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Bwrdd Iechyd Prifysgol
Cwm Taf Morgannwg
University Health Board

Cwm Taf Morgannwg University Health Board

Annual Report & Accounts 2022-23

What this Annual Report Will Tell You

This Report is part of a set of documents that provides you with information about Cwm Taf Morgannwg University Health Board (CTMUHB), the care we provide and what we do to plan, deliver and improve healthcare, in order to meet changing demands and future challenges. It provides information about our performance, what we achieved in 2022-23 and how we plan to improve upon this. It also acknowledges the importance of working with you, listening to your feedback to support you to take the best care of yourself, whilst ensuring that we deliver better services to meet your needs in the most effective, efficient, safe and sustainable ways.

Our Annual Report includes:

- Our **Performance Report** which details our key objectives, strategies and the principal risks we are managing.
- Our **Accountability Report** provides information about how we manage and control our resources and risks, and comply with governance arrangements; and
- Our **Financial Statements** which detail how we have spent our money and met our obligations under the National Health Service Finance (Wales) Act 2014.

For 2022-23, there was no requirement to prepare a separate Annual Quality Statement, however, key quality themes are captured within our Performance Report.

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


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Welcome from the Chair and Chief Executive

Chair: Jonathan Morgan

Chief Executive: Paul Mears

We are pleased to introduce the annual report for Cwm Taf Morgannwg University Health Board (CTMUHB).

One of our statutory obligations as a health board, producing this report enables us to set out important information about **our finances, our workforce, our performance, and our governance** during the last financial year, 2022-2023. As the organisation responsible for providing and commissioning physical and mental health care for nearly half a million people, this report also describes our priorities and how we have worked to improve the health and wellbeing of our population.

Working in partnership is fundamental to the successful delivery and development of our services and the CTMUHB is fortunate to have an **active and valued network of community groups and charities working to improve the lives of residents**, including those experiencing socio-economic challenges. During the past year, we have continued to develop our relationships with these vital groups in order to create a shared understanding of the barriers to good health facing our population, and to identify collaborative opportunities for improving access to public services and support, providing better outcomes and enabling people to take greater control over their health and wellbeing.

Our independent board members also provide us with a wealth of knowledge and experience about local communities that directly informs the decisions we make at board.

Recently, we have had the privilege of working alongside residents and local groups from Maesteg and the wider Llynfi Valley to develop plans to improve services, including those provided from Maesteg Hospital. The enthusiasm with which this project has been met demonstrates the value of our health board meaningfully involving local people in decisions about health and care provision.

Building these relationships with our communities, through **engagement events and groups such as our CTM2030 Leaders' Network** is fundamental to delivering on our vision of 'building healthier communities together'.

As you will read throughout this report, we have maintained our **focus on improving the performance of our services** whilst recognising the continuing impact of the pandemic. The hard work of our staff together with improvements to care pathways and capacity has enabled us to prioritise the treatment of patients that have experienced the longest waits, whilst maintaining access for others.

There remains considerable **work to do to reduce waiting and ensure that patients that need swift access to diagnostics and treatment,** particularly for suspected or diagnosed cancers, receive this. This remains an organisational priority and a focus for Board members.

Effective clinical leadership across our broad range of services is key to addressing these and other challenges, and we are pleased that our **new care group structure** is now in place, aligning associated services across our footprint and providing opportunities to design care pathways that are both more efficient and more effective.

One of the most significant inroads we have made to address the increase in demand for planned care, across the South East Wales region was the purchase of three former British Airways buildings on a site close to the Royal Glamorgan Hospital, with **plans to transform the site into a cutting-edge diagnostics and treatment centre.**

Funded by Welsh Government, the new facility will further develop regional working between CTMUHB, Cardiff and Vale University Health Board, and Aneurin Bevan University Health Board to improve care and access to services by delivering accessible, safe and innovative services to thousands of patients each year. We are looking forward to **working together and with our partners** to progress this exciting project.

It will be clear from this report that the financial landscape for the NHS in Wales and for CTMUHB remains very challenging, and we **continue to focus on ways to make our health board as efficient as possible,** whilst ensuring we **maintain the safety and accessibility of services**. Importantly, many of the ways in which we can operate more efficiently – for instance, by providing more services in the community and by empowering people to enjoy greater control over their care – also deliver real benefits for patients. Our emerging **clinical services strategy** will help to shape these opportunities, working alongside staff, patients, partners, and the public.

Our maternity and neonatal improvement journey has **continued to succeed in rebuilding trust and confidence with patients, staff, local communities and wider stakeholder groups.** We are delighted that our 'Special Measures' escalation status with Welsh Government has been 'de-escalated' to 'Targeted Intervention', in recognition of the implementation and sustainment of the improvement recommendations put to the Health Board by the Independent Maternity Services Oversight Panel (IMSOP).

We remain in 'Targeted Intervention' regarding Leadership and Culture, Quality and Governance and rebuilding Trust and Confidence. The improvement programme for this area has successfully implemented a number of sustained improvements to all three areas and we remain hopeful these areas will see 'de-escalation' of status next year.

Whilst the challenging post-pandemic environment continues to recover, it is recognised that a small number of key areas of our performance requires further

support. Welsh Government escalated our status to 'Targeted Intervention' for 'Performance – associated with long waiting times' this year, which has seen the **launch of a series of initiatives aimed at improving timely access to some of our critical services**. Further updates on this work and our escalation status can be found on page 10-11.

Finally, we would like to recognise the exceptional dedication and efforts of every CTMUHB colleague during the past year. Having demonstrated incredible fortitude during the pandemic, staff have shown similar **resilience in responding to the resulting operational impact**, which is a source of enormous pride to us, and indeed the entire board of CTMUHB. Thank you to every one of you for what you have done, and continue to do, to look after the health of our population.

Whether you are a colleague, a member of the public, or a stakeholder, we hope you find much of interest in this annual report and find it **informative on the challenges, opportunities and ambitions of CTMUHB.**

About Cwm Taf Morgannwg University Heath Board

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

The challenges of poorer health outcomes for our population are considerable, both compared with the rest of Wales and due to inequalities within the Health Board area. Some 59% of our resident population are estimated to be amongst the most deprived areas in Wales. Life expectancy for men and women in CTMUHB is less that the Welsh average, and the difference in healthy life expectancy (the number of years a person can expect to live in good health) is also considerably lower for men and women.

Additionally, the region lags behind the rest of Wales in terms of practising healthy behaviours which have the potential to impact on conditions such as diabetes, heart disease, dementia and cancer. Here are some key risk factors for our population:

- **Smoking prevalence is higher** than the Wales average of 13%;
- **66.9% of adults in CTM are overweight or obese** compared with an all-Wales average of 62.1%;
- 56.3% of people in Wales above 16 meet the recommended level of daily physical activity - all CTM areas have lower figures;
- CTM also has the **highest levels of childhood obesity** in Wales, **high levels of teenage pregnancy** and **low levels of breastfeeding**; and
- A higher percentage of **low birth weight** babies, 7.8% compared with a Wales average of 7.2%.

The Health Board employs 11,148.04 whole-time equivalent (WTE) staff, with a headcount of 12,793. Some 77% of our workforce live within the CTMUHB's area, making our staff not only the core of our organisation but representatives of the diverse communities that we serve. The Board is developing an organisational strategy and a plan for our clinical services which delivers on our mission of "building healthier communities together". Work continued during 2022-2023 to develop and implement the organisational strategy, including the future of our clinical services through CTM2030. CTM2030 has engaged with staff, our population and partners to identify our four strategic goals which are as follows:

The work on the strategy will continue to develop in 2023-24 with a focus on developing services across our organisation which are safe, high quality and sustainable from both a workforce, estates and financial perspective.

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

HOSTED ORGANISATIONS
There are several groups and national programmes that are hosted by CTMUHB;

Joint Committees;

- **Welsh Health Specialised Services Committee (WHSSC)** - is a joint committee of each Local Health Board (LHB) in Wales, established under the Welsh Health Specialised Services Committee (Wales) Directions 2009 (2009/35). The Joint Committee has been established for the purpose of jointly exercising those functions relating to the planning and securing of certain specialised and tertiary services on a national all-Wales basis, on behalf of each of the seven LHBs in Wales. The WHSSC Standing Orders, Standing Financial Instructions (SFI's) and the Memorandum of Agreement agreed with the seven LHBs and approved by the Joint Committee; set out the governance framework for its operation. LHBs are responsible for those people who are resident in their areas. Whilst the Joint Committee acts on behalf of the seven LHBs in undertaking its functions, the duty on individual LHBs remains. They are ultimately accountable to citizens and other stakeholders for the provision of specialised and tertiary services for residents within their area.

  WHSSC is hosted by CTMUHB on behalf of Health Boards in Wales and there is a hosting agreement in place to confirm the hosting arrangement which has been approved by the Joint Committee

- **Emergency Ambulance Services Committee (EASC)** - (Wales) Directions 2014 No.8 (W.8) detailed the framework for Health Boards in Wales to establish a joint committee to 'plan and secure emergency ambulance services for the sick and injured'. In December 2015, the Welsh Ministers directed the Health Boards under the EASC (Wales) (Amendment) Directions 2016 No.8 (W.8) 1 to be responsible for commissioning Non-Emergency Patient Transport (NEPT) services via the Emergency Ambulance Services Committee from April 2016. The National Collaborative Commissioning Unit (NCCU) was established by the Minister for Health and Social Services in 2015 for the purpose to improve patient outcomes and experience through the services it delivers aiming to "Lead quality assurance and improvement for NHS Wales through collaborative commissioning". NCCU is established under the organisational arrangements of EASC. EASC is hosted by CTMUHB on behalf of Health Boards in Wales.

[1] the EASC (Wales) (Amendment) Directions 2016 No.8 (W.8)
http://www.wales.nhs.uk/sitesplus/documents/1134/2016%20No%208%20%28W8%29%20The%20EASC%20%28Wales%29%20%28Amendment%29%20Directions%202016.pdf

National Programmes:

- **National Imaging Academy Wales (NIAW) -** was established in 2018 and is a purpose-designed state of the art facility to deliver the highest level of training to generate consultant radiologists to meet the increasing pressures imaging professions are facing. The National Imaging Academy has an annual work plan and performance management arrangements that are agreed between the Director of the National Imaging Academy and the Collaborative Executive Group, prior to final sign off by the Collaborative Leadership Forum. NIAW is hosted by CTMUHB on behalf of Health Boards and Trusts in Wales.

Issues of Particular Note

Maternity and Neonatal Services

Work has continued to improve our maternity and neo-natal services within CTM and the Independent Maternity Services Oversight Panel (IMSOP) set up by Welsh Government in 2019 produced their final report during the autumn of 2022 and were able to assure the Minister that services are being delivered to a standard which the women and families are entitled to expect. The Panel concluded that:-

- The Royal Colleges' 70 recommendations had been addressed in full and the handful which remained were work in progress;
- All 19 immediate areas for improvement from the neonatal deep-dive had been addressed and work continues on the medium and longer term actions;
- All conditions for sustainability have been met;
- The panel was able to provide assurance to the Minister that the Health Board's maternity and neonatal improvement journey is now sustainable;
- Performance is improving across a range of indicators with evidence that services are not a significant outlier overall; and
- Regular reports in relation to maternity and neonatal service improvements continued to be presented to the Board as to progress in terms of service improvements. The report received by the Board in January 2023 is available here.

As a result of the significant progress made since 2019, a decision was made by the Minister for Health and Social Services in November 2022 to de-escalate maternity services to Targeted Intervention (TI) status and the IMSOP was stood down from December 2022. The Minister's statement relating to this is available here. Links to updates submitted to the Board on CTMUHB's TI and Special Measures (SM) progression are available here: May 2022 and Sept 2022.

Quality Governance Review

In response to the identification of weaknesses in governance around quality governance arrangements, Health Inspectorate Wales (HIW) and Audit Wales (AW) undertook an urgent review, the findings of which were initially published in November 2019. A subsequent report published in May 2021 set out details of progress made since the original 2019 review. Early in 2023 HIW and AW undertook a further follow-up review, the findings of which are anticipated to be published during the summer period.

Changes to CTMUHB's Escalation Status

The Health Board is continuing on its comprehensive improvement journey following its increase in Welsh Government escalation status in 2019. 'Targeted Intervention (TI)' level as assigned regarding Leadership and Culture, Quality and Governance and rebuilding Trust and Confidence with SM status being assigned to the former Cwm Taf element of CTMUHB's maternity services. The Improvement Programme developed to deliver continuous sustainable improvement continues to be monitored by the relevant Board Committees, the Board and by Welsh Government in bi-monthly TI meetings.

CTMUHB is now in 'Level 3 – Results' stage for Targeted Intervention with some domains approaching 'Level 4 – Maturity'. This represents a tremendous amount of progress despite ongoing operational and continuing pressures resulting from the response to Covid-19.

CTMUHB's escalation status as of March 2023 is summarised below:

Current escalation status	Area
Enhanced Monitoring	Planning and Finance
Targeted Intervention	Maternity and Neonatal
	Quality and Governance, Leadership and Culture, Trust and Confidence
	Quality issues relating to Performance associated with long waiting times

Health Inspectorate Wales (HIW) Inspections - A focus on Mental Health

HIW have undertaken reviews in the following areas of CTMUHB Mental Health Services during the period:

- HIW Discharge Review
- HIW Mental Health Service Inspection Glanrhyd Hospital: Angelton Clinic
- HIW and CIW Community Mental Health Team Review: Maesteg CMHT

Mental Health & Learning Disabilities Care Group Management, Oversight and Improvement - A Quality, Safety, Risk and Experience governance framework led by the Nurse Director is in place to ensure proactive oversight of issues previously outlined in the above reviews. The Quality Safety Risk and Experience (QSRE) meeting has a standing agenda item for external oversight, which includes HIW inspections. The recent and legacy HIW action plans and some outstanding legacy HIW actions are on the agenda for every meeting and are actively monitored via this forum.

The key themes that are evident across all HIW inspections are:

- Clinical records
- Statutory and mandatory training
- Policies
- Ward assurance

These four priority improvement themes are monitored via QSRE but also through the monthly integrated performance meetings with Clinical Service Groups.

CTMUHB's Quality & Safety Committee also receive assurance reports in terms of the improvement activity in these areas.

In addition, a Mental Health In-patient Improvement Programme is underway which aims to improve the quality and safety, patient experience and the management and leadership of in-patient care from the point of assessment through to discharge and aftercare. The Improvement Board, which is chaired by the Executive Director of Therapies and Health Science, monitors progress against the HIW recommendations, as well as having oversight of the broader improvement programme.

Health Inspectorate Wales (HIW) Inspections - A focus on Emergency Departments

HIW made an announced inspection of the Princess of Wales Emergency Department (ED) on the 17-19th October 2022, the initial feedback was positive. Five immediate actions were required with three completed the same day. There is ongoing active surveillance of the completed action around resuscitation trolley checks and daily checklists to ensure sustainability and embedded practice. This is now recorded as part of the site based safe to start meeting and it recorded twice a day. The two remaining actions will be supported via the implementation of AMAT audit system across CTM and the team are hopeful that this action plan can come via the Unscheduled Care Groups QSRE meeting and escalated to Quality and Safety Committee for closure in the near future.

The ED Transformation Programme was developed and encompassed an action plan following the HIW inspection of the Emergency Department at Prince Charles Hospital in October 2021. Of the 74 actions that were recommended within the Programme, 72 have now been completed and the 2 remaining open actions are involving the capital redesign of the department and the Paediatric pathway which both require investment cases which are subsequently being refreshed to the new care group structure. As the Improvement Programme evolved a further 102 actions were generated from staff wellbeing, audit, policy development, medicines management and Workforce and Organisational Development. Of these actions 2 remain outstanding and are now nearing completion relating to Patient Advice Liason Service (PALS) staff being located within the department and interviews are being held in July 2023 and the Standard Operating Procedure (SOP) for ambulatory care will be finalised at the next QSRE meeting. These have been moved over to the Six Goals Programme to progress.

The Quality & Safety Committee are updated on progress via the Unscheduled Care Group highlight reports.

Chapter 1

Performance Report

Chief Executive's Introduction and Performance Overview

This section describes how CTMUHB has performed over the last year in terms of addressing its key in-year requirements.

The year from April 2022 was the period in which we **emerged from the Pandemic and began to understand its impacts and legacies**. These include a disproportional effect on the population of CTM, for whom the pandemic was uniquely severe and on our staff, most of whom are members of this community, but who also went above and beyond in their service in meeting an unfamiliar set of health needs.

We are now facing greater health need, driven by the impacts of lockdowns and lack of access to support mechanisms and services. This has created **greater demand in areas such as mental health, cancer diagnosis and emergency illness**, whilst at the start of the year the elective care backlog was the greatest it has ever been.

Over the year, CTMUHB's strategic goals (set out on page 7) have been embedded into our plans and actions and improvement is being seen in delivery. It has nevertheless been **a very challenging year** as demonstrated in the integrated performance reports to the Board. Early plans for recovery had not been able to fully take account of the scale of the impacts mentioned above. However we are taking the learning from the year and are **confident that CTMUHB is now in a much stronger place with significant performance improvements** beginning to be seen.

