistent approach through the ***15 Point Plan*** **and share lessons learned**.

There was very close working between Infection, Prevention and Control teams, Integrated Locality Groups (ILGs) and Public Health Wales in response to the outbreaks. With rising community rates of infection throughout the autumn the outbreaks were increasingly difficult to contain, particularly as hospitals were operating at maximum capacity and staff sickness, often due to Covid-19, was also a limiting factor. Despite this and with reducing community rates of infection following the National Lockdown on 20th December 2020, outbreaks were gradually controlled and declared over, with only one remaining in Prince Charles Hospital at the end of March 2021, although well controlled.

The **review process for HCAI Covid-19 events** is very rigorous. All such instances are investigated and where necessary are considered alongside similar cases. Any deaths associated with Covid-19 require a detailed mortality review.

Covid-19 Mortality

During 2020/2021, CTMUHB has had the **highest number of deaths in Wales** at 1,498 of the total Welsh figure of 5454[2]. All Deaths 5-year average and Covid-19 deaths shows peaks in Covid-19 deaths in April April-May 2020 and a rise in multiple peaks from Sept 2020 with a drop from February 2021 onwards. There is growing consensus that the risk of Covid-19 mortality increases steeply with age and, to a lesser degree, deprivation; is higher in males than females; in Black, Asian and Minority Ethnic (BAME) people compared with white ethnicity people; and those people with certain comorbidities. Harm from Covid-19 itself is shown in the number of cases and fatalities seen since March 2020[7] with a shallower peak in the first wave and two sequentially rising peaks in the second wave[6].

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[7] Public Health Wales 2021 Rapid COVID-19 Surveillance. Confirmed Case Data Tableau Public, Health Protection, Public Health Wales https://public.tableau.com/profile/public.health.wales.health.protection#!/vizhome/RapidCOVID-19virology-Public/Headlinesummary

CTMUHB had 834 deaths in persons with any mention of Covid-19 during this period. This equates to the highest crude (185 per 100,000) and age standardised mortality rate (195 per 100,000 persons) of any health board, significantly above all other health boards for this period. The age-standardised rate per 100,000 males in CTMUHB (230.3) was significantly above the Welsh average (140.8), whilst that for females was almost twice that of the Welsh average (CTM: 165.5; Wales 68.5).

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.

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

Redesigning Primary Care Services to Deliver Emergency Care during Acute Phase of Covid-19

Primary care services are those provided to NHS patients via primary care contractors (GPs, Pharmacists, Opticians and Dentists). Such services have **continued to be provided throughout the pandemic**. More recently GPs have also been a major contributor to CTMUHB's Covid-19 Vaccination Programme.

Many opportunities have been taken to develop and test new ways of delivering primary care services such as:

- Locality based Diagnostic Centres - In light of the reduced capacity in secondary care for diagnostics, the development of local diagnostic Centres.
- Locality based GP-led Diabetic Centres focusing on more complex patients requiring initiation and monitoring of insulin and GLPs.
- Piloting a model of the Urgent Primary Care Centre in Rhondda leaving GPs to focus on more complex monitoring and care of patients.

Dental practices have needed to prioritise care for those most at risk of serious complications and or pain only and more recently some have also resumed routine monitoring. Prior to the pandemic, there was a plan for significant contract reform which has obviously been delayed, however, Covid-19 saw some opportunities to position some service areas in readiness for what will become a **preventative approach** in primary care dental in Wales, widening access, to those who particularly need it most and to reduce inequalities there are no robust metrics or framework of delivery and monitoring.

An **Urgent Dental Centre** (UDC) was established in the first wave of the pandemic and remains operational at the Dental Teaching Unit (DTU) for patients who are in pain, need treatment and do not have a regular dentist. The UDC also sees Covid-19 positive or symptomatic patients. Further opportunities are being explored to

expand oral surgery sessions at the DTU to reduce the pressure upon our hospital services and to strengthen orthodontic provision in primary care across CTMUHB.

Ophthalmology practices were quick to move to telephone/video consultation during the pandemic. There are a large number of patients who are overdue for routine eye checks and this is against a background of a reduction in the capacity within Optometry due to social distancing requirements. Whilst practices are now back to around 80% of pre-Covid capacity, there is remains a backlog in services although the position is improving. CTMUHB has seven optometrists that are Independent Prescribers and have provided the urgent eye care services. Between them they have seen more than 600 patients during the year who would otherwise have been referred to hospital eye clinics and GP practices.

Throughout the pandemic the **110 community-based pharmacies** have remained open, with appropriate social distancing and PPE use. They continue to provide all NHS commissioned essential services as well as a number of advanced and enhanced commissioned services with adjustments to enable remote consultations and have supported patients in accessing NHS services where the service they would usually access was unavailable. The service experienced an unprecedented increase in demand for prescription dispensing in the first wave of the pandemic, which was further complicated by short-term medicines supply-chain shortages. In response Welsh Government issued guidance to allow reduced opening hours to support their wellbeing and help to manage the demands. CTMUHB fully supported this service change and some pharmacies still retain the closure in the middle of the day.

These actions have helped to maintain a **comprehensive community pharmacy service** across CTMUHB and the newly introduced escalation procedure and monitoring process allowed early actions to be implemented. There continues to be changes to some commissioned services such as enhancing the emergency medicines supply service and suspending the non-critical services such as care home specific advice (general advice remains available), sore throat testing and treat and blood borne virus screening. At the end of March 2021 such services were under review for reintroduction.

Community pharmacies are continuing to experience a significant increase in patients requiring **home delivery of medicines**, this need was initially met by community pharmacy delivery services supported by a Welsh Government volunteer delivery service during the first wave of the pandemic. Future services such as the administration of Covid-19 vaccinations are currently being scoped.

Another key area to acknowledge is the rapid development of an **Urgent Primary Care Centre** in primary care to help test how such models can help manage same day demand which will enable independent contractors to be able to ensure a focus on case management and reviews of some more vulnerable patient groups who have not been reviewed as frequently during the pandemic. There is good national feedback to date on the CTMUHB model which is heavily linked to GP cluster working.

A new YouGov study into the way people in different areas of Wales have been accessing NHS services since the start of the crisis has been published by Welsh Government as part of its **Help Us Help You** campaign. This is designed to educate

people on how to get the most appropriate healthcare for their needs. The research is designed to understand levels of awareness across different regions of the NHS services that are available for patients, to make sure they can be seen and treated quicker and better and the findings are being used to inform our communication plans.

From the autumn of 2020, the **NHS 111** service was implemented across CTMUHB having initially have been available to Bridgend residents. There is also an NHS 111 online symptom checker which helps people understand which NHS service to use for different non-emergency health concerns It is essential that the public know how to **access the right services** and CTMUHB has an ongoing communications campaign planned throughout the year with this in mind.

Design and Implementation of Testing and Immunisation for Covid-19

CTMUHB submitted preliminary plans to the Welsh Government in September 2020 based on the initial planning assumptions, and has flexed plans as the planning assumptions and availability of vaccine have changed. Plans use a **blended model of delivery** of the **Covid-19 vaccination programme** in CTMUHB, including community vaccination centres, outreach and primary care services. The three aims of this vaccination programme are:

- To develop and offer a Covid-19 vaccination programme to all eligible and consenting residents and health and care sector workers in CTMUHB.
- To reduce the inequality in preventable disease distribution in CTMUHB by increasing uptake of vaccinations in areas of deprivation and vulnerable populations.
- To design a Covid-19 vaccination programme where capacity to deliver is directly aligned to vaccination supply.

A formal programme of work was put into place to mobilise and create a sustainable Covid-19 vaccination programme, workforce and delivery model which is able to meet the requirement to vaccinate our population based on the Joint Committee on Vaccinations and Immunisations (JCVI) guidance and timeframes outlined by the Welsh Government. This programme of work is being **delivered in close partnership** with local authority partners, primary care and GP practices, the military and third sector organisations.

A programme structure was developed with Executive Senior Responsible Officer lead, Programme Director, Clinical and Public Health leads and a wider programme office to ensure effective governance and allow us to develop plans and deploy them at pace. CTMUHB successfully delivered phase 1 of its Covid-19 vaccination programme to offer first dose appointments to all those eligible people in JCVI guidance groups 1-4, meeting the target date set by the Welsh Government. Following this a **rapid lessons learnt review** was undertaken with partners to ensure an accessible and suitable vaccination programme for phase 2 onwards. Community vaccination centre locations have been reviewed and increased across our local authority areas to increase accessibility. We have also partnered with Age Connects Morgannwg who are working with South Wales Fire and Rescue to deliver a transport service for those who need help to get to community vaccination centres.

Significant uncertainty remains post phase three deployment of the rest of the population in regards to follow up **booster doses**, frequency and any further Covid-19 variants which may require further vaccination intervention. This makes planning difficult and planning assumptions for the period up until March 2022 are under consideration.

Local Data for Covid-19 Vaccination- Across CTMUHB and Local Authority Areas

As of 11 March 2021 171,299 vaccinations have been given as part of the programme (141,220 first doses and 30,079 second doses). The breakdown by local authority is:

Bridgend County Borough Council	49,599
Rhondda Cynon Taf	84,745
Merthyr Tydfil County Borough Council	22,034
Other County Borough Council* **this is mainly Health and Social Care staff living outside CTM*	14,921

Influenza Vaccinations

2020/2021 winter season is the first time that CTMUHB has reached the target of vaccinating more than 75% of people aged over 65, and this reflects a higher demand from the public for vaccination this season.

Influenza targets and actual performance in 2020/21

Welsh Government targets for influenza	Target	CTM	Wales
65 years and older	75%	75.4%	76.5%
6 months to 64 years in clinical risk groups	75%	46.3%	51.0%
Healthcare workers providing direct care	75%	66.5%	65.2%

The staff vaccination figures for frontline staff continued on the **upward trajectory** from 50% in 2018/19 to 63% last season to 66.5% this year, this is above the Welsh average.

The schools programme had its own challenges this year with some having year groups or classes missing when the school nurses visited due to Covid-19 policies. This made the programme more challenging to deliver. Despite these difficulties, the school nursing team managed to **vaccinate 25,859 children** (71.6% of all children in school aged four to ten years) this is to be commended. The highly successful nursery programme for three-year olds encountered difficulties this year too, with some schools not allowing parents and guardians to stay with their children on the school site whilst the nasal spray is administered due to COVID-19 restrictions. This limited the distribution of the nasal spray via nurseries. Despite this, 56% of all children aged three registered at a nursery were vaccinated this way. The model has been shown to increase uptake and therefore will be adopted across the whole of CTMUHB in 2021/22.

The area to focus for the coming influenza season will be those aged 6-months to 65 years in clinical risk groups. Solutions are being worked through for next year in an attempt to **boost uptake** in this group including:

- Improving communications on vaccinations to these clinical risk groups
- Improving availability in community pharmacies for these clinical risk groups
- Maximising the availability to these clinical risk groups at routine appointments
- Gaining insight into why people do not come forward for vaccinations and then using this insight to address the issues that they raise.

Redesign of Acute Services to provide Covid-19/Non-Covid-19 Care

As the scale of the Covid-19 challenge developed, it became clear that in order to maintain segregation and safety for patients and staff, changes would have to be made to CTMUHB's. The **scale of the changes was unprecedented** with additional capacity being created as changes to layout to help with social distancing. Infection prevention and control measures have been central to all our decisions in this regard and there is more about this on page 16.

District General Hospitals:

- Critical care areas were expanded moving into other areas such as theatre recovery, cardiac units and other wards. Staff showed **great professionalism** in their willingness to be redeployed and both clinical and non-clinical staff found themselves in new and sometimes unfamiliar roles. Training was provided at a very early stage in the process to ensure safety.
- The majority of outpatient clinics were transferred to other sites.
- Significant ward reconfiguration including cubicles were added to wards
- The creation of a Covid-19 ward area in a Mental Health Unit.
- Training rooms were repurposed into a staff Covid-19 vaccination centre;
- Some clinical services were temporarily moved off sites to provide more space for essential services.
- A green theatre, with recovery facilities were established as part of our plans to enable priority elective restart.
- Desk and seating area 'separation screens' were installed to various areas.

Establishment of Field Hospitals

In March 2020, CTMUHB in conjunction with military colleagues established a Field Hospital initially on the Welsh Rugby Union site at The Vale Hotel in Hensol. This was decommissioned in the summer of 2020 and much of the infrastructure (including the entire floor) was reutilised for use in **Ysbyty'r Seren** in Bridgend which had the advantage of being a **larger field hospital site** which afforded additional flexibility. With additional healthcare workers recruited, staff in existing hospitals moving their base to work there and a number of senior nursing staff re-deployed from their normal roles to provide frontline patient care it was then possible to open this new facility in October 2020. This achievement was delivered through joint working with our local authorities and provided the space for patients to recover safely as well as providing additional capacity for patients in the acute phase of their illness and made a significant contribution to patient flow from other hospital sites.

Marsh House, Merthyr Tydfil and Abergarw House, Bridgend

Marsh House opened in May 2020, with the aim of providing **safe and timely discharge for patients awaiting onward care** in general and mental health residential and nursing settings freeing-up much needed bed capacity in hospital sites. This was a joint venture involving the local authority and Age Connect and broke new ground in terms of what could be achieved in a very short space of time. The facility closed to patients in June 2020, and has since been used when additional capacity is needed. In the run up to Christmas 2020 it was used to accommodate nurses who came to join CTMUHB from Kerala, India providing them with accommodation to isolate together until they could join our existing workforce to deliver care.

The development of a service at Abergarw House was a joint venture with the local authority for patients awaiting assessment for or transfer to residential/nursing care placements or awaiting local community care packages. It initially opened in April 2020 and provided an **invaluable resource** to allow improved flow within our acute hospital sites.

Resetting CTMUHB

This plan has provided the framework throughout 2020/2021 for CTMUHB to balance its response to Covid-19 with its commitment to **deliver urgent care** as well as **essential health care** services for our population; all the while, protecting the health and wellbeing of staff.

The work undertaken in quarter 1 focused on extensive modelling of demand and capacity for Covid-19 and non-Covid-19 services, planning to expand service provision and creating safe environments.

Quarter 2 saw planning and delivering a wider range of services including in 'green islands' within CTMUHB hospitals. Towards the end of quarter 2, the hospitals expanded their green capacity, creating 'red islands' to manage the reduced number of Covid-19 patients. As we went into quarter 3 with a rising number of Covid-19 cases, hospital sites reverted to creating 'green islands' to protect those essential services that needed to be provided on site and continued to use the opportunity of off-site facilities for others where clinically appropriate and where critical care services were not required. This continued into quarter 4 as CTMUHB responded to a further surge in Covid-19 pandemic cases.

Planning and Delivery of Safe, Effective and Quality Services for non-Covid-19 Care

Actions Taken to Avoid Services being Overwhelmed

Actions were put into place to **avoid the care system from becoming overwhelmed** examples of these are set out below:

- Pausing of non-emergency operating and outpatient clinics.

- At the height of the pandemic daily communications were issued to the CTMUHB population providing updates on the situation, advice for individuals to keep themselves safe, etc.
- Reconfiguration services in Emergency Departments and wards to reflect the need for Covid-19 positive (red) pathways and Non-Covid-19 positive (green pathways).
- Reconfiguration of areas providing critical care services, with the number of beds was roughly doubled – with these vital services being provided in areas not normally utilised – including additional ward areas and recovery within theatres.
- Changes within theatres to allow emergency and trauma operating to continue – and later for 'green' cases also.
- Redeploying a large number of staff from their normal areas of work.
- Using new ways of working such as deploying portable radiology equipment to wards and purchasing cardio-pulmonary monitoring devices for patients to use at home which can be monitored by hospital staff. The learning and benefits arising from such changes in working models is being taken on board and will be continued.
- Numerous changes were made to the fabric of buildings to facilitate changes in working practice.
- GP practices and District Nursing made significant changes to the way in which they operated – altering the way that patients accessed care while at the same time working hard to ensure that patients continued to receive care.
- Mental Health Services continued though there was a need for increasing levels of telephone as opposed to face-to-face activity.
- Developing plans in conjunction with local authorities for excess deaths and provision of additional mortuary facilities. The 'SW01' facility was established by the South Wales Local Resilience Forum based in Cardiff Bay to provide up to 1000 spaces for excess deaths for the Health Boards within South Wales.
- Changes in maternity services to both support for mothers and restrict access to enable social distancing.
- Clinically urgent referrals and services continued with virtual (Attend Anywhere) and telephone consultations being implemented where appropriate. Where not possible, appointment systems were amended to limit the number of patients within a department or ward which enabled social distancing. Again, we will be expanding the use of such technology as part of our new service pathways.
- Changes to the way our governance and operational frameworks were discharged including ceasing non-essential business and Board Committee meetings for temporary periods, switching Board meetings usually held in public to live broadcasts and introducing Gold, Silver and Bronze Command meetings.

Patient-Centred Quality Care

Throughout the pandemic, CTMUHB strived to ensure that the quality of care given remained high and was in line with recommendations made by Royal Colleges and other partner organisations. **Maintaining quality** very much depended upon local arrangements and the **hard work of staff**, but on a more formal level, this was achieved by the establishment of a Gold, Silver and Bronze command and control

system of working. This meant that all decisions could be considered appropriately with then the right level of scrutiny and over view at a senior level. It was also all recorded formally to ensure an audit trail. Where the fast moving environment meant that there was variation in this, additional assessment was undertaken.

Examples of the ways that CTMUHB has **continued to focus on quality** during the pandemic are set out below:

- Quality and Safety Committee meetings were maintained and ILGs provided reports to the Committee highlighting any areas of concern.
- Pathway adaptions were coordinated through the Medical Director's Office, including urgent cancer, early terminations and end-of-life care.
- Policy adaptions were recorded on a database held by Director of Nursing, Midwifery and Patient Care, with examples being the visiting policy, uniform policy and end-of-life care.
- Quality Impact Assessments (QIAs) have been undertaken, reported and reviewed as required through Gold Command, with examples including increasing bed capacity, overarching cancellation of services, urgent cancer care, end-of-life care, termination of pregnancy and a change in theatre for fractured neck of femur.
- Quality indicators and metrics continued to be measured using the same systems as were in place prior to the pandemic given CTMUHB continues to be accountable for providing the high standard of care delivery and safety measures. These indicators reflect Board agreed metrics on a wide range of its health services, targets and performance indicators. This is reported on a bi-monthly basis to the Quality and Safety Committee via a quality dashboard; providing a graphical and narrative report on data, demonstrating trends patterns and relationships between variables to provide assurance, present challenge and support service development and improvement. Instances where concerns are raised with staff, incidents, compliments and Community Health Council feedback from patients, families, and carers continue to provide CTMUHB with an opportunity to improve and build on the services we provide to the community.
- As a means of trying to improve how information is made available to service users staff have developed a number of information leaflets and introduced dedicated helplines. Examples include the leaflet providing an overview of inpatient and discharge advice during Covid-19 responding to queries from the public on outbreaks at our hospitals and signposting vaccination enquiries.
- Restrictions to hospital visiting throughout the pandemic provided an opportunity for CTMUHB to develop person-centred 'virtual methods' of maintaining vital contact with families for patients using electronic tablets and phones, many of which donated to the CTMUHB during the pandemic. Also our virtual visiting programme is in the process of recruiting more staff to support the implementation and pilot sites are operational in Ysbyty'r Seren and the Princess of Wales Hospital. The success of virtual visiting will continue beyond the pandemic to ensure that communication between patients and their loved ones can be maintained.
- Our End-of-Life principles ensured that the pandemic restrictions in relation to visiting were sensitively administered and that no-one died without the care

and attention of loved ones and health care staff. These also helped staff to strive to ensure care was of a consistently high standard with the needs of individuals and families at the centre of any decision-making.

- *A creative writing for wellbeing project was* created in Ysbyty'r Seren funded by the Arts Council of Wales. The project aims to champion patient, staff and community stories and voices through creative writing.
- The Chaplaincy and Spiritual Care department continues to work across all sites offering a 24/7 virtual service offering spiritual, pastoral, and religious care to patients, their carers and staff.
- Our safeguarding and public protection service have continued to ensure a strong focus on ensuring vigilance with recognition and response to abuse and neglect during the pandemic. Specialist safeguarding guidance was produced to support colleagues during 2020 which has since been shared with other health bodies in Wales for learning and good practice. The nature and number of safeguarding referrals changed during the pandemic, with the impact of lockdown having a surge in domestic abuse referrals, a reduction in child protection concerns and an increase in completed suicide for all age groups. In a bid to address this, mitigating actions have been put into place to ensure vulnerable people are seen and protected from harm.
- CTMUHB is in the process of revising our mortality review process which relates to all deaths not just those related to Covid-19. This process enables an initial review with any concerns flagged for a more in-depth review with any themes being shared for the purpose of learning lessons across the organisation. Should there be need, further scrutiny is led by the Assistant Medical Director. Care home mortality Covid-19 reviews also continue.
- CTMUHB is in the process of adopting a system which manages a library of clinical guidelines and alerts to allow the organisation to review its compliance against those issues. It will therefore help tightly control standards of care and delivery with the ultimate benefit of improving patient care. CTMUHB will be the first in Wales to use this system.
- There is a system in place to review acutely deteriorating patients and over 2020 has overhauled its approach to further improve care delivery.
- At the start of the pandemic there was genuine, and understandable, concern that the service could become overwhelmed with Covid-19 cases and so a CTMUHB Ethics Committee was established to support decision-making. An on-call senior medical team joined a rota to guide discussions regarding patient care. The need for this was, thankfully, not as great as anticipated, however there were a number for cases that needed broader discussion. The Committee did not disagree with any care decisions that had been made.
- Working in conjunction with Public Health Wales, local authorities and Environmental Health, CTMUHB has supported care homes throughout the year, providing advice and guidance with all Covid-19 related matters, including access and use of PPE. A vigorous testing programme for staff and residents to ensure early detection and protection from Covid-19 was also introduced which more recently has changed to deliver the vaccination programme for each care home staff and residents. In addition, in recognition that the sector has been faced with unprecedented challenges, financial support has also been provided through the hardship funding which they have utilised to help with cost pressures and care home voids. CTMUHB continues

to work with the sector and is implementing lessons learned during the pandemic, rebuilding, strengthening and re-shaping services and targeting support in conjunction with the Regional Partnership Board and the all-Wales Care Home Framework.

Health and Care Standards

The Health and Care Standards 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. The onus is on all NHS organisations to demonstrate that the standards are being used and are met on a continuous basis.

Following the launch of the Health and Care Standards we established framework arrangements 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 to the people of Wales. 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 and the requirement to re-deploy staff, re-configure clinical areas and the overall response to the pandemic, the Executive director of nursing agreed that the 2019/2020 Annual audit would be postponed until March of 2021. At the time of writing this report the audit has been undertaken and the relevant actions are being taken forward to help inform the overall CTMUHB compliance to populate the Health and Care Standards Report.

The Health and Care Standards report which demonstrates the CTMUHB wide compliance position identifying consistent themes, best practice and lessons learned will be reported to the Quality and Safety Committee in July 2021 and to the Board thereafter on the 29th July 2021.

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 during 2020/2021, including the HIW and Audit Wales Joint Review referred to earlier in this governance statement, the assessment of compliance with the Corporate Governance Code, the Annual Assessment of Board Effectiveness and the work with Deloitte in relation to Board Development.

Effective Communication

As a public health organisation in a global health crisis, staff, patients and communities turned to CTMUHB as a **trusted source of information** about the pandemic throughout 2020 and this continues into 2021.

Internal communications were enhanced to a daily staff message conveying key information and highlighting important developments that were unfolding rapidly. A staff Facebook page was launched to make access to important updates easier has

attracted more than 8,000 CTMUHB members and continues to be an engaging platform for staff to connect with each other across the organisation.

The implementation of Microsoft Teams enabled live staff questions and answers 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.

Patient and public-facing information was published on the CTMUHB website and social media channels which also included sharing content from Public Health Wales and Welsh Government to reinforce the **critical messages for public safety.** Website activity which has grown exponentially from approximately 80k visits (Jan 2019) to 143k (Jan 2020) to 400k (Jan 2021). Dedicated Covid-19 related webpages were developed to reflect CTMUHB's response and operational arrangements that were in place, changing and resuming as the pandemic evolved which included testing and more recently the Covid-19 vaccination programme.

From the very start of the pandemic, a closer working arrangement was established between CTMUHB's own communications team and those in the local authorities which enabled **coherent and co-ordinated** efforts that reflected localised issues whilst maintaining the central public safety messaging. This was developed further when an external agency specialising in behavioural science was commissioned by CTMUHB for the Health Board and three local authorities of Bridgend, RCT and Merthyr Tydfil. This work included the research, planning and delivery of a staff and public digital campaign to cut through the vast Covid-19 'social noise' when Covid-19 related messaging fatigue became evident.

Communications and engagement with political stakeholders was a key component within t CTMUHB's communications approach and a weekly stakeholder briefing was established to ensure **clear and consistent** messaging for community and regional representatives. This was complemented by weekly briefing sessions between CTMUHB's CEO and Chair and the Leaders and CEOs of all three local authorities, Members of Parliament and Senedd Members.

Transparency was key throughout this period and again the technology enabled Board Meetings to take place as virtual meetings broadcast live to the public, which included CTMUHB's Annual General Meeting in September 2020. All Public Board meetings are recorded and routinely published on CTMUHB's website.

Media activity has been a key part of the communications-mix throughout the past year, enabling key public messages to be reinforced as well as **explain challenges** and **issues specific to CTMUHB**. This was particularly important during the Covid-19 autumn outbreaks at hospital sites and the 'second wave' where daily position updates for media were issued as well as extensive media interviews provided across print and broadcast outlets both within Wales and nationally. Significant efforts were made to present a broad representation of CTMUHB spokespeople.

Misinformation has been challenged in line with ethical communications practice, the most significant being the media day held all three acute CTMUHB hospital sites

giving exclusive access into emergency departments following conspiracy theorist's claims that Covid-19 was myth and hospitals were empty.

Fulfilling 'warning and informing' obligations under the Civil Contingencies Act duties, a compassionate yet authoritative communications approach has improved the **trust and confidence** between CTMUHB, its staff, patients, communities and stakeholders as evidenced in the tone and sentiment expressed in ongoing engagement.

Delivery of Essential Services

Whilst the Covid-19 activity has consumed a major part of CTMUHB's capacity, particularly during the first and second waves, it nevertheless remains important to maintain non-Covid-19 essential services.

On 6 May 2020, Welsh Government, issued a Covid-19 Operating Framework which recognised the continued need to respond to Covid-19 alongside essential services. The Operating Framework, reflects the need to consider the four types of harm that could arise from Covid-19 (set out on page 14), and to addressing all of them in a balanced way. The Framework sought to provide support to clinical decision-making in relation to the assessment and treatment of individual patients; with the ultimate aim to ensure harm is minimised from a reduction in Non-Covid-19 activity. The Framework stated "…..essential services should remain available across NHS Wales during the outbreak. However, it did not mandate that specific interventions must be provided to all patients, where that is not in their overall interest.

As a result, services deemed essential were broadly defined as services that are life-saving or life impacting i.e. where harm would be significant and irreversible, without a timely intervention.

CTMUHB is, as always, acutely aware of the ministerial priority of timely access. It has been a useful driver to ensure that management effort has been focused on this area as the implications of the pandemic lessened. In particular, the need to see a significant number of patients has encouraged the maintenance of new practices developed in the pandemic including virtual review of notes, administrative validation of waiting lists, a range of outsourcing plans, changes to the way we care for Emergency Department patients via the Connect Ahead and changes in the way that acute medical staff are utilised in the community developing better patient pathways.

Outpatients

At the start of the pandemic, most outpatient clinics were moved from acute hospital sites into community settings which allowed the areas where the clinics were usually held to be repurposed. There were positives from this move and some clinics have remained in the community setting. Steps were taken to change the way the appointment system was arranged with many patients undergoing telephone assessments and completing Covid-19 questionnaires by telephone. This helped enable us to **maintain essential diagnostic services** such as emergency endoscopy from April 2020.

This change in ways of working allowed patients to be made aware of the necessary extra precautions their appointment would require and the opportunity for patients to seek any further support they may have required which in turn was designed to reduce levels of anxiety and address any questions or concerns that existed. Most outpatient clinics are now back at their original hospital sites.

Cancer Patients

Referrals for known and suspected cancer patients have remained priorities for review and treatment and wherever possible, **patients have continued to receive access to cancer services** as one of the cohort of essential services that CTMUHB has maintained. Some specialties saw a reduction in referral rates during the pandemic whilst some areas have seen **dramatic increases in referrals** to their particular specialty due to the nature of the clinical presentation of patients and also their ongoing support needs. Point of care testing has been expanded to allow more local tests to be performed for patients and also 'hot labs' have allowed rapid on-site testing of patients attending hospital sites in order to be able to quickly progress their care.

Whilst it was possible to put into place some arrangements for less complex surgery by accessing available capacity in private health care this was not an option for more complex surgery as they simply did not have the range of facilities required post procedure. Likewise not all cancer patients have been able to receive their full diagnostics via a private healthcare facility.

Eye Care Services

Urgent eye care remained available during the pandemic with sight-saving interventions undertaken albeit at reduced capacity due to social distancing requirements. However, the backlog of follow-up appointments has grown significantly during the pandemic. Plans are being developed to reduce this backlog through the redesign of pathways, maximising the use of primary care services, expansion of capacity in hospital settings and the use of outsourcing capacity where available. Significant focus is required to resolve this backlog moving forward.

Mental Health Services

These services remained open over the past year but **had to be delivered differently**. In response to the local and national concerns about the mental wellbeing of our population significant investment was made to help people with socio-economic challenges if left would impact on their mental health and potentially CTMUHB services. To date this appears to have been an effective approach as part of a number of changes, there are some areas of backlog that are as a direct result of the pandemic but not at this stage as many as expected. Key areas of pressure include waits for a dementia diagnoses, autism assessment and diagnosis, high intensity psychological interventions. All have shown improved positions in months towards the end of the financial year.
The following measures outline how the service was delivered differently over the past year:

- Clinical Service Groups have kept a detailed assessment of areas of particular concern so that there was a record of the demand which would help when the services started again.

- CTMUHB has been helped by the third sector – which managed to maintain services to a high degree during the pandemic.
- Where possible face to face contact was maintained as well as Group work – where the numbers were reduced in line with social distancing guidance. This has not always been possible but telephone and video contact has been well utilised as with other specialties.
- Significant work is underway on the recovery plans for all areas in Mental Health;
- In terms of inpatient care, a separate ward was established in the Mental Health Unit at the Royal Glamorgan Hospital to look after these patients.
- Looking ahead at how the fall out of the pandemic will be addressed in terms of increased referrals and general demand, plans are being developed to increase capacity wherever possible.

Alternative Provision Options

In a bid to help patients on waiting lists CTMUHB has begun to look at **alternative interventions** such as lifestyle medicine and population health interventions as well as clinically validating patients on lists to determine if alternative care pathways exist, whether conditions no longer met the requirements for surgery. Reviews of patients in the category of requiring follow-up who have not yet received an appointment are also ongoing. Work with the Clinical Advisory Group is underway to establish the likely impact at specialty level. Consideration is also being given to minor surgery being undertaken in primary care, along with secondary care expertise into primary care to help build capability and capacity.

Royal College of Surgeon's Risk Stratification

All Royal Colleges have provided guidance on alternative pathways, for example, the Royal College of Surgeon's **Risk Stratification process** identifies four areas of priority, from P1 (Emergency Procedures to be carried out in less than 2 hours) to P4 (Procedures to be performed in >3 months). This detailed document lists, by specialty, specific procedures and how they should be clinically managed. This has been used by CTMUHB to triage and assess surgical patients as necessary and is considered fully in the allocation of theatre time.

Similar stratification documents have been produced by the Royal College of Medicine and the Royal College of Gastroenterologists.

Patients treated based on Clinical Need

All decisions are made on the basis of clinical need using the appropriate guidance. This approach informs all the steps in the process of treating patients. For patients who have conditions that deteriorate it is important that they seek advice from their **GP who may re-categorise the terms of their referrals**. Alternative provisions include:

- Social prescribing – where patients are referred to a range of local, non-clinical services.
- Use of wellbeing and lifestyle hubs.

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 undertook 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 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.
- Strong communication maintained with families and next of kin.

Risks, Challenges, Mitigations and Lessons Learned

In terms of some of the risks and challenges faced over the past year these have been numerous and therefore it was essential that we put into place mitigating actions to seek to reduce the level of risk presented.

To address various quality related risks CTMUHB established a strong command and control system using Gold, Silver and Bronze all of which met regularly with appropriate attendance and records of meetings made. CTMUHB also introduced a requirement for Quality Impact Assessments which were considered at Gold Command level. Meetings of the Board's Quality and Safety Committee were maintained throughout the year (alongside meetings of the Audit and Risk Committee) to provide a means of considering issues related to the four harms arising from Covid-19.

CTMUHB took advice and implemented guidance around the necessity for certain staff to be shielded and put into place a requirement for a Covid-19 risk assessment to be completed every six months or if a person's circumstances changed. **Rest and Reflection facilities** were established for staff working on the frontline to take time-out as necessary. A **Wellbeing Strategy** was also developed and provision was made for staff to access **help, advice and counselling**. All this was underpinned by the CTMUHB Values and Behaviours Framework.

At times there was a level of concern around the availability of Personal Protective Equipment PPE. Systems were put into place to provide alerts on local stock levels

and guidance was issued to help manage both the issue of and use of PPE. Robust arrangements were in place on an all-Wales level to manage delivery of PPE supplies. Linked to this is the issue of infection prevention and control which was and continues to be of key importance. There is more about this on page 16.

The response to outbreaks of Covid-19 infection in the hospital environment has proved **exceptionally challenging.** The first outbreak was identified in Royal Glamorgan Hospital in September 2020 with subsequent outbreaks in all general hospitals and four community hospitals. The initial Outbreak Control Team (OCT) identified a ***15 Point Plan*** for implementation to contain and prevent further transmission. As outbreaks were identified in other hospital settings the OCT became overarching to utilise the consistent approach through the 15 Point Plan and share lessons learned. There was very close working between Infection, Prevention and Control teams, ILG's and Public Health Wales in response to the outbreaks. With rising community rates of infection throughout the autumn the outbreaks were increasingly difficult to contain, particularly as hospitals were operating at maximum capacity and staff sickness, often with Covid-19, was also a limiting factor. Despite this and with reducing community rates of infection following the national lockdown on 20th December 2020, **outbreaks were gradually controlled** and declared over, with only one remaining in Prince Charles Hospital at the end of March 2021.

The difficulties in implementing the 15 Point Plan have been documented and will form part of further work. Despite the challenges, thanks to the hard work of staff and support of our colleagues in public health, all outbreaks have been declared over.

Good communication was and continues to be a key aspect of CTMUHB's response to the pandemic. The CTMUHB Communications and Engagement Team developed **frequent staff and public updates** in a bid to maintain information steams. There is more about this on page 25.

Linked to the need for effective engagement and communication is the visible presence of **clinical and managerial leaders**, and therefore arrangements were put into place to support this and provide easy access so that any issues could be resolved quickly and in a streamlined way both during the day and out of hours. Where issues were of an ethical nature a system was also put into place to assist in difficult conditions being made. The Chief Executive along with other members of the Executive Team also hold regular question and answer sessions via Teams so that any member of staff can seek clarity on issues.