The following sets out the position at the end of the year and the work taking place in line with Welsh Government programmes and Ministerial Priorities to address service shortfalls.

Emergency Care: Six Goals

In July 2022, Welsh Government launched the '**6 Goals for Urgent and Emergency Care'** (UEC) national programme which sets out expectations for health, social care, independent and third sector partners for the delivery of the right care, in the right place, first time for physical and mental health. The Six Goals Programme plan and its delivery must be produced in partnership between health and social care organisations across CTMUHB.

The programme's scope includes areas of work that transcend the boundaries of existing health and social care provision. The delivery of the six goals UEC objectives requires extensive redesign of existing pathways, discharge processes and their supporting functions.

The Programme consists of four main work streams within CTMUHB:

- **Admission Avoidance;**
- **Integrated Front Door;**
- **Acute Hospital (Patient) Flow and Discharge; and**
- **Integrated Discharge.**

CTMUHB has established a Six Goals Programme which sets out a long-term future vision of a '**whole system approach to health and social care'**, where the outlined vision asserts the shift over time from the reliance on traditional hospital services to a seamless approach of **integrated care including health, local authority and third sector services**, facilitated by collaboration and consultation that empowers local communities. The Programme structure is being delivered through 24 task & finish groups with defined scope and objectives and reports / escalates issues using agreed programme governance structures. A report providing further detail on the progress of each of the work streams and the digital enablers and innovation linked to this was submitted to the Board in November 2022 and is available here. An update was received at the May 2023 Board meeting and is available here.

Planned Care

With regard to planned care, the key Ministerial Priorities for 2022-23 were:
- To eliminate waits of over 52 weeks for new outpatient appointments by the end of December 2022; and
- To eliminating waits of over 104 weeks across all stages of waiting list by March 2023.

Chief Executives in Wales were also requested by Welsh Government in September 2022 to **focus on four specific areas** which support these Ministerial priorities:
- Return to at least 100% of pre-Covid activity levels, prioritising specialties with the largest cohorts on long waiting patients;
- Ensure that all patients at outpatient stage 1 waiting over 156 weeks have an appointment by the end of October 2022;
- All patients waiting over 104 weeks to be booked into the next available slots; and
- Allocate at least 60% of activity to cohort patients at Outpatient and Treatment stages (excluding high areas of Urgent Suspected Cancer).

Service Challenge Actions

These include:

- In terms of **cancer services performance**, scrutiny has increased with weekly meetings held to monitor the tumour sites in detail, enabling the resolution of certain 'bottlenecks' in care pathways. Whilst very labour intensive, this has resulted in a range of projects and to improve the number of patients see and reduce waiting times;
- As a result of investment from Welsh Government, it was possible to **implement a number of schemes** designed to produce service delivery improvements at Stage 1, across Ear, Nose and Throat (ENT), Dermatology and Ophthalmology. In Ophthalmology cataract patients have receive their treatment in a partnership with the independent sector as have certain dermatology patients.

- The constant **daily focus on "Flow",** which is aimed at ensuring that the best use of beds is achieved and there are beds available for the patients awaiting elective surgery;
- The further development of a **dedicated Planned Care Board**, aimed at identifying and monitoring areas of poor performance and finding solutions that work;
- **Additional sessions** both during the week and at weekends as space becomes available within theatres;
- The **Long-Term Conditions Programme** which builds on existing work to provide Allied Health Professional-led pre-habilitation and rehabilitation services that 'Support People to Live Well' both in relation to the effects of Covid-19 infection but also other long-term conditions, such as cardiac and vascular conditions, or diabetes;
- New roles have been introduced such as an advanced practice Radiographer at Princess of Wales Hospital. The role aims to **reduce waiting times**, provide **coordinated care for patients** having multiple examinations, provide a radiology point of contact for patients and pathway teams and **improved patient information**. Early results are very positive with request to scan time reducing from 10 days to 2-3 days in many cases. Patient flow has also improved, with **multiple examinations combined into a single visit**. It is hoped that the successful project will continue in the future and be rolled-out to other Radiology departments across CTMUHB.
- **Reviewing the patients** on waiting lists to ensure that they still require surgery. Under the Outpatient Recovery Programme, 22,319 validation calls were made with 1,388 patients removed from waiting list as a result;
- **Weekly performance meetings** on a specialty level, facilitating a whole HB focus on waiting list performance;
- The Board's **Wellness Improvement Service (WISE)** is now established as the initial intervention for Pain Management Stage 1 referrals. Of the first cohort of 366, all were offered assessment and 142 chose to be removed from waiting lists. 224 underwent assessment and enrolment to 'Wise'.
- **Outpatient improvement** focussing on clinic utilisation booking processes, standardisation and steps to reduce the number of patients that do not attend for their scheduled appointments;
- In Ophthalmology, **working in conjunction with Cardiff and Vale University Health Board,** a Vanguard Programme was implemented to reduce waiting times for **cataract operations**;
- Within **Orthopaedics and Day Surgery**, additional theatre staff shifts were procured allowing centralisation of Orthopaedic inpatients at the Royal Glamorgan Hospital enabling two additional all day surgery theatre lists a week to be undertaken at Prince Charles Hospital across a number of specialties including Gynaecology, General Surgery and Oral-Maxillo Facial Surgery;
- 4,400 'Attend Anywhere' consultations have been held since April 2022, with 244 consultants/clinicians held consultations. Attend Anywhere is a platform which allows you invite someone into your consultation, even if they are in a different location to you;
- 95% of General Practices now have access to Consultant Connect, which is a platform designed to connect primary and secondary care services; and
- Establishment of an Executive Director-led **Stroke Strategy Group** and a Stroke Task and Finish Group to review the current offer and develop/deliver an improvement action plan for stroke services across CTMUHB. A South

Central Wales Regional Stroke Network Programme has been established and colleagues from CTMUHB are active contributors to national and regional developments. A single, evidence-based care pathway for thrombolysis has been implemented across both stroke sites. CTMUHB developed a **successful Value Based Health Care business case** as part of Regional Business Case. Work is progressing to implement this project to detect cases and optimise medication and compliance for patients on Primary Care Atrial Fibrillation (AF) and Hypertension Registers within Primary Care.

Planned Care - Performance Overview Summary

The position as regards performance reported to the November 2022 Health Board meeting, showed that almost 3,800 patients were waiting over 104 weeks in the specialties of dermatology, ophthalmology, ear nose and throat and urology. In order to seek to treat these patients as soon as possible, additional clinics and theatre lists were arranged along with planned weekend working through until the end of March 2023. Staff have also been very busy validating waiting lists and refreshing clinical access policies. Despite such mitigations being put into place, challenges such as having access to suitably qualified staff and the **additional workload that is experienced during the winter** period remain. A report on CTMUHB's Winter Plan was presented to the Board in November 2022 and is available here. At the time of drafting this report, the most recent performance report available is the integrated performance report submitted to the March 2023 Health Board meeting.

The Welsh Government Performance Framework sets out the expectations for reporting against delivery as regards both quantitative and qualitative measures. Feedback on the **achievement of the deliverables** included within the Annual Plan for Quarters 1 and 2 were reported to the Board in November 2022. At the time of that report, CTMUHB was compliant with two of the twenty nine performance measures and was making progress towards delivering a further two leaving twenty-five measures where performance is either below the expected standard or progress had not yet been made sufficiently quickly to ensure delivery by the requisite timescale.

The Board is also required to report to Welsh Government twice a year regarding qualitative submissions on a suite of nine areas. An initial update on these issues was reported to the Board in November 2022 setting out the position at September 2022. A further detailed update was received by the Board at its meeting in May 2023 which is available here. At that point, **all qualitative reporting requirements were being met** and progress was being made in the areas supported by the qualitative reporting templates. **Updates on performance are scrutinised by the Planning, Performance and Finance Committee** at each of its meetings and an integrated dashboard reflecting the organisation's latest performance is also submitted to each Board meeting held in public. The most recent iteration of this report received at the May 2023 Health Board is available here.

Throughout the past year our workforce has continued to adapt to **new working models** and **service challenge** ensuring that patients and their families receive high quality care whilst we continue to strive to make our services work differently

to deliver services to meet the needs of our communities in a timely manner. **Maintaining a focus on quality** while looking after so many unwell patients and managing the difficulties of patient flow through all our sites has been, and will continue to be our priority.

The pandemic has changed the landscape in an unprecedented way and there are various areas where performance is not where we would want it to be. Details of the year end position as at March 2023 is set out later on in the performance analysis section of this report which commences on page 19. In particular, there has been a **significant increase in cancer service referrals** along with **orthopaedics and ophthalmology** all of which has a knock-on effect in terms of our diagnostic services.

In common with other public services, CTMUHB has also faced significant inflationary pressures on energy, transport, food costs and construction during 2022-2023. The care home and domiciliary care sector has also shown significant upward inflation. CTMUHB received additional Welsh Government funding of £16.9m to support exceptional costs associated with the part-year impact of the Employers National Insurance (£3.1m) rise, increases associated with the application of the Real Living Wage (£2.4m) in care providers and for exceptional energy price growth (£17.3m). Welsh Government also provided specific funding of £30.0m to support the ongoing cost of the pandemic including COVID programme (Test, Trace & Protect, Mass Vaccination, Personal Protective Equipment) of £13.7m and COVID Response Costs (including additional workforce and facilities, discharge support and cleaning standards) of £16.0m.

With regard to our underlying financial position, financial performance for 2022-2023 resulted in a deficit of £24.5m. This meant that CTMUHB did not achieve its break even financial duty against the Revenue Resource Limit over the 3 year period 2020-2021 to 2022-2023. The underlying financial position deteriorated during 2021-2022 to a recurrent deficit of £44.5m, primarily due to an ongoing shortfall in savings delivery. The underlying position worsened further during 2022-23 due to an underlying deficit of £79.6m, made up of:

- A core plan recurrent deficit = £60.9m
- An ongoing COVID response costs at the end of 22/23 = £10.0m
- An ongoing exceptional energy costs = £8.7m

The deterioration in our core position largely reflects a **shortfall in recurrent savings delivery,** with the remainder of the change substantially attributable to the cessation of specific funding to address ongoing **COVID costs and exceptional energy cost pressures.**

Integrated Medium Term Plan (IMTP)

Welsh Government publishes a planning framework in support of the IMTP process annually. Health Boards are expected to take account of the requirements specified in this framework, along with **Ministerial Targets, Directions and the NHS Wales Performance Framework** in developing their plans which is a statutory duty. Alongside this is the associated duty to achieve a financial break-even position during a three-year period, in accordance with section 175(2) of the

National Health Service (Wales) Act 2006 (as amended by NHS Finance (Wales) Act 2014).

In seeking to meet its statutory requirements, CTMUHB must seek to align the delivery of healthcare services to improve health and wellbeing and to tackle ill health of people living in the CTMUHB area alongside the duty to deliver value and to deliver a balanced financial position.

The IMTP process seeks to **align performance, service, workforce and financial planning** along with the wider corporate team plans. During last year's planning cycle for 2022-25, CTMUHB established that due to the significant current and forecast cost pressures it would not be possible to achieve a financial break-even during the three-year period. Consequently, the planning cycle for 2022 focused on an annual plan.

With regard to the draft IMTP developed by CTMUHB which was submitted to the Board at its meeting on 30th March 2023, this **focused on what it felt the organisation was able to deliver in 2023-24** and included CTMUHB's response to the priorities of the Minister for Health & Social Services in terms of the IMTP. Unfortunately it was not possible for the accompanying financial position to reflect a balanced financial plan for the 2023-26 period and in recognition of this an Accountable Officer (AO) letter had been submitted to Welsh Government on 28th February 2023. This confirmed the organisation's inability to submit a financially balanced plan for the next three-year period (2023-26).

Following submission of the plan to Welsh Government, the Health Board has been in discussion with Welsh Government regarding the **scope for further improvement in the financial position**, whilst delivering on the duty of quality and maintaining our plans for improved performance delivery. Revised Ministerial templates and updates on the financial plan were submitted to Welsh Government on 31st May 2023 and feedback is awaited from Welsh Government regarding this iteration of our detailed plans. The plan for 2023-24 will continue to develop during the next few months, and will align to our ambitions for the wider three-year period of the IMTP as we move into the next planning cycle.

Looking forward in terms of 2023-24 and beyond, we remain optimistic about the future as it is important that we focus on our longer-term ambitions as an organisation. We have made significant progress in terms of our clinical strategy under the banner of 'CTM2030' which aims to describe how our clinical services will be delivered in the future as well as focusing on how we develop services which **support the wider health and wellbeing of our population** for further details).

The overarching strategic goals and principles for service delivery were agreed by the Board at its meeting in March 2022.

Paul Mears
Chief Executive and Accountable Officer **Date: 27th July 2023**

Performance Analysis – 2022-23

CTMUHB's strategic assessment of progress towards delivery of the NHS Wales Quadruple Aim are shown in the following pages. All data is correct as at 26th June 2023.

Quadruple Aim 1: People in Wales have improved health and well-being with better prevention and self-management								
Percentage uptake of autumn 2022 booster dose of the COVID-19 vaccination in all eligible Wales residents by health board								
Target	Dec-22	Jan-23	Feb-23	Mar-23				Target compliance
75%	64.7%	65.7%	66.3%	67.0%				
Percentage of adult smokers who make a quit attempt via smoking cessation services								
Target	21/22	To Qtr 3 2022/23						Target compliance
5% annual target	4.51%	3.18%						
Percentage of patients (aged 12 years and over) with diabetes who received all eight NICE recommended care processes								
Target	Qtr 3 21/22	Qtr 4 21/22		Qtr 1 22/23		Qtr 2 22/23	Qtr 3 22/23	Target compliance
25.3%	20.8%	24.4%		28.2%		34.0%	36.3%	
European standardised rate of alcohol attributed hospital admissions for individuals resident in Wales (episode based)								
Target	Qtr 3 21/22	Qtr 4 21/22		Qtr 1 22/23		Qtr 2 22/23	Qtr 3 22/23	Target compliance
4 quarter reduction trend	395.9	354.3		472.3		461.9	421.8	
Percentage of people who have been referred to health board services who have completed treatment for alcohol misuse								
Target	Qtr 4 21/22	Qtr 1 22/23		Qtr 2 22/23		Qtr 3 22/23	Qtr 4 22/23	Target compliance
4 quarter improvement trend	77.6%	87.8%		84.8%		84.7%	91.4%	
Percentage of children who received 3 doses of the hexavalent '6 in 1' vaccine by age 1								
Target	Qtr 4 21/22	Qtr 1 22/23		Qtr 2 22/23		Qtr 3 22/23	Qtr 4 22/23	Target compliance
95%	97%	97.1%		96.8%		97.1%	97.8%	
Percentage of children who received 2 doses of the MMR vaccine by age 5								
Target	Qtr 4 21/22	Qtr 1 22/23		Qtr 2 22/23		Qtr 3 22/23	Qtr 4 22/23	Target compliance
95%	92%	91.1%		91.7%		91.5%	90.3%	
Qualitative report detailing progress against the Health Boards' plans to deliver the NHS Wales Weight Management Pathway								
Target	Apr 22 - Aug 22	Sep 22 - Mar 23						
Evidence of improvement								
Implementing Help Me Quit in Hospital smoking cessation services and to reduce smoking during pregnancy								
Target	Apr 22 - Aug 22	Sep 22 - Mar 23						
Evidence of improvement								
Percentage of babies who are exclusively breastfed at 10 days old								
Target	2021/22	2022/23 (local data - provisional)						Target compliance
Annual improvement	29.4%	18.1%						
Percentage of adults (aged 16+) reporting that they currently smoke either daily or occasionally								
Target	2021/22	2022/23						
An annual reduction towards a 5% prevalence rate by 2030	15.4%	N/A						
Percentage of patients (aged 12 years and over) with diabetes achieving all three treatment targets in the preceding 15 months								
Target	2021/22	2022/23						
1% annual increase from baseline data 2020-21 (30.2%)	28.4%	N/A						
Percentage of eligible people aged 25-49 will have participated in the cervical screening programme within the last 3.5 years and eligible people aged 50-64 within the last 5.5 years								
Target	2021/22	2022/23						
80%	68.6%	N/A						
Percentage of eligible people will have participated in the bowel screening programme within the last 2.5 years								
Target	2021/22	2022/23						
60%	66.7%	N/A						
Percentage of women resident and eligible for breast screening at a particular point in time will have been screened in the previous three years								
Target	2021/22	2022/23						
70%	43.6%	N/A						

Quadruple Aim 2:
People in Wales have better quality and more accessible health and social care services, enabled by digital and supported by engagement