It was also imperative that **partnership arrangements worked productively** and at pace during the crisis both locally with local authorities and the third sector. However, this requirement was and is equally applicable to **all-Wales groups**. An example of this would be the Safety Huddle meetings attended by representatives of Health Boards from across Wales, the Welsh Ambulance Service Trust and Welsh Government. Such meetings closely monitored demands upon services so that action could be taken to provide assistance and interventions as necessary.
In recognising the **importance of shared learning** CTMUHB established a Shared Listening and Learning Forum which is able to feed relevant issues across Wales as

appropriate. Inevitably there was a requirement to keep in close contact with Welsh Government representatives during the pandemic particularly at the height of the pandemic surges. Welsh Government have also provided support to assist the organisation with the financial impact faced by the Covid-19 pandemic.

Work looking at how the organisation would re-establish services began in May 2020 and has continued at pace following the end of the second resurgence of the virus.

Delivery against National Targets

For periods during 2020/2021, as a result of the Covid-19 pandemic, reporting of national delivery targets was suspended. CTMUHB supported these revised arrangements between April 2020 and June 2020, and regular reporting has now resumed.

Over the course of 2020/2021, every effort has been made across CTMUHB to balance the Covid-19 service response with the delivery of wider services non-Covid-19 services. Despite this, non-Covid-19 activity across the year has reduced.

The table below sets out the **activity levels delivered during 2020/2021** compared with the previous full year. The significant reduction in activity, coupled with a system where capacity was already constrained in many areas, has had a material impact on the backlog of patients now requiring care.

Stage of pathway	Patients treated	
	2019/20	2020/21
New Outpatient	84,876	38,604
Follow Up Outpatient	138,204	65,436
Procedure	21,312	3,492

The **reduction in elective activity** is a sobering reminder of the devastating impact the pandemic has had on services provided to patients. This is particularly the case for procedures carried out in theatres. The reduction in outpatient services was not to the same degree, with the increased deployment of digital ways of working helping to maintain a higher level of outpatient consultations than would otherwise have been the case.

Digital consultations for new referrals increased by over 100% in 2020/2021 compared to the previous year, with an 88% increase in such consultations for follow-up consultations. This equated to more than 8000 new and 1400 follow-up digital consultations during 2020/21, with ambitious plans to increase further in 2021/2022 and beyond. CTMUHB is working with Local Authority partners to promote better access and capability on the part of our catchment population, noting that there continue to be some communities across Wales as a whole, that are not best placed to be able to respond to such digital opportunities.

Inevitably the reduced elective activity has increased both the **total number of patients waiting for treatment** and the length of time they can expect to wait before receiving their treatment. Whilst the total number of patients waiting had

been stable at around 62,000 prior to the onset of the pandemic, this total had increased to over 92,000 by the end of March 2021. Just under 49,000 patients have been waiting in excess of the 26 week target, equating to 47%, well below the levels achieved prior to the pandemic, which typically were above 85%.

For patients waiting over 26 weeks, almost 58% are in the following six specialties:

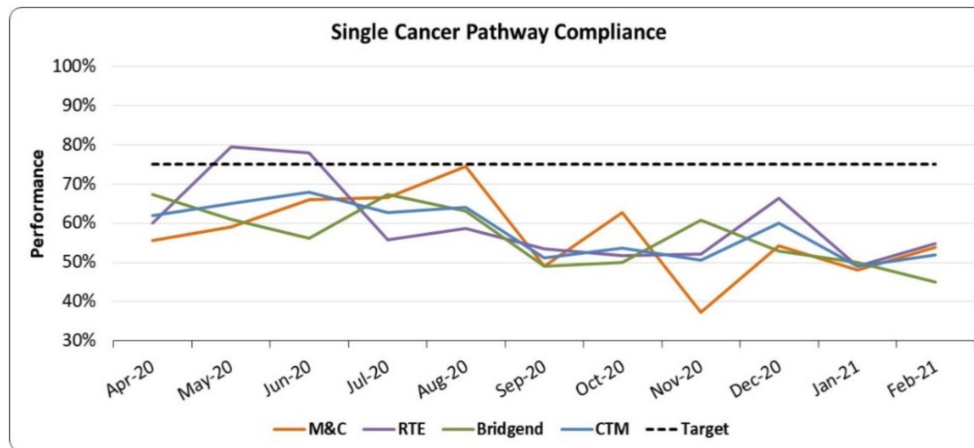
Specialty	Open Pathways	Within 26 Weeks %	Over 26 Weeks Total
General Surgery	12413	46.1%	6691
Dermatology	7029	34.4%	4608
Orthopaedics	6395	30.5%	4442
Ophthalmology	6719	36.6%	4261
Gynaecology	7447	45.1%	4088
Trauma & Orthopaedic	5544	26.5%	4075

For diagnostic tests, there has also been an **increase in the number of patients waiting** more than 8 weeks, a target normally delivered by CTMUHB except in the area of endoscopy. Almost 86% of the patients waiting over the target are in six diagnostic modalities:

Diagnostic Modality	Open Pathways	Within 8 Weeks %	Over 8 Weeks Total
Non-Obstetric Ultrasound	9523	36.6%	6036
Echo Cardiogram	2419	39.6%	1460
Gastroscopy	1897	26.8%	1389
Flexible Sigmoidoscopy	1248	24.5%	942
Heart Rhythm Recording	1238	45.4%	676
Colonoscopy	904	36.1%	578

The impact on waiting times for therapy services has not been as great, with only audiology (306) and dietetics (175) having more than 60 patients waiting over 14 weeks for such a service.

The Single Cancer Pathway target was officially launched in the second half of the year, with the previous 31 and 62 day targets being officially retired in the final quarter. There is now a target of 75% of all cancer pathways being treated within 62 days of the point of suspicion. The overall compliance gradually reduced throughout 2020/21 as shown up to the end of February 2021 in the following chart:

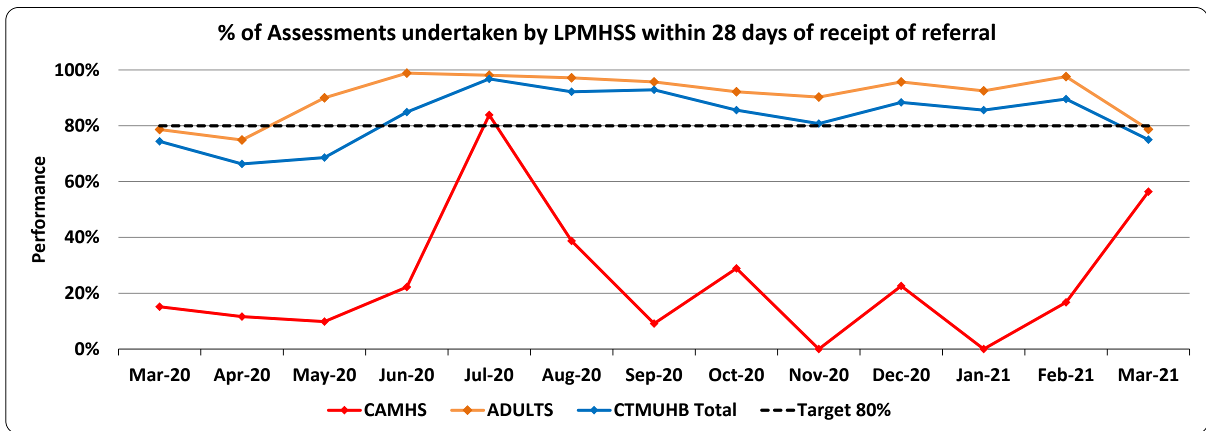


Whilst the overall compliance levels have been gradually reducing this year, they have **stabilised in recent months**, with the backlog of treatments required continuing to reduce. Maintaining essential services early on in the pandemic was challenging, with CTMUHB entering into agreements with the private sector to boost the limited capacity available within each hospital due to the pandemic.

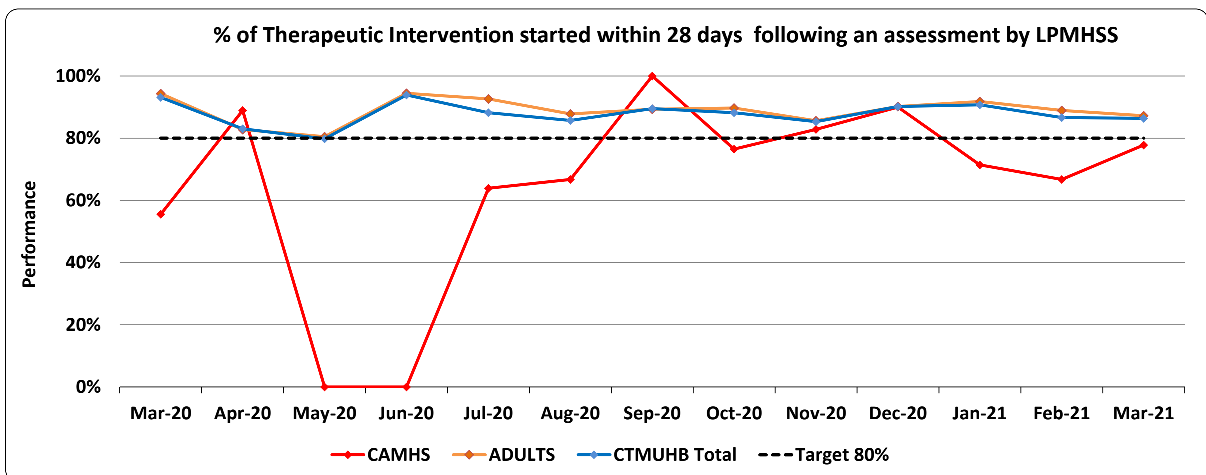
A backlog of treatments did therefore build-up in the early half of the year, causing the gradual reduction in compliance as the volume of such treatments slowly increased. All three ILGs have **significantly reduced the backlog in treatments**, giving them a much better starting position for the coming year in terms of achieving and maintaining compliance against the target.

Now that the backlog of patients waiting for treatment is reducing, compliance levels have stabilised, with **ambitious plans to deliver the target in a sustainable way** for many of the tumour sites, with urology, gastro-intestinal and gynaecological cancers in particular posing the greatest challenge in terms of meeting targets in the near future.

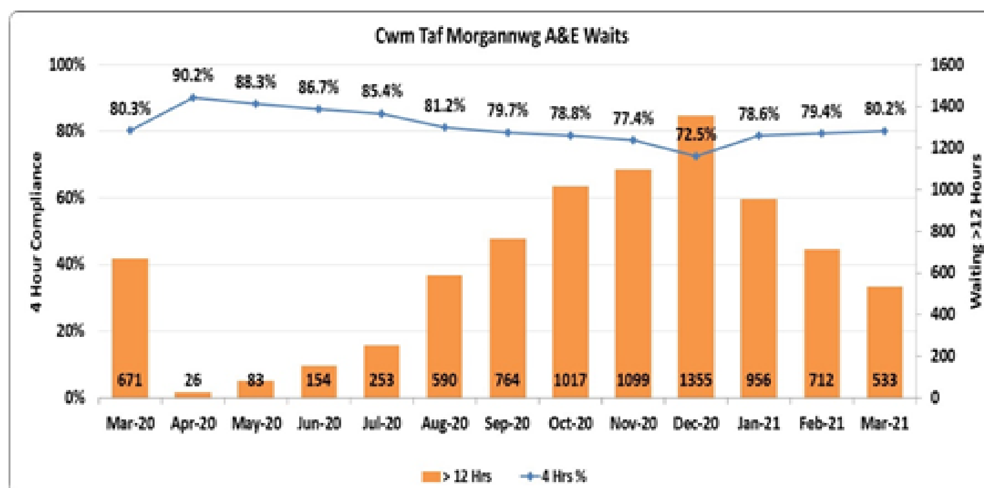
Part One of the Mental Health Measure relates to primary care assessment and treatment and has a target of 80% of referrals to be assessed within 28 days, with 80% of any subsequent therapeutic intervention required also having a 28 day target. In the main these targets have been **achieved and sustained**, albeit the Child and Adolescent Mental Health Services (CAMHS) compliance is significantly lower than for adult services.



Whilst the overall level dipped below 80% in March 2021, encouragingly the CAMHS level increased to over 50%. Compliance against the Part One target for intervention has been more stable in the second half of the year.



The onset of Covid-19 saw a marked reduction in A&E attendances, with April 2020 attendance levels across all Emergency Departments totalling 8075, less than 50% of what was witnessed in April 2019. There was a steady increase from that point, but the March 2021 level of 13768 continues to be below pre-Covid-19 levels.



Encouragingly, the number of patients spending more than 12 hours in the Emergency Department has **gradually reduced in recent months**, with firm foundations in place to sustain and improve upon this during 2021/2022.

The handover of care of patients from an ambulance crew to hospital staff should be within 15 minutes. There has been a variable position in relation to handover times during 2020/2021 across the three localities. The target will continue to be monitored through the Integrated Performance Dashboard during 2021/2022.

For the period 2021/2022, Welsh Government require Health Board's to produce one year annual plans. At the time of writing this report, CTMUHB is in the process of finalising its Annual Plan and it is intended to complete this process by the end of June 2021. This Annual Plan is the first step in our ambition to recover our services whilst maintaining our ongoing response to Covid-19, balancing clinical need with available capacity, focusing on inequalities and promoting good health.

An overview of CTMUHB's current integrated performance dashboard is received at each meeting of the Board and the position as of March 2021 is available here.

Putting Things Right (PTR)

Performance and Compliance

The table below provides information on new **complaints** and **compliments** for the period 2020-2021:

New Complaints	Qtr 1	Qtr 2	Qtr 3	Qtr 4	**Total**
Total number of new complaints received by the organisation during the quarter [both those to be managed through PTR regulations and through Early Resolution]	406	637	624	564	**2231**
Of the total number of new complaints received by the organisation during the quarter, how many were made by or on behalf of someone who wished to communicate through the Welsh Language	2	0	1	1	**4**
New Compliments	Qtr 1	Qtr 2	Qtr 3	Qtr 4	**Total**
Total number of written compliments received in the quarter	228	161	263	180	**832**

The tables below provide information on closed complaints during the period:

<table>
<tr><th colspan="2">Closed Complaints</th><th>Qtr 1</th><th>Qtr 2</th><th>Qtr 3</th><th>Qtr 4</th><th>Total</th></tr>
<tr><td rowspan="4">Complaints Closed during the Quarter:
Of the total number of Closed Complaints closed by the organisation</td><td colspan="6">Complaints managed through PTR Regulations</td></tr>
<tr><td>Complaints Managed as FORMAL COMPLAINTS</td><td>134</td><td>166</td><td>212</td><td>191</td><td>703</td></tr>
<tr><td>Complaints Managed as INFORMAL COMPLAINTS</td><td>89</td><td>133</td><td>150</td><td>159</td><td>531</td></tr>
<tr><td>TOTAL NO OF COMPLAINTS MANAGED THROUGH PTR REGS</td><td>223</td><td>299</td><td>362</td><td>350</td><td>1234</td></tr>
</table>

during the quarter , how many were categorised as:	Complaints managed through Early Resolution	161	272	274	192	**899**
	Total number of Complaints Closed during the quarter	**384**	**571**	**636**	**542**	**2133**

Closed Complaints		Qtr 1	Qtr 2	Qtr 3	Qtr 4	**Total**
Regulation 24 Complaints Of the total number of Complaints managed through the PTR Regulations closed during the quarter, how many Complaints had received a final reply (under Regulation 24)**:**						
	Up to and including 30 working days of the date the Complaint was first received by the organisation	117	179	182	136	**614**
	After 30 working days and up to and including 127 working days (6 months) of the date the Complaint was first received by the organisation	80	101	84	104	**369**
	After 127 working days (6 months) of the date the Complaint was first received by the organisation	16	6	17	5	**44**
	Total number of Regulation 24 Complaints settled and received a final reply during the quarter	**213**	**286**	**283**	**245**	**1027**
Closed Complaints		Qtr 1	Qtr 2	Qtr 3	Qtr 4	**Total**
Regulation 26 Complaints Of the total number of Complaints managed through the PTR Regulations closed during the quarter, how many Complaints had received an interim reply (under Regulation 26):						
	Up to and including 30 working days of the date the Complaint was first received by the organisation	2	5	1	0	**8**
	After 30 working days and up to and including 127 working days (6 months) of the date the Complaint was first received by the organisation	5	6	6	10	**27**
	After 127 working days (6 months) and up to and including 253 working days (1 year) of the date the Complaint was first received by the organisation	2	1	1	2	**6**
	After 253 working days (12 months) of the date the Complaint was first received by the organisation.	0	0	3	1	**4**
	Total number of Regulation 26 Complaints investigated and received an interim reply during the quarter	**9**	**12**	**11**	**13**	**45**

Closed Complaints		Qtr 1	Qtr 2	Qtr 3	Qtr 4	**Total**
Regulation 31 Complaints Of the total number						
	Up to and including 30 working days of the date the Complaint	0	0	0	0	**0**

of Complaints managed through the PTR Regulations closed during the quarter, how many Complaints had received an interim reply (under Regulation 31):	was first received by the organisation					
	After 30 working days and up to and including 127 working days (6 months) of the date the Complaint was first received by the organisation	0	0	0	0	**0**
	After 127 working days (6 months) and up to and including 253 working days (1 year) of the date the Complaint was first received by the organisation	0	0	0	0	**0**
	After 253 working days (12 months) of the date the Complaint was first received by the organisation.	0	0	0	0	**0**
	Total number of Regulation 31 or 33 Complaint responses provided during the quarter	**0**	**0**	**0**	**0**	**0**

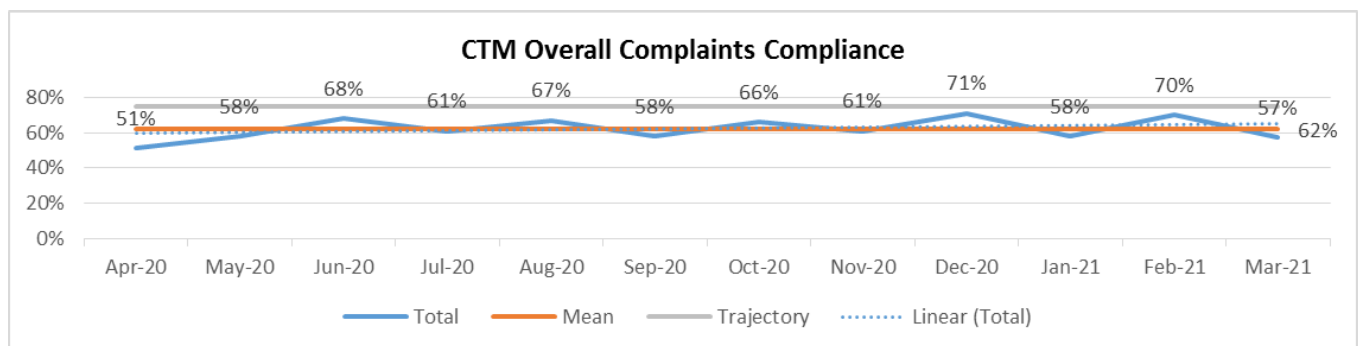
Closed Complaints		Qtr 1	Qtr 2	Qtr 3	Qtr 4	**Total**
Regulation 33 Complaints Of the total number of Complaints managed through the PTR Regulations closed during the quarter, how many Complaints had received an interim reply (under Regulation 33):						
	Up to and including 30 working days of the date the Complaint was first received by the organisation	0	1	0	0	**1**
	After 30 working days and up to and including 127 working days (6 months) of the date the Complaint was first received by the organisation	0	0	1	0	**1**
	After 127 working days (6 months) and up to and including 253 working days (1 year) of the date the Complaint was first received by the organisation	0	0	0	0	**0**
	After 253 working days (12 months) of the date the Complaint was first received by the organisation.	1	0	0	0	**1**
	Total number of Regulation 31 or 33 Complaint responses provided during the quarter	**1**	**1**	**1**	**0**	**3**

Closed Complaints		Qtr 1	Qtr 2	Qtr 3	Qtr 4	**Total**
Closed Complaints with SERIOUS INCIDENT INVESTIGATION **Of** the Complaints managed through the PTR Regulations closed during the quarter, how many had a Serious Incident investigation undertaken which was notified to Welsh Government Of the Formal Complaints Closed during the quarter, how many formal Complaints had a final grading as follows:	No. of SI Investigations	6	0	1	1	**8**

Closed Complaints by Grading*		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
Closed Complaints by GRADING Of the Complaints managed through the PTR Regulations closed during the quarter, how many formal Complaints had a final grading as follows:						
	Grade 5 (permanent harm)	0	2	0	1	**3**
	Grade 4 (severe harm)	7	4	7	7	**25**
	Grade 3 (moderate harm)	45	32	51	57	**185**
	Grade 2 (low harm)	76	109	133	136	**454**
	Grade 1 (no harm)	95	152	171	149	**567**

CTMUHB has continued on a journey to engage with the communities it serves to ensure **lessons are learnt** from the concerns raised. It has also continued to strive to **respond and support patients, families and carers** alike when replying to concerns within the 'Putting Things Right' Guidance.

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



Following review of CTMUHB's internal governance structures the creation of ILGs has enabled the organisation to allow **closer management and ownership of concerns** at local level. Thus creating a greater learning culture and the ability to create changes at local level for the benefit of patients and staff. We have also engaged with the Ombudsman who has provided training around responding to concerns, learning, customer service etc. to continue the learning culture the organisation continues to foster. Also in conjunction with Legal and Risk Services and Welsh Risk Pool.

The majority of CTMUHB concerns relate to services across the three acute hospital sites namley the Princess of Wales, Royal Glamorgan and Prince Charles Hospitals. When examining the issues raised this can be broken down further within the three categories:

Type of Formal Complaint by Financial Quarter	20/21 Q1	20/21 Q2	20/21 Q3	20/21 Q4	Total
Communication	60	125	111	131	427
Delays	52	80	70	81	283
Treatment Error	58	54	61	71	244

Bridgend ILG
The main theme of concerns during the past year has related to **communication** during the COVID-19 pandemic. Our population were concerned about the possible suspension of the 'Attend Anywhere' clinics, family liaison and laundry services. However, in response to the pandemic these services were increased. Virtual Visiting and use of shielding staff to support communication between wards, patients and relatives have all been instrumental in reducing the number of concerns coming through, and have evaluated very well with staff, patients and carers.

Mental Health also established a **Wellbeing Retreat** as a pilot project to support patients in crisis and this has demonstrably reduced the number of presentations to our A&E department. It has evaluated very positively and is something that the ILG would wish to continue.

Merthyr and Cynon ILG
The area of learning from concerns which has been a focus in this ILG is around **communication with families** given the restricted visiting due to the pandemic. In response to this they have implemented the use of attend anywhere, communication plans with all patients and their families at the point of admission in order to manage families expectations. As a result the ILG noted a significant fall in the early resolution concerns with regards to communication.

Rhondda Taff Ely ILG
Again, the area of learning from concerns in this ILG is the **communication with families** given the restricted visiting due to the pandemic. This was initially compounded by the information technology infrastructure which impacted on Wifi and mobile phone signals. In response cellular signal boosters are being installed at the Royal Glamorgan Hospital. This is to improve cell phone coverage in the hospital. CTMUHB has also entered into discussions with two of the major providers in the area, in an attempt to improve signal strength to all CTMUHB locations.

Overview of 2020-2021 in relation to Concerns
The Covid-19 pandemic and the necessary cessation of hospital visiting during this time period impacted greatly on CTMUHB's ability to communicate with families about their loved ones particularly in the acute hospitals. CTMUHB explored a number of avenues to alleviate this including **'virtual visiting'**, inpatient/outpatient **leaflets**, **laundry drop-off services** and **bereavement support**.

As indicated throughout this report, the momentum and impact of Covid-19 has caused substantial disruption to the way in which health service care is planned and delivered. Non-urgent services have been paused and staff deployed to prioritise acute patient facing activity. There have been challenges to maintaining and progressing the quality and safety agenda during this time and the Welsh Government directive to temporary reduce the burden of the requirements of PTR and incident reporting was welcomed.

CTMUHB continues to measure **quality indicators and metrics** and is accountable for providing the same high standard of care delivery and safety measures. There is much to be done to recover, reset and resume normal CTMUHB business. In

addition, accurately reflecting the experiences of colleagues and those who use and rely on our services, in order to triangulate hard and soft intelligence is being delayed by the pandemic, but also by the lack consistent, sophisticated and flexible methodology to capture this holistic perspective.

The 'Once for Wales' Risk Management System and cloud based user feedback module is keenly anticipated as this will further support capturing the experiences of those connecting with our services, even during times of crisis. In the interim, CTMUHB continues to explore different ways of gaining an insight into patient experience whilst negotiating the restrictions the Covid-19 pandemic places on this. '**Have your say cards'**, concerns, incidents, Community Health Council feedback from patients, families, and carers continue to provide the CTMUHB with an opportunity to improve and build on the services we provide to the community.

From page 24 onwards of this report we have shared many examples of the ways that CTMUHB has **continued to focus on quality** to improve the experiences of our patients and those who access our services.

Patient Experience

A new patient experience feedback system is currently being implemented and will allow CTMUHB a greater insight into the services we provide. An overview of the services used to support patient experience are detailed below:-

Carers

Due to the Covid-19 pandemic, 2020/2021 has been challenging. In order for services to continue to meet the need of carers, organisations had to adapt their working practices however which required continuation of joint work with our local authorities to **improve support, information and recognition of carers**, while making best use of a wide range of knowledge, expertise and support services.

Current services for carers in CTMUHB are provided by a range of organisations in the statutory and third sector. As well as accessing primary cares services which are available for everyone, such as the GP, there are also specific services to support carers, including young carers and young adult carers. These include:

- A carers support project run by RCTCBC.
- Services commissioned from the third sector including Action for Children, Barnardos and Age Connects Morgannwg.
- A network of Carers Champions in settings across the health sector.
- In Merthyr Tydfil, services to support Carers were commissioned from third sector organisations and the local authority appointed a Carers Coordinator.
- Carers Trust South East Wales providing Information and Advice to Carers across Bridgend.
- Carers Hospital Discharge project across the CTMUHB area.

In recognition of their commitment and continued support, there are a number of projects that will take place in 2021/2022 will be carried forward to support successful applicants from 2020/2021.

Chaplaincy and Spiritual Care

The Chaplaincy and Spiritual Care Department's operational practice during this past year adapted with the arrival of Covid -19. The usual ward based, bed-to-bed, spiritual and pastoral care offered to patients was not appropriate and changed accordingly. Chaplains offered a **listening ear**, **supporting wellbeing** as a physical presence on wards, units, departments. The number of team members able to work on sites reduced and a team of local **faith leaders volunteered as Honorary Chaplains** to help manage the increased workload. A 24/7 on-call rota throughout the year with some requests undertaken virtually or via telephone.

- Over 770 patients received significant spiritual/pastoral care.
- Over 130 relatives received significant spiritual/pastoral care.
- Over 2000 staff members received significant spiritual/pastoral care.
- Over 600 religious rites were performed.
- There were 60 end of life out of hours on call requests responded to.

Regular spiritual, pastoral and religious care has been provided in Ysbyty'r Seren and at other sites used during the first wave of Covid-19, such as Marsh House in Merthyr Tydfil. There was also **close working with the Intensive Care Unit Family Liaison Bereavement Team**. Virtual services were produced for Sharepoint and CTMUHB social media platforms, these included Remembrance Day, CTMUHB Gratitude Day, Christmas 2020 and the National Covid-19 Remembrance Day.

Within Covid-19 constraints the Chaplaincy has continued to provide teaching to both graduate and student nurses, and healthy care support workers; the subjects have included spiritual and pastoral care for patients and staff within the NHS, spiritual care and wellbeing for oneself, multi faith practices and religious care for patients, grief and bereavement.

Faith Bags donated to CTMUHB by a multi-faith group based in Cardiff were given to patients to enable them to practice their faith whilst in hospital. The individually sealed bags were very much appreciated. The Chaplaincy also continued to distribute bereavement books kindly donated by a member of the public –"When You Lose Someone You Love".

In January 2021, the Chaplaincy began working with CTMUHB's Health in Arts Co-Ordinator, **offering bereavement support through art**. This project is currently being trialled with staff and one of our volunteers. The plan is to run a 6-week workshop looking at grief, bereavement, and loss via creative arts, initially this will be offered to our employees. As Covid-19 restrictions allow the workshop will be an avenue for CTMUHB to provide bereavement support to those living in our community.

Volunteers Service

Due to the Covid-19 pandemic our hospital volunteers (approximately 330) were stood down in March 2020, in order to reduce footfall on acute hospital sites and to keep them safe, in line with Covid-19 guidelines. However, over the initial weeks and months volunteers were referred and signposted to their local community

volunteer centres (CVCs) to assist with shopping, picking-up prescriptions and chatter lines. In addition, CTMUHB volunteers were encouraged to register their interest on the all-Wales Volunteer Covid-19 webpage focussing on **supporting those most in need and living in social isolation.**

During that time it was imperative that our CTMUHB volunteers were kept informed and motivated, we explored alternative methods for engagement via digital/virtual platforms. The following are examples of the initiatives, activities and projects supported by volunteers along with the work undertaken by the volunteer service over the period April 2020 to March 2021:

- Regularly meeting (virtually) with all-Wales Volunteer Managers Network discussing recent information, updates and sharing best practise on current volunteer activity.
- Continued to support our registered volunteers to become digitally active by holding catch up/information sessions.
- Have in excess of 80 volunteers who periodically join our weekly live sessions cover a variety of topics from wellbeing, Arts, crafts, communication and music.
- Continued working in partnership with Digital Communities Wales (DCW) who have provided a number of training sessions for our team and the volunteers on a number of topics including Keeping Active, TEAMS, Padlets, Staying in Touch and Communication.
- Utilising our CTMUHB Volunteers and developed a Virtual Meet and Greet Volunteer Support Team assisting our EPP, Dietetics and Nutrition teams. With patient courses currently being offered via digital means, our volunteers have:
  - acted as ‘dummy’ patients for the teams to test out their on-line versions of the courses.
  - Supported those patients/participants (via telephone) who require assistance in accessing courses. The volunteers assist participants by explaining how to ‘join’ the sessions, what to expect, reassure and give basic tips on the controls, security and comfort etc.
  - Providing additional information and training focussing on the extra security measures in line with virtual online courses.
- The Volunteer Service has undertaken a volunteer re-registration exercise to ensure we have the most up to date and accurate information (as per GDPR) along with a COVID Self-Assessment (Welsh Government form) to map out a traffic-light system of individual volunteer’s risk scores. This will help when roles gradually become active.
- Currently involved (along with volunteer representation) in the embedding of Patient centred Virtual Visiting work carried out by the Improvement Team Lead.
- Working with the Infant Feeding Coordinators and Research Nurse to support a New Trial, based around Breastfeeding, we have enrolled and registered 5 peer support volunteers to join this project.
- Chaplaincy Volunteer supporting the Chaplaincy Team at Ysbyty Seren providing activity and stimulation to patients.

- Volunteers are actively involved with arts and crafts and have created the following in order to raise morale and support patients and staff across CTMUHB.
    - Twiddle Muffs, Knitted Teddies, Painted CD's, Trauma Teddies, Baby Hats for maternity, forget-me-not and butterfly keepsakes.
- Training sessions delivered to our volunteers by our Health in Arts Coordinator.
- CTMUHB volunteers supporting Phase 1 and 2 of the vaccination programme and supported staff / patients across centres welcoming thousands of people through the doors and provided Meet and Greet and marshal support.
- Over this period the volunteer service has virtually recruited a further 92 new volunteers joining the ever expanding team.

Delivering in Partnership

CTMUHB works with a wide range of partners in a range of capacities including other health bodies, local authorities, Welsh Ambulance Service, Police, Fire and Rescue services and the voluntary/charity sector. Significant achievements resulted from closer partnership working as a result of the pandemic that has been hugely important to 'whole system' working.

South Wales Local Resilience Forum and Strategic Co-ordination Group (SWLRFSCG)

CTMUHB has also worked 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) Programme and more recently, the development and roll out of our vaccination programme. 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 'SW01' facility was established by the South Wales Local Resilience Forum based in Cardiff Bay to provide up to 1,000 spaces for excess deaths in the South Wales area.

The SCG has been established on two occasions since the commencement of the pandemic and was continuing to operate as of March 2021. Whilst there are no direct accountability arrangements between the TTP and the SWLRFSCG, as both are partnership arrangements, there are some useful overlaps in membership which assist with closer working together, including membership of the Director of Public Health on both groups. Regular epidemiological and TTP updates are provided at each SCG meeting to ensure all are aware and briefed on the latest situation, which also helps to set the **context for any necessary actions**. On a similar note, the Chair of the SCG and Chair of the TTP discuss any key issues of significance where mutual support may be needed.

CTMUHB Partnership Panel

September 2020 saw CTMUHB seeking expressions of interest from people in Rhondda Cynon Taf area to join a new **Partnership Panel**. The Panel is an

opportunity for CTMUHB and local community to come together to look at models of care for emergency, minor injury and illness services in the area and to help reduce over-reliance on the emergency department at Royal Glamorgan Hospital. Its focus will be to look at how we can work together in a constructive way to come up with ideas and solutions to the challenges facing these services. We also want to develop new ideas on communicating and engaging with people on choice and personal responsibility in the way these services are used. Panel members will be responsible for sharing information from the community, highlighting any local issues about the way they currently use emergency and minor injury and illness services, sharing suggestions and experiences and ideas for supporting behavioural change so that inappropriate attendance are avoided.

Delivery of Test Trace Protect (TTP)

The Public Health Protection Response Plan developed by Public Health Wales (PHW) on behalf of Welsh Government contained three key elements:

- preventing the spread of Covid-19 through contact tracing and case management
- sampling and testing and
- population surveillance.

Subsequent letters and guidance from Welsh Government and Public Health Wales in 2020 set out that the effective implementation of an integrated national and local TTP system should be based on six principles as follows:

- The primary responsibility is to make the public safe.
- Build on public health expertise and use a systems approach.
- Be open with data and insight so everyone can protect themselves and others.
- Build consensus between decision-makers to secure trust, confidence and consent.
- Follow well-established communicable disease control and emergency management principles.
- Consider equality, economic, social and health-related impacts of decisions.

As a consequence, our TTP service was developed and a **Covid-19 Prevention and Response Plan for 2020-2021 plan** produced by the Regional Strategic Oversight Group. This was approved locally and then submitted to Public Health Wales and the Welsh Government in August 2020. Implementation of the plan during 2020/2021 led to a number of significant deliverables, which were developed with partner organisations often within very short timescales, including:

- Establishment of a Covid-19 PCR (Polymerase Chain Reaction) testing and sampling service.
- Establishment of a contact tracing service.
- Enhanced enforcement services including a Joint Enforcement team arrangement with South Wales Police.
- A Protect service supporting our communities who have to self-isolate, including a telephone helpline.
- A community pilot for LFD (lateral flow device) testing and subsequent community roll-out in March 2021 on a targeted basis.

- A Covid-19 vaccination strategic and delivery plan well-on track to immunise priority groups.
- An underpinning surveillance system which has targets and triggers where required, for escalation and de-escalation purposes.
- A communication and community engagement framework supporting the whole programme in terms of both prevention and response to the current pandemic.