Percentage of 111 patients prioritised as P1CHC that started their definitive clinical assessment within 1 hour of their initial call being completed														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
90%	87.8%	91.1%	90.3%	89.7%	86.7%	98.7%	98.1%	98.1%	89.9%	87.1%	98.7%	92.2%	91.1%	
Percentage of patients who are diagnosed with a stroke who have a direct admission to a stroke unit within 4 hours of the patient's clock start time														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Most recent SSNAP UK national quarterly average 39.5% (Oct to Dec 22)	7.2%	10.1%	2.9%	9.0%	13.2%	9.2%	21.5%	17.3%	12.1%	9.7%	4.3%	14.5%	17.0%	
Percentage of patients who spend less than 4 hours in all major and minor emergency care (i.e. A&E) facilities from arrival until admission, transfer or discharge														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
95%	60.3%	60.2%	60.0%	59.9%	60.3%	63.8%	63.9%	59.8%	61.2%	57.5%	62.7%	63.6%	62.3%	
Number of patients who spend 12 hours or more in all major and minor emergency care facilities from arrival until admission, transfer or discharge														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Zero	1,994	1,895	1,901	1,865	1,876	1,803	1,874	2,119	1,952	2,287	1,945	1,701	2,115	
Median time from arrival at an emergency department to triage by a clinician														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
12 month reduction trend	21	19	18	19	19	16	16	15	15	18	13	14	15	
Median time from arrival at an emergency department to assessment by a senior clinical decision maker														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
12 month reduction trend	73	74	76	82	89	74	70	83	75	83	59	63	73	
Percentage of patients (age 60 years and over) who presented with a hip fracture that received an orthogeriatrician assessment within 72 hours														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
12 month improvement trend	3.5%	3.2%	3.5%	3.4%	6.4%	11.9%	16.1%	22.9%	24.5%	18.0%	20.7%	21.8%	23.4%	
Percentage of stroke patients who receive mechanical thrombectomy														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
10%	0.0%	0.0%	2.9%	0.0%	1.9%	0.0%	0.0%	0.0%	1.5%	0.0%	0.0%	1.6%	1.0%	
Percentage of emergency responses to red calls arriving within (up to and including) 8 minutes														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
65%	46.2%	46.8%	48.8%	42.2%	46.7%	44.3%	42.0%	40.6%	41.9%	34.8%	41.1%	43.0%	42.5%	
Number of ambulance patient handovers over 1 hour														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Zero	1,094	1,014	982	1,082	929	865	995	1,239	1,097	1,101	950	790	1,094	
Percentage of stroke patients that receive at least 45 minutes of speech and language therapy input in 5 out of 7 days														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
50%	44.9%	45.8%	48.4%	59.9%	61.0%	62.8%	54.1%	57.8%	53.4%	53.3%	54.1%	48.2%	46.4%	
Percentage of patients starting first definitive cancer treatment within 62 days from point of suspicion (regardless of the referral route)														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Improvement trajectory towards a national target of 80% by 2026	47.4%	52.8%	45.4%	51.8%	48.0%	44.6%	48.0%	43.5%	46.3%	40.6%	38.1%	41.1%	48.4%	
Number of patients waiting over 8 weeks for a diagnostic endoscopy														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Improvement trajectory towards a national target of zero by Spring 2024	3,169	3,306	3,435	3,366	3,281	3,382	3,395	3,275	3,126	3,167	3,110	3,020	3,048	

Number of patients waiting more than 8 weeks for a specified diagnostic														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
12 month reduction trend towards 0 by spring 2024	14,285	15,437	15,579	15,363	15,080	15,315	15,570	15,547	15,651	15,886	16,114	15,294	15,299	
Number of patients waiting more than 14 weeks for a specified therapy														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
12 month reduction trend towards 0 by spring 2024	969	1,019	1,370	1,265	1,570	1,795	1,589	1,615	1,452	1,474	1,284	1,175	1,145	
Number of patients waiting over 52 weeks for a new outpatient appointment														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Improvement trajectory towards eliminating over 52 week waits by June 2023	18,965	19,040	19,454	19,684	20,637	21,291	21,916	21,945	20,280	18,822	17,909	17,416	14,017	
Number of patients waiting for a follow-up outpatient appointment who are delayed by over 100%														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
nprovement trajectory towards a reduction of 30% by March 2023 against a baseline of March 2021 (29,245	28,845	29,123	29,147	29,412	30,024	30,246	30,855	30,553	30,660	31,307	31,285	31,209	33,208	
Percentage of ophthalmology R1 appointments attended which were within their clinical target date or within 25% beyond their clinical target date														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
95%	60.5%	65.2%	61.4%	63.2%	62.1%	61.1%	63.3%	61.6%	61.2%	63.2%	60.6%	62.0%	60.5%	
Number of patients waiting more than 104 weeks for referral to treatment														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Improvement trajectory towards a national target of zero by June 2023	13,885	13,439	12,968	12,441	12,449	12,605	12,715	12,345	11,361	10,218	9,335	8,556	6,151	
Number of patients waiting more than 36 weeks for referral to treatment														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Improvement trajectory towards a national target of zero by 2026	48,576	49,211	49,370	49,708	51,011	51,964	51,716	51,777	50,232	49,015	48,052	46,888	43,674	
Percentage of patients waiting less than 26 weeks for referral to treatment														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Improvement trajectory towards a national target of 95% by 2026	47.3%	46.6%	46.8%	47.4%	47.4%	47.0%	46.9%	47.3%	47.6%	47.5%	47.7%	49.0%	51.3%	
Percentage of patients waiting less than 28 days for a first appointment for specialist Child and Adolescent Mental Health Services (sCAMHS)														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
80%	92.3%	75.0%	75.0%	100.0%	71.4%	100.0%	92.9%	100.0%	76.5%	50.0%	62.5%	80.0%	27.3%	
Percentage of mental health assessments undertaken within (up to and including) 28 days from the date of receipt of referral for people age under 18 years														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
80%	46.9%	47.5%	28.2%	25.6%	11.0%	19.2%	25.4%	48.2%	31.3%	28.8%	18.2%	31.5%	20.7%	
Percentage of therapeutic interventions started within (up to and including) 28 days following an assessment by LPMHSS for people age under 18 years														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
80%	56.4%	37.2%	30.9%	54.7%	43.6%	36.2%	46.6%	39.0%	23.4%	30.8%	17.1%	38.0%	34.6%	
Percentage of health board residents in receipt of secondary mental health services who have a valid care and treatment plan for people aged under 18 years														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
80%	84.8%	58.8%	53.4%	51.6%	41.9%	38.7%	37.1%	35.7%	34.6%	37.4%	85.6%	85.3%	83.7%	
Percentage of children and young people waiting less than 26 weeks to start an ADHD or ASD neurodevelopment assessment														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
80%	39.2%	38.9%	38.5%	36.2%	37.9%	34.7%	30.6%	30.8%	27.8%	27.6%	24.7%	31.5%	30.4%	
Percentage of service users (adults aged 18 years and over) admitted to a psychiatric hospital between 09:00 and 21:00 hours that have received a gate-keeping assessment by the CRHT service prior to admission														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
95%	36.9%	41.9%	53.1%	64.8%	62.7%	51.0%	55.7%	82.1%	75.0%	78.1%	88.4%	76.1%	89.7%	
Percentage of service users (adults aged 18 years and over) admitted to a psychiatric hospital who have not received a gate keeping assessment by the CRHTS that have received a follow up assessment by the CRHTS within 24 hours of admission														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
100%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	87.5%	100.0%	100.0%	72.7%	75.0%	

Percentage of mental health assessments undertaken within (up to and including) 28 days from the date of receipt of referral for adults age 18 years and over														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
80%	86.9%	78.6%	77.8%	77.8%	92.2%	92.7%	95.6%	93.8%	97.7%	96.5%	83.5%	87.9%	84.0%	
Percentage of therapeutic interventions started within (up to and including) 28 days following an assessment by LPMHSS for adults age 18 years and over														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
80%	96.8%	94.8%	87.3%	96.3%	89.5%	96.4%	93.0%	91.1%	94.2%	92.7%	88.4%	91.6%	88.6%	
Percentage of patients waiting less than 26 weeks to start a psychological therapy in Specialist Adult Mental Health														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
80%	72.5%	70.6%	65.0%	70.0%	64.7%	64.6%	63.7%	61.2%	56.4%	50.0%	47.9%	47.5%	44.5%	
Percentage of health board residents in receipt of secondary mental health services who have a valid care and treatment plan for adults 18 years and over														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
90%	88.1%	87.2%	87.5%	84.8%	84.3%	86.8%	86.2%	84.4%	88.1%	89.5%	88.7%	88.1%	87.6%	
Cumulative number of laboratory confirmed bacteraemia cases - Klebsiella sp														
Target		Apr-22	Apr-22 to May-22	Apr-22 to Jun-22	Apr-22 to Jul-22	Apr-22 to Aug-22	Apr-22 to Sep-22	Apr-22 to Oct-22	Apr-22 to Nov-22	Apr-22 to Dec-22	Apr-22 to Jan-23	Apr-22 to Feb-23	Apr-22 to Mar 23	Target compliance
63		2	11	17	22	32	40	46	57	61	69	77	85	
Cumulative number of laboratory confirmed bacteraemia cases - Aeruginosa														
Target		Apr-22	Apr-22 to May-22	Apr-22 to Jun-22	Apr-22 to Jul-22	Apr-22 to Aug-22	Apr-22 to Sep-22	Apr-22 to Oct-22	Apr-22 to Nov-22	Apr-22 to Dec-22	Apr-22 to Jan-23	Apr-22 to Feb-23	Apr-22 to Mar 23	Target compliance
24		3	4	14	14	19	22	23	27	29	30	36	40	
Cumulative rate of laboratory confirmed bacteraemia cases per 100,000 population - E-coli														
Target		Apr-22	Apr-22 to May-22	Apr-22 to Jun-22	Apr-22 to Jul-22	Apr-22 to Aug-22	Apr-22 to Sep-22	Apr-22 to Oct-22	Apr-22 to Nov-22	Apr-22 to Dec-22	Apr-22 to Jan-23	Apr-22 to Feb-23	Apr-22 to Mar 23	Target compliance
67.00		78.44	78.48	81.14	77.15	80.08	85.57	88.34	87.13	84.98	85.65	85.76	84.92	
Cumulative rate of laboratory confirmed bacteraemia cases per 100,000 population - S.aureus bacteraemia														
Target		Apr-22	Apr-22 to May-22	Apr-22 to Jun-22	Apr-22 to Jul-22	Apr-22 to Aug-22	Apr-22 to Sep-22	Apr-22 to Oct-22	Apr-22 to Nov-22	Apr-22 to Dec-22	Apr-22 to Jan-23	Apr-22 to Feb-23	Apr-22 to Mar 23	Target compliance
20.00		40.57	39.91	36.56	37.91	38.18	37.24	34.88	35.25	34.82	34.74	33.53	32.68	
Cumulative rate of laboratory confirmed bacteraemia cases per 100,000 population - C.difficile														
Target		Apr-22	Apr-22 to May-22	Apr-22 to Jun-22	Apr-22 to Jul-22	Apr-22 to Aug-22	Apr-22 to Sep-22	Apr-22 to Oct-22	Apr-22 to Nov-22	Apr-22 to Dec-22	Apr-22 to Jan-23	Apr-22 to Feb-23	Apr-22 to Mar 23	Target compliance
25.00		24.34	19.95	20.51	22.61	25.46	27.49	26.92	25.94	25.37	24.40	23.81	25.34	
Percentage of confirmed COVID cases within hospital which had a definite hospital onset of COVID														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Reduction against the same month in 2021-22 (Mar 22 - 38.9%)	38.9%	31.9%	31.4%	36.6%	31.5%	27.1%	41.3%	43.4%	38.9%	41.2%	31.3%	32.8%	37.5%	
Percentage of confirmed COVID cases within hospital which had a probable hospital onset of COVID														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Reduction against the same month in 2021-22 (Mar 22 - 17.2%)	17.2%	12.1%	7.8%	12.8%	13.2%	16.4%	16.2%	16.2%	15.9%	18.9%	18.7%	19.4%	20.1%	
Number of people admitted as an emergency who remain in an acute or community hospital over 21 days since admission														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
12 month reduction trend	908	924	941	898	895	931	909	918	917	965	984	894	946	
Percentage of total emergency bed days accrued by people with a length of stay over 21 days														
Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
12 month reduction trend	62.6%	61.3%	60.5%	59.8%	60.2%	62.1%	61.0%	58.8%	59.8%	60.4%	61.8%	58.9%	60.1%	

Number of Urgent Primary Care Centres (UPCC) established in each Health Board footprint (i.e. both UPPC models)						
Target	Qtr 3 21/22	Qtr 4 21/22	Qtr 1 22/23	Qtr 2 22/23	Qtr 3 22/23	
As outlined in the Health Board's Six Goals Programme Plan	1	1	1	1	1	
Number of new patients (children aged under 18 years) accessing NHS dental services						
Target	Qtr 1 22/23		Qtr 2 22/23	Qtr 3 22/23	Qtr 4 22/23	Target compliance
4 quarter improvement trend	2,167		3,183	3,090	2,793	
Number of new patients (adults aged 18 years and over) accessing NHS dental services						
Target	Qtr 1 22/23		Qtr 2 22/23	Qtr 3 22/23	Qtr 4 22/23	Target compliance
4 quarter improvement trend	3,234		5,524	6,085	5,570	
Number of existing patients accessing NHS dental services						
Target	Qtr 1 22/23		Qtr 2 22/23	Qtr 3 22/23	Qtr 4 22/23	Target compliance
4 quarter improvement trend	31,092		34,816	31,441	26,385	
Percentage of total conveyances taken to a service other than a Type One Emergency Department						
Target	Qtr 4 21/22	Qtr 1 22/23	Qtr 2 22/23	Qtr 3 22/23	Qtr 4 22/23	Target compliance
4 quarter improvement trend	1.0%	0.9%	1.1%	1.0%	1.1%	
Qualitative report detailing progress against the Health Boards' plans to deliver Same Day Emergency Day Care Service (12 hours a day, 7 days a week) across all acute sites						
Target			Qtr 1 22/23	Qtr 2 22/23	Qtr 3 22/23	
7 days a week, 12 hours a day Same Day Emergency Care across 100% of acute sites by April 2025					N/A	
Qualitative report detailing progress to develop a whole school approach to CAMHS in reach services						
Target	Apr 22 - Aug 22	Sep 22 - Mar 23				
Evidence of improvement						
Qualitative report detailing progress to improve dementia care (providing evidence of learning and development in line with the Good Work - Dementia Learning and Development Framework) and increasing access to timely diagnosis						
Target	Apr 22 - Aug 22	Sep 22 - Mar 23				
Evidence of improvement						
Qualitative report detailing progress against the priority areas to improve the lives of people with learning disabilities						
Target	Apr 22 - Aug 22	Sep 22 - Mar 23				
Evidence of improvement						
Percentage of GP practices that have achieved all standards set out in the National Access Standards for In-hours GMS						
Target	2021/22	2022/23				
100%	98.0%	N/A				
Rate of hospital admissions with any mention of intentional self-harm for children and young people (age 10-24 years) per 1,000 population						
Target	2021/22	2022/23				
Annual Reduction	4.02	N/A				

Quadruple Aim 3: Motivated & sustainable														
Agency spend as a percentage of total pay bill														
Target	**Mar-22**	**Apr-22**	**May-22**	**Jun-22**	**Jul-22**	**Aug-22**	**Sep-22**	**Oct-22**	**Nov-22**	**Dec-22**	**Jan-23**	**Feb-23**	**Mar-23**	**Target compliance**
12 month reduction trend	11.0%	9.3%	8.3%	10.0%	9.4%	9.1%	8.0%	9.1%	9.7%	10.4%	9.4%	8.7%	9.1%	
Percentage of sickness absence rate of staff														
Target	**Mar-22**	**Apr-22**	**May-22**	**Jun-22**	**Jul-22**	**Aug-22**	**Sep-22**	**Oct-22**	**Nov-22**	**Dec-22**	**Jan-23**	**Feb-23**	**Mar-23**	**Target compliance**
12 month reduction trend	7.6%	7.8%	7.8%	7.8%	7.9%	7.9%	7.7%	7.6%	7.6%	7.6%	7.5%	7.5%	7.4%	
Percentage compliance for all completed level 1 competencies of the Core Skills and Training Framework														
Target	**Mar-22**	**Apr-22**	**May-22**	**Jun-22**	**Jul-22**	**Aug-22**	**Sep-22**	**Oct-22**	**Nov-22**	**Dec-22**	**Jan-23**	**Feb-23**	**Mar-23**	**Target compliance**
85%	72.6%	73.2%	74.1%	74.4%	74.3%	74.7%	75.2%	75.3%	75.5%	75.1%	75.1%	75.3%	76.9%	
Percentage of headcount who have had a Personal Appraisal and Development Review (PADR) / medical appraisal in the previous 12 months (excluding doctors and dentists in training)														
Target	**Mar-22**	**Apr-22**	**May-22**	**Jun-22**	**Jul-22**	**Aug-22**	**Sep-22**	**Oct-22**	**Nov-22**	**Dec-22**	**Jan-23**	**Feb-23**	**Mar-23**	**Target compliance**
85%	56.6%	55.6%	58.3%	58.6%	58.1%	58.4%	59.8%	59.1%	58.4%	59.3%	59.4%	59.2%	60.3%	
Percentage of staff who have recorded their Welsh language on ESR who have Welsh language listening/speaking skills levels 2 (foundational level) and above														
Target	**Mar-21**	**Sep-21**			**Mar-22**			**Sep-22**			**Mar-23**			**Target compliance**
Bi-annual improvement	**6 mths ending Mar-21**	**6 mths ending Sep-21**			**6 mths ending Mar-22**			**6 mths ending Sep-22**			**6 mths ending Mar-23**			
	6.73%	**6.97%**			**7.24%**			**7.57%**			**7.87%**			
Overall staff engagement score														
Target	**2020**	**2022**												
Annual improvement	**71.0%**	**N/A**												
Percentage of staff who report that their line manager takes a positive interest in their health and well-being														
Target	**2020**	**2022**												
Annual improvement	**56.1%**	**N/A**												