The Local Partnership Forum (LPF)

The LPF is one of the **three advisory groups** that exist in all Welsh Health Boards and a unique partnership between management and trade union colleagues, works collaboratively with the executive and senior managers across the organisation.

The LPF had to adapt its way of working during the pandemic, by meeting more frequently, online or via teleconference, to enable the sharing of key intelligence and prompt action, as and when required. Over the last 12 months, arrangements have been made so far as is reasonably possible, to facilitate time for trade union representatives, including health and safety representatives, enabling involvement in our emergency planning structures and Covid-19 response.

Stakeholder Reference Group (SRG)

CTMUHB's second advisory group is the SRG. It was not possible for the SRG to meet in the early part of the year due to the Covid-19 restrictions. Since October 2020 the meetings have been resumed virtually using Teams. At the October 2020 meeting presentations were received on the Wellbeing of staff during Covid-19, CTMUHB's new Operating Model, the Annual Quality Statement and progress on capital developments. In December 2020, the Group received presentations regarding the implementation of the 111 service and Contact First along with an update on plans for resetting service plans for Quarter 3/Quarter 4 and the implementation of virtual consultations. Most recently in February 2021, a new format was introduced to the meeting, with a focussed session on responses to the Older People's Commissioners Report 'Leave no-one Behind' as well as an opportunity being provided for the group to pose questions directly to the Chief Executive.

Healthcare Professionals Forum (HPF)

In light of the impact of the Covid-19 pandemic the HPF was stood-down during 2020-2021.

During the pandemic CTMUHB operated in accordance with the Covid-19 Operating Framework issued by Welsh Government that recognised the continued need to respond to Covid-19 alongside essential services. The Operating Framework, reflects the need to consider the four types of harm that could arise from Covid-19 and to addressing all of them in a balanced way. The Framework sought to provide support to clinical decision-making in relation to the assessment and treatment of individual patients; with the ultimate aim to ensure harm is minimised from a reduction in Non-Covid-19 activity.

Prior to reinstating the HPF a review has been undertaken and arising from this a revised approach is being proposed for implementation during 2021-2022, whereby the HPF will be known as a Clinical Advisory Board.

Workforce Management and Wellbeing

Safe Staffing

In terms of the Nurse Staffing Levels (Wales) Act 2016, CTMUHB continues to comply with the Act, assessing relevant wards on a daily basis. Where there are staffing issues, colleagues are redeployed from areas and or bank/agency staff were engaged to help fill the gaps. Staff worked closely with our trade union colleagues during these times to help mitigate the risks and find solutions to workforce challenges. Risk assessments have been an important and consistent part of arrangements throughout the pandemic to ensure staff are working as safely as possible.

Nursing staff are not the only ones who have been redeployed during 2020/21 due to the pressures brought about by Covid-19. Many different staff groups underwent training to enable them to work in different roles. Over the past year, **1,160 people, including nursing and medical students, were recruited to the staff bank** to support a number of roles include surge capacity, safer staffing, the establishment of our field hospital and more recently our vaccination centres. The medical and nursing students resumed their planned programmes of studies when the pressures upon services improved.

October 2020 saw a warm Welsh welcome being offered to a further 33 **overseas nurses** in addition to the 27 nurses who joined CTMUHB in September 2020. The new staff settled into their patient care roles after completing a period of quarantine. These additional nurses are part of a cohort of more than 146 colleagues who have joined CTMUHB over the past 12 months, primarily from India, with a further 69 who arrived in December 2020. The nurses are already **qualified to a high standard before they arrive,** however, are required to sit a practical assessment (Objective Structured Clinical Examination) to achieve Nursing and Midwifery Council registration and work on our wards as registered nurses. Their arrival came as frontline staff across CTMUHB faced an increase in Covid-19 cases and the onset of winter pressures.

Staff Recognition

This year the traditional annual staff awards ceremony was replaced by a virtual Staff Gratitude online event which provided a fantastic way to **recognise all our staff for their exceptional efforts in the past year** and recognising the contribution of every member of 'Team CTM'.

Below are just some of the examples of staff being recognised for the extraordinary contribution they made during the height of the pandemic:-

- In November 2020 the Royal College of Physicians recognised the contribution made by respiratory physiologists working in different ways during the Covid-19

pandemic to enhance delivery of care to patients. Respiratory healthcare scientists and physiologists usually work in the outpatient setting, however, during the pandemic, they supported patients and staff on wards assisting with pressure support ventilation in non-intensive therapy units. In doing this they used their skills in non-invasive ventilation to support Covid-19 patients. The team have recently moved into a new state-of-the-art department which will help them to treat the increase of patients expected in referrals post Covid-19 with underlying respiratory disease which will increase the demands on the day-to-day outpatient service.

- December 2020 saw two CTMUHB head and neck specialist cancer team doctors scoop two of five awards in a Wales-wide event, with their separate projects to improve patient outcomes and experience. Ear Nose and Throat Consultant Mouli Doddi and Maxillofacial Registrar John Wells celebrated victory in the Welsh Health Hack. In both cases it was the challenges brought about by the Covid-19 pandemic that created the space to reflect and think differently, in turn enabling them to pitch their ideas to develop innovative pathways to benefit their patients.

In addition, following on from the CTMUHB Values launch in October 2020, a peer recognition campaign was established for colleagues to recognise individuals or teams using the online staff Facebook group. This has proven extremely popular and is a way of highlighting values into practice and has **boosted morale** with the exceptional level of engagement on these posts.

Staff Wellbeing

The Wellbeing Service was introduced in 2020, and offers a **stepped-care approach** to individual wellbeing, providing a range of services within a hierarchy of interventions from self-care, self-help, low intensity interventions, to high-intensity interventions, matched to the individual's level of need. These are summarised below in the following diagram:

How might I be feeling?	What might help me?
I feel well and want to stay emotionally healthy	❑ Recharge Rooms ❑ Mindfulness one off sessions accessed via CTM.WellbeingService@wales.nhs.uk ❑ Wellbeing Blogs at cwmtafmorgannwg.wales/staff wellbeing ❑ Wellbeing self-care workshops accessed via CTM.WellbeingService@wales.nhs.uk
I am beginning to struggle with my emotional wellbeing	❑ Self-help workbooks and resources at www.vivup.co.uk ❑ 24/7 Vivup telephone helpline – 03303 800 658 ❑ Free on-line resources on cwmtafmorgannwg.wales/staffwellbeing ❑ Reading Well self-help books via CTM Library service and public libraries ❑ Self-care following Trauma webinar accessed via CTM.WellbeingService@wales.nhs.uk ❑ Psycho educational courses – Anxiety Management, Low mood/depression, Stress and Trauma. Accessed via CTM.WellbeingService@wales.nhs.uk
I am struggling with my emotional wellbeing	❑ Self-referral / Manager referral to Vivup Counselling service. Access via www.vivup.co.uk or 03303 800 658 ❑ Mindfulness based living course – Self-referral via CTM.Wellbeing@wales.nhs.uk For Psychological Trauma – Health for Health Professions Wales helpline (9am - 5pm, Monday to Friday) - telephone: 0800 058 2738 Visit www.hhpwales.co.uk for more information
I am really struggling with my emotional wellbeing	❑ Speak to your GP

In response to Covid-19, space was dedicated to provide staff with access to 'recharge rooms' across the three district general hospital sites, where they could rest and recuperate during the working day to **support their emotional resilience** during this challenging time. These facilities remain in place and are being further improved, as the original rooms allocated were a temporary solution.

As described, there has been significant progress in launching the CTMUHB Values and Behaviours and work will now focus on embedding these into the wider workplace culture at every stage of the employee journey in order to make CTMUHB a 'great place to work'. Project groups have been established to deliver specific, measurable outcomes to enhance the experience of staff and future plans and work streams will continue to be developed during 2021/22.

Staff Training

During the pandemic the 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.

Covid-19 has also offered opportunities to introduce new roles and utilise the skills of healthcare professionals, in different settings. The establishment of six CTMUHB Covid-19 Vaccination Centres posed a particular challenges due to the pre-existing number of registered nurse vacancies across the organisation and the requirement to re-set services following the first and second waves of the pandemic as Covid-19 related hospital admissions abated.

To avoid an overreliance on registered nurses and experienced level 3 Healthcare Support Workers for the purpose of administering the vaccines in the Covid-19 Vaccination Centres (CVCs), CTMUHB embraced the new NHS Wales Vaccine Protocol. Utilising this Protocol, CTMUHB has been able to work in partnership with the local authorities and fire and rescue services, to deploy a number of their non-healthcare personnel to be trained to administer the vaccine, under **professional clinical supervision**. These individuals have been required to satisfactorily complete mandatory training modules. Once deployed and assessed as competent to administer the vaccine, these individuals form a team of one registered nurse to two vaccinators which ensures they receive supervision and support at all times.

CTMUHB has also **recruited a number of volunteers** to administer the vaccines in our CVCs, these include physiotherapists, pharmacists and occupational therapists. It is acknowledged that as most recent lock-down eases, deployed staff will need to return to their substantive posts and retired and volunteer staff will reduce in numbers. Therefore, a key challenge for our CVCs over the spring/summer of 2021 will be to maintain a stable, secure and experienced workforce, to vaccinate the CTMUHB population.

Employee Risk Assessment and Shielding Arrangements

From March 2020, the **disproportionate impact of Covid-19** on Black, Asian and minority ethnic (BAME) people become clear. Factors were identified that increased the risk of contracting the virus as well as poorer outcomes for BAME individuals when infected. In response, CTMUHB reached out to our BAME colleagues to engage with them to understand their needs and the additional support that they believed they needed during the pandemic. The engagement process lead to the establishment of a virtual BAME Network during July 2020 whose role has been to help raise awareness of BAME issues, develop guidance and influence policy, not only in respect to Covid-19 but also wider organisational issues.

The Network has encouraged our BAME workforce to get more involved in activities such as, the **promotion of Covid-19 Risk Assessments**, involvement in the **Equality and Human Rights Commission's Race Enquiry** and the appointment of our new Executive Team members.

When the Network was first established last year, approximately 15% of our BAME workforce became members. This number has continued to rise steadily over the past 12 months, as confident has increased in the Network's ability to contribute to

longer term, sustainable changes that will have tangible benefits for our BAME Workforce.

From May 2020 an NHS Wales Covid-19 Workforce Risk Assessment was introduced and by the end of August 2020, 83.5% of BAME staff completed a risk assessment highlighting that around 7% fell into the category of being at 'high risk'. These staff were supported to shield and work from home were possible. Out of the remaining 16.5% of staff, some of these did not wish to undertake a risk assessment as they were already shielding at home and others were away from work due to sickness or maternity leave. Only 1% of BAME staff declined to complete a risk assessment.

From September 2020, the Covid-19 risk assessment became mandatory for all NHS Wales staff, regardless of any protected characteristics. By December 2020, 72% of our workforce had completed the new on-line risk assessment which they must update every six months or earlier should their circumstances change.

Preserving and protecting the health, safety and wellbeing of our workforce has been critical for CTMUHB during Covid-19. During April 2020 the Government confirmed the shielding arrangements for staff categorised as 'extremely vulnerable' staff. CTMUHB has taken all reasonable measures, using a risk assessment approach to support identified shielding staff where possible, to either remain in work in a non-patient facing role, or to work from home. Where, these options have not been available to a shielding member of staff, due to the nature of their role, they have been supported to shield from home on full-pay.

During the first period of shielding, April to August 2020, 397 CTMUHB staff were required to shield. At the end of the shielding period, 259 staff were risk assessed as being able to return to work either within the workplace or from home.

During the second shielding period, December 2020 – March 2021, the criteria changed to 'clinically extremely vulnerable' staff. During this period 138 staff were risk assessed as requiring to shield. Of these staff 47 have been able to work from home with the remaining 91 being supported to shield from home on full-pay. These staff will be risk assessed to identify whether they are able to return to their substantive role within the workplace, when the current shielding period ends.

Decision-Making and Governance

In response to the **unprecedented and increasing pressure** in planning and providing services to meet the needs of those who are affected by **Covid-19,** the whole organisation has had to work very differently both internally and with our staff, partners and stakeholders and it has been necessary to **revise the way the governance and operational framework is discharged**.

For the majority of 2020-2021 we initiated our emergency command structure in order to oversee the Covid-19 repsonse. The strategic objectives which have guided the response have been:

- To prevent deaths related to Covid-19;
- To protect the health and wellbeing of staff in our public services; and

- To protect the health of people in our community**.**

The command structure ensured a co-ordinated strategic response within CTMUHB and with our partners. The response provided the consideration of the actions required to respond to the latest position, informed by robust data and intelligence, potentially incorporating the re-provision of services and working models that were introduced to support the initial pandemic response but since adjusted or stood down. It included additional critical care and acute ward capacity, the Ysbyty'r Seren site, intermediate care facilities and the full range of primary and community services, consideration of new solutions required given the rapidly evolving situation.

The Command structure was "stood up and down" as follows during 2020-2021:

Covid-19 - Wave 1
Tactical Covid-19 Coordination Group established – 3rd Feb 20
Gold / Silver / Bronze formally stood up – 13th Mar 20
Gold / Silver / Bronze formally stood down – 21st May 20

Covid-19 - Wave 2
Pre Gold Formed – 7th Sept 20
Gold / Silver / Bronze formally stood up – 14th Sept 20
Gold / Silver / Bronze formally stood down – 24th Feb 21

The Board approved a decision-matrix and Scheme of Delegation for Gold command.

All **key decisions were recorded** on the decision pro forma and were subject to a risk assessment and Quality Impact Assurance (QIA) process. A comprehensive decision log was established including financial impacts and quality / safety impacts. To ensure consistency of information captured, the log has been maintained by the Programme Management Office (PMO) under the leadership of the Director of Planning for the decisions made during Gold, Silver and Bronze command meetings. A decision proforma template was introduced to ensure that requests for decisions were taken to Gold Command meetings in a standard format. Additionally, a Covid-19 Emergency Response timeline has been kept throughout the second wave to record week by week the situational context in which decisions have been made.

The interim change to our governance framework and the operation of our Board and Committees was reviewed by Internal Audit and is captured on page 88 of the Annual Governance Statement.

In the event of a further escalation in the Covid-19 position this command structure will be re-implemented.

Finance Summary 2020-2021

The Financial position of CTMUHB at 31 March 2021 is shown in the accounts section of this report on page 145.

CTMUHB reported a surplus of £0.1m in 2020/2021 and has achieved the financial duty to break even against its Revenue Resource Limit over the 3 years 2018/2019 to 2020/2021 with a cumulative surplus of £1.0m. However, CTMUHB's underlying recurrent deficit position has increased over the planned level during 2020/21 and, as at 31 March 2021, this is now £33.9m. This deterioration is mainly due to shortfalls in savings delivery due to focus on the response to Covid-19:

	£m
Planned recurrent deficit at 31.3.21	**13.4**
Forecast shortfall in recurring savings delivery	16.2
Other 20-21 recurring pressures	4.3
Forecast recurrent deficit at 31.3.21	**33.9**

During 2020/2021 CTMUHB received £101.7m of Welsh Government Revenue funding and £11.1m of capital funding to deal with the impact of Covid-19. Total revenue funding of £128.6m was made available to CTMUHB but £26.9m was unable to be utilised, largely due to workforce availability constraints, and was therefore returned to the Welsh Government. The main areas of funding within the £101.7m were as follows:

	£m
Sustainability funding and quarter 1 pay costs	37.2
Field Hospital- set up costs and decommissioning	6.0
PPE	6.0
Test, Trace and Protect	10.2
Vaccination	3.0
Annual leave accrual- increase due to Covid	13.4
Staff bonus payment	13.5
Urgent and emergency care	4.7
Support for adult social care providers	3.4
Other	4.3
Total	**101.7**

CTMUHB's financial plan for 2020/2021 included a planned balance sheet release of £4.3m. An additional £15.8m was released from the balance sheet in 2020/2021 and this was principally used in the following three areas:

	£m
Removing the request for Welsh government bridging funded included in the 2020/21 Financial plan	5.0
Early repayment and deferral of Invest to Save funding	2.8
Other non-recurring spend initiatives	8.0
Total	**15.8**

Conclusion and Forward Look

As this report has demonstrated, the past 12 months have been incredibly humbling for our Health Board. We have seen the COVID-19 pandemic dominate our work as a health service and our staff and communities have been challenged in ways we never could have imagined. The loss caused by the virus has been tragic and the impact on our communities and staff will be felt for some time.

The past year has also shown **just how committed our staff are** to their work and the level of resilience seen across CTMUHB has been nothing less than inspiring. We would like to take this opportunity to once again thank them, our communities and our partners for their support.

As well as recognising the **significant loss we have experienced**, it is important we also **recognise the achievements and progress** which have been made during this time. Despite the challenges of the Pandemic, this annual report has highlighted how we have delivered improvements in services, developed new ways of working, been innovative in our thinking 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.

As our thoughts turn to how we recover from the Pandemic, we remain committed to ensuring that people, **quality and safety are at the heart of everything we do.** In developing our long term strategy, 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 our communities. 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 services and support which meet the needs and improves the health of our population.

Wellbeing of Future Generations (Wales) Act 2015 – Wellbeing Statement and Annual Reporting

CTMUHB's strategic objectives were co-produced with patients and staff to help shape the future direction of the organisation and these are outlined below:

Mission	Building Healthier Communities Together
Vision	In every community people begin, live and end life well, feeling involved in their health and care choices.
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, econmically, environmentally and socially. • Co-create with staff and partners a learning and growing culture.

In developing these wellbeing objectives, the Wellbeing of Future Generations (Wales) Act 2015 Sustainable Development Principle has been applied and underpins planning and delivery across CTMUHB. These strategic wellbeing objectives will enable us to keep a focus on the **seven Wellbeing Goals** and maximise our contribution to them. CTMUHB's IMTP (2020-2023) outlines key deliverables that demonstrate how this will be achieved over the next three years.

CTMUHB has published its strategic/wellbeing objectives on its internet site.

- **Working With Communities And Partners To Reduce Inequality, Promote Wellbeing And Prevent Ill-Health**

Working with communities to **tackle inequalities in both mental and physical health** throughout the life course and inequalities in the determinants of poor health and chronic conditions, will not only create a healthier population but will also contribute to the development of more prosperous communities; where people's social mobility and financial wellbeing are not limited by poor health. Building cohesive and resilient communities that are able to maximise their potential will now, more than ever, be essential for recovery for the impact of the Covid pandemic and also in creating the health protective conditions for future generations. Working in partnership with Public Services Boards and the Regional Partnership Board will be key to achieving this.

- **Providing High Quality, Evidence Based And Accessible Care**

Developing a **system-wide approach to wellbeing** which includes clear pathways rooted in prevention, whilst providing quality care at the right time and in the right place, proportionate to need will ensure a sustainable and accessible healthcare system for all, contributing to a healthier and more equal Wales. Ensuring that people can access services as well as engage in and shape service delivery; through

the medium of the Welsh language supports understanding of the communities we serve, promotes cultural heritage and improves community wellbeing.

The **maintenance and encouragement of healthy ecosystems**, enhanced biodiversity and sustainable facilities management not only reduces environmental harm and builds ecological resilience but also saves money through investment in energy efficiency and water saving methods, such as good insulation, movement sensor control lighting and low flush toilets resulting in lower running costs. Continuing on our organisational commitment to decarbonisation and biodiversity, we will maintain and build on current success with year on year reductions in energy and carbon emissions. Opportunities will be taken through the Green Growth programme to further reduce energy consumption and review renewable energy opportunities.

Building on the elements of the **environment policy** that have already been implemented, CTMUHB will continue to seek innovative ways to support and make further progress with environmental sustainability and our contribution to a globally responsible Wales. All this will be underpinned with the ethos of using resources efficiently and delivering within a financial envelope which is both value for money and affordable.

- **Co-Create With Staff And Partners A Learning And Growing Culture**

Continuing work already started in **engaging and involving the public** in conversations about service development and provision; our vision as an organisation is to proactively and routinely provide opportunities for everyone to be involved in our work. Further developing our already skilled and knowledgeable workforce and sharing these expertise across Wales and with other countries through the International Health Partnership, will further contribute to us becoming a globally connected and responsible organisation. While going forward the organisation will be also be working to establish a robust improvement function that can facilitate and support service and quality improvement throughout CTMUHB, improving organisational efficiency, performance and sustainability while continuing to focus on our ultimate goal of improving population health outcomes.

2020-2021 has been a year of significant change for the organisation, coupled with the challenge of responding to the Covid-19 pandemic in the last quarter of the year, progress towards objectives has slowed. However, there have been areas where progress has continued to be made, including actions in response to the pandemic that have accelerated working that is in accordance with the Act. This is particularly true for the integration of services and the engagement of communities to respond to and prevent Covid-19. As an organisation we want to maintain and build on this progress as we recover as an organisation and as we support our communities to recover.

Outlined on the following pages are some case studies reflecting how the CTMUHB is embedding the Wellbeing of Future Generations Act within the service:

Case Studies

Step/Activity	How does this work demonstrate the 5 ways of working and what have been the benefits of working in this way?	Which strategic wellbeing objectives does this step/activity help us achieve?	How does this step contribute towards the national wellbeing goals?
Social Prescribing at Ysbyty'r Seren, Field Hospital Ysbyty'r Seren on the Bridgend Industrial Estate is a rehabilitation facility for patients recovering from Covid-19.There are beds to accommodate 217, with capacity to expand to 400 if required. Most patients are aged 70 – 90+ years and have been transferred from DHHs across the CTMUHB footprint. The Research, Innovation, Improvement and Communication (RIIC) Hub responded to a request for support from the Medical lead at Ysbyty'r Seren, CTMUHB Field Hospital from June 2020 – March 2021. RIIC coordinates the Patient Wellbeing Team – a multidisciplinary team of 15 wellbeing practitioners. An innovative model of social prescribing within a secondary care facility is being trialled. Social prescribing "enables GPs, nurses and other primary care professionals to refer people to a range of local, non-clinical services to support their health and wellbeing" (Kings Fund, 2020) Discharge will be accompanied by referral to local Community Networkers/Coordinators to continue social prescription at home.	**Collaboration, integration, long term, involvement, prevention** Research, Improvement, Innovation and Coordination (RIIC) prioritised organisations that can continue social prescription activity long term with individuals from hospital back to the community. Third Sector organisations (Mental Health Matters and Age Connects Morgannwg) are fully integrated with Chaplaincy staff, free-lance artists and touch/movement practitioners. There is a dedicated wellbeing room, and practitioners work at the bedside. All wellbeing work is monitored and evaluated, and reports are forwarded to managerial Clinical staff. RIIC works closely with the CTMUHB Arts and Health Coordinator to incorporate artists and creative practitioners into the wellbeing team, and to collaborate with the National Museum of Wales on an art trail within the Hospital. RIIC has secured donations of recycled plastic garden furniture from local businesses, and a wellbeing garden is being developed for patients, staff and visitors. Ysbyty'r Seen is not a permanent hospital, and in the long term, it is intended that garden furniture and art works are relocated to other sites.	Work with communities and partners to reduce inequality, promote wellbeing and prevent ill-health Ensure sustainability in all that we do, economically, environmentally and socially. Co-create with staff and partners a learning and growing culture	**A healthier Wales** Social prescribing of wellbeing activities have been evidenced to support mental and physical resilience in primary care. Social prescribing in and from the temporary hospital in collaboration with partner organisations intends to mirror this successful outcome. All wellbeing activity is aimed at supporting the health and wellbeing of patients. **A more equal Wales** Patients Ysbyty'r Seren will be from across CTMUHB, and there is planned equality of access of all services across the patch. **A Wales of vibrant culture and thriving Welsh Language** The art installations chosen for the trail are local CTMUHB representations and reinforce the value of Wales of vibrant culture. Art is labelled bilingually. **A globally responsible Wales:** Recycled plastic benches, chairs and planters reinforce sustainability and global responsibility.
CTMUHB Local Public Health Team (LPHT) Wellbeing Following a prolonged period of home working, in June 2020, a team survey was developed to involve the team in shaping the approach to team communication and engagement around health and wellbeing and to understand the positive and negative impacts of home working. This resulted in a Team Wellbeing Action plan being devised and the creation of a Team Wellbeing Action Group whose objective was to follow up on the recommendations from the survey. A follow up to this piece of working has recently been carried out by means of a second team survey to understand the health impacts	Taking action now to understand the current picture of workplace health in CTMUHB LPHT will reduce the risk of developing poor health outcomes and help to promote the uptake of healthy behaviours. It will also help towards any conditions worsening from the effects of a prolonged period of working in isolation and temporary workstations. Working collaboratively with Public Health Wales allows us to involve the team in more activities to understand health needs and individual circumstances. Linking in with the PHW Staff Wellbeing Lead and the People and Organisational Team affords us the	Working with the team to reduce inequality, promote wellbeing and prevent ill-health Co-create with staff and partners.	**A globally responsible Wales:** • Reduction of air pollution due to less commutes • Increased levels of active travel for school drop offs/pick ups • Less use of paper as part of agile working **A resilient Wales:** • Increased autonomy over work-life balance • Reduced car use resulting in co-benefits for the environment • Older people have the opportunity to stay in work longer with more agile working **A healthier Wales:** • Improved work-life balance

of continued home working and to gain suggestions from the team on the planned transition from home to agile working.	opportunity to increase our resources and gain increased support in planning local interventions. Involving the team will provide a greater understanding of the major impacts for teams and individuals to foster an approach that promotes health, wellbeing and equity to enable effective, productive and positive home and agile working experiences.		• Less likely to have poor health outcomes/behaviours from unsupportive working practices • Improved health and wellbeing **A more equal Wales:** • Strengthened flexible working policies • Supportive work environments • Inclusive policies and working practices **A Wales of vibrant culture and thriving Welsh Language:** • Less commute more time and energy for sports, leisure • Less commute more time and energy for learning a new skill • More time to engage in other recreational activities
Step/Activity	**How does this work demonstrate the 5 ways of working and what have been the benefits of working in this way?**	**Which strategic wellbeing objectives does this step/activity help us achieve?**	**How does this step contribute towards the national wellbeing goals?**
Recycling in CTMUHB operating theatres and pathology labs The project aims to improve recycling and staff behaviours in operating theatres and pathology labs. Our focus will be in ensuring continued use of safe, clean, readily recyclable plastic, boosting productivity from staff in their behaviours as well as a circular economy and in preventing any disruption to our patients or industry partners.	**Collaboration:** The RIIC Hub team are leads in coordinating this project and using their strong links and relationships to create partnerships between the CTMUHB, the Accelerate Programme and local industry companies, in order to successfully deliver an improved way of recycling within the Operating Theatres and Pathology Labs at CTMUHB. Work with key suppliers to influence packaging material use to more easily recycled forms that will enable changes to supply chain and recycling. **Involvement:** We plan to provide a forum for interested UHB staff to attend and find out more, capture and describe individual projects ongoing and publicise these. **Integration:** The benefits of working in this way already has demonstrated the clear need to work under the sustainable development principle in order to have better decision making, involving the right people and not continue down old routes. The pandemic has put a halt to a lot of progress. However with the enthusiasm of staff and partners there has been a growing awareness of the issue within the CTMUHB and staff in several QI projects and innovation streams have started to consider this more and more.	Ensure sustainability in all that we do, economically, environmentally and socially. Co-create with staff and partners a learning and growing culture	Increasing awareness of and reducing the impact of recycling waste a **globally responsible Wales.** Working with all stakeholders from across all sectors encourages the development of compassionate **well-connected communities.** Targeting these departments as they are big producers of waste helps and educating staff helps us **create a more resilient and equal Wales** Boosting productivity and ensuring correct recycling procedures take place and sharing best practice also equips us to improve wellbeing goals of becoming **a more prosperous wales**

	If successful this could be an exemplar of how to improve recycling throughout other departments and share best practice with other health boards. **Integration and Prevention:** Work with our industrial partners to explore potential pathways for waste into new products, creating a circular economy by changing unrecyclable plastic packaging, avoiding landfill and reducing cost to the CTMUHB. **Long-term:** Engage with department staff to measure impact of recycling behaviours and education.		

Step/Activity	How does this work demonstrate the 5 ways of working and what have been the benefits of working in this way?	Which strategic wellbeing objectives does this step/activity help us achieve?	How does this step contribute towards the national wellbeing goals?
Innovation Housing Cohort (Circular Economy Innovation Communities) The Innovation Housing Cohort project is an innovative collaborative with RIIC Hub and Swansea University, School of Management. RIIC Hub are also linking with IBM as a potential industry partner. Swansea University's Programme; the Circular Economy Innovation Communities (CEIC), aims to support public services managers to develop new service solutions to enhance productivity and deliver Circular Economy (CE) benefits. It is a Fully funded 1o month Programme, by WEFO. Participants in the Programme will be invited to view every day challenges in their organisation through a circular economy lens: how can we implement solutions that are resource-efficient, resilient and low-carbon by design? The public sector are to work effectively together to re-think how resources are managed within new and existing projects and services, so that they can maximise the financial, environmental and social benefits within their organisation. The collaborative presents the idea for a Housing and community regeneration cohort in committing to meet Wellbeing of Future Generations Act's goals and address the greatest challenge of our generation. IBM play a valuable role as they are involved in developing emerging tech around SMART buildings and housing, linking with healthcare and university research in order to improve everyday living by using these future technologies. The first cohort in Wales will focus on challenges relating to de-carbonisation of Social Housing	**Collaboration:** The RIIC hub and Swansea University identified the opportunity to work together on this as RIIC hub has access to many links in CTMUHB, local authority and throughout social housing, third sector organisations. **Integration and involvement:** By working together with other organisations we have realized we are all working with the same goals in mind. Already there has been advanced discussion around creating an 'innovative community' and RIIC Hub jointly badging this with Community Housing Cymru (CHC). "... as the innovation lead at CHC, I see this as a great opportunity for the sector and I'm keen not to reinvent the wheel. The housing association reps who are successful for this programme could form part of our sector's innovation community, sharing the learning even further with our help and support."– **Edwina O'Hart, Assistant Director Member Services and Innovations Lead for CHC** **Long-term:** The Programme should increase circular economy benefits, building towards zero waste through increasing understanding of circular economy. Innovation Networks can be co-produced in creating communities of practice to break down silos and encourage communication. **Prevention:** The knowledge access in creating a cohort of welsh public sector executives to develop active skills and tools in creating a sustainable vision for the future.	Working with the team to reduce inequality, promote wellbeing and prevent ill-health Ensure sustainability in all that we do, economically, environmentally and socially. Co-create with staff and partners a learning and growing culture	CEIC addresses a number of principles outlined in the Wellbeing of Future Generations Act. Firstly, the project makes a significant contribution to **'A Prosperous Wales'** through creating green jobs, generating greater resource efficiency in the economy, and providing opportunities for innovation, skills and qualification development. Secondly, CEIC will contribute to **'A Resilient Wales'** through helping to reduce or reverse biodiversity loss through reducing the exploitation of natural resources and consumption-based carbon emissions and associated global warming, and therefore reducing consequential habitat loss. CE also helps businesses become more resilient through being more resource efficient and securing a more reliable supply of affordable raw materials. Third, CEIC facilitates **'A Healthier Wales'**, protecting and improving health through reducing emissions associated with waste and its management, and through the provision of employment. Moreover, the project contributes to **''A More Equal Wales'** through providing training, skills, and potentially new jobs (through third sector growth) across the population. Such skills will assist in creating **'A Wales of Cohesive Communities'** through engaging communities in sustainable waste management, including recycling, reuse and surplus food redistribution. Finally, the project contributes **to 'A Globally Responsible Wales'**, contributing to the Welsh Government's one planet resource use goal and helping reduce or reverse global biodiversity loss through reducing the exploitation of natural resources by making resource usage more effective, efficient, and circular.

Step/Activity	How does this work demonstrate the 5 ways of working and what have been the benefits of working in this way?	Which strategic wellbeing objectives does this step/activity help us achieve?	How does this step contribute towards the national wellbeing goals?
Reimagining Glanrhyd Church Hospital Glanrhyd Hospital is a mental health hospital near Bridgend. In the centre of the hospital site is a former church that has very limited use for religious purposes, and is in in a poor and deteriorating state. We want to involve a range of people from the local area to join in with our workshop to help in the development of this community project. In this online workshop we will present some of the ideas we plan to focus on in the redevelopment of the church. We will aim to gain feedback from those living in the area, to see how they feel about the ideas, and what it would mean to them.	**Collaboration:** A range of organisations working within the Bridgend region are working together to come up with a plan to reimagine this beautiful site. They are: - The Bridgend Integrated Locality (ILG) at CTMUHB - The Research, Improvement, Innovation and Coordination (RIIC) Hub, working on behalf of the CTM Regional Partnership Board - The Accelerate Programme at Cardiff University - Mental Health Matters - Bridgend Association of Voluntary Organisations (BAVO) We are seeking the view of the local community to ensure this new community facility will meet their needs. That's why we want to involve them from the very beginning and listen to what they think should happen to the Church. **Integration and Involvement:** Take forward a shared integrated and collaborative approach to improve information, advice and assistance in community settings. By using an assets based approach we can use each other's strengths to create a true co-produced developed plan **Prevention:** Build on collaborative working amongst partners to realise the potential of social prescribing, enabling citizens to build or rebuild friendships, community connections and a sense of belonging to reduce isolation and improve wellbeing. As part of our recovery to Covid we need to anticipate the needs of the population, the groups and regions hit hardest. **Long-term:** A co-productive approach is envisaged, involving a community focus and a sustainable design standpoint. This will aid in creating a space that matches the needs of	Working with the team to reduce inequality, promote wellbeing and prevent ill-health Ensure sustainability in all that we do, economically, environmentally and socially. Co-create with staff and partners a learning and growing culture	Working with key stakeholders from across sectors in the Bridgend region will encourage the development of **well-connected cohesive communities.** Via members of the community being supported in a 'what matters to you' conversation and being supported in their local community via a community facility will enable people to take greater control of their own health and wellbeing leading to **a healthier, more resilient Wales.** Supporting and investing in the future of our most vulnerable community members, who often find accessing mainstream services difficult, will support **a more resilient, equal and prosperous Wales.** Exploring the means of retrofitting the building in aids **a more globally responsible Wales**

	potential users and take an environmentally sustainable approach in order to emphasise the potential for improved efficiency, reduced carbon footprint and therefore reduced running costs. The Wellbeing of Future Generations Act gives us the ambition, permission and legal obligation to improve our social, cultural, environmental and economic wellbeing. The Glanrhyd Church can be a space to better wellbeing, celebrate the setting, improve engagement with our communities and be an example of a positive energy building.		
Step/Activity	**How does this work demonstrate the 5 ways of working and what have been the benefits of working in this way?**	**Which strategic wellbeing objectives does this step/activity help us achieve?**	**How does this step contribute towards the national wellbeing goals?**
Collaborating with partners and communities on the development of the CTMUHB Regional Partnership Board brand and website.	**Integration, involvement and collaboration** The CTM Regional Partnership Board exists to improve the wellbeing of people living in RCT, Bridgend and Merthyr Tydfil. CTMUHB is a partner of the RPB, and has representation on it. The RPB is also made up of representatives from Local Authorities, third sector, education, housing and the private sector. With so many stakeholders, partners and community groups to inform and involve in its work, it's important the RPB has a clear brand identity and also a platform to share information and positive stories. As the RPB is a partnership, it's important this process was undertaken in collaboration. The RPB Communications and Engagement Officer set up a brand and website working group comprising representatives from health, local authorities and the third sector. To involve the priority groups identified by the RPB's 'Population Needs Assessment', 8 online workshops were set up to explore the meanings behind the themes set out in the RPB's vision. Both of these activities helps the RPB to ensure language and imagery on the new RPB	Working with communities and partners to reduce inequality, promote wellbeing an prevent ill-health Co-create with staff and partners a learning and growing culture	The website will increase awareness of projects that support communities. It will also show people how they can feed into the improvement and creation of new services, resulting in **a healthier Wales.** Working with all stakeholders from across all sectors encourages the development of **cohesive communities** Representing the views of priority groups and creating an accessible platform, ensures community voices are listened to and everybody has an equal opportunity to get involved with the RPB's work. This could result in **a more resilient and equal Wales**

	website and communication materials are engaging and accessible In total: 90 participants took part, including 21 organisations from across CTMUHB. The brand and website reflects feedback from these workshops, and a film has also been developed including people from the community, and some of the phrases used in the workshops		

Welsh Language

Since the end of May 2019 CTMUHB has had a statutory duty to comply with Welsh Language Standards which aim to provide clarity on the organisation's duties, what Welsh speakers can expect to receive by way of services in Welsh and to help bring further consistency and general quality improvement. Responsibility for compliance with the Welsh Language Standards is the responsibility of every member of staff in CTMUHB as all staff contribute in some form to service provision.

Below are some examples of **how we are meeting our obligations**. Further details will be published as part of an annual report on this issue which will be published by 30th September 2021 and will be available via our website.

- Work to translate patient appointment letters has continued using the latest technology and best practice.
- In partnership with Merthyr College we continue to enrol staff on the 'Agored Cymru' accredited reception skills course and we continued to offer free Welsh courses to all staff.
- We are also continuing our work to make all patient information leaflets available bilingually.
- An extensive programme of translation of the CTMUHB website content took place over the summer of 2020.
- The Welsh language team worked collaboratively with the NHS Wales Informatics Service, Research and Development staff and IBM to develop a new bilingual Coronavirus chat bot (available via: https://cwmtafmorgannwg.wales/ask-ceri/. This is the first use of Artificial Intelligence for patient information in Wales and will provide a platform for similar healthcare chat bots in the future.

- As part of our compliance with Welsh Language Standards CTMUHB is required to produce an Annual Report by 30th September. This will be published on our website.

Environmental Sustainability

CTMUHB requires all staff, including staff from other NHS Wales organisations and in particular all managers, at all levels of the organisation, are aware of, and fully support our **environmental responsibilities.**

In particular we shall:

- Ensure that all employees, including staff from other NHS Wales organisations and contractors, are responsible for working in a manner that protects the environment;
- Integrate environmental management into operating procedures to ensure that long term and short term environmental issues are considered;
- Protect the environment by preventing pollution and committing to sustainable resource use, climate change mitigation and adaptation, and protection of biodiversity and ecosystems;
- Ensure compliance with all relevant environmental legislation, obligations, Healthcare Standards for Wales and Welsh Government Directives;
- Audit the ISO 14001:2015 Environmental Management System on a regular basis to identify strengths and areas for improvement;
- Review the Environmental Policy regularly to ensure that it is maintained as documented information, is communicated within the organisation and is available to all interested parties;
- Remain committed to continual improvement.

In particular we intend to reduce our environmental impact by:

- Reducing the consumption of finite resources and to minimise our waste wherever possible;
- Supporting National and Welsh Government targets of an 80% CO2 reduction by 2050 and de-carbonisation by 2030, setting year on year objectives to reduce our carbon emissions, and where possible purchase or produce a portion of our energy requirements from renewable sources;
- Promoting the minimisation of waste generated through CTMUHB activities and reducing the environmental impact of waste disposal through landfill diversion and recycling;
- Adopting site travel plans encouraging modal shift from single occupancy car travel to more sustainable modes, such as public transport, car sharing, active travel and flexible working;
- Integrating sustainable development and resource use into everyday purchasing decisions;
- Adopting climate change mitigation and adaptation, and protecting biodiversity and ecosystems.

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.

The Covid-19 pandemic has adversely impacted our plans by delaying some environmental projects / initiatives and limited the monitoring processes within our

Environmental Management System over the year 2020-21, due to site restrictions and priorities having to be transferred to manage the pandemic.

The pandemic has also had an **unexpected positive impact** as it has forced some initiatives that were due to be implemented in the long-term, to be rolled-out earlier, such as MS Teams and remote working, which can improve the service for staff, patients, donors and visitors, through diversifying how it is run as well as improving our impact on the environment at the same time by reducing unnecessary travel. We have implemented projects / initiatives and monitoring where possible during the pandemic through diarised socially distanced and online work with service leads. For those projects that have had to be postponed, the plan is to resume implementing these as part of our recovery plans, when it is feasible to do so.

ISO 14001:2015 Compliance Achievements

Following a surveillance audit assessment in July 2020, we successfully retained the ISO 14001:2015 certification for all of our CTMUHB estate premises. A phased plan is in place to include the remaining Bridgend community premises within the ISO 14001:2015 scope.

Monitoring Information:

We are currently monitoring and reporting the following environmental management performance, with reports available on the following areas of work:

- Energy usage;
- Water usage;
- Carbon and air emissions;
- Waste management with regard to clinical waste compliance, recycling targets and performance;
- Reduction in Staff Business Mileage Strategic Review;
- Pool, shuttle bus and fleet mileage, carbon emissions and cost effectiveness;
- Transport and travel survey;
- Green Flag Award scheme.

This performance is audited as part of ISO 14001:2015 certification and by NHS internal auditors annually.

Carbon and Air Emissions

For 2020–21, CTMUHB continued to purchase REGO backed electricity including for the separately procured electricity supply at Prince Charles Hospital. The decision to purchase REGO certified electricity has provided a significant reduction to CTMUHB’s carbon emissions.

The Carbon Trust review demonstrated that there could be significant potential for reduction of energy usage.

A 3% target year on year was directed by Welsh Government in 2011, to achieve the carbon reduction target. This target is for CO_2 reduction and not just energy. It also applies to waste and travel / transport. CO_2 emissions are reviewed each year to determine whether the target has been achieved and whether it is deemed necessary to extend the target further to reduce any rising energy costs.

Energy Management

The organisation recognises that the consumption of energy and water is necessary for the provision of healthcare services, to comply with legislation like water safety etc. and to provide a comfortable environment for patients, staff and visitors, but that it also has a responsibility to be **energy and resource efficient** by minimising unnecessary energy usage.

CTMUHB has compiled an energy strategy in partnership with Green Growth Wales, The Carbon Trust and the Welsh Government Energy Service, to take forward a number of **initiatives aimed at reducing energy consumption**, **carbon emissions and cost.** The reduction of energy usage will deliver benefits of:

- Minimising revenue which will allow investment back into healthcare;
- Minimising the impact on the environment.

In 2020-21, CTMUHB continued to reap the **benefits of LED lighting** technology that it has invested in with the capital refurbishment of areas, new builds, end of year revenue and estates revenue, where failed lights have been replaced with LED lights. The use of LED lighting technology complements the investment in previous years with various LZC (Low Zero Carbon) technologies, such as biomass boilers, solar panels on the roof of the Undergraduate building at Kier Hardie Health Park, Taith Newydd, Ty Llidiard, New Surgery Pencoed, Porthcawl Primary Care Centre and Y Bwthyn at the Royal Glamorgan Hospital, along with air source heat pumps also in Kier Hardie Health Park. These continue to help drive forward energy management within CTMUHB on a path towards a zero carbon emitting organisation, in line with Welsh Government carbon reduction targets.

There have also been benefits from the **replacement of the gas boilers** at Pinewood House and the repair of the Air Source Heat Pumps at Kier Hardie Health Park.

Transport and Travel Management

CTMUHB has representation on the all-Wales Transport and Travel Group, looking at NHS Service Change and Travel Planning as part of the Welsh Government funded Healthy Hospital project and in response to requests from Health Boards, to discuss how travel planning can help to address the significant transport issues and challenges they face stemming from service changes being taken forward.

CTMUHB has **Sustainable Transport and Travel Plans** which are long term, strategic and incremental. There is considerable refurbishment and new capital build work being undertaken at both the Royal Glamorgan and Prince Charles Hospitals, and travel surveys have been undertaken for these sites so that current travel plans can be updated. Surveys have also been conducted at the Princess of Wales, Maesteg and Glanrhyd sites. These plans will now be made available on the CTMUHB website, for use by staff, visitors and patients as a reference along with Traveline Cymru, Trainline and Sustrans (e.g. cycle to work).

Notable Achievements:

- With approval from line managers **staff have been identified to work from home** using remote and secure IT access. This initiative has shown progress with a steady increase in use and is being encouraged. An unexpected and positive aspect of the Covid-19 pandemic has been the big increase in the numbers of staff working from home, with 2,594 users in 2020-21 compared to 769 users in 2018-19. This report fully endorses working at home using remote and secure IT access and will champion its continued use.

- **Transport and travel information notice boards** are now provided at the hospital main entrance areas, and will provide the public and staff with public service, volunteer and CTMUHB transport information. These have been updated to include the CTMUHB logo and are being set up at CTMUHB's three Bridgend based hospital sites.

- As part of the **major hospital refurbishment programme** being undertaken at Prince Charles Hospital a travel and car park survey was undertaken by the Capital and Estates team and work to inform the development is now underway to improve the parking facilities.

- Following a change of site use, **travel surveys** have recently been undertaken at Dewi Sant Health Park in Pontypridd, and working closely with the local authority these have enabled us to address and plan transport, travel and car parking arrangements. As a result we have secured a shared car parking arrangement with the local authority to use the nearby Sardis Road public car parking facility through a discounted car parking permit scheme. In addition to these measures we have also secured an agreement with local authority colleagues to create additional curb side parking directly outside of the hospital main entrance.

Waste Management

Since the last report CTMUHB has continued to progress the actions in the Environmental Objectives and Targets Plan concerning waste management. **Food waste collections continue** at the Prince Charles, Royal Glamorgan, Ysbyty Cwm Rhondda, Ysbyty Cwm Cynon, and the Princess of Wales Hospital site. Keir Hardie Health Park and Glanrhyd and Maesteg Hospitals also now have food waste collections fully in place.

We have a waste target action plan in place that will ensure that the segregation of offensive hygiene waste is adhered to at the acute site Princess of Wales in 2021-2022 which will see an increase in tonnage recycling figures and a reduction in incineration costs. The target has been set at 30% for the 2021-22 period based on the above performance, and will see an increase of 5% year on year.

Water Management

During 2020-21 we continued to explore with Dwr Cymru and Technology, the providers of the **water consumption loggers**, to potentially extend the service across the estate, especially the larger sites where a small water leak might not

otherwise get noticed. Smaller premises with low levels of consumption such as health centres and clinics all now have conventional water meters installed.

Biodiversity

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 biodiversity and ecosystem resilience. CTMUHB will ensure that the responsibility for biodiversity and ecosystem resilience is clearly defined and there are clear lines of accountability throughout the organisation leading to the Board.

At present the 'CTMUHB Biodiversity and Ecosystem Resilience Plan' has been drafted and approved by CTMUHB's Environmental Management Steering Group. The next stage will be to achieve Board approval of the plan.

CTMUHB will ensure that risks related to CTMUHB's impact on biodiversity and ecosystem resilience are managed effectively in the organisation. An example of this management in action is t CTMUHB's 'Glanrhyd Hospital Grounds Management Plan', which is submitted for the **Green Flag Award** annually. The Green Flag Award scheme recognises and rewards well managed parks and green spaces, setting the benchmark standard for the management of recreational outdoor spaces across the United Kingdom and around the world.

Climate Change Adaption

CTMUHB must be resilient against the threats of a changing climate, and we must adapt now. We need to take appropriate action to prevent or minimise the damage of increasing temperatures and extreme weather events across our estate so that our staff and patients are safe, and that we can continue to deliver our services. Our aim in 2020-21 and for subsequent years is to ensure that our whole organisation, including corporate management, are prepared to deal with the effects of climate change, particularly extreme weather events, and continue to invest in adaptation and mitigation measures.

During 2020-21 some of the above measures have been included as part of the organisation's '**Biodiversity and Ecosystem Resilience Forward Plan'**, as well as it's 'Glanrhyd Hospital Grounds Management Plan', the latter of which has been submitted for the Green Flag Award.

Performance Report 2020-2021

Signed:

Paul Mears

Chief Executive and Accountable Officer

Date: 9th June 2021

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 2020-2021 Manual for Accounts for NHS Wales, issued by Welsh Government.

The Accountability Report consists of three main parts. These are:

- Part 1 - 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 Annual Governance Statement.

- Part 2 - 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.

- Part 3 - **National Assembly for Wales Accountability and Audit Report:** The National Assembly for Wales Accountability and Audit Report provides information on such matters as regularity of expenditure, fees and charges, and the Auditor General for Wales's audit certificate and report.

Part 1 - Corporate Governance Report

2.1 The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across CTMUHB during 2020-2021.

2.2 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 Report and 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.
- **The Annual 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 manages governance, 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 its governance and risk management structure.

1. 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 below noting the following in-year changes, most notably:

Changes to the Executive Team in 2020/2021:

- The retirement of Sharon Hopkins, Interim Chief Executive, Alan Lawrie, Executive Director of Operations and Liz Wilkinson, Executive Director of Therapies and Health Sciences.
- The appointment of Paul Mears as Chief Executive, Nick Lyons as Deputy Chief Executive, Hywel Daniel appointed substantively as the Executive Director for People and Georgina Galletly appointed substantively as the Director of Corporate Governance.
- The appointment of Gareth Robinson as Interim Chief Operating Officer, Fiona Jenkins as Interim Executive Director of Therapies and Health Sciences.

- On the 17 February 2021 Steve Webster, Director of Finance, retired under the provisions of the 1995 NHS Pension Scheme in order to access his pension. Mr Webster returned to the Health Board in the same position on the 19th February 2021 to provide stability to the organisation during the pandemic whilst the recruitment process was undertaken to appoint his successor. Mr Webster plans to leave the Health Board in July 2021". Disclosure is also made within the Staff and Remuneration Report at page 113.

Revisions to Public Appointments in 2020/2021:

Re-appointments:

During 2020/2021, the Welsh Government Minister for Health and Social Services confirmed the following re-appointments of Independent Board Members:

- James Hehir until September 2023
- Nicola Milligan until August 2024
- Mel Jehu until March 2024
- Jayne Sadgrove until March 2024*
- Ian Wells until May 2025.

*Whilst Vice Chair Maria Thomas's eight year term as an Independent Member (IM) was due to end on 30th September 2020, due to the pandemic the Welsh Government confirmed this would be extended until it was possible to appoint a new Vice-Chair. In March 2021, the Minister for Health and Social Services confirmed the appointment of Jayne Sadgrove as Vice-Chair to serve a term from June 2021 until March 2024.

New Appointments:

On the 1st March 2021, Patsy Roseblade was appointed as the Independent Member lead for Finance, replacing Paul Griffiths whose term ended at the end of December 2020.

Independent Members of the Board as at 31st March 2021

CTMUHB Chair

Marcus Longley was appointed Chair in October 2017. Professor Longley is supported by 10 other Independent Members who are set out below:

CTMUHB Vice-Chair - Maria Thomas was appointed Vice Chair in January 2018 having been an Independent Member since 2012.

- Chair - Mental Health Act Monitoring Committee.
- Member - Audit and Risk Committee
- Member – Quality and Safety Committee
- Member – Population Health and Partnerships Committee
- Member/Vice-Chair – Remuneration and Terms of Service Committee

Independent Members (IMs)

Jayne Sadgrove was appointed an Independent Member in April 2016.

- Chair - Quality and Safety Committee
- Chair – People and Culture Committee
- Member - Audit and Risk Committee,

- Member – Digital and Data Committee
- Member - Remuneration and Terms of Service Committee.

Mel Jehu was appointed in April 2016.

- Chair - Finance, Performance and Workforce Committee
- Member – People and Culture Committee
- Member - Mental Health Monitoring Act Committee,
- Member - Charitable Funds Committee,
- Member - Remuneration and Terms of Service Committee.

James Hehir was appointed an Independent Member in October 2017.

- Member - Quality and Safety Committee,
- Member - Digital and Data Committee
- Vice Chair/Member - Mental Health Monitoring Act Committee
- Member - Charitable Funds Committee
- Member - Remuneration and Terms of Service Committee.

Dilys Jouvenat was appointed an Independent Member in August 2018.

- Vice Chair/Member - Quality and Safety Committee
- Member - People and Culture Committee
- Member – Charitable Funds Committee
- Member - Remuneration and Terms of Service Committee

Cllr Phillip White was appointed in November 2019 having previously been an Associate Board Member.

- Chair – Population Health and Partnerships Committee
- Member – Planning, Performance and Finance Committee
- Member - Mental Health Act Monitoring Committee,
- Member - Remuneration and Terms of Service Committee.

Nicola Milligan was appointed an Independent Member in August 2018.

- Member - Quality and Safety Committee
- Vice Chair/Member – People and Culture Committee
- Member - Charitable Funds Committee
- Member – Planning, Performance and Finance Committee
- Member - Remuneration and Terms of Service Committee.

Kieron Montague was appointed an Independent Member in October 2017 having previously been an Associate Board Member in 2017 and an Independent Member between 2016/2017.

- Chair – Charitable Funds Committee Member – Quality and Safety Committee.
- Vice Chair/Member – Population Health and Partnerships Committee
- Member – People and Culture Committee
- Member – Remuneration and Terms of Service Committee.

Ian Wells was appointed an Independent Member in May 2019.

- Chair – Digital and Data Committee
- Vice Chair/Member – Audit and Risk Committee

- Member – Planning, Performance and Finance Committee
- Member - Remuneration and Terms of Service Committee.

The term of office for Paul Griffiths, Independent Member ended in December 2020 and he was succeeded by Patsy Roseblade who was appointed as an Independent Member in March 2021. Patsy Roseblade holds the following positions as successor to Paul Griffiths.

- Chair - Audit and Risk Committee
- Vice Chair/Member - Charitable Funds Committee
- Member – Planning, Performance and Finance Committee
- Member – Quality and Safety Committee
- Member - Remuneration and Terms of Service Committee.

Executive Director Board Members

Voting Members of the Board during 2020-2021

- Sharon Hopkins, Interim Chief Executive (Until August 2020)/ Paul Mears, Chief Executive (From September 2020)
- Nick Lyons, Executive Medical Director (and Deputy Chief Executive from August 2020)
- Steve Webster, Executive Director of Finance[8]
- Greg Dix, Executive Director of Nursing, Midwifery and Patient Care
- Alan Lawrie, Executive Director of Operations (until January 2021)/Gareth Robinson, Interim Chief Operating Officer (from January 2021)
- Hywel Daniel, Interim Executive Director, Workforce and Organisational Development (from March 2020) and then Executive Director for People (from February 2021)
- Kelechi Nnoaham, Executive Director of Public Health
- Clare Williams, Interim Executive Director of Planning and Performance
- Liz Wilkinson, Executive Director of Therapies and Health Science (Until October 2020)/ Fiona Jenkins, Interim Executive Director of Therapies and Health Science (From November 2020 – Joint appointment with Cardiff and Vale University Health Board)

Associate Members of the Board

- Giovanni Isingrini, (Until January 2021). Lisa Curtis-Jones has been appointed to this role and will take up post as of 1st June 2021.
- Sharon Richards, Chair, CTMUHB Stakeholder Reference Group (From February 2020)
- Suzanne Scott- Thomas, Clinical Director / Head of Medicines Management, Chair of CTMUHB Healthcare Professionals Forum (Until October 2020). This position is currently vacant.

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[8] *On the 17 February 2021 Steve Webster, Director of Finance, retired under the provisions of the 1995 NHS Pension Scheme in order to access his pension. Mr Webster returned to the Health Board in the same position on the 19th February 2021 to provide stability to the organisation during the pandemic whilst the recruitment process was undertaken to appoint his successor. Mr Webster plans to leave the Health Board in July 2021". Disclosure is also made within the Staff and Remuneration Report at page 113.*

Other Board Directors

- Georgina Galletly, Director of Corporate Governance/Board Secretary / Director of Corporate Governance (appointed substantively from July 2020)
- John Palmer, Chief Operating Officer (until May 2020)

2. 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 2020-2021, a full register of interests for 2020-2021 is available upon request from the Director of Corporate Governance or via the Audit & Risk Committee papers available here.

3. DISCLOSURE STATEMENTS

Personal Data Related Incidents

The Board has **strict responsibilities to ensure personal data and information is held securely**. All information governance (IG) related incidents are investigated and reviewed by the IG Group.

During the period April 2020 to March 2021 there were nine **personal data security incidents** which needed to be reported to the Information Commissioners Office (ICO). Four of these related to paper based breaches of confidentiality with four being due to an electronic breach and one by a data processor. Although the ICO has closed eight out of the nine reported incidents with no further action required, they have made recommendations which we have either implemented or are in the process of doing so as part of our ongoing programme to increase staff awareness:

- Reminders to all staff of their obligations under the General Data Protection Regulation (GDPR).
- Reviewing the content and delivery of data protection training. Refresher training on data protection should be provided annually or at least every two years.
- Implementing a lessons learned approach for staff to be vigilant.
- Reviewing preventative measures and ensuring that the procedures you have in place to prevent incidents of this nature are followed routinely and consistently throughout your organisation.
- Assessing whether a policy can be put in place to minimise the amounts of personal data that leaves your organisation's premises. If the information is redacted or anonymised, the potential risks to the data subjects is likely to be reduced.
- Training staff to recognise a personal data breach and know the correct process for referring this to the IG team at the earliest opportunity.

- Continuing to review the procedures and security arrangements with any new processes reflecting on-going training.
- Continuing to investigate the causes of incidents with the aim to discover how and why they occurred, and what steps need to be taken to prevent a recurrence.

Examples of progress made in raising awareness across the organisation and communicating with staff include developing and implementing a new internal system for the organisation's **Information Asset Register** and ensuring good IG practices by **increasing the awareness and requirements for completion of mandatory training** via an e-learning package. We continue to strive to increase level of compliance with IG training as a core requirement. As at 31 March 2021, IG training had been completed by 74.07% of staff with 9399 out of 12,690 competencies having been obtained.

There has been a focus on keys areas that have the most impact in terms of compliance with the following key areas being progressed:

- Alerts, briefings, compliance and recommendations issued regularly to managers and staff to monitor performance and address areas of concern.
- Information sharing agreements to assist with the control of data sharing with external partners in a pandemic.
- A new all-Wales procedure for Personal Data Breaches which will enable compliance with the requirement to report data breaches within 72 hours.
- Revised process for the Data Protection Impact Assessment (DPIA) Procedure to address the requirement to ensure a "privacy by design" approach and accountability requirements.

In addition, advice and support has been made available to contractor professions, who as retain legal responsibility for the personal identifiable data that they hold. In terms of the Freedom of Information Act 478 FOI requests were received in 2020/21 although 50 were subsequently withdrawn due to Covid-19). CTMUHB processed 89% of the remaining requests within the 20 working day requirement.

Corporate Governance Code

This is referenced in our Annual Governance Statement on page 88.

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 Wellbeing of 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.

NHS Pension Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control

measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions and payments in to the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations.

Environmental, Social and Community Issues

As outlined in the Environmental Sustainability section on page 67, CTMUHB continues to work hard to reduce its impact on the environment, to encourage staff to 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.

The case studies we have captured under the Wellbeing of Future Generations Act section on page 57 highlights how the steps we have taken demonstrates our commitment to the five *Ways of Working* and the **National Wellbeing Goals** such as A Healthier Wales, A globally responsible Wales, A resilient Wales etc.

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.

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: 9th June 2021

Statement of Director's 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.
- 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:

	Marcus Longley Chair	Date: 9th June 2021
	Paul Mears Chief Executive and Accountable Officer	Date: 9th June 2021
	Steve Webster Executive Director of Finance	Date 9th June 2021

Annual Governance Statement

Scope of Responsibility

The Board is accountable for Governance, Risk Management and Internal Control whereas the Chief Executive has responsibility for maintaining appropriate governance structures and procedures as well as a sound system of internal control. The Chief Executive is accountable to the Board for ensuring that the organisation's health and wellbeing care services are effective and that the work of the Board is managed in an efficient manner. The Chief Executive is also the **principle advisor** on the discharge of Board functions and provides **operational leadership** to ensure the Board's aims and objectives are met along with its functions and targets. These responsibilities are carried out in accordance with the responsibilities assigned by the Accountable Officer of NHS Wales.

The Executive Team assist the Chief Executive in discharging their 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 Management Board meetings which is an executive discussion, development, performance management and decision-making forum. 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.

The Annual Report outlines the different ways CTMUHB 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 Annual Governance Statement (AGS), however the intention has been to reduce duplication where possible. It is therefore necessary to review other sections in the Annual Report alongside this AGS.

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, Welsh Government.

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 at each Management Board providing oversight that CTMUHB is meeting both internal and external targets for quality and performance.

Hosted Organisations (WHSSC, EASC and the National Imaging Academy) provide an Annual Governance Statement to support the Chief Executive in signing the CTMUHB Annual Governance Statement. These are available upon request from the Director of Corporate Governance/Board Secretary or via CTMUHB's Audit & Risk Committee papers for the 9th June 2021, available here.

CTMUHB continues to **work closely with local authority partners,** and the **third sector** which has strengthened further during the collaborative response to COVID-19. CTMUHB has '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.

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 in May 2020 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 opportune way to learn lessons and help improve and plan services for the future. The topics covered during 2020-2021 included:

- A poem from a patient on their reflections taken from "The Voices Project" in partnership with CTMUHB and its Arts in Health Programme.
- A patient story was received which set out the experience of a patient suffering from dementia under the care of CTMUHB.
- Staff Experience Story was received which outlined the progress that had been made within Maternity Services following the review undertaken by the Royal College of Obstetricians and Gynaecologists/Royal College of Midwifes in December 2019.

Due to the Covid-19 pandemic, changes were made to the way in which Board meetings were run during 2020-2021, in order to comply with social distancing guidance. To ensure public and staff safety, **meetings took place virtually** via Microsoft Teams platform. The public session was then livestreamed to enable members of the public to observe safely, and this option will be maintained if/when the Board is able to physically meet again in the future.

All the meetings of the Board during 2020-2021 were **appropriately constituted and quorate**. Board meeting papers and recordings of the Public Board meetings are available here.

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. When **Board meetings are held 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.

In response to the escalation status of CTMUHB being **placed into Special Measures and Targeted Intervention,** CTMUHB undertook the following programme of Board Development during the year delivered by Deloitte with excellent attendance from all Board Members:

- Business Chemistry (June 2020), covering good practice in board governance and a reflection of how the Board has developed over the past 12 months (December 2020) informed by;
- A re-run of the Board evaluation questionnaire that was 12 months earlier;
- Observations from the Board and Committee meetings (Oct-Nov 2020) and
- Independent Member Session on Chairing, Assurance and Scrutiny (March 2021).

In September 2020, the Board also received a session focused on **risk management** and defined its risk appetite and principal risks along with a refresher on risk management awareness.

It has also been beneficial for the Board to receive briefings on specific issues to bring members up to speed on specific topics, CTMUHB schedules Board Briefings during the year at appropriate intervals.

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 *(this meeting changed in year and was previously known as Primary, Community, Population Health and Partnerships Committee).*
- Quality and Safety Committee

- 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.

The governance structure of the Board Committees and Advisory Groups of the Board is captured in Appendix 3 of the Accountability Report.

Standing Orders are agreed by NHS organisations in Wales for the regulation of proceedings and business and are designed to translate the statutory requirements into **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 policies make- up the organisation's Governance Framework.

Board Committees are **chaired by Independent Members** 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 1 on page 106)

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. Further details are available here.

As well as reporting to the Board, Committees work together on behalf of the Board to 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 its three-year IMTP. 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 2020-2021, key aspects of CTMUHB business activity delegated to the Audit and Risk Committee included:

- Overseeing systems of internal control
- 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 2019/2020
- 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) and the Emergency Ambulance Services Committee (EASC)
- Endorsed Approval of the Risk Management Strategy
- 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.

The Board also has three Advisory Groups, these groups report and highlight any issues of significance to the Board:

- 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 serves.

- Working in Partnership Forum (WIPF) – now known as the Local Partnership Forum (LPF)
  The Board recognises the importance of engaging with staff organisations on key issues facing the organisation. WIPF is the forum where key stakeholders

engage with each other to inform debate and seek to agree local priorities on workforce and health service issues.

- Healthcare Professionals' Forum (HPF) The Forum comprises representatives from a range of clinical and healthcare professions both in our hospitals and across primary care and provides advice to the Board on all professional and clinical issues it considers appropriate.

Interim Changes to Our Governance Framework Due To Covid-19

It is acknowledged that in managing the response to the pandemic, there are limitations on Boards and Committees being able to physically meet where this is not necessary and can be achieved by other means. In accordance with the Public Bodies (Admissions to Meetings) Act 1960 the organisation is required to meet in public. As a result of the public health risk linked to the pandemic there have been limitations on public gatherings and has **not therefore been possible to allow the public to attend meetings of our board and committees from March 2020.**

Furthermore, as reported in the 2019-2020 AGS, in March 2020, the Board agreed to make amendments to CTMUHB's Standing Orders to enable officers to focus on the operational pressures resulting from CTMUHB's response to Covid-19 to **reduce non-essential business** in CTMUHB, including non-essential business meetings for a temporary period. This decision was taken again in December 2020 given the exponential growth of infection rates in CTMUHB.

These decisions were essential to allow Officers once again to **focus on the response to the demands placed upon operational services by Covid-19** and to ensure that unnecessary pressure is not placed on Executive or Officers whilst they are responding to the pandemic.

In approving these decisions the Board agreed to the following actions:

- **Continue to hold all Board meetings via Teams**, with live broadcasts for Board meetings held in public. 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.
- 3rd and 4th **delegate Chairs were identified** to support contingency plans for the Chair and Vice Chair, and similarly with the CEO.
- All Committee **meetings were stood down** with the exception of Audit and Risk Committee and Quality and Safety Committee which have critical roles during public health emergencies by scrutinising decisions to ensure actions are

quality and risk assessed and organisations act in the best interest of the public and staff.

As the various Board Committees were stood down, the Committee Chair, relevant Executive and the Director of Corporate Governance **reviewed work programmes, reprioritising issues and where appropriate taking reports directly to the Board.** Over the spring period of 2020 the frequency of Board meetings was increased to ensure any business critical matters were received. The reduction in Board Committee meetings initially applied to all of the Board Committees with the exception of the Audit and Risk Committee and Quality and Safety Committee, as these were felt to have a critical role in scrutinising decisions to ensure actions relating to the pandemic were quality and risk assessed. However the Planning, Performance and Finance Committee resumed its meetings initially in May 2020, to review financial decisions relating to CTMUHB's response to Covid-19.

Over the summer and autumn period of 2020, the remainder of the Board Committees **began to meet again** as levels of Covid-19 decreased. In response to a Covid-19 infection rate surge in December 2020, a decision was taken to once again stand down the majority of the Board's Committees during January and February 2021. As previously, the Audit and Risk and Quality and Safety Committee continued to meet during that period and there was also a meeting of the Planning Performance and Finance Committee in February 2021 to consider business critical matters that related to finance and the development of the CTMUHB Integrated IMTP. A summary of the various meetings that were stood down is set out on page 111.

The **stood-down Committees were reinstated** from the 1st March 2021. The arrangements put in place to support CTMUHB's response to the pandemic were subject to internal audit with subsequent assurance reported to Audit and Risk Committee.

Board Annual Self-Assessment of its Effectiveness - Including the Corporate Governance Code

During 2020/2021 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 outlined below:

Sources of Internal Assurance:

- An assessment against the **Corporate Governance in Central Governance Departments: Code of Good Practice 2017,** was 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 2021 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

2020-2021 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.

- **Board Committee Effectiveness** – There is a programme in place to ensure Committees of the Board 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

Sources of External Assurance:

- **Audit Wales Structured Assessment 2020**

The Board received the results of its Structured Assessment 2020 from Audit Wales in December 2020. The key messages from the assessment is captured on page 103.

- **Deloitte Board Development Programme**
  The themes of the development programme are listed on page 84.

- **Internal Audit Report on Risk Management –** An Internal Audit Review undertaken by NWSSP Audit and Assurance Services in November and December 2020, reviewed the Risk Management process and systems and concluded an assessment of *Reasonable Assurance.*

- **Joint Escalation and Intervention Arrangements status -** Joint Escalation and Intervention Arrangements, the Welsh Government (WG) meets with Audit Wales and Healthcare Inspectorate Wales twice a year to discuss the overall assessment of each Health Board and Trust in relation to the arrangements.

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 following criteria:

Assessment Matrix level	Level 1 We do not yet have a clear, agreed understanding of where we are (or how we are doing) and what / where we need to improve.	Level 2 We are aware of the improvements that need to be made and have prioritised them, but are not yet able to demonstrate meaningful action.	Level 3 We are developing plans and processes and can demonstrate progress with some of our key areas for improvement.	Level 4 We have well developed plans and processes and can demonstrate sustainable improvement throughout the service.	Level 5 We can demonstrate sustained good practice and innovation that is shared throughout the organisation and which others can learn from

The Board concluded its maturity rating in respect of Board Effectiveness / Governance, Leadership and Accountability to be **"Level 3"**, and this was formally approved by the Board at its meeting on 25th March 2021.

The Purpose of the System of Internal Control

The system of internal control is **designed to manage risk to a reasonable level** rather than to eliminate all risks; it can therefore only provide reasonable and not absolute 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 2021 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 on page 112. 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 Integrated Medium Term Plan.

CTMUHB approved a revised Risk Management Strategy, Risk Management Policy and Risk Assessment Procedure in January 2021 which outlines CTMUHB's approach for risk management and the systems and processes that support a robust risk management approach within the organisation.

The Risk Management Strategy and Risk Management Policy are available on the CTMUHB's website.

Capacity to Handle Risk

Risk Management Strategy

CTMUHB is committed to developing and implementing a Risk Management Strategy (and Board Assurance Framework) that will identify, analyse, evaluate and control the risks that threaten the delivery of its strategic objectives and delivering against its Integrated Medium Term Plan (IMTP).

CTMUHB's Board Assurance Framework (BAF) is currently informed by the review and scrutiny of the Integrated Performance Dashboard and the Organisational Risk Register which are routinely reported to the Board and Committee meetings. These reports which form the BAF are used by the Board to **identify, monitor and evaluate risks** which impact upon strategic objectives. It is considered alongside other key management tools, such as workforce, performance, quality dashboards and financial reports, to give the Board a comprehensive picture of the organisational risk profile.

The Risk Management Improvement plan aspires to establish a Board Assurance Report, whilst not yet established the planned approach for developing the Board Assurance Report is outlined in the CTMUHB's improvement plans.

CTMUHB approved a revised Risk Management Strategy at its Board meeting on 28th January 2021, and is further complemented by an updated Risk Management Policy and Risk Assessment Procedure.