Quadruple Aim 4:
Improvement and innovation

Percentage of episodes clinically coded within one reporting month post episode discharge end date

Target	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Target compliance
Maintain the 95% target or demonstrate an improvement trend over 12 months	76.3%	60.8%	61.8%	67.9%	66.2%	66.0%	70.6%	73.7%	72.0%	71.4%	70.2%	61.6%	56.8%	🔴

Number of risk assessments completed on the Welsh Nursing Clinical Record by Health Board/Trust

Target	Qtr 4 21/22	Qtr 1 22/23	Qtr 2 22/23	Qtr 3 22/23	Qtr 4 22/23	Target compliance
4 quarter improvement trend	55,104	119,725	150,352	206,766	296,003	🟢

Number of wards using the Welsh Nursing Clinical Record by Health Board/Trust (Cumulative)

Target	Qtr 4 21/22	Qtr 1 22/23	Qtr 2 22/23	Qtr 3 22/23	Qtr 4 22/23	Target compliance
4 quarter improvement trend	10	27	45	45	62	🟢

Total antibacterial items per 1,000 specific therapeutic group age-sex related prescribing units (STAR-PUs)

Target	Qtr 3 21/22	Qtr 4 21/22	Qtr 1 22/23	Qtr 2 22/23	Qtr 3 22/23	Target compliance
A quarterly reduction of 5% against a baseline of 2019-20 (275.6)	349.6	295.1	294.6	285.0	390.2	🔴

Number of patients age 65 years or over prescribed an antipsychotic

Target	Qtr 3 21/22	Qtr 4 21/22	Qtr 1 22/23	Qtr 2 22/23	Qtr 3 22/23	Target compliance
Quarter on quarter reduction	1,420	1,421	1,433	1,426	1,451	🔴

Opioid average daily quantities per 1,000 patients

Target	Qtr 3 21/22	Qtr 4 21/22	Qtr 1 22/23	Qtr 2 22/23	Qtr 3 22/23	Target compliance
4 quarter reduction trend	5,065.4	4,823.0	4,911.6	4,895.6	4,914.6	🔴

Qualitative report detailing the progress of NHS Wales' contribution to decarbonisation as outlined in the organisation's plan

Target	Apr 22 - Aug 22	Sep 22 - Mar 23
Evidence of improvement	🟡	🟡

Qualitative report detailing evidence of NHS Wales advancing its understanding and role within the foundational economy via the delivery of the Foundational Economy in Health and Social Services 2021-22 Programme

Target	Apr 22 - Aug 22	Sep 22 - Mar 23
Delivery of Foundational Economy initiatives and/or evidence of improvements in decision making process	🟡	🟡

Report detailing evidence of NHS Wales embedding Value Based Health and Care within organisational strategic plans and decision making processes

Target	Apr 22 - Aug 22	Sep 22 - Mar 23
Evidence of activity undertaken to embed a Value Based Health Care approach	🟢	🟢

Emissions reported in line with the Welsh Public Sector Net Zero Carbon Reporting Approach (ktCO2e)

Target	2021/22	2022/23
16% reduction in carbon emissions by 2025 against the 2018/19 NHS Wales baseline position (75.70)	132.75	N/A

Key - Numerical Measures	
Target Delivered	🟢
Target Not Delivered	🔴

Key - Qualitative Measures	
On Track	🟢
Majority on track but scope to improve	🟡
Majority not on track & improvement needs to be made	🔴

Data not available at the time of writing this report	N/A

Key Performance Measures 2022-23

Focus area 1: Planned Care

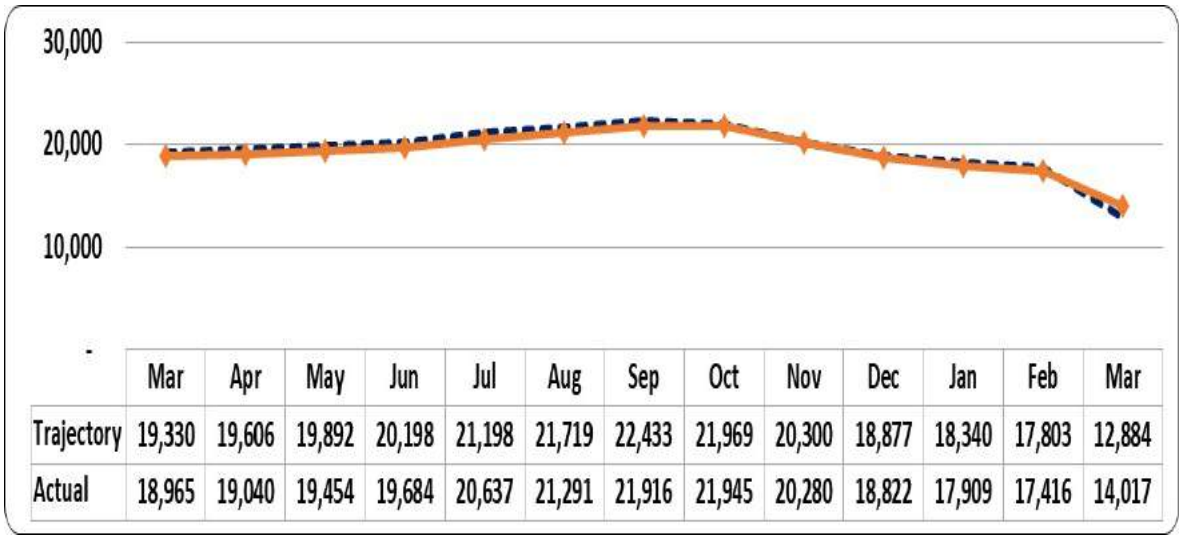
Measure 1: Increase planned care activity back to 2019-20 levels, especially in surgical specialties

Monthly Elective Treatment Activity compared to pre & intra Covid period						
Specialty	**Mar-19**	**Mar-20**	**Mar-21**	**Mar-22**	**Mar-23**	**2023 as % 2019 (pre-Covid)**
Gastroenterology	1187	682	790	846	948	80%
Urology	403	327	296	356	385	96%
Orthopaedics	516	265	170	298	381	74%
General Surgery	423	197	120	195	278	66%
Ophthalmology	345	235	189	236	250	72%
Gynaecology	244	168	121	174	233	95%
Ear Nose and Throat Service	260	138	98	95	193	74%
Cardiology	98	81	50	87	138	141%
Breast Surgery	60	53	53	74	75	125%
Oral Surgery	81	37	21	45	65	80%
Anaesthetics	59	30	12	14	48	81%
General Medicine	12	6	7	8	27	225%
Paediatrics	48	23	27	42	14	29%
Total	**3736**	**2242**	**1954**	**2470**	**3035**	**81%**

The table above compares the greatest volume specialties of elective activity compared with the average pre & intra Covid levels.

The number of weekly elective treatments has been gradually increasing throughout 2022-23, with the average number of treatments for March 2023 at 651 treatments per week, which is the **highest level seen** since the beginning of the Covid pandemic in March 2020. In total, 3,254 cases were undertaken in March 2023, but despite this increase, current elective throughput remains around 20% lower than pre-Covid-19.

Measure 2: Reduce the number of patients waiting over 1 year for a first outpatient appointment:

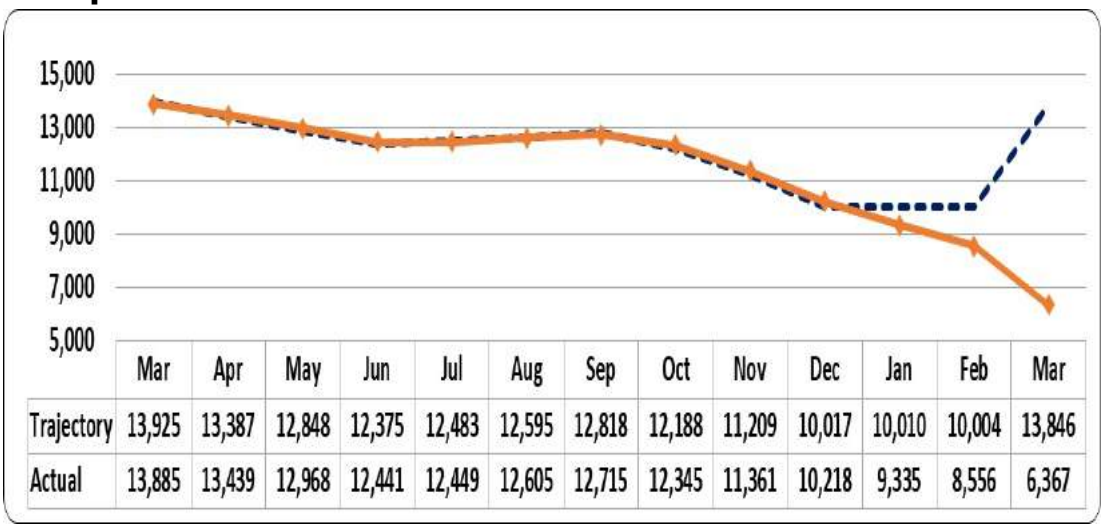


	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Trajectory	19,330	19,606	19,892	20,198	21,198	21,719	22,433	21,969	20,300	18,877	18,340	17,803	12,884
Actual	18,965	19,040	19,454	19,684	20,637	21,291	21,916	21,945	20,280	18,822	17,909	17,416	14,017

During 2022-23 it was possible to reduce the number of patients waiting in excess of 52 weeks by 27%, from 18,965 to 14,017. Key actions for improvement, delivered as part of our Covid-19 recovery programme, included:

- **Improving productivity**, through increased levels of clinic utilisation and by introducing robust and standardised booking processes across the CTMUHB;
- Use of the **Wellness Improvement Service (WISE) for Pain Management** patients as the initial intervention for Pain Management;
- Managing waiting lists across CTMUHB wide basis, to address any inequity across localities and provide patients with equal access to services; and
- Widescale use of insourcing and outsourcing of capacity from other care providers.

Measure 3: Reduce the number of patients waiting over 2 years for an operation:



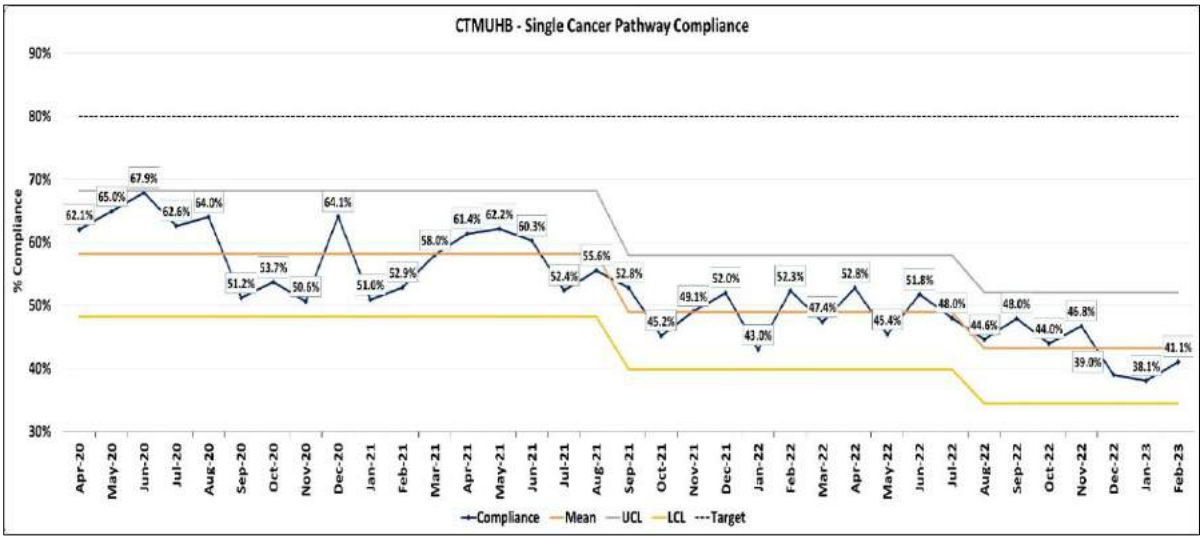
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Trajectory	13,925	13,387	12,848	12,375	12,483	12,595	12,818	12,188	11,209	10,017	10,010	10,004	13,846
Actual	13,885	13,439	12,968	12,441	12,449	12,605	12,715	12,345	11,361	10,218	9,335	8,556	6,367

CTMUHB continuously improved the waiting time for treatment and consequently the number of patients waiting over two years for treatment. During the course of the year, the number of patients waiting in excess of two years reduced from 13,885 to 6367 (55%), and the overall number of patients waiting for treatment reduced by 34%. Our improvement programme included:

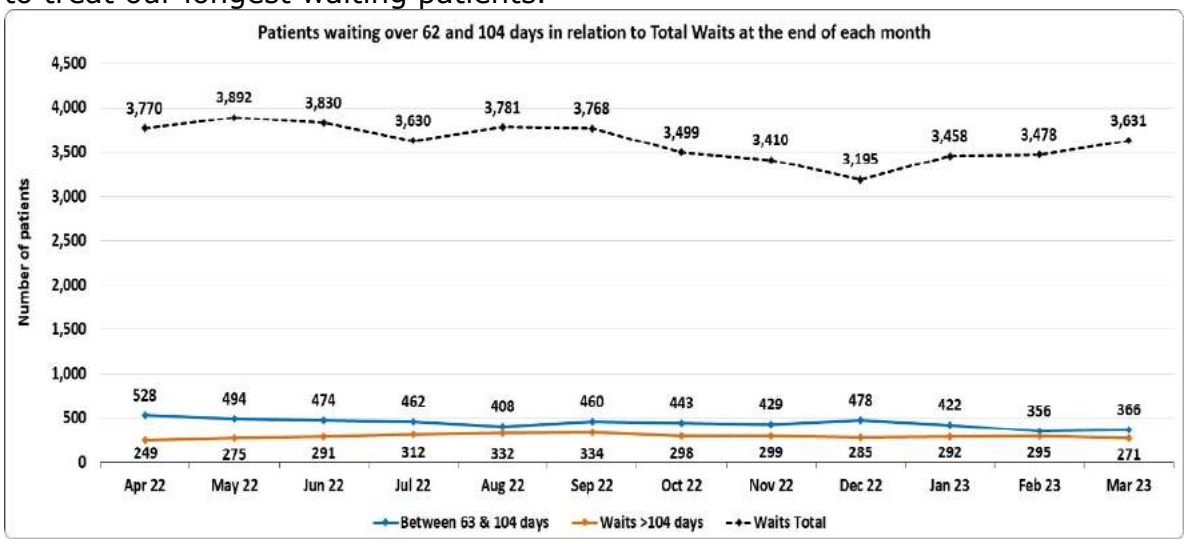
- **Increasing activity levels** delivered by our elective treatment services;
  - Outsourcing patients to alternative providers resulting in higher levels of elective activity and establishing an insourcing agreement with ID Medical; This contract provided CTMUHB with an additional team of theatre staff to cover 30 theatre sessions per week;
  - Our own surgical teams agreeing to provide **additional treatment capacity** over and above their NHS contracts as waiting list initiatives. Such capacity was essential to treating the longest waiting patients and our higher risk patients; and
  - Continuing our **partnership working with Cardiff & Vale University Health Board** through the Vanguard Programme, which has provided cataract operations for hundreds of CTM residents.

Cancer Care

Measure 4: Reduce the number of patients waiting in excess of 62 days to start definitive cancer treatment from the point of suspicion



The proportion of cancer patients treated within 62 days fell from a monthly average of 49% to 45% over the course of the year, largely driven by our efforts to treat our longest waiting patients.



The total volume of patients on an active cancer pathway marginally reduced over the course of the year, to around 3,631 at the end of March 2023.