Risk Appetite
The Risk Management Strategy outlines the risk appetite for the organisation. 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 was determined in a Board Development Session in September 2020 and approved in CTMUHB's Risk Management Strategy in January 2021. A further review of CTMUHB's risk appetite statement will be undertaken towards the end of the 2021.

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

- Ensure the continuity, quality and accessibility of its services;
- Protect public investment through careful and vigilant management of its finances;
- Safeguard its assets, including estates, facilities, equipment and information;
- 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;
- Compliance with statutory duty, regulatory compliance, accreditation.

Principal Risks
CTMUHB has also defined its Principal Risks during 2020 which are captured in the table that follows:

Strategic Objectives	**Provide high quality, evidence based and accessible care**	**Work with Communities and partners to reduce inequality, promote wellbeing and prevent ill health**	**Ensure sustainability in all that we do, economically, environmentally and socially**	**Co-create with staff and partners a learning and growing culture**
Threats to the Strategic Objectives	• Failure to deliver a high quality, safe and effective service that improves population health. • Failure to provide timely health and wellbeing care and services. • Failure to deliver a service user and carer focussed service.	• Failure to engage effectively with our communities to inform, develop and deliver an effective, safe and responsive service that meets the health needs of our communities. • Failure to engage, listen and act on issues / feedback that would help to reduce inequalities, promote wellbeing and prevent ill health within our communities.	• Failure to make robust, informed decisions for our communities and execute them within a sound system of Governance. • Failure to deliver and maintain financial sustainability. • Failure to continually adapt and respond to a changing environment. • Failure to adopt new technology and innovations to enable change and sustainability.	• Failure to listen, learn and respond appropriately to the views of our staff and partners to enable continual improvement in our services and culture. • Failure to engage, listen and act on feedback to shape services and culture. • Failure to engage constructively with partners and have a mutual understanding of each other's issues. • Failure to sustain an engaged and effective workforce.
Principal Risks	**If:** there is a significant deterioration in standards of patient safety and care provided by the Health Board. **Then:** there could be an increase in incidents across the Health Board. **Resulting In:** Potentially avoidable harm and poor clinical outcomes, reduction in trust and confidence in the service, and regulatory action and intervention.	**If:** engagement and collaboration with the Health Board's communities does not fully deliver the required outcomes. **Then:** it may have failed to effectively understand the health needs of its communities and reflect them in its services. **Resulting In:** the inability to reduce inequalities, promote wellbeing and prevent ill health in its communities.	**If:** the Health Board's financial strategy / objectives are not met. **Then:** it will have failed to achieve its agreed financial plans. **Resulting In:** Qualification of the accounts, potential regulatory action, adverse impact on longer term financial sustainability and reduced ability to invest in improvement and take associated financial risks.	**If:** the Health Board does not embed its values and behaviours and develop an engaged and motivated workforce / collaboration with its partners. **Then:** there is likely to be a deterioration in patient, staff and partner experience, wellbeing and morale. **Resulting In:** an adverse impact on patient care and the recruitment and retention of an engaged and effective workforce.
	If: demand exceeds capacity. **Then:** service quality, safety and performance could deteriorate. **Resulting in:** Potentially avoidable harm and poor clinical outcomes, reduction in public trust and confidence in the service. Regulatory action and intervention.		**If:** the Health Board fails to recognise and adopt advances in digital technology and innovations in the design of its business and clinical services. **Then:** it its ability to remain competitive and sustainable will be affected. **Resulting In:** the inability to deliver high quality, safe, effective and robust sustainable services for the future (WBFGA).	

Risk Tolerance Levels
The Risk Management Strategy for CTMUHB states that any **risk graded 15 or above is escalated to the Organisational Risk Register** for consideration by the Board. During 2021, CTMUHB plans to further define its risk tolerance levels.

Any risks identified and evaluated as having a risk grading below 15 are managed locally and this is articulated in the Service to Board escalation pathway captured in Appendix 3 of the Risk Management Strategy – "Service to Board", available here.

Covid-19 Risks
As Gold Command was re-established in September 2020 in response to a rise in infection rates in the CTMUHB communities, a COVID-19 Gold Command Risk Log has been **developed and monitored weekly** based on the risks to delivery of the CTMUHB COVID-19 Strategic Aims:

1) Prevent deaths from COVID-19
2) Protect the health and people in CTM communities
3) 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 weekly 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 was stood down, any relevant legacy risks were transferred to the Organisational Risk Register as appropriate.

Service to Board Risk Escalation
The risk management process in relation to the escalation of new risks is defined in Appendix 3 of the Risk Management Strategy – "Service to Board".

Organisational Risk Register
The latest version of the Organisational Risk Register is available in CTMUHB meeting papers which are published on CTMUHB's website. The Organisational Risk Register reviewed and approved by the Board at its meeting on 25th March 2021 is available here. The accompanying cover report **outlines the new risks, control measures and the action taken to mitigate risks.**

In the part two meeting of the Audit and Risk Committee risk registers are received from the hosted organisations, WHSSC and EASC. The Assistant Director of Governance and Risk has worked alongside leads within the hosted organisations to align them to the revised Risk Management Strategy implemented by CTMUHB in January 2021.

The impact of Covid-19 on current risks is evident from the review of the current risks on the Organisational Risk Register in relation to capacity and delivery of services.

The full Organisational Risk Register is **received at each Board meeting and 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 present at Board meetings where the risk register is reviewed.

Risk Management Training

Risk Management Training continued on an ad-hoc basis during 2020 largely due to the impact of Covid-19, and was **predominantly focussed** within the Integrated Locality Groups (ILGs) and Clinical Service Groups (CSGs).

From January 2021, monthly Risk Training sessions were scheduled with open invites to ILGs and CSGs to attend. During the 2021, a **risk management training needs analysis** will be developed to develop a robust training plan in relation to risk for CTMUHB.

Risk Management Improvement Plan

CTMUHB routinely receives updates against its Risk Management Improvement plan and monitors progress to ensure areas of weakness identified are followed through as appropriate. The latest version of the **Risk Management Improvement Plan** is available in CTMUHB's meeting papers available here.

Internal Audit Report – Risk Management

An Internal Audit Review of risk was undertaken 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."

The report recognised the significant amount of work that has been undertaken within the last year to **improve the risk management process** within CTMUHB despite the ongoing response to the Covid-19 pandemic. The full report was published in the Audit and Risk Committee papers in February 2021 available here.

Quality Assurance and Improvement

Quality assurance provides a systematic approach to maintaining consistently high levels of quality through ongoing measurement and reporting on safety, effectiveness and experience, identifying areas for improvement and enabling the sharing of good practice.

A new **Quality and Patient Safety Governance Framework was developed** during 2020/21. This has enabled and established systems and processes related to quality governance and improved the approach to assurance across the organisation. This framework therefore, provides the **foundation for the quality improvement approach** across the

organisation. CTMUHB's overarching quality statements for 2020-23 are as follows:

- Strengthened focus on quality on strategic planning;
- Individuals' voices are better heard;
- Shared learning and continuous quality improvement;
- Risk better articulated, shared and mitigated;
- Strengthened two-way 'point of service delivery' to Board sight; and
- Extensive review and improvement of the management of concerns and serious incidents.

The appointment of a Director of Improvement will ensure that over the next year CTMUHB will see the establishment of a **bottom-to-top quality improvement programme** 'Improvement CTM'. This will add value with four key aims: co-ordinate and communicate improvement; identify new improvement opportunities; develop the improvement capability in the system and the workforce and build and recognise communities of Improvement practice.

The Improvement Team will oversee the ongoing implementation of **Value Based Healthcare (VBHC)**, focusing on meeting the goals of patients, improving how patients are involved in decision-making, using the best evidence, avoiding unnecessary variation in care and considering where resources are best spent for improved outcomes, with a focus measurable and comparable outcomes, aspiring to match the highest comparator organisations.

CTMUHB is progressing this agenda through a number of projects, with a focus on **Patient Related Outcome Measures** (PROMS) through participation in a wide range of **national clinical audits and clinical outcome reviews** and the implementation of DrDoctor across five specialties during 2021-22. The VBHC approach will be applied to several specific projects including the development of acute coronary syndrome (ACS) and heart failure pathways and future work planned in relation pre-diabetes and Ophthalmology.

Health Inspectorate Wales and Audit Wales undertook a follow up review in early 2021, following their report in November 2019. This review considered the progress made by the CTMUHB in relation to **quality governance and risk management arrangements**. At the time of writing this report the final publication of the report is awaited, however, it will be received in due course by the appropriate Committees and Board and will be available on CTMUHB's website.

Emergency Preparedness

CTMUHB is a **Category 1 Responder** under the Civil Contingencies Act 2004 and an annual report was produced providing an oversight of how the organisation is performing against its duties under the Act.

Notable actions during 2020 have revolved around two main issues, Covid-19 and Brexit. The need to plan and respond to the pandemic presented a number of challenges and various new and emerging risks. The scale and impact of the pandemic has been unprecedented requiring significant action at a national and local level to prepare and respond to the likely impact on the organisation and population. CTMUHB set up its internal **Command and Control Structure** at Strategic, Tactical and Operational levels commencing in February 2020 with an initial Tactical Planning Group. The full implementation in March 2020 ensured the new Integrated Locality Groups had synergy with the Strategic Objectives and overall CTMUHB response through a Tactical Co-ordination Group.

CTMUHB worked in partnership in the multi-agency response as a key member of the **Local Resilience Forum Strategic and Tactical Co-ordination Groups**. CTMUHB has and continues to work closely with our partners in Public Health Wales on the implementation the Communicable Disease Plan (Wales) along with Outbreak Control Plans, Mass Test and Trace and Protect Plans, Mass Vaccination and the creation of surge capacity in the form of Temporary Filed Hospitals and Temporary mortuary facilities. These plans utilised the modelling and advice from Public Health Wales, Welsh Government and other accredited sources of information.

Work will continue to further improve future plans within CTMUHB and take future cognisance of learning outcomes from events and ensure alignment with the new Integrated Locality Group structure.

Other Control Framework Elements

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

The organisation has 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.

Review of Effectiveness

Welsh Government has issued non-statutory instruments and Welsh Health Circulars (WHC) 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.

There were no Ministerial Directions received during 2020-2021.

Welsh Health Circulars (WHC)	Date/Year of Adoption	Action to demonstrate implementation/response
WHC 2020 (003) –	March 2020	CTMUHB routinely submits PROMS data to the NHS Wales Informatics Service (NWIS)

Value Based Health Care Programme Data Requirements		
WHC 2020 (004) - List of WHCs 1 August 2019-31 January 2020	March 2020	No action required. List for information only.
WHC 2020 (006) - Covid-19 Response - Continuation of Immunisation Programmes	March 2020	Guidance circulated to relevant Primary Care staff.
WHC 2020 (008) - Guidance for Local health Boards and NHS Trusts on the reuse of end of life medicines in hospices and care homes	April 2020	Guidance disseminated to local Pharmacists/GPs
WHC 2020 (011) - Model Standing Orders - LHB, Trust, WHSSC and EASC - Temporary Amendments July 2020	July 2020	Amendments were made and the revised Standing Orders were approved by the CTMUHB in July 2020 These amendments were valid until end of the 2020-2021 financial year, and therefore the Standing Orders were amended in respect of the removal of the temporary arrangements in March 2021 and approved by the Board.
WHC 2020 (012) - Clinical Assessment of Covid-19 in the Community	August 2020	Disseminated to GPs/GP Out Of Hours/Welsh Ambulance Service Trust Ambulatory Services/111
WHC 2020 (013) - The National Influenza Immunisation Programme 2020-21 Childhood Immunisation	August 2020	Disseminated to Primary Care/GP/Community
WHC 2020 (014) - Ear Wax Management Primary	September 2020	Action within the Primary Care Community to be completed by October 2021

Care and Community Pathway		
WHC 2020 (005) - Recording of Dementia READ Codes	September 2020	Confirmation from appropriate leads that the requirements within the WHC are being actioned and will be reported to a future Board Meeting as appropriate.
WHC 2020 (018) – Last Person Standing	October 2020	Ongoing support provided for Third Party Developer properties in Wales, in those instances where CTMUHB has been involved in the development from the outset.
WHC 2020 (019) - Expectations for NHS Health Boards and Trusts to Ensure the Health and Wellbeing of the Workforce During the Covid-19 Pandemic	October 2020	Full package of support developed and ongoing.
WHC 2020 (022) - NHS Wales Annual Planning Framework 2021-22	December 2020	Noted by Planning, Performance and Finance Committee as part of the Integrated Medium Term Plan – December 2020.
WHC 2020 (024) - Clinical Assessment of Covid-19 in the Community	December 2020	Discussed at CTM Covid -19 Gold Command Meeting on 23 December 2020 and has been completed.
WHC 2020 (025) - 2021-22 Health Board and Public Health Wales NHS Trust Allocations	December 2020	Being used as part of the delivery of CTMUHB Plans for 2021/2022
WHC 2021 (002) - Board Champion Roles	January 2021	Champion roles have been allocated to CTMUHB Board members and final allocation list shared w/c 15th March 2021.

Modern Slavery Act 2015 – Transparency in Supply Chains

The Welsh Government's Code of Practice: Ethical Employment in Supply Chains was introduced to 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; and
- Paying the Living Wage.

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, 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 2020/2021 had to be deferred due to COVID-19 activity. This work will be resumed in the new financial year with our stakeholders and trade union partners.

During 2020 / 2021 CTMUHB continued to take the following actions to deliver on the Code's commitments;

- It produced an Ethical Employment Statement, which was made available on CTMUHB's internal and external SharePoint sites
- It paid the minimum living wage rate on its lowest pay scale, which is at Agenda For Change Band 2;
- It has a 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 suppliers / contractors working on CTMUHB premises;
- It has a target in place to pay our suppliers within 30 days of receipt of a valid invoice;
- It has robust IR35 processes, which ensures that 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.
- It does not engage or employ staff or workers on Zero Hours Contracts;
- It has a robust Recruitment and Selection Policy and Procedure, which ensure a fair and transparent process;
- It has a robust Equality and Diversity Policy, which ensures that 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;

- It uses the tender process to obtain assurances that potential suppliers do not make use of Blacklists/prohibited lists.
- In accordance with the Transfer of Undertaking (Protection of Employment) Regulations any CTMUHB staff that may be required to transfer to a third party organisation, will retain their NHS pay and Terms and Conditions of Service.
- Use of the Transparency in Supply Chains (TISC) report - Modern Slavery Act (2015) compliance tracker through contracts procured by NWSSP Procurement Services on the CTMUHB's behalf.

Internal Audit

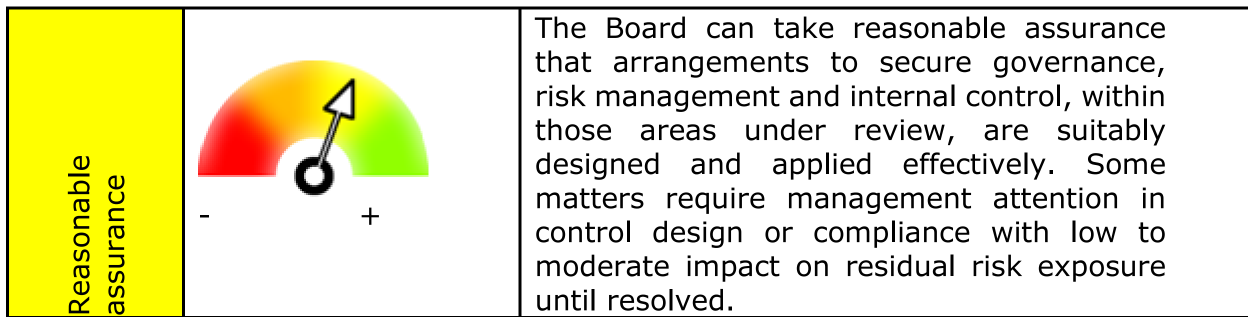
Internal audit provides the Chief Executive as Accountable Officer and the Board through the Audit and Risk Committee with **a flow of assurance** on the system of internal control. A programme of audit work was commissioned which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit and Risk 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 and Risk Committee. The Head of Internal Audit 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 Head of Internal Audit opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk management, and control is set out below;



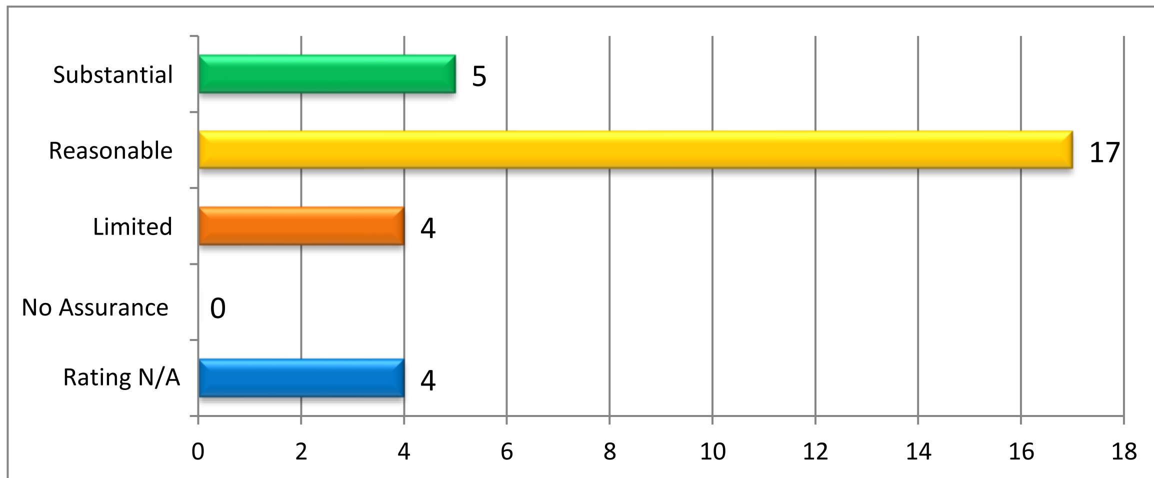
The evidence base upon which the overall opinion is formed is as follows:

- 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 and 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 and 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 Head of Internal Audit 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 regulators; and research. Cumulative audit knowledge of the organisation that the Head of Internal Audit considers relevant to the Opinion for this year.

These detailed results have been aggregated to build a picture of assurance across CTMUHB.

In reaching their opinion regarding 2020/21, internal audit identified that the majority of reviews during the year concluded positively with robust control arrangements operating in some areas. In total 30 audit reviews were reported during the year. Figure 1 below presents the assurance ratings and the number of audits derived for each.

Figure 1 – Summary of Audit Ratings



The **four Limited Assurance rated reports** related to the following areas:

- **Patient pathway appointment management process** – progress on the implementation of previous recommendations;
    - Internal Audit confirmed that a significant amount of preparatory work had been undertaken to address the issues identified in their original audit report. Whilst the foundations had been established, due to the pausing of services as a result of the pandemic and the delay in providing refresher training, there has been little action taken to address the specific points made in the original recommendations. As such, the limited assurance opinion remained.
    -
- **Information Technology (IT) service management;**
    - Internal Audit identified three high priority areas related to:
        - no procedures for the operation of the service desk and no guidance for call handlers for logging, classifying and prioritising calls;
        - calls and incidents were not being recorded appropriately within the Service Point system; and
        - there was no guidance for chasing or ensuring activity is maintained on calls / incidents.

      In addition, seven medium priority, and two low priority recommendations were also identified.

- **Child and Adolescent Mental Health Service (CAMHS) Clinical Service Group – governance and risk management arrangements;** and
    - Internal Audit raised three high priority findings which related to governance arrangements for some of the groups and committees within the clinical service group. For example, terms of reference for some groups needed to be updated, and improvements were needed in

relation to record keeping of the meetings. Internal Audit also raised three medium priority and one low priority recommendation. While the clinical service group's risk register capturing key risks was monitored and reviewed, monitoring of smaller risks needed to be improved.

- **CAMHS Clinical Service Group – workforce management arrangements.**
  - Internal Audit issued a limited assurance opinion as they identified three high priority findings in relation to consultant job planning, sickness absence monitoring, and staff personal development reviews (PDR) compliance. They also identified one medium and two low priority recommendations.

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 and Risk 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 2020/21, is available in the Head of Internal Audit Opinion and Annual Report 2020/21 available here.

Where a 'limited assurance' report is received, CTMUHB ensures the **detailed findings are considered by the lead officer** for the function and the report received by the Audit and Risk Committee, where the lead officer will be in attendance. A follow-up audit will also be commissioned by the Audit and Risk Committee for inclusion in the 2021/22 audit programme as appropriate.

The management response to all assurance reports will be reviewed by the Audit and 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 and Risk Committee papers which are available here.

Audit Wales Structured Assessment 2020

The Board received its Structured Assessment 2020 from Audit Wales in December 2020. The key messages were that in overall terms:

- The Health Board **maintained good governance arrangements during the pandemic,** assisted by a stable and resilient Board and the rapid adjustment of governance arrangements to support agile decision making.
- There has been a commitment to **conduct business in an open and transparent way** and to use learning to help shape future arrangements. It was also acknowledged that whilst there has been further development of elements of the Health Board's risk management system, the need to respond to the pandemic has understandably **slowed progress**.
- The Health Board has **continued to maintain systems to oversee the quality and safety** of services during the pandemic and to address recommendations from audits and external reviews.

Quality of Data

CTMUHB makes every attempt to ensure the quality and robustness of its data, and has regular checks in place to assure the accuracy of information relied upon. However, the multiplicity of systems and data inputters across the organisation means that there is always the potential for variations in quality, and therefore always scope for improvement.

The quality of data provided by all Health Boards throughout the Covid-19 pandemic has been acknowledged by the Welsh Government, as this data has been 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 utilising quality data to inform the development and transformation of our services to derive the best possible value and outcomes for those that we serve.

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
- the role each individual has to play in ensuring delivery

This is underpinned by a policy framework that includes Data Quality, Information Governance and Information Security, providing a firm foundation for making further sustainable progress. As a consequence, CTMUHB is updating its data quality improvement plan, which routinely assesses the quality of its data across key clinical systems, to reflect our renewed efforts in this important aspect of our work

Chief Executive's 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 2020/21 and beyond. I will ensure our Governance Framework considers and responds to this need.

The system of internal control has been in place for the year ended 31st March 2020 and up to the date of approval of the 2020-2021 annual report and accounts.

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

Annual Governance Statement 2020-2021

Signed:

Paul Mears

Chief Executive and Accountable Officer

Date: 9th June 2021

BOARD MEMBER ATTENDANCE (2020/2021) – Appendix 1.

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD / BOARD COMMITTEE ATTENDANCE 2020/2021	CHAMPION ROLE*
Marcus Longley	Chair	Board Remuneration and Terms of Service Committee (Chair)	**8/8** **10/10**	Not Applicable
Maria Thomas	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	**8/8** **10/10** **6/6** **7/8** **4/4** **2/2**	Children and Young People Mental Health Services
Paul Griffiths (Until December 2020)	Independent Member (Finance)	Board Remuneration and Terms of Service Committee Audit and Risk Committee Planning, Performance and Finance Committee Quality and Safety Committee	**6/6** **5/5** **5/5** **3/4** **2/3**	Not Applicable
Patsy Roseblade (from March 2021)	Independent Member (Finance)	Board Remuneration and Terms of Service Committee Audit and Risk Committee (Chair) Planning, Performance and Finance Committee Quality and Safety Committee	**1/1** **2/2** **0/0** **0/0** **1/1**	Not Applicable
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	**7/8** **9/10** **5/8** **3/3** **4/4**	Equality

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD / BOARD COMMITTEE ATTENDANCE 2020/2021	CHAMPION ROLE
Jayne Sadgrove	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)	**7/8** **7/8** **7/7** **3/3** **2/2** **6/6**	Putting Things Right
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	**7/8** **6/6** **5/5** **3/4** **2/2**	Veterans and Armed Forces
Keiron Montague	Independent Member (Community)	Board Remuneration and Terms of Service Committee People and Culture Committee Population Health and Partnerships Committee	**5/8** **7/10** **2/2** **1/2**	Not Applicable
Phil White	Independent Member (Local Authority)	Board Remuneration and Terms of Service Committee Planning, Performance and Finance Committee Population Health and Partnerships Committee (Chair) Mental Health Act Monitoring Committee	**5/8** **4/10** **3/5** **1/1** **3/3**	Older Persons
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	**8/8** **6/6** **5/8** **2/2** **5/5**	Infection Prevention and Control

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD/BOARD COMMITTEE ATTENDANCE 2020/2021	CHAMPION ROLE
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	**8/8** **9/10** **1/2** **2/3** **8/8**	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) Finance, Performance and Workforce Committee	**7/8** **7/10** **5/7** **2/3** **3/5**	Not Applicable
Gio Isingrini (Associate Until December 2020)	Local Authority representative	Board	**2/6**	Not Applicable
Sharon Richards (Associate)	Chair, Stakeholder Reference Group	Board	**1/8**	Not Applicable
Suzanne Scott-Thomas (Associate until October 2020)	Chair, Health Professionals Forum	Board	**0/4**	Not Applicable

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD / BOARD COMMITTEE	BOARD/ BOARD COMMITTEE ATTENDANCE 2020/2021	CHAMPION ROLE
Sharon Hopkins (until August 2020)	Chief Executive (Interim)	Board; Emergency Ambulance Services Committee Welsh Health Specialised Services Committee Remuneration and Terms of Service Committee **(IA)**	**3/3** **1/2*** **1/2*** **2/3**	Not applicable
Paul Mears (from September 2020)	Chief Executive	Board; Emergency Ambulance Services Committee Welsh Health Specialised Services Committee Remuneration and Terms of Service Committee **(IA)**	**5/5** **2/5*** **2/5*** **7/7**	Not applicable
Steve Webster	Director of Finance	Board; Audit and Risk Committee (**IA**) Planning, Performance and Finance Committee (**IA**)	**8/8** **8/8** **5/5**	Not applicable
Kelechi Nnoaham	Director of Public Health	Board Quality and Safety Committee **(IA)** Population Health and Partnerships Committee **(IA)**	**7/8** **4/5** **1/1**	Not Applicable
Nick Lyons	Medical Director/ Deputy Chief Executive	Board Quality and Safety Committee (**IA**) Population Health and Partnerships Committee **(IA)** Digital and Data Committee **(IA)**	**7/8** **4/6** **0/1** **0/3**	Not Applicable
Greg Dix	Director of Nursing	Board Quality and Safety Committee **(IA)**	**6/8** **5/6**	Children and Young People Putting Things Right
Clare Williams	Director of Planning and Performance (Interim)	Board; Planning, Performance and Workforce Committee **(IA)** Population Health and Partnerships Committee **(IA)** Digital and Data Committee **(IA)**	**7/8** **5/5** **2/2** **3/3**	Not Applicable
Hywel Daniel	Director of People	Board; People and Culture Committee **(IA)** Remuneration and Terms of Service Committee **(IA)**	**7/8** **2/2** **8/10**	Fire Safety Violence and Aggression Raising Staff Concerns Welsh Language

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD / BOARD COMMITTEE ATTENDANCE 2019/2020	CHAMPION ROLE
Alan Lawrie (until January 21)	Director of Operations	Board; Finance, Performance and Workforce Committee **IA**); Quality and Safety Committee (**IA**); Mental Health Act Monitoring Committee (**IA**);	**5/5** **1/3** **3/4** **0/3** **	Not Applicable
Gareth Robinson (from January 2021)	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)**	**2/2** **1/1** **1/2** ** **	Not Applicable
Liz Wilkinson (until October 2020)	Director of Therapies and Health Sciences	Board Quality and Safety Committee **(IA)**	**1/4** **1/3**	Not Applicable
Fiona Jenkins (from November 2020)	Interim Director of Therapies and Health Sciences	Board Quality and Safety Committee **(IA)** Population Health and Partnerships Committee **(IA)**	**2/3** **1/3** **1/1** **	Not Applicable

Explanatory Notes

- IA stands for 'in attendance'. 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.
- WHC 2021 (002) Board Champion Roles was issued by Welsh Government in January 2021 and so the Board Champion details reflect the position following receipt of that circular.
- Where an IM is identified as a Chair of a Board Committee – this is represents the position as 31st March 2021.
- *CEO nominated a deputy where they were unable to attend a meeting of WHSSC/EASC
- ** No meetings of this committee held during the period January – March 2021.
- The Charitable Funds Committee was held as part of the Audit and Risk Committee rather than meeting separately.

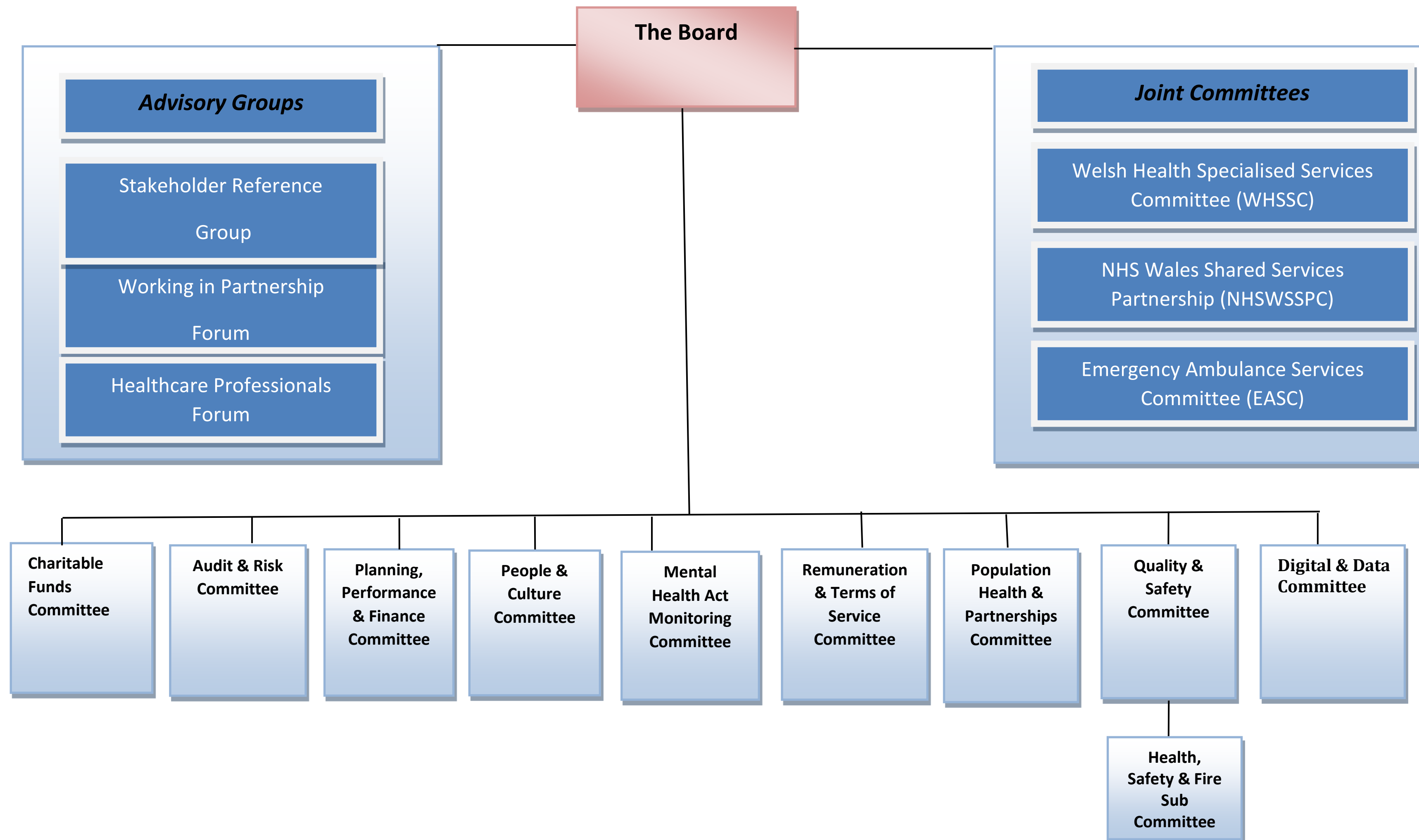
Appendix 2 to the Annual Governance Statement - Board and Committee Meetings held during 2020-21

Board/Committee								
Board Meeting (held in public)*	28/05/20	29/06/20	30/07/20	30/09/20	29/10/20	26/11/20	28/01/21	25/03/21
Audit and Risk Committee	06/04/20	15/06/20	29/06/20	10/08/20	19/10/20	14/12/20	08/02/21	
Quality and Safety Committee	12/05/20	14/06/20	08/09/20	18/11/20	19/01/21	16/03/21		
Planning, Performance and Finance Committee	19/05/20	21/07/20	20/10/20	21/12/20	25/02/21			
People and Culture Committee#	27/07/20 (inaugural meeting)	28/10/20						
Population Health and Partnerships Committee#	23/11/20							
Digital and Data Committee#	24/09/20	15/11/20	11/03/21					
Mental Health Act Monitoring Committee#	17/08/20	04/11/20	10/12/20					
Remuneration and Terms of Service Committee	29/06/20	30/07/20	27/08/20	30/09/20	26/11/20	10/12/20	11/01/21 and 28/01/21	04/03/2021 and 22/03/21

* *Where it was necessary to hold a Board Meeting in-committee the nature of this was reported to the next available Board Meeting held in public. Board Development Sessions were also held, generally in the months when Board meetings in public were not scheduled.*

#Population, Health and Partnerships Committee – this was due to have met in June 2020 and January 2021 but did not due to the pandemic.
#People and Culture Committee was due to have met in February 2021 but did not due to the pandemic.
#Mental Health Act Monitoring Committee was due to have met in June 2020 and February 2021 but did not due to the pandemic
#Digital and Data Committee was due to have met in April and July 2020 but did not due to the pandemic

Appendix 3 - Cwm Taf Morgannwg University Health Board - Board and Committee Structure



Part 2 – Remuneration and Staff Report

The Financial Reporting Manual 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.

The banded remuneration of the highest-paid director in the LHB in the financial year 2020-21 was £200,000 - £205,000 (2019-20, £185,000 - £190,000). This was 6.5 times (2019-20, 6.6) the median remuneration of the workforce, which was £31,365 (2019-20, £28,481).

In 2020-21, 13 (2019-20, 22) employees received remuneration in excess of the highest-paid director. Remuneration for staff ranged from £200,000 to £365,000 (2019-20 £185,001 to £500,000).

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

In establishing the highest paid Director (Chief Executive), account has been taken of the remuneration received by Directors with clinical and director responsibilities.

The pay and terms and conditions of employment for the Executive Team and Very Senior Managers (VSM) who are paid on the VSM pay scale is determined by the Welsh Government and CTMUHB pays in accordance with regulations. For clarity, these are posts which operate at Board level and hold either statutory or non-statutory positions.

In accordance with the regulations, the organisation is able to award incremental uplift within the pay scale and should an increase be considered outside the range, a job description is submitted to Welsh Government for job evaluation. There are clear guidelines in place with regard to the awarding of additional increments and, during the year there have not been any additional increments agreed.

The Remuneration and Terms of Service Committee also considers and approves applications relating to the Voluntary Early Release Scheme (VERS). The Committee's members are all Independent Board Members, including its Chair who is also the Chair of CTMUHB. Membership details are set out on page 106 onwards. Five VERS applications were received and approved by the Committee in 2020-21, however, one application was subsequently withdrawn.

Existing public sector pay arrangements apply to all other staff including members of the Executive Team. The performance of members of the Executive Team are assessed against personal objectives and against the overall performance of CTMUHB. All Executive Directors have the option to have a lease car, under the terms of our lease car agreement.

The Chief Executive and Executive Directors are employed on permanent contracts, which can be terminated by giving due notice, unless for reasons of misconduct.

CTMUHB's constitution consists of the Chair, the Chief Executive, the Executive Directors and the Independent Members, the Chief Operating Officer and the Director of Corporate Governance / Board Secretary. Full details of senior managers' remuneration are shown later in the table on page 118 onwards.

The totals in some of the following tables may differ from those in the Annual Accounts as they represent staff in post at 31 March 2021, while the Annual Accounts shows the average number of employees during the calendar year. The average number of employees subject to audit can be found in 9.2 of the accounts.

Staff Composition by Gender

This figure represents the composition as at 31 March 2021.

Employee Gender	Headcount	Full Time Equivalent	% of Headcount
Female	10,306	8,844.07	80.55%
Male	2,489	2,366.20	19.45%
Total	**12,795**	**11,210.27**	100.00%

Staff Composition by Staff Group

During 2020-21 the average whole-time equivalent (FTE) number of staff permanently employed was 10,966.64. 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 2021	Female		Male		Totals	
	Headcount	FTE	Headcount	FTE	Headcount	FTE
Add Prof Scientific and Technic	322	273.22	131	116.80	453	390.02
Additional Clinical Services	2,132	1,815.64	355	337.61	2,487	2,153.25
Administrative and Clerical	2,117	1,812.56	395	383.15	2,512	2,195.72
Allied Health Professionals	588	528.31	131	128.03	719	656.34
Estates and Ancillary	976	666.55	474	446.47	1,450	1,113.02
Healthcare Scientists	134	120.71	91	89.91	225	210.62
Medical and Dental	407	367.42	574	541.26	981	908.68
Nursing and Midwifery Registered	3,542	3,170.61	329	313.96	3,871	3,484.58
Students	88	89.04	9	9.00	97	98.04
Totals	**10,306**	**8,844.07**	**2,489**	**2,366.20**	**12,795**	**11,210.27**

Sickness Absence Data

CTMUHB's 2020-21 sickness absence rate was 6.97% which means we did not achieve the Welsh Government's target of 5% or less. Sickness absence was significantly impacted during the current financial year, due to the impact of COVID-19 on the general health and wellbeing of our workforce.

The top reasons for sickness absence are:

- Anxiety/stress/other psychiatric illnesses at 37.1%
- Chest and Respiratory Problems at 12.8%
- Infectious diseases at 10.0%
- Other musculoskeletal problems at 7.4%

A comprehensive programme of work is in place, which includes working with trade union partners to address sickness absences, which are managed in line with the all-Wales Managing Attendance at Work.

	2020/21	2019/20
Total Days Lost (Long Term):	208,668.03	179,886.46
Total Days Lost (Short Term):	69,887.15	56,657.47
Total Days Lost:	278,555.18	236,543.93
Total Staff Years Lost: (Average Staff Employed in the Period – Full Time Equivalent	10,966.64	10,420.05
Average Working Days Lost:	11.32	14.18
Total Staff Employed in Period (Headcount):	12,795	12,719
Total Staff Employed in Period with No Absence (Headcount)	4,453	4,307
Percentage Staff with No Sick Leave:	40%	37%

Absence	
Mar-21	**Rolling to 31.03.21**
5.19%	**6.98%**

Staff Policies

During 2020/21, a number of staff policies and procedures were reviewed and reapproved or approved as new documents. All policies are required to be equality impact assessed against the nine protected characteristics, to ensure that they do not discriminate against people who apply to work with us or are employed by us.

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, and the Director of Corporate Governance.

Salary and Pension Disclosure Tables

Cwm Taf Morgannwg University Local Health Board						
Salary and Pension benefits of Senior Managers						
Single Total Figure of Remuneration 2020-21	**Salary**	**Benefits in kind(taxable)**	**Pension benefits**	**Pension benefits**	**Pension benefits**	**Total**
			1995 scheme	**2008 scheme**	**2015 scheme**	
	(bands of £5,000)	**to nearest £100**	**to nearest £1000**	**to nearest £1000**	**to nearest £1000**	**(bands of £5,000)**
Executive Directors	**£000**	**£00**	**£000**	**£000**	**£000**	**£000**
Dr. S Hopkins	**80-85**	**0**	**n/a**	**n/a**	**n/a**	**80-85**
Interim Chief Executive to 31st August 2020 (Note 1)						
Mr P Mears	**105-110**	**0**	**0**	**n/a**	**28**	**135-140**
Chief Executive from 14th September 2020						
Mr S J Webster	**180-185**	**0**	**n/a**	**n/a**	**n/a**	**180-185**
Director of Finance (Note 1 & Note 2)						
Mr A Lawrie	**100-105**	**0**	**152**	**n/a**	**34**	**290-295**
Director of Clinical Service Operations to 10th January 2021 (Note 3)						
Mr N Lyons	**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						
Mr G Dix	**130-135**	**0**	**166**	**n/a**	**38**	**335-340**
Director of Nursing, Midwifery and Patient Care						
Mrs Clare Williams	**120-125**	**0**	**n/a**	**97**	**31**	**250-255**
Interim Director of Planning and Performance						
Mr H Daniel	**120-125**	**0**	**134**	**n/a**	**31**	**285-290**
Interim Director of Workforce and Organisational Development to 2nd February 2021						
Director of People from 3rd February 2021						
Dr K Nnoaham	**130-135**	**0**	**n/a**	**1**	**34**	**165-170**
Director of Public Health						
Miss E Wilkinson	**65-70**	**0**	**117**	**n/a**	**n/a**	**185-190**
Director of Therapies and Health Sciences to 14th October 2020						
Ms F Jenkins	**25-30**	**0**	**115**	**n/a**	**n/a**	**140-145**
Interim Director of Therapies and Health Sciences from 2nd November 2020 (Note 4)						
Directors						
Mr J Palmer	**15-20**	**0**	**n/a**	**3**	**50**	**65-70**
Chief Operating Officer to 17th May 2020						
Mr G Robinson	**30-35**	**0**	**0**	**n/a**	**14**	**45-50**
Interim Chief Operating Officer from 11th January 2021						
Mrs G Galletly	**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						
Prof M Longley	**55-60**	**0**				**55-60**
Chairman						
Mrs M Thomas	**45-50**	**0**				**45-50**
Vice Chair						
Mr P Griffiths	**10-15**	**0**				**10-15**
Independent Member (Finance) to 31st December 2020						
Ms Patsy Roseblade	**0-5**	**0**				**0-5**
Independent Member (Finance) from 1st March 2021						

Mr J Hehir	**10-15**	**0**				**10-15**
Independent Member (Legal)						
Mr I Wells	**10-15**	**0**				**10-15**
Independent Member (ICT)						
Mr K Montague	**10-15**	**0**				**10-15**
Independent Member (Community)						
Cllr P White	**10-15**	**0**				**10-15**
Independent Member (Elected Representative)						
Mr M Jehu	**10-15**	**0**				**10-15**
Independent Member						
Mrs J Sadgrove	**10-15**	**0**				**10-15**
Independent Member (University)						
Mrs N D Milligan	**0**	**0**				**0**
Independent Member (Staff) (Note 5)						
D Jouvenat	**10-15**	**0**				**10-15**
Independent Member (Third Sector)						
Mr G Isingrini (to 13th January 2021), Ms S Scott-Thomas (to 27th October 2020) and Ms S 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 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 - Dr S Hopkins, Mr S Webster and Mr N Lyons chose not to be covered by the NHS pension arrangements during 2020-21						
2 - Mr S 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 - Mr A Lawrie continued to be employed by the Health Board between 11th January and 31st March 2021 in a non-executive capacity.						
4 - Ms F 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 - Mrs ND Milligan is a paid, full time employee of the organisation and receives no additional remuneration as an Independent Member.						

Single Total Figure of Remuneration 2019-20	**Salary**	**Benefits in kind(taxable)**	**Pension benefits**	**Pension benefits**	**Pension benefits**	**Total**
			1995 scheme	**2008 scheme**	**2015 scheme**	
	(bands of £5,000)	**to nearest £100**	**to nearest £1000**	**to nearest £1000**	**to nearest £1000**	**(bands of £5,000)**
Executive Directors	**£000**	**£00**	**£000**	**£000**	**£000**	**£000**
Mrs A J Williams	**195-200**	**0**	**1**	**n/a**	**21**	**215-220**
Chief Executive to 20th August 2019						
Dr. S Hopkins	**145-150**	**0**	**n/a**	**n/a**	**n/a**	**145-150**
Interim Chief Executive from 24th June 2019 (Note 1)						
Mr S J Webster	**165-170**	**0**	**n/a**	**n/a**	**n/a**	**165-170**
Director of Finance(Note 1)						
Mr A Lawrie	**115-120**	**72**	**0**	**n/a**	**28**	**150-155**
Director of Primary, Community & Mental Health Services						
Mr K Asaad	**75-80**	**2**	**0**	**n/a**	**n/a**	**75-80**
Medical Director to 30th September 2019						
Mr N Lyons	**90-95**	**0**	**n/a**	**n/a**	**n/a**	**90-95**
Medical Director from 1st October 2019 (Note 1)						
Mr G Dix	**130-135**	**0**	**n/a**	**n/a**	**n/a**	**130-135**
Director of Nursing, Midwifery and Patient Care from 1st April 2019 (Note 1)						
Ms R Treharne	**125-130**	**0**	**0**	**n/a**	**30**	**155-160**
Director of Planning and Performance						
Deputy Chief Executive to 18th June 2019						
Mrs J M Davies	**20-25**	**0**	**0**	**n/a**	**n/a**	**20-25**
Director of Workforce and Organisational Development to 31st May 2019.						
Mrs A Phillimore	**100-105**	**0**	**n/a**	**n/a**	**n/a**	**100-105**
Interim Director of Workforce and Organisational Development from 7th May 2019 to 6th March 2020.(Note 1)						
Mr H Daniel	**10-15**	**0**	**132**	**n/a**	**23**	**160-165**
Interim Director of Workforce and Organisational Development from 1st March 2020.						
Dr K Nnoaham	**130-135**	**0**	**n/a**	**0**	**32**	**160-165**
Director of Public Health						
Miss E Wilkinson	**45-50**	**0**	**164**	**n/a**	**n/a**	**210-215**
Director of Therapies and Health Sciences from 1st November 2019						
Directors						
Mr J Palmer	**125-130**	**0**	**n/a**	**0**	**32**	**155-160**
Chief Operating Officer						
Mr R Williams	**80-85**	**0**	**0**	**n/a**	**9**	**90-95**
Director of Corporate Services & Governance/ Board Secretary to 30th November 2019						
Miss G Roberts	**5-10**	**0**	**0**	**n/a**	**19**	**25-30**
Interim Board Secretary to 1st May 2019						
Mrs G Galletly						
Interim Director of Corporate Services & Governance/ Board Secretary from 28th July 2019.	**65-70**	**0**	**66**	**0**	**25**	**155-160**
Independent Members						
Prof M Longley	**55-60**	**0**				**55-60**
Chairman						
Mrs M Thomas	**45-50**	**0**				**45-50**
Vice Chair						
Mr P Griffiths	**10-15**	**0**				**10-15**
Independent Member (Finance)						
Mr J Hehir	**10-15**	**0**				**10-15**
Independent Member (Legal)						
Mr I Wells	**10-15**	**0**				**10-15**

Independent Member (ICT) from 8th May 2019						
Mr K Montague	**10-15**	**0**				**10-15**
Independent Member (Community)						
Cllr R Smith	**0-5**	**0**				**0-5**
Independent Member (Elected Representative) to 8th May 2019						
Cllr P White	**5-10**	**0**				**5-10**
Independent Member (Elected Representative) from 15th November 2019						
Mr M Jehu	**10-15**	**0**				**10-15**
Independent Member						
Mrs J Sadgrove	**10-15**	**0**				**10-15**
Independent Member (University)						
Mrs N D Milligan	**0**	**0**				**0**
Independent Member (Staff) (Note 2)						
D Jouvenat	**10-15**	**0**				**10-15**
Independent Member (Third Sector)						
Mr G Isingrini, Cllr P White (to 14/11/2019) and Ms S Scott-Thomas(from 18/07/19) 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.						
Benefits in kind relates to lease car (figures given in hundreds).						
Notes						
1.- Dr S Hopkins, Mr S Webster, Mr N Lyons, Mr G Dix and Mrs A Phillimore chose not to be covered by the NHS pension arrangements during 2019-20						
2 - Mrs ND Milligan is a paid, full time employee of the organisation and receives no additional remuneration as an Independent Member.						

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								
Dr. S Hopkins	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Interim Chief Executive to 31st August 2020 (Note 1)								
Mr P Mears 1995 Pension Scheme	0	0	25-30	80-85	551	532	5	0
Mr P Mears 2015 Pension Scheme	0-2.5	0	10-15	0	166	137	6	0
Chief Executive from 14th September 2020 (Note 2)								
Mr S J Webster	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Director of Finance (Note 1)								
Mr A Lawrie 1995 Pension Scheme	5-7.5	17.5-20	50-55	150-155	1155	967	171	0
Mr A Lawrie 2015 Pension Scheme	2.5-5	0	10-15	0	183	141	20	0
Director of Clinical Service Operations to 10th January 2021								
Mr N Lyons	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical Director (Note 1)								
Deputy Chief Executive from 3rd August 2020								
Acting Chief Executive from 1st - 13th September 2020								
Mr G Dix 1995 Pension Scheme	5-7.5	20-22.5	30-35	95-100	637	473	155	0
Mr G Dix 2015 Pension Scheme	2.5-5	0	10-15	0	159	124	18	0
Director of Nursing, Midwifery and Patient Care (Note 3)								
Mrs Clare Williams 2008 Pension Scheme	2.5-5	0	10-15	0	142	84	57	0
Mrs Clare Williams 2015 Pension Scheme	0-2.5	0	5-10	0	85	60	8	0
Interim Director of Planning and Performance (Note 4)								
Mr H Daniel 1995 Pension Scheme	5-7.5	15-17.5	20-25	60-65	325	227	94	0
Mr H 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 of People from 3rd February 2021 (Note 2)								
Dr K Nnoaham 2008 Pension Scheme	0-2.5	0	10-15	0	155	149	4	0
Dr K Nnoaham 2015 Pension Scheme	2.5-5	0	15-20	0	175	139	14	0
Director of Public Health								
Miss E 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)								
Ms F 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								
Mr J Palmer 2008 Pension Scheme	0-2.5	0	0-5	0	19	18	1	0
Mr J Palmer 2015 Pension Scheme	2.5-5	0	10-15	0	158	132	22	0

Chief Operating Officer to 17th May 2020 (Note 4)								
Mr G Robinson 1995 Pension Scheme	0	0	0-5	10-15	75	73	0	0
Mr G Robinson 2015 Pension Scheme	0-2.5	0	0-5	0	11	n/a	1	0
Interim Chief Operating Officer from 11th January 2021 (Note 7)								
Mrs G Galletly 1995 Pension Scheme	0-2.5	2.5-5	20-25	60-65	389	354	29	0
Mrs G Galletly 2015 Pension Scheme	0-2.5	0	5-10	0	108	78	14	0
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)								

Notes:

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

2 - Mr P Mears, Mr H Daniel and Mrs G Galletly transferred from the 1995 pension scheme to the 2015 pension scheme on the 1st April 2015.

3 - Mr G 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 - Mrs C Williams and Mr J Palmer transferred from the 2008 pension scheme to the 2015 pension scheme on 1st April 2015

5 - Miss E Wilkinson retired during 2020-21 therefore a CETV is not applicable.

6 - Ms F 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. Ms F Jenkins is over the Normal Retirement Age for the scheme and therefore a CETV is not applicable.

7 - Mr G 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

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).

Pension Benefits 2019-20	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 2020	Lump sum at pensionable age related to accrued pension at 31 March 2020	Cash Equivalent Transfer Value at 31 March 2020	Cash Equivalent Transfer Value at 31 March 2019	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								
Mrs A J Williams 1995 Pension Scheme	0-2.5	0-2.5	50-55	160-165	1198	1143	11	0
Mrs A J Williams 2015 Pension Scheme	0-2.5	0	10-15	0	170	142	5	0
Chief Executive to 20th August 2019 (Note 1)								
Dr. S Hopkins	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Interim Chief Executive from 24th June 2019 (Note 2)								
Mr S J Webster	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Director of Finance(Note 2)								
Mr A Lawrie 1995 Pension Scheme	0	0	40-45	130-135	967	924	21	0
Mr A Lawrie 2015 Pension Scheme	0-2.5	0	10-15	0	141	106	16	0
Director of Primary, Community & Mental Health Services								
Mr K Asaad	5-7.5	57.5-60	55-60	320-325	n/a	n/a	n/a	0
Medical Director to 30th September 2019 (Note 3)								
Mr N Lyons	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical Director (from 1st October 2019 Note 2)								
Mr G Dix	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Director of Nursing, Midwifery and Patient Care from 1st April 2019 (Note 2)								
Ms R Treharne 1995 Scheme	0	0	45-50	145-150	1,117	1095	0	0
Ms R Treharne 2015 Scheme	0-2.5	0	5-10	0	85	49	16	0
Director of Planning and Performance								
Deputy Chief Executive to 18th June 2019 (Note 4)								
Mrs J M Davies	0	7.5-10	35-40	190-195	n/a	1058	n/a	0
Director of Workforce and Organisational Development to 31st May 2019.(Note 5)								
Mrs A Phillimore	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Interim Director of Workforce and Organisational Development from 7th May 2019 to 6th March 2020.(Note 2)								
Mr H Daniel 1995 Pension Scheme	0-2.5	0-2.5	15-20	45-50	227	134	8	0
Mr H Daniel 2015 Pension Scheme	0-2.5	0	5-10	0	64	46	0	0
Interim Director of Workforce and Organisational Development from 1st March 2020(Note 6)								
Dr K Nnoaham 2008 Pension Scheme	0	0	10-15	0	149	144	2	0
Dr K Nnoaham 2015 Pension Scheme	2.5-5	0	10-15	0	139	104	13	0
Director of Public Health								
Miss E Wilkinson 1995 Pension Scheme	2.5-5	7.5-10	30-35	95-100	750	549	75	0
Director of Therapies and Health Sciences from 1st November 2019								
Directors								

Mr J Palmer 2008 Pension Scheme	0	0	0-5	0	18	17	0	0
Mr J Palmer 2015 Pension Scheme	2.5-5	0	10-15	0	132	99	12	0
Chief Operating Officer (Note 7)								
Mr R Williams 1995 Pension Scheme	0	65-67.5	30-35	230-235	n/a	945	n/a	0
Mr R Williams 2015 Pension Scheme	0	12.5-15	0-5	15-20	n/a	38	n/a	0
Director of Corporate Services & Governance/ Board Secretary to 30th November 2019 (Note 8 & Note 9).								
Miss G Roberts 1995 Pension Scheme	0	0	25-30	85-90	638	664	0	0
Miss G Roberts 2015 Pension Scheme	0-2.5	0	5-10	0	93	70	1	0
Interim Board Secretary to 1st May 2019								
Mrs G Galletly 1995 Pension Scheme	0-2.5	5-7.5	15-20	55-60	354	289	40	0
Mrs G Galletly 2015 Pension Scheme	0-2.5	0	5-10	0	78	54	6	0
Interim Director of Corporate Services & Governance/ Board Secretary from 28th July 2019 (Note 10)								

Notes:

1.- Mrs A J Williams transferred from the 1995 pension scheme to the 2015 pension scheme on 1 February 2016

2.- Dr S Hopkins, Mr S Webster, Mr N Lyons, Mr G Dix and Mrs A Phillimore chose not to be covered by the NHS pension arrangements during 2019-20

3.- Mr K Asaad retired during 2019-20, and was over the normal retirement age for 1995 Section members in 2018-19. therefore CETVs are not applicable

4.- Ms R Treharne transferred from the 1995 pension scheme to the 2015 pension scheme on 1 October 2017

5.- Mrs JM Davies retired during 2019-20, therefore a CETV is not applicable

6.- Mr H Daniel transferred from the 1995 pension scheme to the 2015 pension scheme on the 1st April 2015.

7.- Mr J Palmer transferred from the 2008 pension scheme to the 2015 pension scheme on 1 April 2015

8.- Mr R Williams transferred from the 1995 pension scheme to the 2015 pension scheme on 1 October 2017.

9.- Mr R Williams retired during 2019-20, therefore a CETV is not applicable.

10. Mrs G Galletly transferred from the 1995 pension scheme to the 2015 pension scheme on 1st April 2015.

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

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, 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 2020/2021.

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 2020/2021 CTMUHB spent £423,000 on external consultancy fees compared with £335,000 in 2019/2020.

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 2021 for those earning more than £245 per day, its executive agencies and its arm's length bodies.

Table 1: For all off-payroll engagements as of 31 March 2021, for more than £245 per day

No. of existing engagements as of 31 March 2021	21
Of which, the number that have existed:	
For less than one year at time of reporting.	7
For between one and two years at time of reporting.	5
For between two and three years at time of reporting.	2
For between three and four years at time of reporting.	3
For four or more years at time of reporting.	4

Table 2: For all new off-payroll engagements between 1 April 2020 and 31 March 2021, for more than £245 per day

Number. of new engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021	13
Of which...	
No. assessed as caught by IR 35	10
No. assessed as not caught by IR 35	3
No. engaged directly (via PSC contracted to department) and are on the departmental payroll.	0
No. of engagements reassessed for consistency / assurance purposes during the year	0
No. 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 2020 and 31 March 2021

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Number of individuals that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure should include both off-payroll and on-payroll engagements.	14

Reporting of other compensation schemes - exit packages - Audited

		2020-21		**2020-21**		**2020-21**		**2020-21**		2019-20
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**		**4**		**4**		**0**		1
£25,000 to £50,000		**0**		**0**		**0**		**0**		1
£50,000 to £100,000		**0**		**0**		**0**		**0**		1
£100,000 to £150,000		**0**		**0**		**0**		**0**		0
£150,000 to £200,000		**0**		**0**		**0**		**0**		0
more than £200,000		**0**		**0**		**0**		**0**		0
Total		**0**		**4**		**4**		**0**		3

	2020-21	2020-21	2020-21	2020-21	2019-20
Exit packages cost band (including any special payment element)	**Cost of compulsory redundancies**	**Cost of other departures**	**Total cost of exit packages**	**Cost of special element included in exit packages**	Total cost of exit packages
	£'s	**£'s**	**£'s**	**£'s**	£'s
less than £10,000	**0**	**0**	**0**	**0**	0
£10,000 to £25,000	**0**	**76,254**	**76,254**	**0**	10,000
£25,000 to £50,000	**0**	**0**	**0**	**0**	40,152
£50,000 to £100,000	**0**	**0**	**0**	**0**	81,297
£100,000 to £150,000	**0**	**0**	**0**	**0**	0
£150,000 to £200,000	**0**	**0**	**0**	**0**	0
more than £200,000	**0**	**0**	**0**	**0**	0
Total	**0**	**76,254**	**76,254**	**0**	131,449
Exit costs paid in year of departure					Total paid in year
			2020-21		2019-20
			£'s		£'s
Exit costs paid in year			**76,254**		131,449
Total			**76,254**		131,449

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 4 special payments are severance payments, the highest payment was £21,254 the lowest payment was £15,000 and the median value was for £20,000. Four of the exit packages are in relation to Cwm Taf Morgannwg employees.

………………………………
Paul Mears
Chief Executive
9th June 2021

Part 3– Parliamentary Accountability and Audit Report

Where t CTMUHB undertakes an activity which is not funded directly by the Welsh 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 reasonable assurance that public resources will be used to deliver the intended objectives. Expenditure must be compliant with relevant legislation including EU legislation, delegated authorities and following guidance in Managing Welsh Public Money.

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 2021:

	2020-21		2019-20
	£'000		£'000
Guarantees	**0**		0
Indemnities	**125**		275
Letters of Comfort	**0**		0
Total	**125**		**275**

Miscellaneous Income

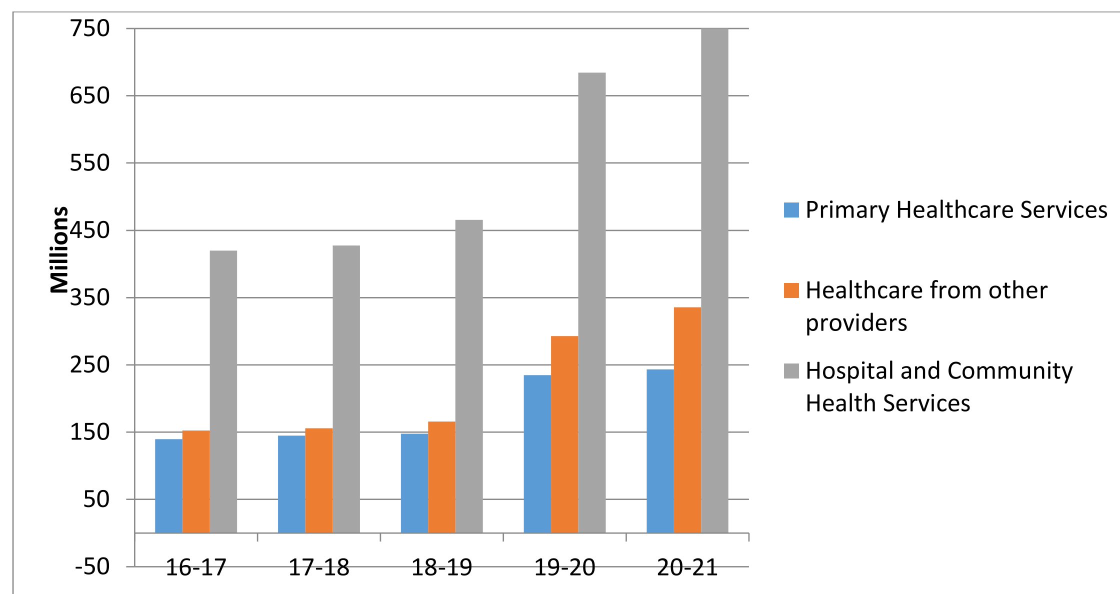
Detailed below is the miscellaneous income as at 31 March 2021:

	2020-21			2019-20
	£'000			£'000
Total	**141,362**			144,961

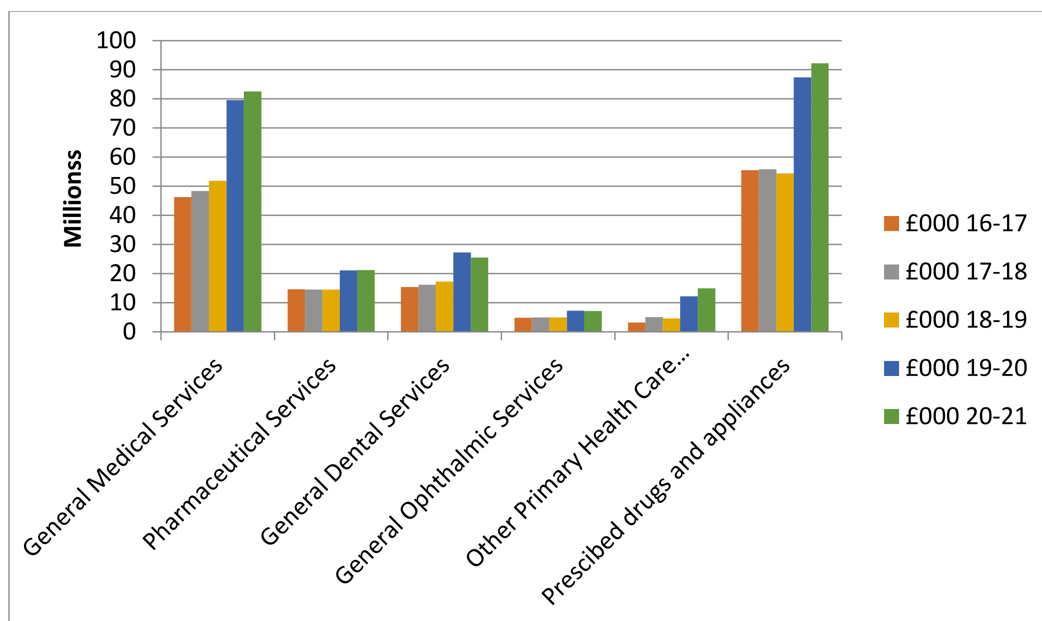
Long Term Expenditure Trends

Analysis of Expenditure of CTMUHB Activities (excluding WHSSC/EASC)

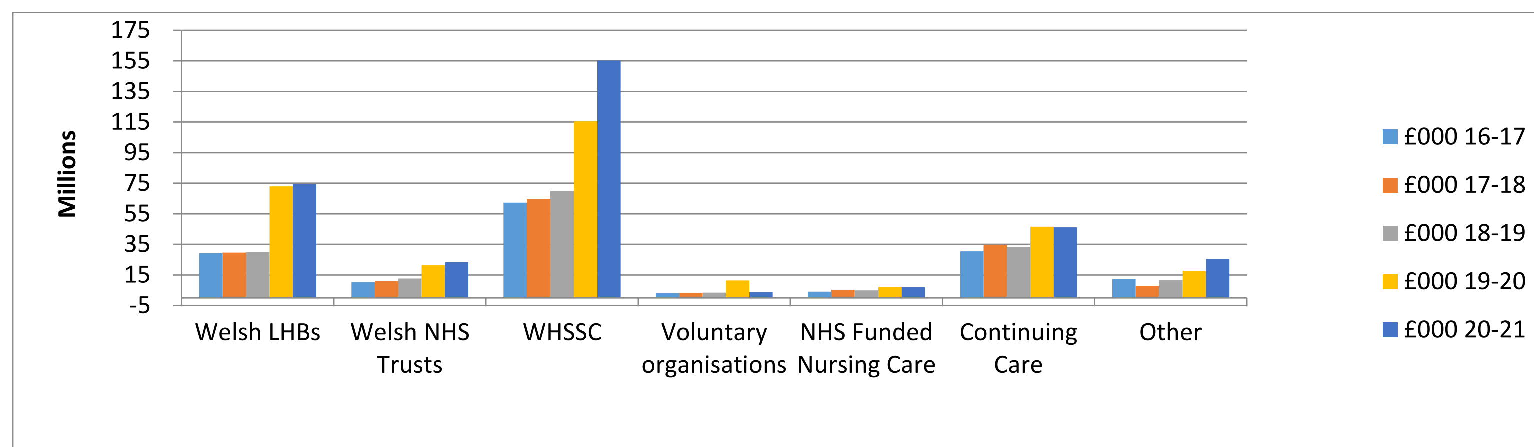
Operating Expenses	£000	£000	£000	£000	£000		%	%	%	%	%
	16-17	17-18	18-19	19-20	20-21		16-17	17-18	18-19	19-20	20-21
Primary Healthcare Services	139,733	144,853	147,605	234,802	243,573		19.63	19.89	18.95	19.37	17.70
Healthcare from other providers	152,234	155,798	165,770	292,814	335,415		21.39	21.40	21.28	24.16	24.38
Hospital and Community Health Services	419,847	427,501	465,516	684,350	797,071		58.98	58.71	59.77	56.47	57.92
Total	711,814	728,152	778,891	1,211,966	1,376,060		100.00	100.00	100.00	100.00	100.00



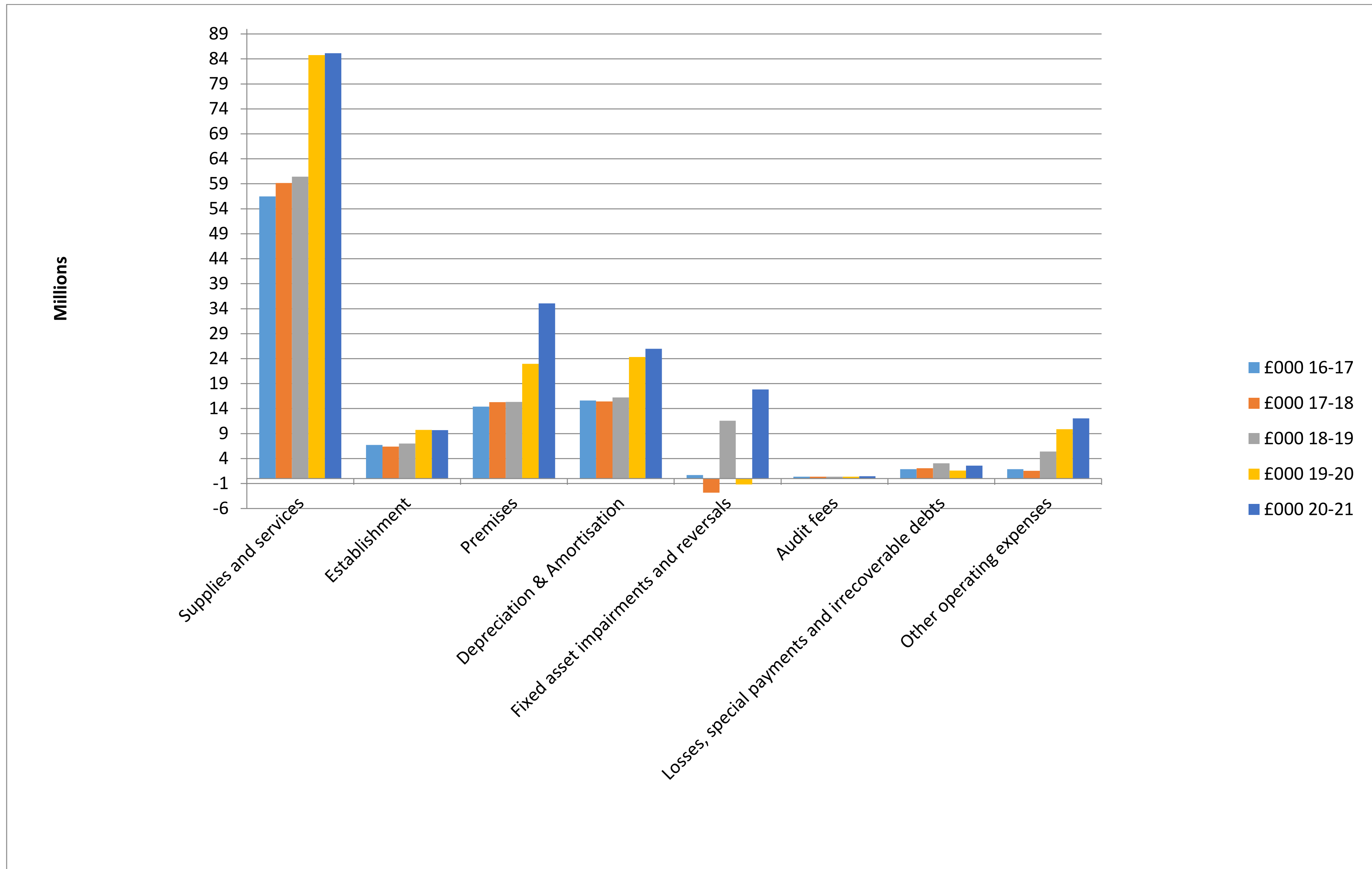
Expenditure on Primary Healthcare Services	£000	£000	£000	£000	£000		%	%	%	%	%
	16-17	17-18	18-19	19-20	20-21		16-17	17-18	18-19	19-20	20-21
General Medical Services	46,280	48,327	51,875	79,585	82,559		33.12	33.36	35.14	33.89	33.90
Pharmaceutical Services	14,612	14,512	14,479	21,081	21,196		10.46	10.02	9.81	8.98	8.70
General Dental Services	15,358	16,214	17,285	27,248	25,470		10.99	11.19	11.71	11.60	10.46
General Ophthalmic Services	4,793	4,941	4,949	7,211	7,101		3.43	3.41	3.35	3.07	2.92
Other Primary Health Care expenditure	3,150	5,050	4,588	12,231	14,984		2.25	3.49	3.11	5.21	6.15
Prescribed drugs and appliances	55,540	55,809	54,429	87,446	92,263		39.75	38.53	36.87	37.24	37.88
Total	139,733	144,853	147,605	234,802	243,573		100.00	100.00	100.00	100.00	100.00