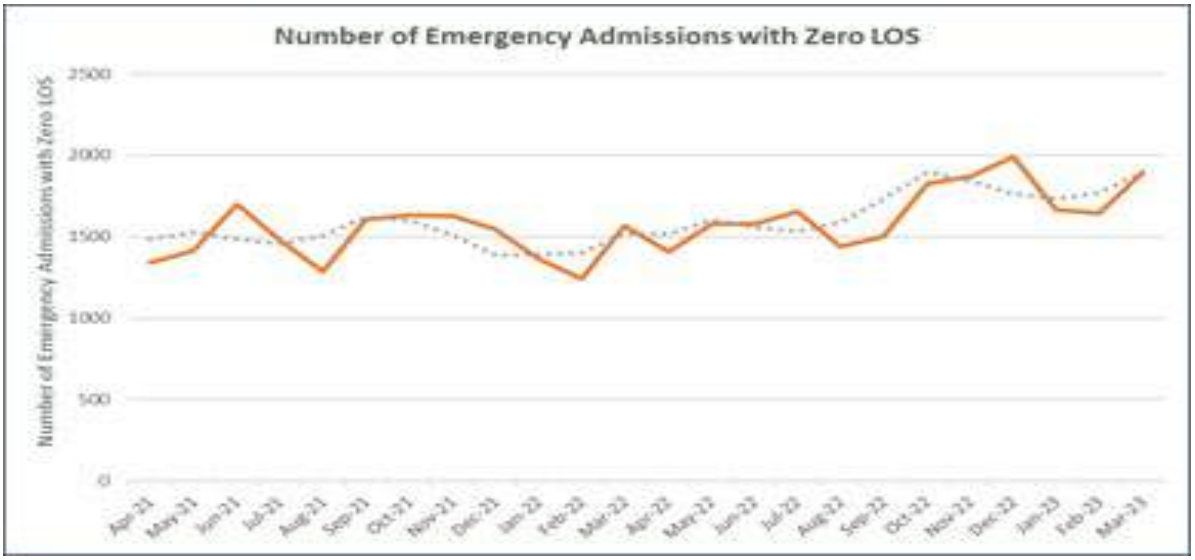
Throughout 2022-23, bottlenecks in radiology, endoscopy and pathology accounted for the bulk of patient pathway challenges. Some success has been realised in addressing these backlogs, notably:

- An **improved turnaround time** in radiology diagnostics,
- Introduction of **one-stop clinics** for Breast and Gynaecology.
- **Improved theatre utilisation** on symptomatic endoscopy lists,
- Introduction of **Systemic Anti-Cancer Therapy;** and

- Achievement of a 14 day wait for **Local Anaesthetic Perineal Biopsy** (LAPB), via commissioning of external activity.

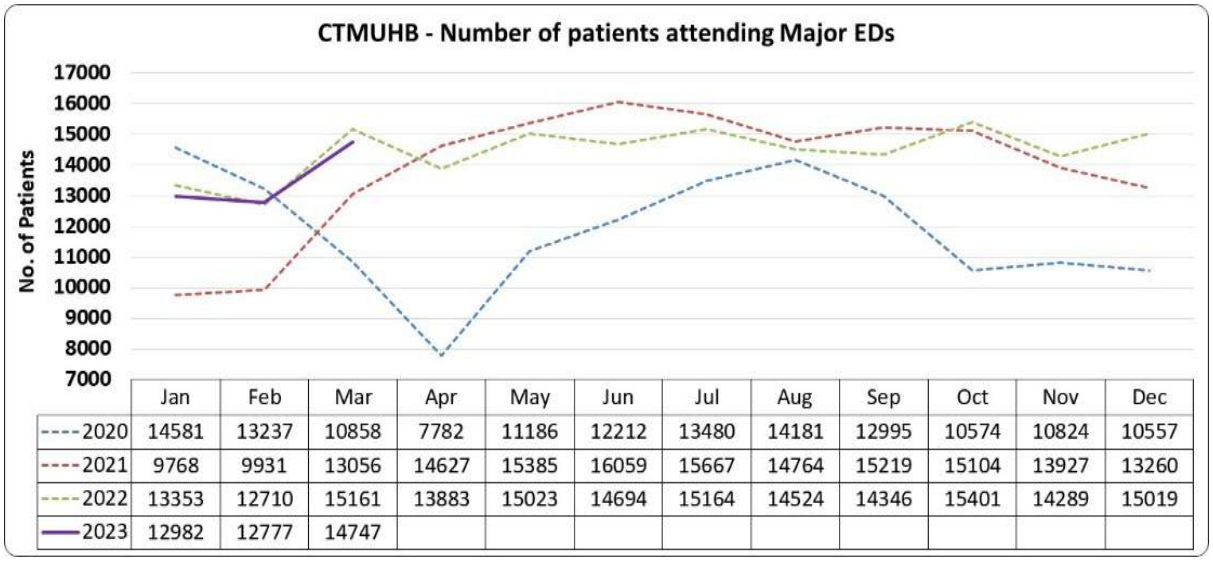
Measure 5: Increasing the Number of patients on an emergency care pathway who have been discharged home on the same day.

As part of the programme CTMUHB and our regional partners changed working practices and established pathways of care that supported **more patients to receive the majority of their care at home.** As a result, over the course of 2022/23, the number of patients that received an acute inpatient assessment and were then discharged home on the same day increased from around 1,500 to 1,800 per month.



Measure 6: Reducing demand on our Emergency Medicine Service
Urgent and emergency care attendance volumes have remained at levels commensurate with those observed in 2021-22. To mitigate the acute staffing shortages in the Social Care Sector, CTMUHB, in conjunction with regional partners have developed:

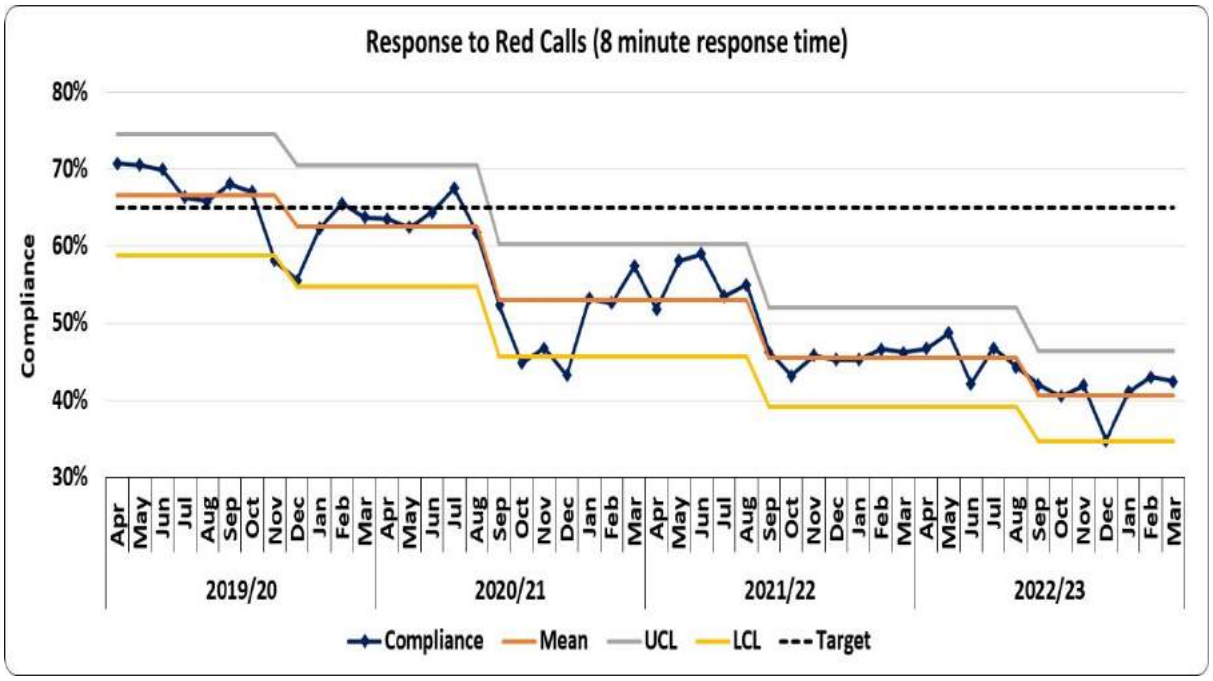
- A **Navigation Hub** which reduced ambulance conveyances, following a Welsh Ambulance Services Trust (WAST) contact; and
- Discharge to Recover and Assess (D2RA) pathways, **supporting patients to receive care outside of the acute environment.**



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020	14581	13237	10858	7782	11186	12212	13480	14181	12995	10574	10824	10557
2021	9768	9931	13056	14627	15385	16059	15667	14764	15219	15104	13927	13260
2022	13353	12710	15161	13883	15023	14694	15164	14524	14346	15401	14289	15019
2023	12982	12777	14747									

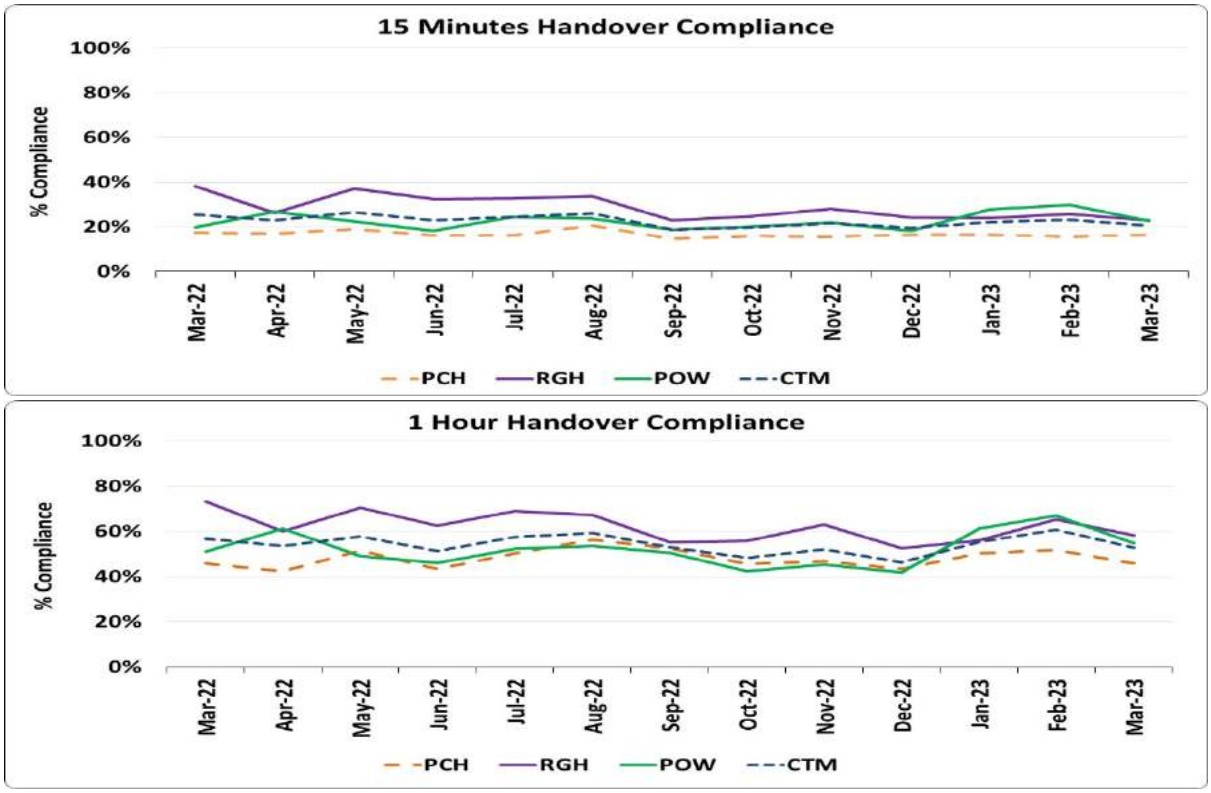
Measure 7: Improving Ambulance response times to life threatening calls:

The proportion of ambulances able to respond to a life threatening '999' call within 8 minutes decreased during 2022-23, from around 45% to around 40%. This deterioration is partly as a result of lack of ambulance capacity driven by delays in patients being transferred into the A&E department due to the number of patients already within the hospital. This situation is largely as a result of increased 'front-door' demand and increasing delays in discharging patients who no longer required hospital care.



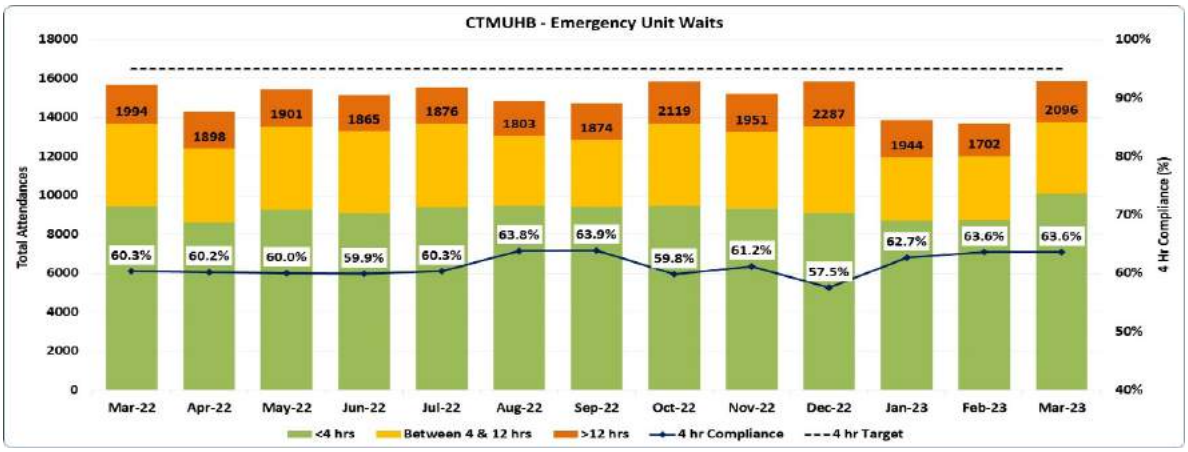
Measure 8: Ambulance Handover Compliance:

Over the course of 2022-23 around 22% of patients conveyed to hospital by an emergency ambulance had their care transferred from the ambulance team to the emergency medicine service within 15 minutes, **with around 55% transferred within an hour.** CTMUHB's six goal programme, is focussed on improving the ability and timeliness of care received by patients outside the hospital care setting, which in turn **improves the ability of our patients within the emergency departments to access a hospital bed** and patients under the care of an ambulance service to receive care in the emergency department.



Measure 9: Emergency Department Access:

Our performance against the national target of 95% of patients spending **less than 4 hours within the emergency department increased** (by 3%) during the year to 63.6%. An element of this improvement is attributable to the six goals programme.



Focus area 4: Mental Health

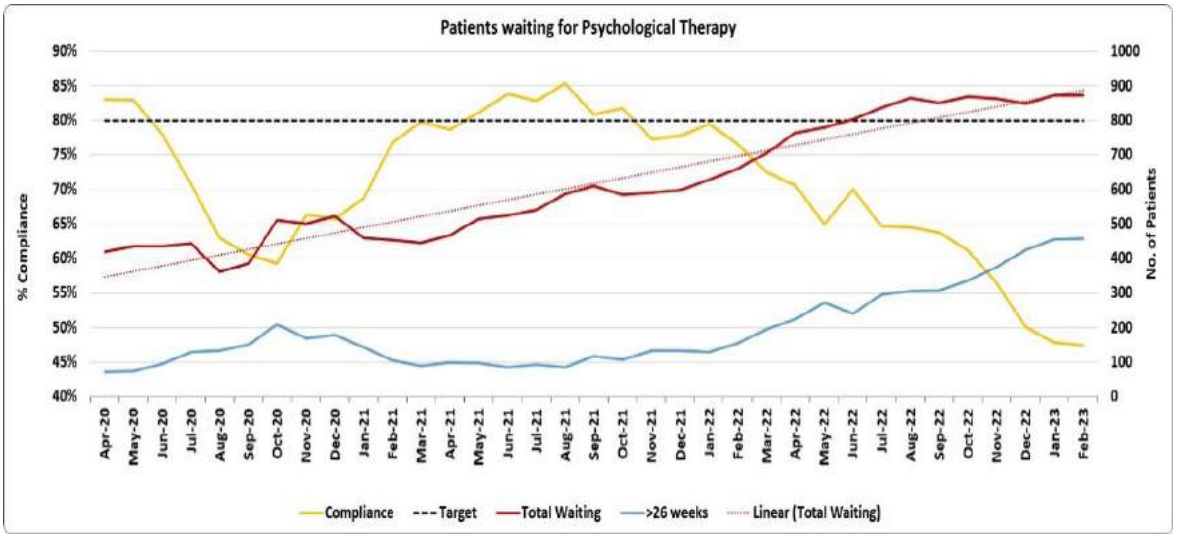
The after-effects of the Covid-19 pandemic continue to have an impact on the mental wellbeing of our population and this is likely to continue with issues in relation to:

- Increased numbers of people experiencing **alcohol dependence** and then the associated need for support to reduce same and for some full de-toxification;
- Demand for **eating disorder related support**; and
- More general **crisis support** and psychological interventions

Consequently the Health Board has committed investment and resource into increasing the capacity of our services to meet the observed demand where the labour market has enabled this to happen.

Measure 10: Access to Psychological Therapy

Waiting times and the number of patients waiting for Psychological Therapy **steadily increased** over the course of the year as demand outstripped capacity. By the end of the year, 50% of our patients had been waiting in excess of 26 weeks to commence a therapy.