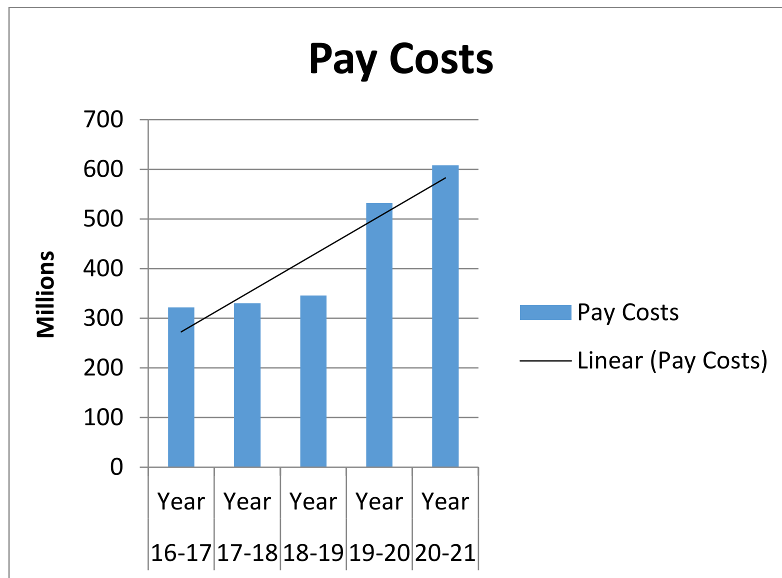
Expenditure on Healthcare from other providers	£000	£000	£000	£000	£000		**%**	**%**	**%**	**%**	**%**
	16-17	17-18	18-19	19-20	20-21		16-17	17-18	18-19	19-20	20-21
Welsh LHBs	29,195	29,549	29,927	72,875	74,359		19.18	18.97	18.05	24.89	22.17
Welsh NHS Trusts	10,482	10,932	12,690	21,462	23,392		6.89	7.02	7.66	7.33	6.97
WHSSC	62,361	64,727	69,963	115,411	155,190		40.96	41.55	42.20	39.41	46.27
Voluntary organisations	3,133	3,102	3,451	11,481	3,920		2.06	1.99	2.08	3.92	1.17
NHS Funded Nursing Care	4,209	5,400	4,867	7,269	7,022		2.76	3.47	2.94	2.48	2.09
Continuing Care	30,488	34,526	33,298	46,653	46,093		20.03	22.16	20.09	15.93	13.74
Other	12,366	7,562	11,574	17,663	25,440		8.12	4.85	6.98	6.03	7.58
Total	152,234	155,798	165,770	292,814	335,415		100.00	100.00	100.00	100.00	100.00



Expenditure on Hospital and Community Health Services	£000	£000	£000	£000	£000		**%**	**%**	**%**	**%**	**%**
	16-17	17-18	18-19	19-20	20-21		16-17	17-18	18-19	19-20	20-21
Supplies and services	56,477	59,146	60,447	84,783	85,152		57.61	60.69	50.62	55.61	45.10
Establishment	6,722	6,418	7,000	9,718	9,700		6.86	6.59	5.86	6.37	5.14
Premises	14,422	15,305	15,353	22,985	35,044		14.71	15.70	12.86	15.08	18.56
Depreciation & Amortisation	15,614	15,420	16,242	24,322	25,978		15.93	15.82	13.60	15.95	13.76
Fixed asset impairments and reversals	688	-2,811	11,569	-1,189	17,840		0.70	-2.88	9.69	-0.78	9.45
Audit fees	361	355	352	350	459		0.37	0.36	0.29	0.23	0.24
Losses, special payments and irrecoverable debts	1,877	2,070	3,062	1,586	2,602		1.91	2.12	2.56	1.04	1.38
Other operating expenses	1,872	1,555	5,394	9,898	12,023		1.91	1.60	4.52	6.49	6.37
Total	98,033	97,458	119,419	152,453	188,798		100.00	100.00	100.00	100.00	100.00


Millions
89
84
79
74
69
64
59
54
49
44
39
34
29
24
19
14
9
4
-1
-6
Supplies and services
Establishment
Premises
Depreciation & Amortisation
Fixed asset impairments and reversals
Audit fees
Losses, special payments and irrecoverable debts
Other operating expenses
£000 16-17
£000 17-18
£000 18-19
£000 19-20
£000 20-21

Expenditure on Hospital and Community Health Services - Staff Costs						
	16-17	17-18	18-19	19-20	20-21	
	Year	Year	Year	Year	Year	
Pay Costs	321,814	330,043	346,097	531,897	608,273	



The Certificate 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 2021 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 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 2021 and of its net operating costs for the year then ended;
- have been properly prepared in accordance with 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, 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 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.

Emphasis of Matter

I draw attention to Note 21.1 of the financial statements, which describes the impact of a Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government. My opinion is not modified in respect of this matter. Further detail is set out in my attached Report.

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;

- 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 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 (add as appropriate to the audit); and

- Obtaining an understanding of 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 Risk 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's 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 144-145 in respect of the Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government.

Adrian Crompton
Auditor General for Wales
15 June 2021

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 2021 to draw attention to one key matter for my audit, regarding the implications of the ministerial direction on senior clinicians' pensions. I have not qualified my 'true and fair' opinion in respect of any 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 currently has insufficient information 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 no expenditure is recognised in the financial statements but as required the LHB has disclosed a contingent liability in note 21 of its financial statements.

All NHS bodies will be held harmless for the impact of the Ministerial Direction, however in my opinion any transactions included in the LHB's financial statements to recognise this liability would be 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.

I have not modified my regularity opinion in this respect this year because as set out above, no expenditure has been recognised in the year ended 31 March 2021. I have however placed an Emphasis of Matter paragraph in my audit report to highlight this issue and, have prepared this report to bring the arrangement to the attention of the Senedd.

Adrian Crompton
Auditor General for Wales
15 June 2021

Chapter 3

Financial Statements

Thank you for reading CTMUHB's Annual Report 2020-2021.

How to contact us:

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

Address: Cwm Taf Morgannwg University Health Board, Ynysmeurig House, Unit 3 Navigation Park, Abercynon, Rhondda Cynon Taf. CF45 4SN.
Telephone: 01443 744800
Email: CTM_Corporate_Governance@wales.nhs.uk
Website Cwm Taf Morgannwg University Health Board - Homepage
Twitter: @CwmTafMorgannwg
Facebook: www.facebook.com/CwmTafMorgannwg/

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 2021

	Note	**2020-21**	**2020-21**	2019-20	2019-20
		£'000	**£'000**	£'000	£'000
		Cwm Taf HB Activities		Cwm Taf HB Activities	
Expenditure on Primary Healthcare Services	3.1	**243,573**	**243,573**	234,802	234,802
Expenditure on healthcare from other providers	3.2	**335,415**	**1,057,090**	292,814	955,323
Expenditure on Hospital and Community Health Services	3.3	**797,071**	**804,495**	684,350	691,200
		1,376,060	**2,105,158**	1,211,966	1,881,325
Less: Miscellaneous Income	4	**(141,362)**	**(870,461)**	(144,961)	(814,320)
LHB net operating costs before interest and other gains and losses		**1,234,698**	**1,234,697**	1,067,005	1,067,005
Investment Revenue	5	**0**	**0**	(2)	(2)
Other (Gains) / Losses	6	**(121)**	**(121)**	(82)	(82)
Finance costs	7	**8**	**8**	65	65
Net operating costs for the financial year		**1,234,585**	**1,234,584**	**1,066,986**	**1,066,986**

See note 2 on page 25 for details of performance against Revenue and Capital allocations.

The notes on pages 8 to 74 form part of these accounts

Other Comprehensive Net Expenditure

	2020-21 £'000	2019-20 £'000
Net (gain) / loss on revaluation of property, plant and equipment	(7,930)	(4,024)
Net (gain) / loss on revaluation of intangibles	0	0
(Gain) / loss on other reserves	0	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	0	0
Net (gain)/loss on revaluation of financial assets held for sale	0	0
Impairment and reversals	0	0
Transfers between reserves	0	0
Transfers (to) / from other bodies within the Resource Accounting Boundar	0	0
Reclassification adjustment on disposal of available for sale financial asset	0	0
Other comprehensive net expenditure for the year	(7,930)	(4,024)
Total comprehensive net expenditure for the year	1,226,654	1,062,962

The notes on pages 8 to 74 form part of these accounts

Statement of Financial Position as at 31 March 2021

	Notes	31 March 2021 £'000 Cwm Taf HB Activities	31 March 2021 £'000	31 March 2020 £'000 Cwm Taf HB Activities	31 March 2020 £'000
Non-current assets					
Property, plant and equipment	11	549,909	549,909	532,624	532,624
Intangible assets	12	4,150	4,150	3,631	3,631
Trade and other receivables	15	39,298	39,298	50,069	50,069
Other financial assets	16	0	0	0	0
Total non-current assets		593,357	593,357	586,324	586,324
Current assets					
Inventories	14	6,061	6,061	6,071	6,071
Trade and other receivables	15	124,984	138,477	101,242	107,185
Other financial assets	16	0	0	0	0
Cash and cash equivalents	17	687	18,964	376	14,755
		131,732	163,502	107,689	128,011
Non-current assets classified as "Held for Sale"	11	0	0	0	0
Total current assets		131,732	163,502	107,689	128,011
Total assets		725,089	756,859	694,013	714,335
Current liabilities					
Trade and other payables	18	(175,210)	(218,462)	(133,114)	(165,137)
Other financial liabilities	19	0	0	0	0
Provisions	20	(49,579)	(49,939)	(38,844)	(38,985)
Total current liabilities		(224,789)	(268,401)	(171,958)	(204,122)
Net current assets/ (liabilities)		(93,057)	(104,899)	(64,269)	(76,111)
Non-current liabilities					
Trade and other payables	18	(1,143)	(1,143)	(1,307)	(1,307)
Other financial liabilities	19	0	0	0	0
Provisions	20	(45,680)	(45,680)	(56,259)	(56,259)
Total non-current liabilities		(46,823)	(46,823)	(57,566)	(57,566)
Total assets employed		453,477	441,635	464,489	452,647
Financed by :					
Taxpayers' equity					
General Fund		404,625	392,783	416,325	404,483
Revaluation reserve		48,852	48,852	48,164	48,164
Total taxpayers' equity		453,477	441,635	464,489	452,647

The financial statements on pages 2 to 7 were approved by the Board on 9th June 2021 and signed on its behalf by:

Chief Executive and Accountable Officer ………………………………………………………….. Date: 09 June 2021.

The notes on pages 8 to 74 form part of these accounts

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2021

	General Fund £000s	Revaluation Reserve £000s	Total Reserves £000s
Changes in taxpayers' equity for 2020-21			
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**
Included in Net Welsh Government Funding			
Welsh Government Covid 19 Capital Funding	**11,092**		**11,092**
Welsh Government Covid 19 Revenue Funding	**131,014**		**131,014**

The notes on pages 8 to 74 form part of these accounts

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2020

	General Fund £000s	Revaluation Reserve £000s	Total Reserves £000s
Changes in taxpayers' equity for 2019-20			
Balance at 1 April 2019	265,228	26,004	291,232
Net operating cost for the year	(1,066,986)		(1,066,986)
Net gain/(loss) on revaluation of property, plant and equipment	0	4,024	4,024
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	715	(715)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	131,589	18,851	150,440
Total recognised income and expense for 2019-20	(934,682)	22,160	(912,522)
Net Welsh Government funding	1,052,205		1,052,205
Notional Welsh Government Funding	21,732		21,732
Balance at 31 March 2020	404,483	48,164	452,647

The notes on pages 8 to 74 form part of these accounts

Statement of Cash Flows for year ended 31 March 2021

	Notes	2020-21 £'000 Cwm Taf HB Activities	2020-21 £'000	2019-20 £'000 Cwm Taf HB Activities	2019-20 £'000
Cash Flows from operating activities					
Net operating cost for the financial year		(1,234,585)	(1,234,584)	(1,066,986)	(1,066,986)
Movements in Working Capital	27	29,930	33,609	8,767	14,526
Other cash flow adjustments	28	74,642	74,934	63,927	63,913
Provisions utilised	20	(13,999)	(14,073)	(17,121)	(17,128)
Net cash outflow from operating activities		(1,144,012)	(1,140,114)	(1,011,413)	(1,005,675)
Cash Flows from investing activities					
Purchase of property, plant and equipment		(46,217)	(46,217)	(39,114)	(39,114)
Proceeds from disposal of property, plant and equipment		201	201	88	88
Purchase of intangible assets		(1,257)	(1,257)	(1,548)	(1,548)
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		(47,273)	(47,273)	(40,574)	(40,574)
Net cash inflow/(outflow) before financing		(1,191,285)	(1,187,387)	(1,051,987)	(1,046,249)
Cash Flows from financing activities					
Welsh Government funding (including capital)		1,191,754	1,191,754	1,052,205	1,052,205
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		(158)	(158)	(158)	(158)
Cash transferred (to)/ from other NHS bodies		0	0	0	0
Net financing		1,191,596	1,191,596	1,052,047	1,052,047
Net increase/(decrease) in cash and cash equivalents		311	4,209	60	5,798
Cash and cash equivalents (and bank overdrafts) at 1 April		376	14,755	316	8,957
Cash and cash equivalents (and bank overdrafts) at 31 March		687	18,964	376	14,755

The notes on pages 8 to 74 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 2020-21 Manual for Accounts. The accounting policies contained in that manual follow the 2020-21 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/has not entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

The pool budget is hosted by one NHS Wales's organisation. Payments for services provided are accounted for as miscellaneous income. The NHS Wales organisation accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

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.

stimates 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, 26.56% of the defence fee costs are accounted for as provision and the remaining 73.44% 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 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'.

1.25.1. Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'operating expenses'.

1.25.2. 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.

1.25.2. 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.

1.25.3. 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.

1.25.4. 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.

1.25.5. 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.

1.26. 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.

1.27. 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.

1.28. 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.

1.29. Accounting standards issued that have been adopted early

During 2020-21 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.30. 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' notes.

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			
	2018-19	2019-20	**2020-21**	**Total**
	£'000	£'000	**£'000**	**£'000**
Net operating costs for the year	687,347	1,066,986	**1,234,585**	**2,988,918**
Less general ophthalmic services expenditure and other non-cash limited expenditure	(725)	(672)	**93**	**(1,304)**
Less revenue consequences of bringing PFI schemes onto SoFP	(120)	(122)	**(126)**	**(368)**
Total operating expenses	686,502	1,066,192	**1,234,552**	**2,987,246**
Revenue Resource Allocation	686,518	1,067,075	**1,234,640**	**2,988,233**
Under /(over) spend against Allocation	16	883	**88**	**987**

Cwm Taf LHB has met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2018-19 to 2020-21.

2.2 Capital Resource Performance

	2018-19	2019-20	**2020-21**	**Total**
	£'000	£'000	**£'000**	**£'000**
Gross capital expenditure	27,283	40,244	**53,772**	**121,299**
Add: Losses on disposal of donated assets	0	0	**0**	**0**
Less NBV of property, plant and equipment and intangible assets disposed	0	(5)	**(80)**	**(85)**
Less capital grants received	0	(49)	**(1,264)**	**(1,313)**
Less donations received	(3,115)	(1,862)	**(197)**	**(5,174)**
Charge against Capital Resource Allocation	24,168	38,328	**52,231**	**114,727**
Capital Resource Allocation	24,178	38,352	**52,278**	**114,808**
(Over) / Underspend against Capital Resource Allocation	10	24	**47**	**81**

Cwm Taf LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2018-19 to 2020-21.

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 and a temporary quarterly planning arrangement put in place for 2020-21.

As a result the extant planning duty for 2020-21 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 LHB submitted a 2019-22 integrated plan in accordance with the planning framework.

The Minister for Health and Social Services extant approval

Status	**Approved**
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 Trust has achieved the following results:

	2020-21	2019-20
Total number of non-NHS bills paid	**214,788**	220,616
Total number of non-NHS bills paid within target	**201,425**	210,771
Percentage of non-NHS bills paid within target	**93.8%**	95.5%

The LHB has not met the target.

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited	Non-cash limited	2020-21 Total	2019-20
	£'000	£'000	£'000	£'000
General Medical Services	82,559		82,559	79,585
Pharmaceutical Services	27,062	(5,866)	21,196	21,081
General Dental Services	25,470		25,470	27,248
General Ophthalmic Services	1,328	5,773	7,101	7,211
Other Primary Health Care expenditure	14,984		14,984	12,231
Prescribed drugs and appliances	92,263		92,263	87,446
Total	243,666	(93)	243,573	234,802

Included within Note 3.1 General Medical Services are staff costs of £7.107m (2019-20 £6.184m).

3.2 Expenditure on healthcare from other providers

	2020-21	2020-21	2019-20	2019-20
	£'000	£'000	£'000	£'000
	CT activities		CT activities	
Goods and services from other NHS Wales Health Boards	74,359	517,518	72,875	478,394
Goods and services from other NHS Wales Trusts	23,392	242,851	21,462	226,818
Goods and services from Health Education and Improvement Wales (HEIW)	0	0	4	4
Goods and services from other non Welsh NHS bodies	153	159,575	1,385	143,747
Goods and services from WHSSC / EASC	155,190	0	115,411	0
Local Authorities	23,209	23,209	7,813	7,813
Voluntary organisations	3,920	8,243	11,481	15,467
NHS Funded Nursing Care	7,022	7,022	7,269	7,269
Continuing Care	46,093	46,093	46,653	46,653
Private providers	1,724	52,226	8,290	28,987
Specific projects funded by the Welsh Government	0	0	0	0
Other	354	353	171	171
Total	335,415	1,057,090	292,814	955,323

WHSSC do not hold any statutory responsibility for a resource limit and as such cannot receive funding directly from Welsh Governmen
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.

Included within CT activities figures above is the following Welsh Government funding relating to WHSSC activities.

	'£000
Goods and Services from WHSSC/EASC	29,412

Included within the consolidated figures above within Private Providers, is the following COVID-19 related expenditure.

	'£000
Expenditure securing additional independent sector capacity	22,690
Expenditure securing additional mental health bed capacity	3,773

3.3 Expenditure on Hospital and Community Health Services

	2020-21 £'000 CT activities	2020-21 £'000	2019-20 £'000 CT activities	2019-20 £'000
Directors' costs	2,042	2,042	2,275	2,275
Operational Staff costs	600,081	606,092	529,622	535,178
Non operational collaborative bank staff costs	0	0	0	0
Single lead employer Staff Trainee Cost	6,123	6,123	0	0
Collaborative Bank Staff Cost	27	27	0	0
Supplies and services - clinical	73,183	73,192	75,481	75,662
Supplies and services - general	11,969	11,969	9,302	9,302
Consultancy Services	423	1,453	335	477
Establishment	9,700	9,744	9,718	10,026
Transport	2,042	2,042	2,053	2,053
Premises	35,044	35,647	22,985	23,604
External Contractors	70	70	88	88
Depreciation	25,678	25,678	23,901	23,901
Amortisation	300	300	421	421
Fixed asset impairments and reversals (Property, plant & equipment)	17,840	17,840	(1,189)	(1,189)
Fixed asset impairments and reversals (Intangible assets)	0	0	0	0
Impairments & reversals of financial assets	0	0	0	0
Impairments & reversals of non-current assets held for sale	0	0	0	0
Audit fees	459	509	350	400
Other auditors' remuneration	0	0	0	0
Losses, special payments and irrecoverable debts	2,602	2,602	1,586	1,586
Research and Development	0	0	0	0
Other operating expenses	9,488	9,165	7,422	7,416
Total	797,071	804,495	684,350	691,200

3.4 Losses, special payments and irrecoverable debts: charges to operating expenses

Increase/(decrease) in provision for future payments:	2020-21 £'000	2019-20 £'000
Clinical negligence;		
Secondary care	12,553	17,841
Primary care	0	0
Redress Secondary Care	221	274
Redress Primary Care	0	0
Personal injury	705	1,487
All other losses and special payments	625	412
Defence legal fees and other administrative costs	750	823
Gross increase/(decrease) in provision for future payments	14,854	20,837
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	197	(1,026)
Less: income received/due from Welsh Risk Pool	(12,449)	(18,225)
Total	2,602	1,586

	2020-21 £	2019-20 £
Permanent injury included within personal injury £:	502,060	2,058,803

COVID 19 related expenditure Included within consolidated Consultancy services expenditure in Note 3.3 is:

	£000
KPMG LLP support in securing and validating additional independent sector capacity	780

4. Miscellaneous Income

	2020-21	**2020-21**	2019-20	2019-20
	£'000	**£'000**	£'000	£'000
	CT activities		CT activities	
Local Health Boards	**74,939**	**812,604**	74,972	753,699
Welsh Health Specialised Services Committee (WHSSC)/Emergency Ambulance Services Committee (EASC)	**10,617**	**0**	9,859	0
NHS trusts	**7,111**	**7,207**	8,415	8,537
Health Education and Improvement Wales (HEIW)	**0**	**0**	15	15
Foundation Trusts	**0**	**0**	0	0
Other NHS England bodies	**341**	**341**	650	650
Other NHS Bodies	**0**	**0**	0	0
Local authorities	**10,859**	**10,859**	10,329	10,329
Welsh Government	**4,524**	**5,254**	5,225	5,370
Welsh Government Hosted bodies	**0**	**0**	0	0
Non NHS:				
Prescription charge income	**0**	**0**	0	0
Dental fee income	**1,433**	**1,433**	5,917	5,917
Private patient income	**152**	**152**	2,470	2,470
Overseas patients (non-reciprocal)	**0**	**0**	0	0
Injury Costs Recovery (ICR) Scheme	**807**	**807**	(237)	(237)
Other income from activities	**438**	**1,812**	567	842
Patient transport services	**0**	**0**	0	0
Education, training and research	**16,466**	**16,466**	16,491	16,491
Charitable and other contributions to expenditure	**264**	**264**	415	415
Receipt of NWSSP Covid centrally purchased assets	**5,471**	**5,471**	0	0
Receipt of Covid centrally purchased assets from other organisations	**0**	**0**	0	0
Receipt of donated assets	**200**	**200**	1,862	1,862
Receipt of Government granted assets	**1,428**	**1,428**	49	49
Non-patient care income generation schemes	**274**	**274**	716	716
NHS Wales Shared Services Partnership (NWSSP)	**0**	**0**	0	0
Deferred income released to revenue	**376**	**376**	363	363
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	**494**	**494**	799	799
Accommodation and catering charges	**2,472**	**2,472**	3,944	3,944
Mortuary fees	**484**	**484**	403	403
Staff payments for use of cars	**250**	**250**	277	277
Business Unit	**0**	**0**	0	0
Other	**1,960**	**1,813**	1,460	1,409
Total	**141,362**	**870,461**	144,961	814,320
Welsh Government Covid 19 income included in total above;.	**0**	**0**	0	0

Injury Cost Recovery (ICR) Scheme income is subject to a provision for impairment re personal injury claims

	2020-21	**2019-20**
	%	%
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	22.43	21.79

5. Investment Revenue

	2020-21	2019-20
	£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	2
Impaired financial assets	0	0
Other financial assets	0	0
Total	0	2

6. Other gains and losses

	2020-21	2019-20
	£000	£000
Gain/(loss) on disposal of property, plant and equipment	63	82
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	58	0
Gain/(loss) on disposal of financial assets	0	0
Change on foreign exchange	0	0
Change in fair value of financial assets at fair value through SoCNE	0	0
Change in fair value of financial liabilities at fair value through SoCNE	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	121	82

7. Finance costs

	2020-21	2019-20
	£000	£000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	1
Interest on obligations under PFI contracts		
main finance cost	41	46
contingent finance cost	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	41	47
Provisions unwinding of discount	(33)	18
Other finance costs	0	0
Total	8	65

8. Operating leases

LHB as lessee

The lease information below relates to lease agreements for buildings, vehicles and equipment.
There are no significant leasing arrangements that require further disclosure.

Payments recognised as an expense	**2020-21**	2019-20
	£000	£000
Minimum lease payments	**5,046**	4,608
Contingent rents	**0**	0
Sub-lease payments	**0**	0
Total	**5,046**	4,608

Total future minimum lease payments		
Payable	**£000**	£000
Not later than one year	**4,710**	3,916
Between one and five years	**9,658**	9,169
After 5 years	**14,510**	17,445
Total	**28,878**	30,530

LHB as lessor

Rental revenue	**£000**	£000
Rent	**119**	237
Contingent rents	**0**	0
Total revenue rental	**119**	237

Total future minimum lease payments		
Receivable	**£000**	£000
Not later than one year	**235**	240
Between one and five years	**613**	853
After 5 years	**945**	945
Total	**1,793**	2,038

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	2019-20
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	456,490	1,359	29,847	4,908	0	14,965	507,569	442,865
Social security costs	47,618	55	0	558	0	0	48,231	43,024
Employer contributions to NHS Pension Scheme	81,599	77	0	685	0	0	82,361	74,868
Other pension costs	199	0	0	0	0	0	199	139
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0	0
Total	585,906	1,491	29,847	6,151	0	14,965	638,360	560,896

	Total	2019-20
Charged to capital	1,300	2,393
Charged to revenue	637,060	558,503
	638,360	560,896
Net movement in accrued employee benefits (untaken staff leave accrual included above)	0	(126)
Covid 19 Net movement in accrued employee benefits (untaken staff leave accrual included in above)	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	2019-20
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,106	20	37	0	0	2	2,165	2,030
Medical and dental	863	0	2	107	0	149	1,121	1,160
Nursing, midwifery registered	3,362	0	361	1	0	0	3,724	3,593
Professional, Scientific, and technical staff	376	0	1	0	0	0	377	356
Additional Clinical Services	1,998	0	8	0	0	0	2,006	1,938
Allied Health Professions	630	0	26	0	0	0	656	616
Healthcare Scientists	204	0	12	0	0	0	216	198
Estates and Ancilliary	1,107	0	65	0	0	0	1,172	1,107
Students	148	0	0	0	0	0	148	9
Total	10,794	20	512	108	0	151	11,585	11,007

9.3. Retirements due to ill-health

	2020-21	2019-20
Number	15	9
Estimated additional pension costs £	474,604	274,395

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)	**2020-21** **Number of compulsory redundancies** **Whole numbers only**	**2020-21** **Number of other departures** **Whole numbers only**	**2020-21** **Total number of exit packages** **Whole numbers only**	**2020-21** **Number of departures where special payments have been made** **Whole numbers only**	2019-20 Total number of exit packages Whole numbers only
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	4	4	0	1
£25,000 to £50,000	0	0	0	0	1
£50,000 to £100,000	0	0	0	0	1
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	4	4	0	3

Exit packages cost band (including any special payment element)	**2020-21** **Cost of compulsory redundancies** **£'s**	**2020-21** **Cost of other departures** **£'s**	**2020-21** **Total cost of exit packages** **£'s**	**2020-21** **Cost of special element included in exit packages** **£'s**	2019-20 Total cost of exit packages £'s
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	76,254	76,254	0	10,000
£25,000 to £50,000	0	0	0	0	40,152
£50,000 to £100,000	0	0	0	0	81,297
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	76,254	76,254	0	131,449

Exit costs paid in year of departure	**2020-21** **£'s**	Total paid in year 2019-20 £'s
Exit costs paid in year	76,254	131,449
Total	76,254	131,449

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 4 special payments are severance payments, the highest payment was £21,254 the lowest payment was £15,000 and the median value was for £20,000.

Four of the exit packages are in relation to Cwm Taf Morgannwg employees.

9.6 Remuneration Relationship

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.

The banded remuneration of the highest-paid director in the LHB in the financial year 2020-21 was £200,000 - £205,000 (2019-20, £185,000 - £190,000). This was 6.5 times (2019-20, 6.6) the median remuneration of the workforce, which was £31,365 (2019-20, £28,481).

In 2020-21, 13 (2019-20, 22) employees received remuneration in excess of the highest-paid director. Remuneration for staff ranged from £200,000 to £365,000 (2019-20 £185,001 to £500,000).

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

9.7 Pension costs

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 2021, is based on valuation data as 31 March 2020, updated to 31 March 2021 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 was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced 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.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government

has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,000 for the 2020-2021 tax year (2019-2020 £6,136 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.

	2020-21	**2020-21**	2019-20	2019-20
NHS	**Number**	**£000**	Number	£000
Total bills paid	**8,060**	**960,506**	8,487	879,857
Total bills paid within target	**5,903**	**947,369**	6,923	864,126
Percentage of bills paid within target	**73.2%**	**98.6%**	81.6%	98.2%
Non-NHS				
Total bills paid	**214,788**	**507,341**	220,616	429,950
Total bills paid within target	**201,425**	**479,306**	210,771	406,291
Percentage of bills paid within target	**93.8%**	**94.5%**	95.5%	94.5%
Total				
Total bills paid	**222,848**	**1,467,847**	229,103	1,309,807
Total bills paid within target	**207,328**	**1,426,675**	217,694	1,270,417
Percentage of bills paid within target	**93.0%**	**97.2%**	95.0%	97.0%

10.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2020-21	2019-20
	£	£
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 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

Valuers ‘material uncertainty, in valuation. The disclosure relates to the materiality in the valuation report not the underlying account materiality.	0

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 Royal Institute of Chartered Surveyors Valuation Standards, 6th Edition . 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 2019	22,017	344,872	2,652	20,691	67,098	165	25,949	6,804	490,248
Indexation	(185)	4,609	42	0	0	0	0	0	4,466
Additions									
- purchased	0	5,433	0	19,278	8,511	0	3,053	94	36,369
- donated	0	1,501	0	0	35	0	229	79	1,844
- government granted	0	0	0	0	0	0	19	0	19
Transfer from/into other NHS bodies	16,677	124,604	3,818	565	24,529	164	4,171	1,164	175,692
Reclassifications	0	7,344	0	(7,515)	0	0	(954)	0	(1,125)
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	3,860	77	0	0	0	0	0	3,937
Impairments	(197)	(2,704)	0	0	0	0	0	0	(2,901)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(2,875)	0	0	(47)	(2,922)
At 31 March 2020	38,312	489,519	6,589	33,019	97,298	329	32,467	8,094	705,627
Depreciation at 1 April 2019	0	58,303	528	0	45,539	111	16,622	5,373	126,476
Indexation	0	436	6	0	0	0	0	0	442
Transfer from/into other NHS bodies	0	5,152	122	0	16,952	158	2,168	702	25,254
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	(153)	0	0	0	0	0	0	(153)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(2,870)	0	0	(47)	(2,917)
Provided during the year	0	13,169	205	0	6,543	10	3,421	553	23,901
At 31 March 2020	0	76,907	861	0	66,164	279	22,211	6,581	173,003
Net book value at 1 April 2019	22,017	286,569	2,124	20,691	21,559	54	9,327	1,431	363,772
Net book value at 31 March 2020	38,312	412,612	5,728	33,019	31,134	50	10,256	1,513	532,624
Net book value at 31 March 2020 comprises :									
Purchased	37,438	405,584	5,728	33,019	30,980	50	9,976	1,435	524,210
Donated	874	7,028	0	0	154	0	257	78	8,391
Government Granted	0	0	0	0	0	0	23	0	23
At 31 March 2020	38,312	412,612	5,728	33,019	31,134	50	10,256	1,513	532,624
Asset financing :									
Owned	38,075	411,296	4,534	33,019	31,132	50	10,256	1,513	529,875
Held on finance lease	0	0	0	0	2	0	0	0	2
On-SoFP PFI contracts	237	1,316	1,194	0	0	0	0	0	2,747
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2020	38,312	412,612	5,728	33,019	31,134	50	10,256	1,513	532,624

The net book value of land, buildings and dwellings at 31 March 2020 comprises :

	£000
Freehold	456,651
Long Leasehold	0
Short Leasehold	0
	456,651

Valuers ‘material uncertainty, in valuation. The disclosure relates to the materiality in the valuation report not the underlying account materiality. 0

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 Royal Institute of Chartered Surveyors Valuation Standards, 6th Edition . 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:

i) Donated Assets

Cwm Taf Morgannwg has received the following donated assets during the year:

	£'000
Cardiology Fysicon System	46
Vital Signs Monitors	9
Bioscan Touch montior with Ipads	18
Post Graduate kitchen fit out	7
Lung Function Machine	38
Mortuary Refurbishment	52
Laptop	1
ECG Machine	6
Workflow Software	20
Total	197

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 Royal Institute of Chartered Surveyors' Valuation Standards, 6th edition.

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 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	19,256
CT Scanner Princess of Wales Hospital	1,001
Dewi Sant Health Park phase 2	845
The following impairment arose as a result of an asset held for sale:	
Ystrad Clinic	208
Impairment due to negative indexation on land	526
Reversal of impairments	(3,996)
Total impairments	17,840

vi) The LHB 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.
Ystrad Clinic was held for sale and sold during the period.

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 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**
Balance brought forward 1 April 2019	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	0	0	0	0	0	**0**
Revaluation	0	0	0	0	0	**0**
Less assets sold in the year	0	0	0	0	0	**0**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2020	0	0	0	0	0	**0**

12. Intangible non-current assets

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure-internally generated	Carbon Reduction Commitments	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2020	3,549	0	2,496	0	0	0	6,045
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	796	0	0	0	0	0	796
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	23	0	0	0	0	0	23
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	(136)	0	0	0	0	0	(136)
Gross cost at 31 March 2021	4,232	0	2,496	0	0	0	6,728
Amortisation at 1 April 2020	377	0	2,037	0	0	0	2,414
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the year	145	0	155	0	0	0	300
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	(136)	0	0	0	0	0	(136)
Amortisation at 31 March 2021	386	0	2,192	0	0	0	2,578
Net book value at 1 April 2020	3,172	0	459	0	0	0	3,631
Net book value at 31 March 2021	3,846	0	304	0	0	0	4,150
At 31 March 2021							
Purchased	3,795	0	297	0	0	0	4,092
Donated	30	0	7	0	0	0	37
Government Granted	21	0	0	0	0	0	21
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2021	3,846	0	304	0	0	0	4,150

12. Intangible non-current assets

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure- internally generated	Carbon Reduction Commitments	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2019	416	0	2,490	0	0	0	2,906
Revaluation	0	0	0	0	0	0	0
Reclassifications	1,126	0	0	0	0	0	1,126
Reversal of impairments	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0
Additions- purchased	1,965	0	0	0	0	0	1,965
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	13	0	6	0	0	0	19
Additions- government granted	29	0	0	0	0	0	29
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2020	3,549	0	2,496	0	0	0	6,045
Amortisation at 1 April 2019	349	0	1,644	0	0	0	1,993
Revaluation	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0
Provided during the year	28	0	393	0	0	0	421
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Amortisation at 31 March 2020	377	0	2,037	0	0	0	2,414
Net book value at 1 April 2019	67	0	846	0	0	0	913
Net book value at 31 March 2020	3,172	0	459	0	0	0	3,631
At 31 March 2020							
Purchased	3,132	0	446	0	0	0	3,578
Donated	13	0	6	0	0	0	19
Government Granted	27	0	7	0	0	0	34
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2020	3,172	0	459	0	0	0	3,631

Additional disclosures re Intangible Assets

No significant matters to report.

13 . Impairments

	2020-21		2019-20	
	Property, plant & equipment	Intangible assets	Property, plant & equipment	Intangible assets
	£000	£000	£000	£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)	21,836	0	2,747	0
Reversal of Impairments	(3,996)	0	(3,936)	0
Total of all impairments	**17,840**	**0**	(1,189)	0

Analysis of impairments charged to reserves in year :

Charged to the Statement of Comprehensive Net Expenditure	17,840	0	(1,189)	0
Charged to Revaluation Reserve	0	0	0	0
	17,840	**0**	(1,189)	0

14.1 Inventories

	31 March 2021 £000	31 March 2020 £000
Drugs	2,590	2,451
Consumables	3,317	3,512
Energy	154	108
Work in progress	0	0
Other	0	0
Total	**6,061**	6,071
Of which held at realisable value	0	0

14.2 Inventories recognised in expenses

	31 March 2021 £000	31 March 2020 £000
Inventories recognised as an expense in the period	82	60
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	**82**	60

15. Trade and other Receivables

Current	**31 March 2021 £000 CT activities**	**31 March 2021 £000**	31 March 2020 £000 CT activities	31 March 2020 £000
Welsh Government	**4,326**	**4,739**	5,244	5,389
WHSSC / EASC	**2,016**	**0**	117	0
Welsh Health Boards	**1,983**	**13,733**	4,043	6,254
Welsh NHS Trusts	**2,682**	**4,722**	2,646	3,514
Health Education and Improvement Wales (HEIW)	**382**	**382**	311	311
Non - Welsh Trusts	**161**	**1,306**	135	2,864
Other NHS	**0**	**0**	64	64
2019-20 Scheme Pays - Welsh Government Reimbursement	**0**	**0**	0	0
Welsh Risk Pool Claim reimbursement;				
NHS Wales Secondary Health Sector	**75,060**	**75,060**	64,660	64,660
NHS Wales Primary Sector FLS Reimbursement	**0**	**0**	0	0
NHS Wales Redress	**608**	**608**	531	531
Other	**0**	**0**	0	0
Local Authorities	**22,787**	**22,787**	12,634	12,634
Capital debtors - Tangible	**430**	**430**	77	77
Capital debtors - Intangible	**0**	**0**	0	0
Other debtors	**6,564**	**6,633**	7,190	7,238
Provision for irrecoverable debts	**(2,850)**	**(2,850)**	(2,516)	(2,516)
NHS Pension Prepayments	**0**	**0**	0	0
Other prepayments	**9,601**	**9,693**	5,286	5,345
Other accrued income	**1,234**	**1,234**	820	820
Sub total	**124,984**	**138,477**	101,242	107,185
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
Health Education and Improvement Wales (HEIW)	**0**	**0**	0	0
Non - Welsh Trusts	**0**	**0**	0	0
Other NHS	**0**	**0**	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	**0**	**0**	0	0
Welsh Risk Pool Claim reimbursement;				
NHS Wales Secondary Health Sector	**39,195**	**39,195**	49,860	49,860
NHS Wales Primary Sector FLS Reimbursement	**0**	**0**	0	0
NHS Wales Redress	**0**	**0**	106	106
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	**103**	**103**	103	103
Other accrued income	**0**	**0**	0	0
Sub total	**39,298**	**39,298**	50,069	50,069
Total	**164,282**	**177,775**	151,311	157,254

15. Trade and other Receivables

	31 March 2021 £000 CT activities	31 March 2021 £000	31 March 2020 £000 CT activities	31 March 2020 £000
Receivables past their due date but not impaired				
By up to three months	2,005	2,102	4,507	4,637
By three to six months	654	654	430	470
By more than six months	995	995	325	325
	3,654	3,751	5,262	5,432

	31 March 2021 £000 CT activities	31 March 2021 £000	31 March 2020 £000 CT activities	31 March 2020 £000
Expected Credit Losses (ECL) / Provision for impairment of receivables				
Balance at 1 April 2020	(2,516)	(2,516)	(3,045)	(3,045)
Transfer from other NHS Wales body	0	0	(350)	(350)
Amount written off during the year	244	244	519	519
Amount recovered during the year	511	511	94	94
(Increase) / decrease in receivables impaired	(1,089)	(1,089)	266	266
Bad debts recovered during year	0	0	0	0
Balance at 31 March 2021	(2,850)	(2,850)	(2,516)	(2,516)

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.

	31 March 2021 £000 CT activities	31 March 2021 £000	31 March 2020 £000 CT activities	31 March 2020 £000
Receivables VAT				
Trade receivables	0	0	0	0
Other	2,201	2,201	1,631	1,631
Total	2,201	2,201	1,631	1,631

16. Other Financial Assets

	Current		Non-current	
	31 March 2021 £000	31 March 2020 £000	**31 March 2021 £000**	31 March 2020 £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

	2020-21 £000 CT activities	**2020-21 £000**	2019-20 £000 CT activities	2019-20 £000
Balance at 1 April 2020	**376**	**14,755**	316	8,957
Net change in cash and cash equivalent balances	311	4,209	60	5,798
Balance at 31 March 2021	**687**	**18,964**	376	14,755
Made up of:				
Cash held at GBS	640	18,917	322	14,701
Commercial banks	21	21	4	4
Cash in hand	26	26	50	50
Cash Total	**687**	**18,964**	376	14,755
Current Investments	0	0	0	0
Cash and cash equivalents as in Statement of Financial Position	**687**	**18,964**	376	14,755
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	**687**	**18,964**	376	14,755

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are;

Lease Liabilities £2k
PFI liabilities £57k

The movement relates to cash, no comparative information is required by IAS 7 in 2020-21.

18. Trade and other payables

Current	31 March 2021 £000 CT activities	31 March 2021 £000	31 March 2020 £000 CT activities	31 March 2020 £000
Welsh Government	0	0	6	28
WHSSC / EASC	1,373	0	1,450	0
Welsh Health Boards	1,740	14,795	5,181	17,132
Welsh NHS Trusts	1,949	3,431	2,853	3,281
Health Education and Improvement Wales (HEIW)	0	0	4	4
Other NHS	1,907	23,928	2,741	19,756
Taxation and social security payable / refunds	0	58	0	54
Refunds of taxation by HMRC	0	0	0	0
VAT payable to HMRC	0	0	0	0
Other taxes payable to HMRC	5,648	5,648	867	867
NI contributions payable to HMRC	4,794	4,860	4,810	4,873
Non-NHS payables revenue	13,474	17,334	13,874	15,537
Local Authorities	17,517	17,517	16,478	16,478
Capital Creditors-Tangible	8,010	8,010	2,358	2,358
Capital Creditors- Intangible	0	0	461	461
Overdraft	0	0	0	0
Rentals due under operating leases	0	0	0	0
Obligations under finance leases, HP contracts	1	1	1	1
Imputed finance lease element of on SoFP PFI contracts	163	163	157	157
Pensions: staff	5,128	5,128	1,214	1,214
Non NHS Accruals	84,334	88,413	66,778	69,050
Deferred Income:				
Deferred Income brought forward	492	492	521	521
Deferred Income Additions	766	766	334	334
Transfer to / from current/non current deferred income	0	0	0	0
Released to SoCNE	(376)	(376)	(363)	(363)
Other creditors	28,290	28,290	13,389	13,389
PFI assets –deferred credits	0	0	0	0
Payments on account	0	4	0	5
Total	175,210	218,462	133,114	165,137
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
Health Education and Improvement Wales (HEIW)	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	1,143	1,143	1,307	1,307
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	1,143	1,143	1,307	1,307
Total	176,353	219,605	134,421	166,444

It is intended to pay all invoices within the 30 day period directed by the Welsh Government.

19. Other financial liabilities

Financial liabilities	Current		Non-current	
	31 March 2021	31 March 2020	**31 March 2021**	31 March 2020
	£000	£000	**£000**	£000
Financial Guarantees:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Derivatives at fair value through SoCNE	**0**	0	**0**	0
Other:				
At amortised cost	**0**	0	**0**	0
At fair value through SoCNE	**0**	0	**0**	0
Total	**0**	0	**0**	0

20. Provisions

	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)	0	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	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)	0	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)	0	2,251
Total	95,244	(14,834)	(1,410)	0	42,635	(14,073)	(11,910)	(33)	95,619

Expected timing of cash flows:

	In year to 31 March 2022	Between 1 April 2022 31 March 2026	Thereafter	Total
				£000
Clinical negligence:-				
Secondary care	44,828	38,826	0	83,654
Primary care	0	0	0	0
Redress Secondary care	230	0	0	230
Redress Primary care	0	0	0	0
Personal injury	676	1,657	4,236	6,569
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	1,837	796	0	2,633
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	117	165	0	282
2019-20 Scheme Pays - Reimbursement	0	0	0	0
Restructuring	0	0	0	0
Other	2,251	0	0	2,251
Total	49,939	41,444	4,236	95,619

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 £981k for Continuing Healthcare Claims being £42k for restrospective claims and £937k for Continuing Healthcare - Judicial Review impact.

The Health Board estimates that it will receive £84,943k 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 2019	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 2020
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-									
Secondary care	41,408	(8,319)	0	(6,078)	30,139	(11,458)	(11,589)	0	34,103
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	134	0	0	0	1,650	(76)	(1,374)	0	334
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	603	0	0	(429)	1,477	(725)	(83)	0	843
All other losses and special payments	0	0	0	0	432	(412)	(20)	0	0
Defence legal fees and other administration	1,674	0	0	17	1,422	(570)	(794)		1,749
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	137			9	314	(304)	(3)	0	153
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
Other	4,003		(3)	0	(454)	(999)	(744)		1,803
Total	47,959	(8,319)	(3)	(6,481)	34,980	(14,544)	(14,607)	0	38,985
Non Current									
Clinical negligence:-									
Secondary care	37,964	0	0	6,078	17,668	(2,510)	(10,085)	0	49,115
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	61	1	(36)	0	26
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	4,264	0	0	429	1,127	0	0	16	5,836
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	924	0	0	(17)	337	(75)	(142)		1,027
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	220			(9)	42	0	0	2	255
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	43,372	0	0	6,481	19,235	(2,584)	(10,263)	18	56,259
TOTAL									
Clinical negligence:-									
Secondary care	79,372	(8,319)	0	0	47,807	(13,968)	(21,674)	0	83,218
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	134	0	0	0	1,711	(75)	(1,410)	0	360
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	4,867	0	0	0	2,604	(725)	(83)	16	6,679
All other losses and special payments	0	0	0	0	432	(412)	(20)	0	0
Defence legal fees and other administration	2,598	0	0	0	1,759	(645)	(936)		2,776
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	357			0	356	(304)	(3)	2	408
2019-20 Scheme Pays - Reimbursement	0			0	0	0	0	0	0
Restructuring	0			0	0	0	0	0	0
Other	4,003		(3)	0	(454)	(999)	(744)		1,803
Total	91,331	(8,319)	(3)	0	54,215	(17,128)	(24,870)	18	95,244

21. Contingencies

21.1 Contingent liabilities

Provisions have not been made in these accounts for the following amounts :	**2020-21 £'000**	2019-20 £'000
Legal claims for alleged medical or employer negligence;		
Secondary Care	**217,628**	148,467
Primary Care	**225**	0
Secondary Care Redress	**1,009**	1,190
Primary Care Redress	**0**	0
Doubtful debts	**0**	0
Equal Pay costs	**0**	0
Defence costs	**2,245**	1,974
Continuing Health Care costs	**15**	839
Other	**0**	235
Total value of disputed claims	**221,122**	152,705
Amounts (recoverable) in the event of claims being successful	**(217,807)**	(148,642)
Net contingent liability	**3,315**	4,063

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 2021.

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 £0.04m provision made for probable continuing care costs relating to 2 claims received;
Note 21.1 sets out the £0.02m contingent liability for possible continuing care costs relating to 1 claim received.
Other contingent liabilities includes claims from employees where the outcome of the claims are uncertain.

Pensions tax annual allowance – Scheme Pays arrangements 2019/20

In accordance with a Ministerial Direction issued on 18 December 2019, the Welsh Government have taken action to support circumstances where pensions tax rules are impacting upon clinical staff who want to work additional hours, and have determined that:

> clinical staff who are members of the NHS Pension Scheme and who, as a result of work undertaken in the 2019-20 tax year, face a tax charge on the growth of their NHS pension benefits, may opt to have this charge paid by the NHS Pension Scheme, with their pension reduced on retirement.

Welsh Government, on behalf of Cwm Taf Morgannwg University Health Board, will pay the members who opt for reimbursement of their pension, a corresponding amount on retirement, ensuring that they are fully compensated for the effect of the deduction.

This scheme will be funded directly by the Welsh Government to the NHS Business Services Authority Pension Division, the administrators on behalf of the Welsh claimants.

Clinical staff have until 31 March 2022 to opt for this scheme and the ability to make changes up to 31 July 2026.

At the date of approval of these accounts, there was insufficient data of take-up of the scheme by the Welsh clinical staff to enable a reasonable assessment of future take up to be made. As no reliable estimate can therefore be made to support the creation of a provision at 31 March 2021, the existence of an unquantified contingent liability is instead disclosed.

21.2 Remote Contingent liabilities

	2020-21	2019-20
	£'000	£'000
Please disclose the values of the following categories of remote contingent liabilities :		
Guarantees	0	0
Indemnities	125	275
Letters of Comfort	0	0
Total	**125**	**275**

21.3 Contingent assets

	2020-21	2019-20
	£'000	£'000
Please detail	0	0
	0	0
	0	0
Total	**0**	0

22. Capital commitments

Contracted capital commitments at 31 March	2020-21	2019-20
	£'000	£'000
Property, plant and equipment	197,652	15,215
Intangible assets	0	0
Total	**197,652**	15,215

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 2021	
	Number	**£**
Clinical negligence	155	10,913,821
Personal injury	59	803,356
All other losses and special payments	249	605,818
Total	463	12,322,995

Analysis of cases which exceed £300,000 and all other cases

Cases exceeding £300,000	**Number**	**Case type**	**Amounts paid out in year** £	**Cumulative amount** £
	03RRSPI0020	Personal Injury	48,211	777,269
	05RRSMN0039	Clinical Negligence	0	830,800
	05RVEMN0022	Clinical Negligence	0	460,000
	08RVEMN0013	Clinical Negligence	150,000	5,760,000
	09RVEMN0017	Clinical Negligence	0	944,619
	10RYLMN0092	Clinical Negligence	0	343,000
	11RYLMN0068	Clinical Negligence	(39,403)	376,597
	12RYLMN0004	Clinical Negligence	600,000	2,660,000
	12RYLMN0037	Clinical Negligence	0	1,300,000
	13RYLMN0096	Clinical Negligence	100,000	450,000
	13RYLMN0131	Clinical Negligence	0	8,255,000
	14RYLMN0062	Clinical Negligence	0	1,170,000
	14RYLMN0127	Clinical Negligence	0	1,367,733
	14RYLMN0193	Clinical Negligence	54,000	312,500
	14RYLMN0200	Clinical Negligence	320,000	2,035,880
	14RYLMN0208	Clinical Negligence	0	377,520
	14RYLPI0055	Personal Injury	0	361,722
	15RYLMN0010	Clinical Negligence	0	1,907,205
	15RYLMN0079	Clinical Negligence	653,100	828,344
	15RYLMN0109	Clinical Negligence	2,462,560	3,957,560
	15RYLMN0171	Clinical Negligence	400,000	400,000
	16RYLMN0078	Clinical Negligence	0	973,030
	16RYLMN0138	Clinical Negligence	840,270	865,270
	17RYLMN0022	Clinical Negligence	629,614	629,614
	17RYLMN0093	Clinical Negligence	421,919	421,919
	17RYLMN0185	Clinical Negligence	0	714,284
	19RYLMN0006	Clinical Negligence	285,000	285,000
	19RYLMN0056	Clinical Negligence	225,000	225,000
Sub-total			**7,150,271**	**38,989,866**
All other cases			5,172,724	13,724,578
Total cases			**12,322,995**	**52,714,444**

24. Finance leases

24.1 Finance leases obligations (as lessee)

There are no leasing arrangements which require further disclosure.

Amounts payable under finance leases:

Land	**31 March 2021 £000**	31 March 2020 £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 2021**	31 March 2020
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 2021**	31 March 2020
Minimum lease payments	**£000**	£000
Within one year	0	2
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**	2
Included in:		
Current borrowings	0	2
Non-current borrowings	0	0
	0	2
Present value of minimum lease payments		
Within one year	0	2
Between one and five years	0	0
After five years	0	0
Present value of minimum lease payments	**0**	2
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 2021	31 March 2020
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 Local Health Board has no PFI Schemes off-statement of financial position.

Commitments under off-SoFP PFI contracts	**Off-SoFP PFI contracts**	Off-SoFP PFI contracts
	31 March 2021	31 March 2020
	£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	**1,424**
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	**1,266**
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	**On SoFP PFI Imputed interest**	**On SoFP PFI Service charges**
	31 March 2021	**31 March 2021**	**31 March 2021**
	£000	**£000**	**£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**

	On SoFP PFI Capital element	On SoFP PFI Imputed interest	On SoFP PFI Service charges
	31 March 2020	31 March 2020	31 March 2020
	£000	£000	£000
Total payments due within one year	157	41	428
Total payments due between 1 and 5 years	684	111	1,714
Total payments due thereafter	624	27	1,500
Total future payments in relation to PFI contracts	1,465	179	3,642

Total present value of obligations for on-SoFP PFI contracts	**0**

25.3 Charges to expenditure

	2020-21	2019-20
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	435	424
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	435	424

The LHB is committed to the following annual charges

	31 March 2021	31 March 2020
PFI scheme expiry date:	£000	£000
Not later than one year	0	0
Later than one year, not later than five years	0	0
Later than five years	435	428
Total	435	428

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

	2020-21	**2020-21**	2019-20	2019-20
	£000	**£000**	£000	£000
	CT activities		CT activities	
(Increase)/decrease in inventories	**10**	**10**	(1,780)	(1,780)
(Increase)/decrease in trade and other receivables - non-current	**10,771**	**10,771**	(11,335)	(11,335)
(Increase)/decrease in trade and other receivables - current	**(23,742)**	**(31,292)**	(17,059)	(13,387)
Increase/(decrease) in trade and other payables - non-current	**(164)**	**(164)**	(159)	(159)
Increase/(decrease) in trade and other payables - current	**42,096**	**53,325**	36,614	38,701
Total	**28,971**	**32,650**	6,281	12,040
Adjustment for accrual movements in fixed assets - creditors	**(5,191)**	**(5,191)**	2,251	2,251
Adjustment for accrual movements in fixed assets - debtors	**353**	**353**	77	77
Other adjustments	**5,797**	**5,797**	158	158
	29,930	**33,609**	8,767	14,526

28. Other cash flow adjustments

	2020-21	**2020-21**	2019-20	2019-20
	£000	**£000**	£000	£000
	CT activities		CT activities	
Depreciation	**25,678**	**25,678**	23,901	23,901
Amortisation	**300**	**300**	421	421
(Gains)/Loss on Disposal	**(121)**	**(121)**	(82)	(82)
Impairments and reversals	**17,840**	**17,840**	(1,189)	(1,189)
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	**(5,471)**	**(5,471)**	0	0
Donated assets received credited to revenue but non-cash	**(200)**	**(200)**	(1,862)	(1,862)
Government Grant assets received credited to revenue but non-cash	**(1,428)**	**(1,428)**	(49)	(49)
Non-cash movements in provisions	**14,156**	**14,448**	21,055	21,041
Other movements	**23,888**	**23,888**	21,732	21,732
Total	**74,642**	**74,934**	63,927	63,913

29. Events after the Reporting Period

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 9th June 2021 and are expected to be certified by the Auditor General for Wales on 15th June 2021.

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,

	2020-21 Expenditure £000	2020-21 Income £000	2020-21 Creditors £000	2020-21 Debtors £000
Welsh Assembly Government	22	1,201,044	0	4,326
WHSSC (see below)	155,740	10,816	1,373	2,016
NHS Trusts				
Public Health Wales	1,319	3,088	557	563
Velindre	38,786	5,976	796	2,116
Welsh Ambulance Services	2,413	35	595	3
Local Health Boards				
Aneurin Bevan	1,936	22,629	75	358
Betsi Cadwaladwr	36	137	(11)	14
Cardiff & Vale	31,885	16,491	1,716	392
Hywel Dda	546	685	30	43
Powys	15	2,461	11	44
Swansea Bay	44,724	33,199	375	1,132
Special Health Authority				
HEIW	0	11,729	0	382
TOTAL	277,422	1,308,290	5,517	11,389

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	15,312	2,279	7,957	1,117
Rhondda Cynon Taf County Borough Council	25,155	16,352	7,916	20,820
Merthyr Tydfil County Borough Council	3,492	1,300	1,627	594

The LHB has also received revenue payments from Cwm Taf Morgannwg NHS Charitable Funds totalling £0.264m (£0.415m in 2019-20) and capital contributions totalling £0.051m (£0.059m in 2019-20). 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
Mr Greg Dix	Director of Nursing, Midwifery & Patient Care	Visiting Professor University of South Wales
		Husband is employee of Cwm Taf Morgannwg University Health Board.
Dr Nicholas T Lyons	Medical Director	Spouse is employee of Cwm Taf Morgannwg University Health Board
Dr Kelechi Nnoaham	Director of Public Health	Spouse is employee of Cwm Taf Morgannwg University Health Board.
		Director Welsh Wound Inovation (Ceased November 2020)
Dr Fiona Jenkins	Director of Therapies and Health Sciences	Executive Director Therapies and Health Science at Cardiff and Vale University Health
Mrs Maria Thomas	Vice Chair	Executive Member Macmillan Cancer Support Merthyr.
		Trustee Safer Merthyr Tydfil.
		Member of the Order St John Cymru Wales.
		Vice Chair St John Council, Cardiff & Vale.
Mr Ian Wells	Independent Member	Researcher University of Wales Trinity Saint David.
		Researcher NHS Wales Informatics Service
Mr Keiron Montague	Independent Member	Director Trivallis Ltd.
Mr Melvin Jehu	Independent Member	Independent Member (Vice Chair) South Wales Police Crime Panel.
		Chair (Standards Committee) Rhondda Cynon Taff Council.
		Trustee Cancer Aid, Merthyr Tydfil.
		Trustee Safer Merthyr Tydfil.
		Wife is employee of Cwm Taf Morgannwg University Health Board.
Cllr Philip Joseph White	Independent Member	Trustee Care & Repair Bridgend
Mrs Jayne Sadgrove	Independent Member	Senior Professional Fellow Cardiff University.
		Director Cardiff Union Services Ltd.
		Trustee and Vice-Chair of Board Cardiff University Students Union.
		Son is employee of Cardiff University of Healthcare Sciences.
Mrs Nicola Milligan	Independent Member	Board Member Royal College of Nursing in Wales.
		Vice Chair, Royal College of Nursing in Wales.
Mrs Dilys Jouvenat	Independent Member	Chair Rhondda Cynon Taf Citizens Advice
Ms Suzanne Scott-Thomas	Associate Member	Chair Royal Pharmaceutical Society Welsh Pharmacy Board
		Sister is Professor and Director of Dementia Research Centre at Cardiff Univeristy.
		Sister-in-law and neice are employees of Cwm Taf Morgannwg University Health Boar
Mrs Sharon Richards	Associate Board Member	Company Secretary and Chief Officer of Voluntary Action Merthyr Tydfil

Total value of transactions with these related parties:

	Payments to related party £000	Receipts from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Cancer Aid, Merthyr Tydfil	15	0	49	0
Cardiff University	286	51	48	8
Care and Repair Bridgend	130	0	120	0
Macmillan Cancer Support Merthyr	0	151	0	363
Neath YMCA.	0	0	0	0
Rhondda Cynon Taf Citizens Advice	13	0	0	0
Royal College of Nursing in Wales	56	0	0	0
Royal Pharmaceutical Society Welsh Pharmacy Board	2	0	0	0
Safer Merthyr Tydfil	74	0	4	0
South Wales Police Crime Panel	0	233	0	65
St John Cymru Wales	151	0	38	0
Trivallis Ltd	0	0	0	0
University of South Wales	762	0	81	0
University of Wales Trinity Saint David	5	0	2	0
Voluntary Action Merthyr Tydfil	626	0	0	0
Welsh Wound Innovation Ltd	177	0	0	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 2020/2021, 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 2020/2021 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)	Expenditure (Note 3.2)	Running costs (Note 3.3)	Debtor (Note 15)	Creditor (Note 18)
	£000's	£000's	£000's	£000's	£000's
Cardiff and Vale UHB	137,992	266,982	219	4,441	3,322
Aneurin Bevan UHB	161,384	8,759	146	2,370	441
Betsi Cadwalladr UHB	189,601	44,247	0	3,101	4,688
Swansea Bay UHB	104,627	120,445	64	486	3,526
Cwm Taf Morgannwg UHB	155,740	10,151	665	1,373	2,016
Hywel Dda UHB	102,632	2,414	45	1,006	585
Powys Teaching HB	41,429	57	14	346	493
Public Health Wales NHS Trust	56	102	34	16	22
Velindre NHS Trust		47,432	51	2,012	7
Welsh Ambulance Services NHS Trust	40	172,180	140	12	1,453
	893,501	**672,769**	**1,378**	**15,163**	**16,553**

Membership of the Joint Committees and voting rights:

LHB Chief Executives have voting rights on the committee while Trust Chief Executives are associate members only
During 2020/2021 WHSSC and EASC have entered into material transactions with the organisations represented as listed above

Judith Paget	Member WHSSC & EASC		Chief Executive Aneurin Bevan UHB
Carol Shillabeer	Member WHSSC & EASC		Chief Executive Powys Teaching HB
Simon Dean	Member WHSSC & EASC	to Aug 2020	Interim Chief Executive Betsi Cadwalladr UHB
Gill Harris	Member WHSSC & EASC	Sept to Dec 2020	Interim Chief Executive Betsi Cadwalladr UHB
Jo Whitehead	Member WHSSC & EASC	from Jan 2021	Chief Executive Betsi Cadwalladr UHB
Sharon Hopkins	Member WHSSC & EASC	to Aug 2020	Interim Chief Executive Cwm Taf Morgannwg UHB
Paul Mears	Member WHSSC & EASC	from Sept 2020	Chief Executive Cwm Taf Morgannwg UHB
Len Richards	Member WHSSC & EASC		Chief Executive Cardiff and Vale UHB
Steve Moore	Member WHSSC & EASC		Chief Executive Hywel Dda UHB
Tracy Myhill	Member WHSSC & EASC	to Dec 2020	Chief Executive Swansea Bay UHB
Mark Hackett	Member WHSSC & EASC	from Jan 2021	Chief Executive Swansea Bay UHB

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
Kieron Donovan	Affiliated Member WHSSC	to March 2021	Chair of the Wales Renal Clincial Network

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	Acting Medical Director WHSSC	from Sept 2020	Trustee for Ash Wales, No transations in 2020/2021
Jennifer Thomas	Medical Director WHSSC	to Aug 2020	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

Vivienne Harpwood	Chair WHSSC	to Sept 2020	Chair, Powys Teaching HB
Kate Eden	Chair WHSSC	from Oct 2020	Chair, Public Health Wales NHS Trust
Emrys Elias	Independent Member and Vice Chair WHSSC		Independent Board Member, Aneurin Bevan UHB
Ian Phillips	Independent Member WHSSC		Independent Board Member, Powys Teaching HB
Paul Griffiths	Independent Member WHSSC	to Dec 2020	Independent Board Member, Cwm Taf Morgannwg UHB
Chris Turner	Chair EASC		Governor Cardiff Metropolitan University Recorded spend with Cardiff Metropolitan University in 2020/2021 was £21,067

31. Third Party assets

The LHB held £8,862.32 cash at bank and in hand at 31 March 2021 (31 March 2020, £9,895.30) which relates to monies he
by the LHB on behalf of patients. Cash held in Patient's Investment Accounts amounted to £nil at 31 March 2021
(31 March 2020, £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	2020-21	2019-20
	£'000	£'000
Rhondda Cynon Taf County Borough Council	1,260	812
Merthyr Tydfil County Borough Council	140	126
Bridgend County Borough Council	691	729
Cwm Taf Morgannwg University Local Health Board	640	919
Total Partners Funding	2,731	2,586
I.C.F Funding	39	28
Other Income Received	242	218
Total Funding	3,012	2,832
Expenditure		
Provision of community equipment services within Rhondda Cynon Taf, Bridgend and Merthyr Tydfil County Boroughs.	3,317	2,799
Pooled Budget surplus carried forward	(305)	33

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, Merthyr Tydfil County Borough Council & Bridgend 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	2020-21 £'000	2019-20 £'000
Rhondda Cynon Taf County Borough Council	24,618	23,187
Merthyr Tydfil County Borough Council	4,478	5,209
Cwm Taf Morgannwg University Local Health Board	15,679	11,773
Bridgend County Borough Council	9,510	0
Total Partners Funding	54,285	40,169
Other Income Received	0	19
Balance carried forward	21	6
Total Funding (a)	54,306	40,194
Expenditure (b)		
Objective - paying care fees to homes for the provision of residential & nursing care within the Rhondda Cynon Taf and Merthyr Tydfil County Boroughs.	54,291	40,173
Net underspend/(overspend) (a) - (b)	**15**	**21**

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 2020 – 31 March 2021

Funding	2020-21	2019-20
	£'000	£'000
Bridgend County Borough Council	£2,231	2,539
Cwm Taf Morgannwg University Local Health Board	£2,455	2,637
Total Funding	£4,686	5,176
Expenditure		
Provision of Community Support Service & reablement	£4,686	5,176
Net under/Over spend	NIL	NIL

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 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)
LHB net operating costs before interest and other gains and 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

	Healthcare activities	WHSSC	EASC	Inter-segment transactions	Cwm Taf LHB Total
	£'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

Operating Costs 2019-20

	Healthcare activities	WHSSC	EASC	Inter-segment transactions	Cwm Taf LHB Total
	£'000	£'000	£'000	£'000	£'000
Expenditure on primary healthcare services	234,802	0	0		234,802
Expenditure on healthcare from other providers	292,814	624,252	163,092	(124,835)	955,323
Expenditure on hospital and community health services	684,350	4,398	2,962	(510)	691,200
	1,211,966	628,650	166,054	(125,345)	1,881,325
Less: Miscellaneous Income	(144,961)	(628,650)	(166,054)	125,345	(814,320)
losses	1,067,005	0	0	0	1,067,005
Investment Income	(2)	0	0	0	(2)
Other (Gains) / Losses	(82)	0	0	0	(82)
Finance costs	65	0	0	0	65
Net operating costs for the financial year	1,066,986	0	0	0	1,066,986

Net Assets 2019-20

	Healthcare activities	WHSSC	EASC	Inter-segment transactions	Cwm Taf LHB Total
	£'000	£'000	£'000	£'000	£'000
Total non-current assets	586,324	0			586,324
Total current assets	107,689	20,584	1,305	(1,567)	128,011
Total current liabilities	(171,958)	(32,426)	(1,305)	1,567	(204,122)
Total non-current liabilities	(57,566)				(57,566)
Total assets employed	464,489	(11,842)	0	0	452,647
Total taxpayers' equity	464,489	(11,842)	0	0	452,647

34. Other Information

34.1. 6.3% Staff Employer Pension Contributions - Notional Element

The notional transactions are based on estimated costs for the twelve month period, calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions as at month ten. Transactions include notional expenditure in relation to the 6.3% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows:

	2020-21	2019-20
Statement of Comprehensive Net Expenditure	**£000**	**£000**
for the year ended 31 March 2021		
Expenditure on Primary Healthcare Services	658	588
Expenditure on Hospital and Community Health Services	23230	21144
Statement of Changes in Taxpayers' Equity		
For the year ended 31 March 2021		
Net operating cost for the year	23888	21732
Notional Welsh Government Funding	23888	21732
Statement of Cash Flows for year ended 31 March 2020		
Net operating cost for the financial year	23888	21732
Other cash flow adjustments	23888	21732
2.1 Revenue Resource Performance		
Revenue Resource Allocation	23888	21732
3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	34	33
General Dental Services	79	54
Other Primary Health Care expenditure	545	502
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	56	57
Staff costs	23174	21086
9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	23888	21732
Charged to capital	0	0
Charged to revenue	23888	21732
18. Trade and other payables		
Current		
Pensions: staff	0	0
28. Other cash flow adjustments		
Other movements	23888	21732

34. Other Information (continued)

34.2 Other (continued)

Welsh Government Covid 19 Funding

	CTM	WHSSC
	2020-21	**2020-21**
	£000	**£000**
Capital		
Capital Funding Field Hospitals	571	0
Capital Funding Equipment & Works	5,118	0
Capital Funding other (Specify)		
ICT Investment	2,552	0
Investment in surge capacity, oxygen supply and ICU in owned HB estate	2,464	0
Covid delay on WG AWCP funded schemes	232	0
Investment in Vaccine Research Centre	155	0
Welsh Government Covid 19 Capital Funding	**11,092**	**0**
Revenue		
Sustainability Funding	29,300	0
C-19 Pay Costs Q1 (Future Quarters covered by SF)	7,875	0
Field Hospital (Set Up Costs, Decommissioning & Consequential losses)	6,054	0
PPE (including All Wales Equipment via NWSSP)	6,063	0
TTP- Testing & Sampling - Pay & Non Pay	5,759	0
TTP - NHS & LA Tracing - Pay & Non Pay	4,450	0
Vaccination - Extended Flu Programme	238	0
Vaccination - COVID-19	2,758	0
Bonus Payment	13,498	0
Annual Leave Accrual - Increase due to Covid	13,400	0
Urgent & Emergency Care	4,723	0
Support for Adult Social Care Providers	3,400	0
Hospices	0	0
Independent Health Sector	0	23,470
Mental Health	789	5,774
Other Primary Care	1,875	0
Other	1,588	0
Welsh Government Covid 19 Revenue Funding	**101,770**	**29,244**

34. Other Information (continued)

34.3 Implemention of IFRS 16

HM Treasury agreed with the Financial Reporting Advisory Board (FRAB), to defer the implementation of IFRS 16 Leases until 1 April 2022, because of the circumstances caused by Covid-19.

To ease the pressure on NHS Wales Finance Departments the IFRS 16 detailed impact statement has been removed by the Welsh Government Health and Social Services Group,Finance Department.

We expect the introduction of IFRS16 will have a significant impact and this will be worked through for disclosure in our 2021-22 financial statements.

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