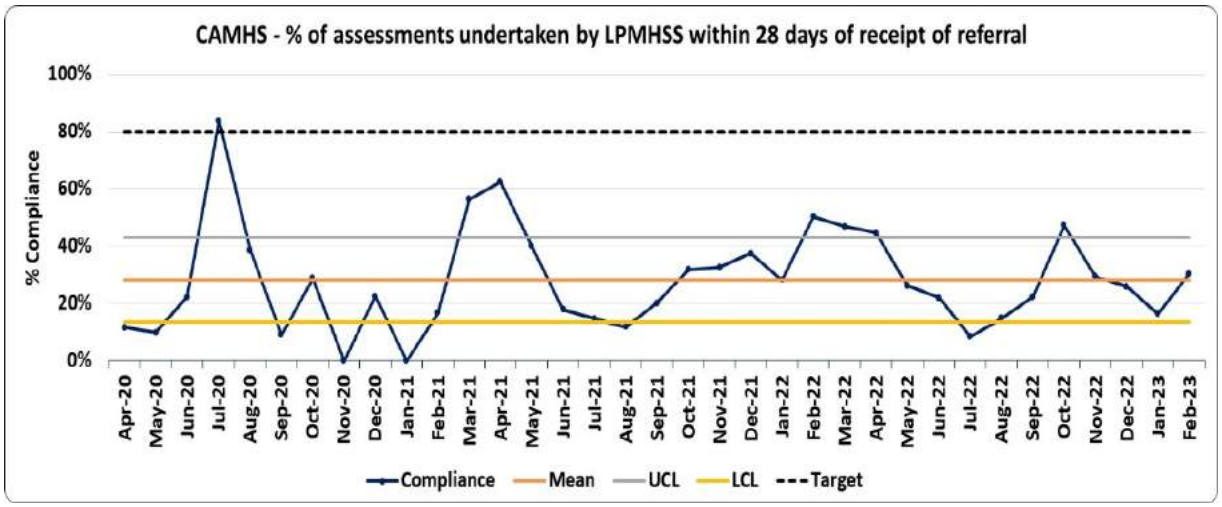


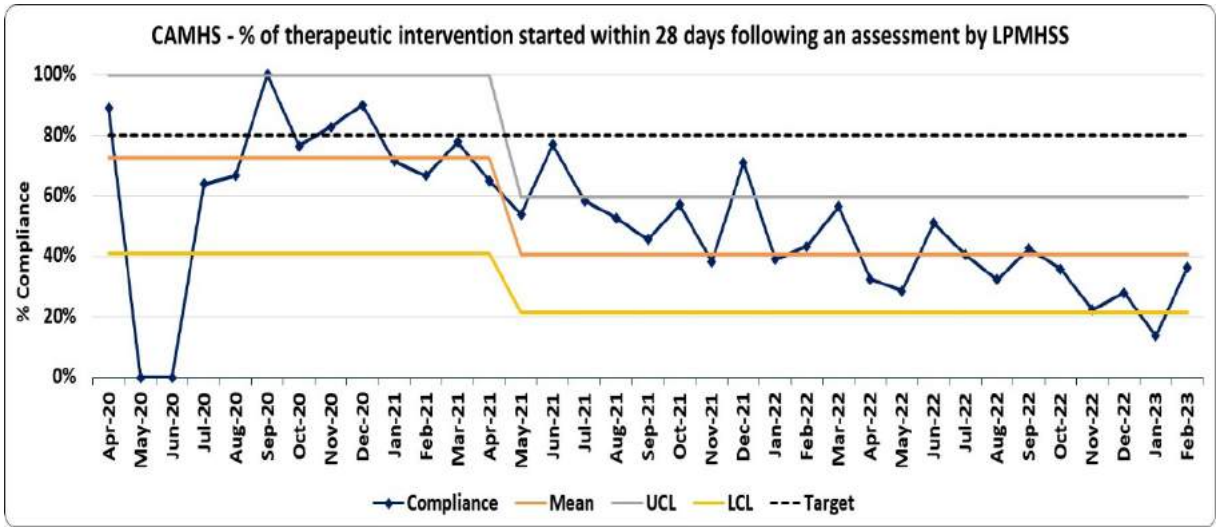
External capacity was secured in February 2023 and it was also possible to recruit to Assistant Psychologist posts supporting the "Waiting Well" agenda and evaluating the waiting lists to improve utilisation of existing capacity.

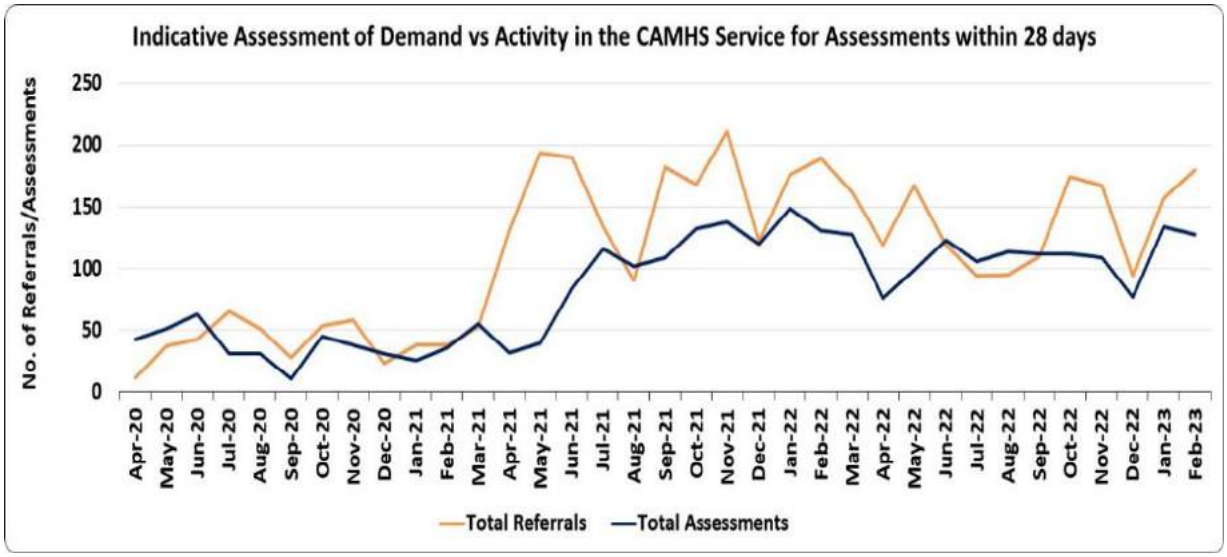
In addition to maintaining our efforts to increase the capacity of this service, work to **improve our clinical and administrative records** and our business intelligence was commenced, as part of a medium term improvement initiative.

Measure 11: Access to Child & Adolescent Mental Health Services (CAMHS):

Throughout 2022-23 performance in CAMHS has fallen short of that required by the Mental Health Measure, particularly for our patients waiting for an assessment (Part 1a.) and therapeutic intervention (Part 1b). The legal requirement is that the assessment should be provided within 28 days of a referral to our Local Primary Mental Health Support Services (Part 1a) and the intervention within 28 days of the assessment (Part 1b). As at 28th February 2023, almost two thirds of our patients are waiting in excess of these requirements.





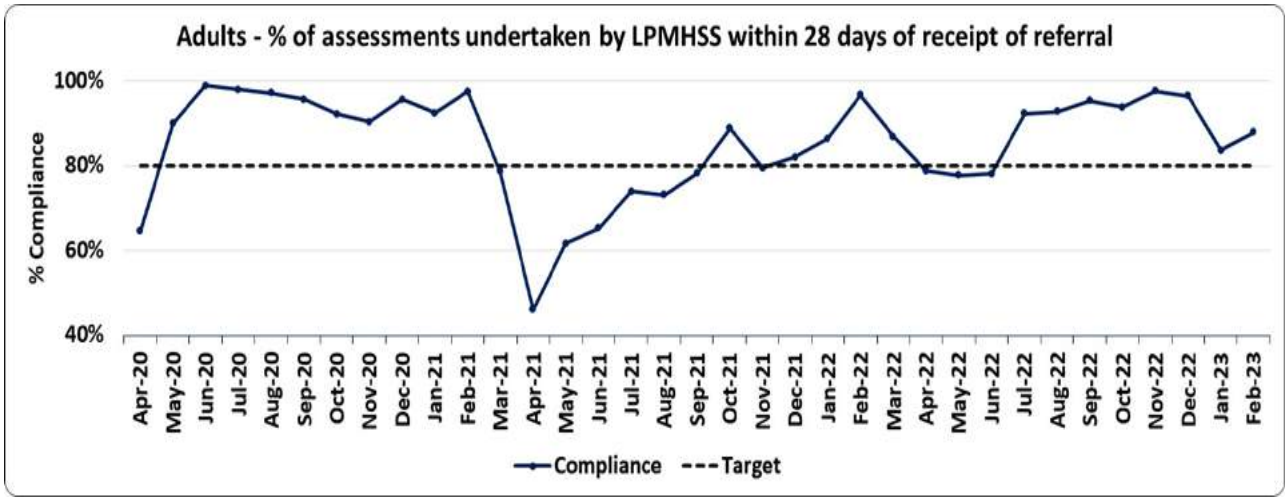


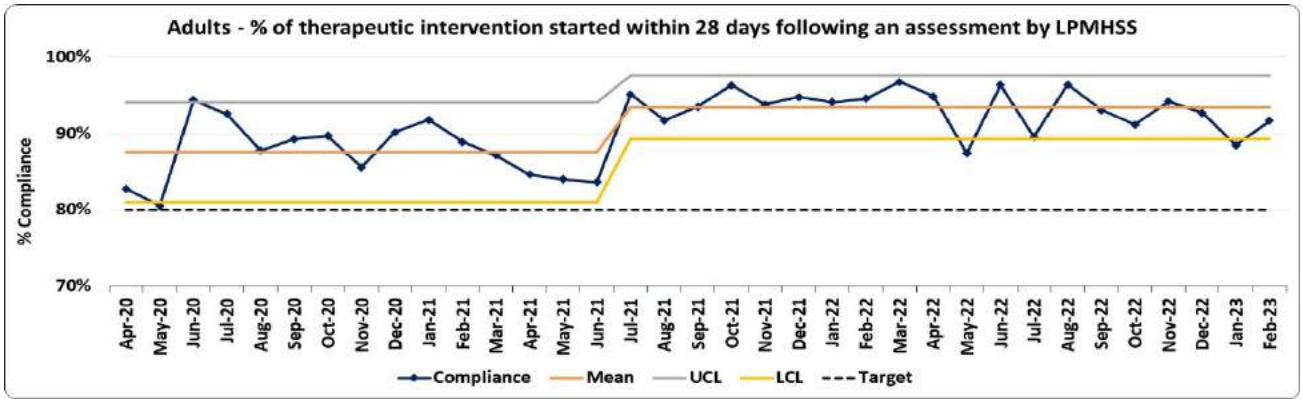
As shown in the chart above, this has largely resulted from **demand continuing to outstrip service capacity.** This is despite the service running additional clinics though waiting list initiatives and efforts to recruit additional clinical staff to vacant posts.

Measure 12: Access to Adult Local Primary Mental Health Support Services (LPMHSS) within 28 days of receipt of referral

As described in the CAMHS section, '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. Over the course of the year CTMUHB achieved the standard in nine of the twelve months. This was in an environment where the number of referrals to the service increased 15% relative to 2021-2022, but remain 25% lower than pre-Covid levels.

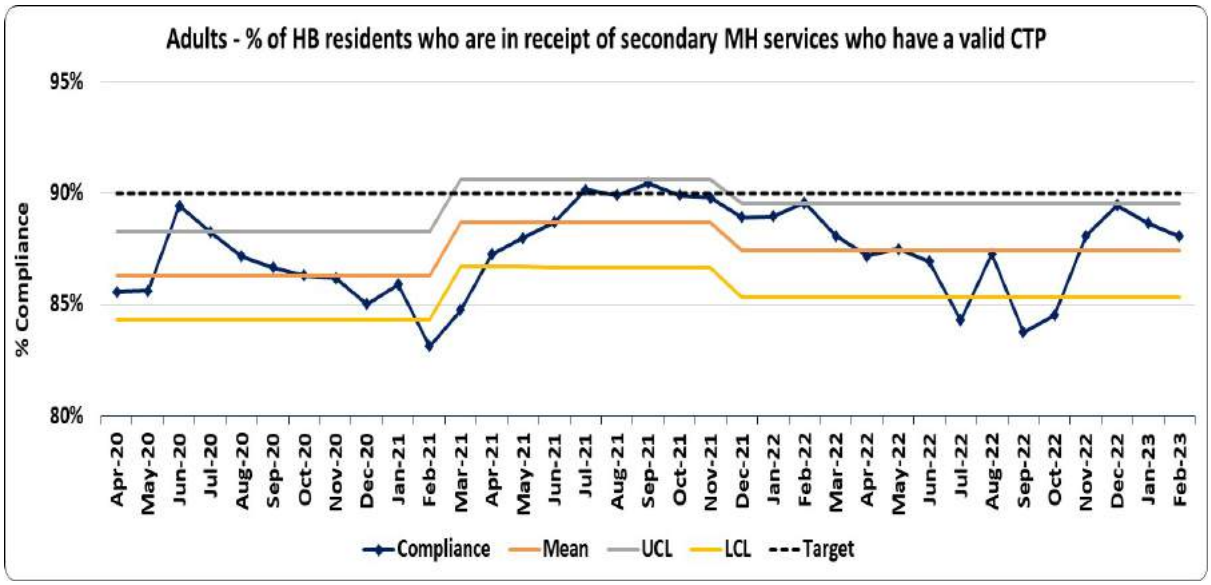
CTMUHB also maintained compliance with the standards required in the Mental Health Measure, with over **90% of patients commencing therapeutic interventions within 28 days** following an assessment by LPMHSS.





Measure 13: % of Health Board residents who are in receipt of secondary Mental Health services who have a valid Care Treatment Plan (CTP)

CTMUHB achieved a compliance rate of around 87% against a standard of 90% with regard to Part Two of the Mental Health Measure, which requires patients to have a valid Care Treatment Plan. Steps are being taken to **improve the scheduling and management of care treatment plans,** which are provided by numerous clinicians within the multi-disciplinary team.



Focus area 5: Improving discharge arrangements for mental health patients.

Measure 14: Number of mental health patients whose inpatient pathway of care is delayed

Month	Number of Mental Health patients delayed	Average Health Days Delayed per patient	Mental Health Days Delayed
Nov-22	20	3	60
Dec-22	19	42	799
Jan-23	24	65	1,558
Feb-23	31	88	2,722
Mar-23	51	85	4,336

Since the reporting of "Pathway of care delays" was re-established in November 2022, following suspension during the course of the pandemic, the CTMUHB has worked closely with our regional partners to improve data quality and understanding in this area.

Whilst some data quality issues are yet to be addressed, the March 2023 position, shows that there are 51 patients whose pathway has been delayed for an average of 85 days, this is considered to be a reasonable reflection of the present position.

Plans continue to be developed across care sectors to address the often complex **factors which prevent mental health patients from being discharged** from inpatient mental health services. These include putting in place arrangements to provide our patients who have had an acute admission with a post-discharge follow up consultation within three days of discharge.

Healthcare/Hospital Acquired Infections (HCAI)

Nosocomial Infections

The Infection Prevention and Control (IPC) Team have continued to support CTMUHB's response to the Covid-19 pandemic. The team has been integral to implementing changes to CTMUHB guidance and practice based on national guidance. The 4th wave of Covid-19 continued during 2022 and a resurgence of cases was noted in June, September and December. The Omicron variant continued to dominate the 4th wave and despite further mutations increasing the transmissibility of the virus, **symptoms were generally mild and less severe**. Vaccination remains effective at reducing the risk of severe disease, hospitalisation and mortality and it became clear that the harm associated with the restrictions introduced during 2020–22 were outweighing the harm caused by the pandemic.

During 2022, **social distancing requirements significantly reduced**, a flexible approach to enable visiting was reintroduced and the testing requirements for Covid-19 were reviewed. Asymptomatic testing ceased and a multiplex test was introduced to detect a range of respiratory infections. The Health Board moved away from colour coded pathways where Covid-19 patients were segregated from others to a respiratory/non–respiratory pathway in preparedness for the winter months where an increase in respiratory viruses was predicted.

The winter months of 2022-23 proved challenging due to the **range of different viruses circulating** in our communities and hospitals and higher numbers of influenza and other respiratory viruses were reported compared to the previous year. With rising community rates of infection, the outbreaks in our hospitals were increasingly difficult to contain, particularly as hospitals were operating at maximum capacity with staff sickness, often due to Covid-19 and other respiratory infections.

Regular Infection Prevention and Control Cell meetings were held to provide scrutiny and oversee the **management of individual cases** and outbreaks of infection across CTMUHB. A risk based approach was adopted to maintain patient flow whilst considering the IPC advice to restrict bays and close wards.

Welsh Government set a target that organisations should seek to reduce healthcare associated infections, and such reductions are measured against five

key organisms. Currently, CTMUHB has the **lowest rate of C.Difficile infection and MRSA bloodstream infection in Wales** but an increase in Methicillin Sensitive Staphylococcus aureus (MSSA), E.coli, Klebsiella and Pseudomonas blood stream infections have been reported compared with the same period last year. The IPC team investigate all preventable infections and a multi-professional meeting is held to discuss each case in detail to **identify learning** which is shared widely. Further work is planned to introduce targeted improvement work to inform and influence patient care.

The majority of these infections are noted to be **acquired in the community** and there will be an enhanced focus in the coming year to explore further how this specific area can be supported to drive improvements. There is a need for investment in the primary care arena to support the achievement of these healthcare infection improvement goals.

The IPC team has supported colleagues at operational level to drive the IPC agenda and **embed good IPC standards and practice** to improve patient care. Local targets have been set, based upon the reductions expected by Welsh Government to enable and encourage local ownership in driving this important agenda forward. The IPC team have also developed monthly infographics displaying the position of each of CTMUHB's care groups against targets.

Wherever possible, work has continued in relation to all other aspects of the IPC team portfolio although the impact of the Covid-19 pandemic has hampered the pace of improvement work which is aimed at reducing healthcare associated infections.

The IPC team continue to provide a blended approach for infection prevention and control training and provide a combination of face-to-face sessions and on-line learning. Compliance with IPC training is monitored at the local IPC meetings and at IPC Committee, with additional support available to areas with low compliance.

The IPC team has a planned **programme of audit to monitor compliance** with standard infection control precautions/IPC policies and additional audits are completed during outbreaks of infection/ identification of preventable healthcare associated infections.

Other high consequence infectious diseases have also been detected in and outside of the UK in 2022 and the IPC team have contributed to preparedness plans and procedures. The team supported the development of **standard operating procedures** for Monkey-pox cases, liaising with primary and secondary care colleagues, to be able to identify and safely manage possible cases. A number of outbreaks of Viral Haemorrhagic Fever (VHF) have also been declared in Africa and despite the risk to the UK being low, the IPC team continue to work collaboratively with key stakeholders to revise and update the Health Board's preparedness plans and procedures.

Capital Estate Developments

During the 2022-23 financial year, CTMUHB had the **largest capital programme across Wales with a £73m capital investment across the estate**, **Information Communications Technology (ICT) and equipment**. This

funding has, and continues to support some major changes in the estate which are outlined below:

- **Prince Charles Hospital (PCH)**
  The PCH ground and first floor refurbishment programme was developed to address deficiencies associated with a statutory fire enforcement notice. Phase two of this £220m project commenced in November 2020 and is broken down into six sections delivering new Theatres, Intensive Therapy Unit (ITU), Radiology, Pathology and a combination of ambulatory care service accommodation housing Outpatients, Maxillo-Facial, Endoscopy, Transfusion as well as some support accommodation.

  The programme is advancing well and in addition to the section one completion reported upon in the 2021-22 annual report, has seen completion of section two, the first stage of new Pathology accommodation and also more recently the closing out of section six which incorporates a lot of external and infrastructure works such as the car parking and also new back-up generators and fuel storage facilities for the site. **Progress on the core section three activity has also progressed significantly** during 2022-23, which encompasses the main areas of ambulatory care of Outpatients, Endoscopy and Maxillo-Facial along with the first part of new Main Theatres and Radiology phase one, many of which will be reaching completion towards the end of 2023-24. CTMUHB has recently **secured additional funding from the Welsh Government to support the development of the final phase three** business case that encompasses the remaining areas of the ground and first floor programme, for which detailed design works will take place across 2023-24;

  Other **community benefits delivered with the contractors** working at PCH (Tilbury Douglas) include:
  - Development of a Garden of Reflection at the hospital;
  - Establishing an onsite Construction Hub for Ukrainian refugees in association with the Construction Academy;
  - Children's Christmas party in aid of Ty Hafan (charitable organisation)
  - Christmas themed fundraising raffle for Cancer Aid Merthyr (charitable organisation);
  - Staff volunteering at Hope Pantry, Merthyr Tydfil
  - On-site construction course for unemployed local people to obtain Construction Skills Certification Scheme Card
  - Numerous primary & secondary school and college visits for:
    - STEM (Science, Technology, Engineering and Mathematics) subject related activities
    - Careers Fairs
    - Mock Interview / CV writing workshops
  - Development of a Stakeholder Group with local organisations to explore opportunities for collaboration in conjunction with:
    - Merthyr Tydfil County Borough Council
    - Merthyr College
    - Voluntary Action Merthyr Tydfil (VAMT)
    - Careers Wales
    - Cancer Aid Merthyr
    - Gellideg Foundation (Local Charity)
    - Legacy (Local Charity);

- **Infrastructure, Ligature and Imaging Programmes**
  In 2022-23 the Health Board received over £5.8million Welsh Government funding from the diagnostic imaging replacement programme to support the replacement of the **MRI magnet at the Royal Glamorgan Hospital** (RGH), the **gamma camera at Princess of Wales Hospital** (PoWH) and to refurbish and **replace five general X-ray rooms** across PoWH, RGH and Ysbyty Cwm Rhondda sites. During 2022-23 considerable works were undertaken to deliver all schemes within programme and budget with all areas now fully operational. In 2023-24 the Health Board will complete the replacement of the **Fluoroscopy Room at PoWH** commenced in 2022-23, with additional Welsh Government funding made available during the year;

  In late 2020-21 CTMUHB commenced a £4.2million programme to **implement anti-ligature measures** in the inpatient mental health facilities in the Bridgend area with the vast majority of the programme successfully delivered in 2022-23 thus providing a consistent level of anti-ligature provision across all inpatient units in CTMUHB;

- During 2022-23 it was confirmed that more than £10million funding had been secured for a range of **infrastructure upgrades to electrical systems**, fire alarms, expanding photo voltaic panels on sites and other essential high-risk backlog schemes. This funding is in addition to the ongoing Welsh Government funding for the electrical infrastructure works on the RGH site amounting to a £3.2million scheme commenced in 2021-22 and it is due to be completed during the late spring of 2023; and

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

Service Transformation Schemes
During the year CTMUHB secured £8.5million capital funding to purchase the former British Airways (BA) development site in Llantrisant, close to RGH. Whilst this site currently remains under lease to BA until March 2024, plans are underway to develop the site to provide specialist elective care facilities including diagnostics and theatres. This scheme will provide a **regional elective care hub** to support in easing the pressure on treatment waiting times across South East Wales. This case will form much of the strategic focus for the planned care pathways moving forward;

In addition to the above CTMUHB has invested its discretionary capital programme and secured Welsh Government funding for a number of projects to support service change and increased capacity in both planned and emergency care pathways:

- Following the purchase of two vacated buildings in Gwaun Elai Medi Park, Llantrisant, adjacent to the RGH, CTMUHB invested over £3million on the refurbishment and equipping of these buildings to create a single **centralised outpatient breast unit** and a **long-term conditions hub**. Both units were completed in 2022-23 provide purpose designed dedicated patient facilities;

- A programme of **consultation and engagement work in Maesteg** has taken place over the last 12 months as to the future direction of the site, confirming its essential role within the community as a source of local healthcare and support. There is more about this on page 42. The outputs from the engagement process have confirmed a need for the **development of an integrated health park facility** on the site and as a result a funding application has been made to the Integrated and Rebalancing Care Fund to enable the development of a fully designed and costed schedule of works for inclusion in a business case to secure funding to undertake the works;

- In 2022-23, Welsh Government funding was secured to undertake upgrade and refurbishment works in the PoWH **Emergency Department** to improve the patient experience and facilities. A number of projects have commenced in this area and will continue with the support of infrastructure funding in 2023-24 and;

- Alongside these investments, a full programme of **small service transformation schemes** have been delivered including creation of **Gynaecology Day Assessment Units at Prince Charles Hospital and Royal Glamorgan Hospital** as well as continuing a programme to address backlog maintenance and statutory compliance issues. Further to this a programme of ICT investment in both service changes as well as ongoing replacements and improvements to the infrastructure have been delivered as well as a risk assessed equipment replacement programme.

Primary Care Pipeline Investment

Of the four schemes funded in the first round of pipeline funding, three have now completed with the **Bridgend Health and Wellbeing Centre** being the only outstanding scheme. This project, being run in partnership with Linc Cymru, will see the integration of primary, community and third sector services from three smaller clinical sites in Bridgend.

Regional Partnership Board (RPB)

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

The Social Services and Wellbeing (Wales) Act 2014, requires RPB to produce a Population Needs Assessment on a five-year cycle. The first was produced in 2017 and the 2022 Assessment is available here. The RPB website is regularly updated with **engagement activity** which can be accessed here. The RPB reports to the Board's Population Health & Partnership Committee and an example of one of its reports is available here from July 2022, where it is confirmed that an Outcomes and Performance Framework has been developed.

Public Service Boards (PSBs)

The Wellbeing of Future Generations Act (WBFGA) 2015 gives a legally-binding common purpose to improve the economic, social, environmental and cultural wellbeing of their area by contributing to the achievement of the **seven national wellbeing goals**. The WBFGA puts a wellbeing duty on specified public bodies including local authorities, local health boards, fire and rescue services and Natural Resources Wales to act jointly via PSBs. PSBs are require to assess the state of economic, social, environmental and cultural wellbeing in their areas (the Wellbeing Assessment), to use that to set local wellbeing objectives (the Wellbeing Plan) and to act together to meet those objectives.

Whilst there were until recently two PSBs in operation within the CTM area, as a result of work to combine these into a single forum a 'shadow' PSB was convened in February 2023 to agree the terms of reference for the **new Cwm Taf Morgannwg PSB.** Updates on the work of the CTM PSB are provided via CTM's Population Health & Partnerships Committee and a copy of its report to the November 2022 meeting is available here.

In March 2023 a report was submitted to the Health Board seeking support for the adoption by CTMUHB, as a statutory member of the Shadow CTM PSB, of the draft CTM Wellbeing Plan for 2023-2028, in line with the requirement to produce this document every five years. The Board duly approved the adoption of the Plan.

The document sets out the local wellbeing objectives and the steps it proposes to meet these objectives. The PSB have used the **Wellbeing Assessment** as the evidence base for the draft Wellbeing Plan, the data and information gathered has been used alongside what local communities and people have advised about life in Merthyr Tydfil, Rhondda Cynon Taf and Bridgend through ongoing engagement with members of the public, and community groups. The Wellbeing assessment **identified inequalities across the communities** and the draft plan sets out how the PSB will work together to reduce these inequalities to **improve the wellbeing for people living in the region now and for building towards a fair future**. The Wellbeing Plan will drive every aspect of the Public Services Board's activity.

Nursing Funded Care & Continuing Health Care (NFC & CHC)

The launch of the new Continuing Health Care framework in 2022 has seen the team **review, refresh and embed many of the CHC processes** across the CTMUHB footprint, in line with national guidelines. Alongside this work, we have developed and implemented a multi-agency training package to support the understanding and implementation for all stakeholders. During 2022-23 nurse assessors continued to work in partnership with local authority, independent care homes and domiciliary care providers to maintain standards across the sector.

Covid-19 has had significant and long-standing effects on the homes and it has only been in the **latter months of 2022 that we have seen Covid-19 regulations relaxed**, and care homes gradually accepting new residents. Additionally, the sector are experiencing particular challenges in relation to operating costs, staffing costs and staff retention. We are therefore working with providers to maintain quality of care, provide support with training and help with individual day-to-day issues that the homes may face.

CTMUHB Staff are **visiting all homes on a monthly basis to undertake quality visits**, as well three monthly reviews on any new admissions and annual reviews on those who have been living at the home for longer. We work closely with safeguarding colleagues and the tissue viability nurses to promote appropriate and timely pressure area care. Any contract monitoring issues identified relating to quality of care delivery are managed through a well-embedded multi-agency operational policy of escalating concerns, in partnership with the local authorities and Care Inspectorate Wales.

Having learned lessons in managing community packages of care through Covid-19, the team invested a significant amount of time working with providers and families to develop contingency plans for people receiving domiciliary care packages. The aim is to have clear and acceptable plans in place to avoid a crisis and the potential for hospital admissions.

Veterans

CTMUHB continues to be **represented at the Veterans Steering Group** in conjunction with colleagues from third sector organisations and local authorities to look at the support available across our communities. A review is underway to look at how CTMUHB's patient administration systems across Wales manage the referrals to acute services that fall under the remit of the Armed Forces Covenant. Signposting to community services is key and again CTMUHB is working with representatives in local council areas to ensure they are aware of services available through community stakeholders and representative from the Armed Forces.

Community Engagement and Involvement

Supporting the development and implementation of **CTM2030 - Our Health, Our Future**, the Health Board's new organisational strategy, has been a priority during 2022-23. A **comprehensive engagement strategy** was shaped by a public involvement survey to gather insights into the issues affecting the health and wellbeing of individuals and communities. The results of this survey, together with information gathered from more than 30 CTM2030 public engagement opportunities, provided us with a detailed understanding of the opportunities and barriers to people living happily and healthily in our area.

This was instrumental in shaping a new CTM2030 Community Leaders' Network for the region in 2022. The Network has quickly developed to become a respected forum where partners from across the public and third sectors come together to identify partnership opportunities, maximise the benefit of community spaces, and share expertise and experience to **improve population health and wellbeing.**

In terms of other community engagement work, both the Chair and Chief Executive undertook a range of community visits during 2022-2023 just as was the case in the previous year. This was made possible thanks to the extensive network of community links established over many years of public service, by our Independent Board Member, Mel Jehu. As a result of such visits it has been possible to speak directly to those living and working in our area including Ukrainian families, special needs teachers, head teachers, young people's groups, older person's groups and the Citizen's Advice Bureau amongst others. Such

engagement opportunities are invaluable in CTMUHB understanding the health and wellbeing challenges faced by our local population. Such intelligence is used to help shape CTMUHB strategies and to continually improve services. Grateful thanks are extended to all those involved in this work.

Other examples of CTMUHB's inclusive and accessible approach to community engagement include:

- **Healthy Futures - Maesteg**
  During early January 2023, we worked closely with residents from Maesteg and across the wider Llynfi Valley, to start **shaping the future of healthcare** in Maesteg; a key CTM2030 strategic priority. Four organised community engagement events took place with residents and members of local community groups sharing their experiences of using local services and their ideas about how we could help people to live healthier and happier lives in Maesteg. These events also provided an opportunity for people to **share ideas and thoughts** on developing Maesteg Community Hospital to become a health and care hub to meet the current and future needs of the local population. This short video (for those reading this report in digital form) captures event highlights and commends the approach taken by our Health Board to engage and involve communities and residents. Healthy Futures Maesteg is an **integrated communications programme** that utilises all digital platforms in conjunction with in-person engagement. The next phase of community engagement is planned for May 2023 with dedicated information events on the re-development of Maesteg Hospital for both residents and local community groups.

- **Children and Young People**
  Our Health Board's CTM2030 community engagement model has shaped our partnerships with CTM special schools, regional youth forums, school councils and wellbeing committees to co-design and launch a new **Children's Charter for CTMUHB** (in November 2022). School engagement and partnership working has resulted in the production of an easy read version of the Charter.

Experience, Safety and Improvement

Quality Strategy

CTMUHB's Quality Strategy (2022-25) was approved by the Board in March 2023. It outlines our commitment to enabling our excellent people to deliver high quality care to every person, every day, across all of our services. It also articulates and supports understanding of the new Duty of Quality.

This strategy outlines how an annual quality work plan will help focus efforts on the delivery of **'SMART' quality objectives**. Identification of these annual objectives will be data driven and risk-stratified to ensure a targeted approach to improving quality. As an organisation, we will monitor and report our progress against the quality objectives that we have committed to achieve. We will do this at regular intervals and will adapt our plans based upon **progress and learning**. Our Quality Management System will ensure that quality performance data is readily available in order to ensure rapid identification and response to any early warning indicators.

Quality and safety is everyone's responsibility, however, senior accountability and responsibility has been strengthened within CTMUHB through the collective responsibility being shared across our four clinical Executive Directors. Our operating model ensures clearly defined structures for **quality governance** across the operational Care Groups, and professional groups have identified leads for quality. CTM's Quality and Patient Safety Governance Framework (November 2020) & Quality & Safety Framework (2022-25) which received Board approval in January 2023, defines responsibilities at service level through to the executive level along with our **Incident Reporting Framework** which sets out systems for effective reporting and learning from incidents.

Quality & Safety Framework

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

The Quality & Safety Framework outlines the centralising of governance within the care group model. This model supports a central cohort of **professional and technical expertise** to support our services in responding to complex issues. The services within the 'Quality & Safety Central Team' work hand in glove with the Care Groups and Clinical Service Groups to ensure a quality service from the outset, but when things do go wrong, lessons are learnt and acted on swiftly and our patients and families are supported appropriately. Each Care Group will benefit from an assurance, escalation and risk framework, clearly demonstrating how this links to the overarching governance framework for point of service to Board assurance. Similarly, a shared model of a multi-disciplinary panel to **quality assure** and recommend closure of all care group incident and complaint investigations will provide consistency of approach, robust analysis and drive quality and learning.

The framework is an important part of the Board Assurance Framework (BAF – see page 78 for further detail about this) and links with the Health Board Risk Management Strategy approved in by the Board most recently in May 2023.

Quality Assurance & Measurement

Whilst the process of ensuring quality and patient safety is a Health Board wide objective, the management and oversight of this has been strengthened further over the last year. Responsibilities have been strengthened in relation to quality and patient safety across the executive team and within the new care groups. A weekly 'at a glance' report has facilitated high-level awareness of quality and patient safety concerns. The weekly **patient safety executive-led meetings** identify key priorities for the upcoming week and any issues for escalation.

The quality of information presented to each meeting of the Board's Quality and Safety Committee (Q&S) for assurance and scrutiny has continually improved. These reports cover all service settings including acute hospital care, primary and community, and mental health services. They also include overarching Health Board-wide **quality metrics** such as data on the incidence of **falls, pressure ulcers and medication safety**. The reports contain information across a wide range of quality indicators and enable scrutiny of patient experience across all care groups by use of a standard template, which enables comparisons.

Quality Impact Assessments

To ensure that planning is underpinned by quality, the Quality Impact Assessment (QIA) procedure has been revised to encompass any new plans, service change, programmes, projects or savings schemes. This is a fundamental process to ensure that any service changes or plans are thought through, understood and the potential **consequences on quality are considered**, with mitigating actions outlined in a comprehensive way.

Patient Safety Alerts - the internal management, monitoring and reporting process for Patient Safety Alerts (PSAs) and Patient Safety Notices (PSNs) is now operating in a structure of devolved responsibility to the relevant Care Groups with the central Patient Care and Safety Team providing support, co-ordination and oversight, leading to reporting compliance. Details of patient safety alerts and notices are publicly available here. To date, CTMUHB has **remained compliant with all but one** patient safety notice. The area of non- compliance is not particular to CTMUHB but is a national issue where all Welsh health boards are currently non-compliant.

Safeguarding and Public Protection

Following the tragic murder of a child from Bridgend, the CTM Safeguarding Board (CTMSB) commissioned a Child Practice Review (CPR) to examine the involvement of various agencies to inform the **learning and improvements** required. This CPR was published by CTMSB on 24th of November 2022 with key learning identified for all agencies.

The report was put before the Board in January 2023 noting two specific recommendations for CTMUHB:

- Review into its practice and management of identifying and investigating non-accidental injuries in children and adolescents; and
- Ensure that practitioners who work directly with children and young people are aware of their roles in identifying safeguarding concerns and their duty to report. There needs to be a system in place to ensure compliance, including safeguarding training programmes across all health practice roles. Compliance should be reported on an annual basis to the CTM Safeguarding Board.

In addition to the multi-agency recommendations and action plan from the CPR, a CTMUHB improvement plan has been developed in partnership with the Named Doctor for safeguarding, safeguarding leads and the Medical Director. The focus of this improvement plan is to ensure a **robust system** is in place to provide appropriate level 3 training to medical groups and monitor compliance of safeguarding training across all staff groups, including medical colleagues. This plan will include the development of a CTMUHB training forum and strategy that

will support a sustainable model of reviewing safeguarding training compliance. The next Listening & Learning Event on 28th March 2023 focused on **sharing the learning** from the CPR and subsequent improvements to the quality and effectiveness of safeguarding services, as well as ensuring public trust and confidence.

We have continued to **raise awareness** and requirements for completion of mandatory safeguarding training with the CTMUHB workforce to further embed the importance of safeguarding both in terms of children and adults.

There has been a focus on keys areas that have the most impact in terms of protecting children and adults at risk of harm. This is to ensure that **learning from Practice Reviews is shared and embedded** across services. Key learning identified includes:

- The importance of **effective communication** between professionals and professional curiosity when working with families where there are safeguarding concerns;
- Need for considering the **voice, wishes and feelings of the child** within safeguarding processes;
- CTMUHB needs to **challenge hierarchal practice** in safeguarding, using every opportunity to promote that 'safeguarding is everyone's business';
- The importance of **effective multi-agency working** in the management of suspected non accidental injuries, ensuring that the principles of the Wales Safeguarding Procedures are followed at all times; and
- Frontline practitioners recognising the **indicators of violence** against women, domestic abuse and sexual violence (VAWDASV) to undertake targeted enquiry and make appropriate high risk referrals to the Multi-agency risk assessment conference (MARAC).

CTMUHB objectives, including its **improvement journey**, can only be achieved by working closely with our colleagues, partners and Regional Safeguarding Board, ensuring that the priorities of both the Health Board and Regional Safeguarding Board are **reflected in improvement plans.** Examples of Good Safeguarding Practice Themes:

- **Increased awareness and appropriate referral** among frontline staff to recognise children who are suffering with poor mental health or at risk of self-harming behaviours;
- The **appointment of a hospital based Independent Domestic Abuse Adviser** (IDVA) who has been able to educate and train colleagues in the recognition and appropriate signposting to those who have suffered any form of domestic abuse. This role has been pivotal in ensuring patients receive continued support following discharge, through effective partnership working with statutory and third sector services;
- **Reduction of referrals for avoidable pressure damage** to the local authorities from CTMUHB; and
- Collaboration with partner agencies to further mature processes and pathways that **support practitioners in their recognition and referral** of safeguarding concerns.

Collaboration with Improvement Cymru and Institute for Healthcare Improvement.
In 2022, CTMUHB joined the national 'Safe Care Collaborative' – a safety programme facilitated by Improvement Cymru and the Institute for Healthcare Improvement. The programme consists of four key elements:

- A training programme for patient safety leaders;
- Foundational visits to the UHB to assess safety;
- A training programme to support the development of improvement coaches; and
- The Safe Care Collaborative – an 18 month long improvement programme.

Organisational Listening & Learning Framework
As a Health Board we are committed to promoting a culture which values and facilitates learning, and in which the **lessons learned** are used to improve the quality of patient care, safety and experience. A *Shared Listening and Learning Forum* (quarterly) is an organisation-wide initiative in place for the past two years designed to support and facilitate learning across all professional groups on a health board-wide scale.

CTMUHB's Listening & Learning Framework launched in 2022 demonstrates how **learning is identified, stored, triangulated, shared, disseminated and implemented in practice** to facilitate and embed a **culture of appreciative enquiry and continual improvement.** The Framework recognises that the Care Groups and Clinical Service Groups have internal governance and learning structures. The Framework, therefore, seeks to **complement** and build on these arrangements, by adding a strategic approach to support the organisation to learn lessons from a range of internal and external sources, to store and use this learning to share knowledge, shape change and create opportunities to develop excellence in practice.

A **learning repository has been developed** on SharePoint which is easily accessible to staff. The repository stores learning based on themes such as medication errors, pressure damage, falls etc. Learning stored includes action plans, newsletters, internal safety briefs and audits. A monthly **patient safety newsletter** is also produced to highlight positive learning, themes and trends from incidents and key activity within the central patient safety team.

In addition to this, **patient safety clinics** are offered to teams across the Health Board. These clinics are a proactive mechanism for **communicating and engaging** with staff in relation to key patient safety themes that have been collated from events and learning across CTMUHB. It provides a forum for staff to **gain knowledge and understanding** of patient safety and is a platform for learning as well as enabling a closer working relationship between the patient safety team and health professionals.

CTMUHB held a **Listening and Learning Conference** in September 2022 to share the vision for learning both within the organisation and across Wales. These are scheduled to take place twice a year with the next event scheduled for May 2023.

The Patient Care and Safety Team are working in collaboration with the Improvement Team to support the delivery of the safe care collaborative programme. A number of staff have attended the coaching for patient safety training to support teams in quality improvement initiatives. The Safe Care Collaborative aims to **demonstrate significant improvements and performance** by focusing on the following four work stream areas:

- Leadership for patient safety improvement;
- Safe and effective community care;
- Safe and effective ambulatory care; and
- Safe and effective acute care.

Patient Safety Incidents

A weekly overview thematic report is produced by the Patient Safety Team for internal scrutiny and to inform our weekly Clinical Executive's quality and safety meetings. All **serious incidents are thoroughly investigated** and reported to identify any learning and improvements in care that can be made.

The Health Board Incident Management framework was implemented in May 2022 in response to the Delivery Unit National Incident Reporting Policy. This framework is due to be revised upon receipt of the updated national framework from the Delivery Unit. Our framework outlines levels of harm and **supports teams in identifying nationally reportable incidents and never events**. The framework describes the processes to support the effective reporting and monitoring of incidents.

Root Cause analysis training is delivered bi-monthly by the central patient safety team to **educate colleagues** on the expectations of completing a robust investigation following an incident. Since refreshing the training in July 2022, approx. 60 staff have attended the training. The vision is for the first element of training to be completed on ESR followed by a face-to-face session which focuses more on the practicalities and tools required for writing a root cause analysis report.

Health & Care Standards / Duty of Quality and Duty of Candour

Since 1st April 2015 the Health Care and Care Standards (H&CS) has provided an established framework through which each Health Board can undertake a self–assessment and actions taken to implement improvement and changes required. Whilst H&CS are not mandated as compulsory by the Welsh Government, the Health Board uses an electronic system called the Health and Care Monitoring System to capture the H&CS audits. A HC&S audit was undertaken during 2022 and the corporate nursing team together with the Heads of Nursing formed a Task & Finish group to **implement a suite of quality & safety clinical & environmental audits** onto the AMaT (Audit Management and Tracking) digital platform. This system is being used to display results at a glance and in real time in terms of audits and any improvement action plans and data can be shared and viewed by multiple users enabling ward performance to be viewed on demand.

The new **Duty of Quality and the Duty of Candour** came into force as of April 2023, in line with the Health and Social Care (Quality and Engagement)

(Wales)(Act) 2020. This requires CTMUHB to report annually regarding compliance with those duties. These new reporting requirements will therefore be captured in our next Annual Report (2023-24) and replace the 2015 H&CS. The aim of the Act is to **map and embed the six domains of quality** into the current core audits thus ensuring care is:

- safe
- timely,
- effective
- efficient
- equitable; and
- patient-centred.

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

During 2022 CTMUHB moved to a Care Group Model and to support this change the quality governance structures were reviewed and centralised so that they operated using a business partner model. Quality Governance provides Board assurance through a systematic approach to maintaining high quality care and standards which uses ongoing measurement and reporting on safety, effectiveness, staff and user experience, identifying areas for improvement and enabling the sharing of good practice in accordance with statutory obligations. **Staff strive to deliver the best patient experience** in all our services, and it is important to us to understand the reasons why, on occasion, care has fallen below the standards we would expect, so that we can take appropriate action to prevent this recurring.

The Welsh Government NHS Delivery Framework requires Health Boards and Trusts to report quarterly the percentage of complaints which were responded to in 30 working days. The target is to respond to 75% of complaints within this timeframe. Some complaints can be more complex and take longer to provide a detailed response and we aim to resolve those within 6 months. Our **complaints management systems were centralised** in February 2023 which has enabled the implementation of triaging which aims to ensure that the complaint is managed in the most effective way. The overall goal is an increase the proportion of complaints resolved through the early resolution process and decrease in the number requiring management under the formal complaints process.

The People's Experience Team continues to engage with our patients, families, carers, staff and third party stakeholders alike to understand what receiving care feels like to them and to ensure their **voices are heard and that feedback is used to drive service improvements.**

The Patient Feedback System
This enables patients, families and carers to tell us about their experiences of the services they have accessed. This can be provided via completing paper 'have your say cards', text messaging (survey links sent to mobile phones) and posters

displaying QR codes with links to surveys displayed across all three main hospital sites across CTMUHB. Currently the system holds over 40 bespoke surveys covering specialties such as maternity, therapies, paediatrics and mental health. Between April 2022–March 2023, 4,158 responses were received, of which 364 related to 'Have Your Say'. Over the coming year this will be broadened to all specialties so that the organisation is in a position to generate automated text messages to service users to seek timely feedback. Examples of the feedback received are as follows:

- *The nurses are very helpful and the food is very good.*
- *All staff have very helpful and informative. Would be helpful is there was a shelf in the shower for belongings. Students were brilliant.*
- *My wife has terminal cancer and was brought in (to hospital) to control her pain medication. The ambiance was perfect for my wife. There was a calmness about the place and the staff were very welcoming and attentive. The nurses couldn't do enough for us. It is such a pleasant place. Well done for providing such a facility.*
- *The procedure was delayed for a considerable time beyond the control of the staff. I was kept informed. The friendliness and professionalism of the staff made it problem free visit.*
- *I have received great care since my stay. Baby has also received great care. Always someone around if you needed them.*
- *Most grateful to all staff @ cardiology department all very professional yet friendly & so caring can't thank them all enough best regards to all*
- *I wanted to give the highest praise for the staff carrying out the laser treatment. Throughout the course they have always been very professional, friendly and made it such a pleasant experience. The provision of the laser treatment has changed my life and is such a wonderful service.*

Examples of where we have implemented changes as a result of feedback:

- The neonatal team implemented changes to processes as regards **how information is shared** in relation to discharge planning and wellbeing support. We also used feedback to ensure information around overnight stays for parents was readily available so that families could be together with their baby 24/7;
- **Dimmer switches have been put into place on the Paediatric Ward** at the Princess of Wales Hospital along with the purchase of new items of equipment for the Ward Play Room; and
- Support for birth partners and **improved training for staff in relation to pregnancy registration, self–referral** etc.

Public Service Ombudsman for Wales

Where service users are not content with the response to their complaint prepared by CTMUHB staff, they are entitled to refer their complaint to the Public Service Ombudsman for Wales (PSOW) who has the **power to review such matters on an independent basis** where appropriate. CTMUHB's PSOW Liaison Officer has continued to work closely with the PSOW's Investigation Officers ensuring that regular communication is maintained, particularly if there are any delays and also to ensure cases are escalated as required.

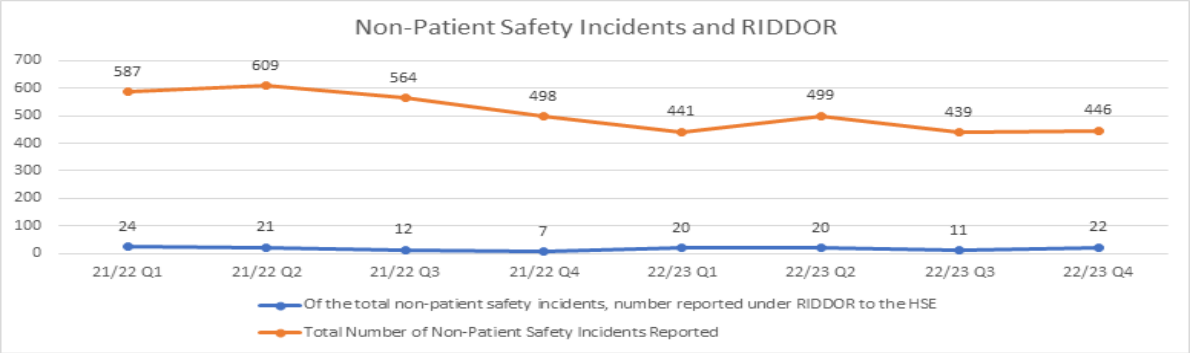
Regular in-depth reviews of PSOW referrals are held with the Head of Concerns and Business Intelligence, Complaints Team Manager and the Liaison Officer to ensure that the Health Board is meeting compliance and that any necessary support/assistance is put in place. As per PSOW request to all Health Boards across Wales, CTMUHB continues to **share quarterly complaints returns with the PSOW's office** and from December 2022, the PSOW had started to publish this data on their website.

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

Incident Management
To facilitate, support and promote the effective delivery of this work, CTMUHB has re-developed the Incident Management Framework & Toolkit to outline, detail and provide guidance to colleagues on each step of the process, including 'how to guides' throughout incident management. Root Cause Analysis investigation training has continued to be delivered across the organisation. CTMUHB has **invested in a robust training package** and facilitate this through Electronic Staff Record (ESR) to ensure investigations are led by trained individuals, is consistent and of high quality.

Compliments
Compliments are also an extremely valuable source of learning although they can be challenging to keep track of as they are often verbal. They are very important to staff as they **reinforce what we are doing well.**

Health, Safety & Fire
During 2022-23, CTMUHB has continued to manage the day to day legal responsibilities placed on it by the Health and Safety at Work Act and the Regulatory Reform (Fire Safety) Order. Furthermore, the challenges the pandemic have introduced have equally been important to the safety of staff, patients and visitors. The graph below sets out the annual statistics in relation to **incidents that have occurred in relation to health and safety** matters. CTMUHB continues to undertake focussed work to tackle trends.



As part of the revised operating model arrangements that are in the process of implementation within CTMUHB, each Care Group will have a Health, Safety and Fire Group that will provide a **forum for related issues to be reported, discussed and monitored.** This is conducted in partnership with trade union

safety representatives and supports the essential organisation culture to **enable compliance and support the safety of all staff, patients and visitors.** CTMUHB's Health, Safety and Fire (HS&F) Sub Committee meets on a quarterly basis across the year in order to provide assurance regarding the ongoing work to address compliance and mitigate associated risks. The HS&F Sub Committee reports to the Quality & Safety Committee following each of its meetings and an example of a report is available here."

Performance Monitoring 2022-23

Total Number of Complaints Received	Formal 940 Early Resolution 2,235
Themes Arising From Complaints	Clinical Treatment and or Assessment 1,135 Appointments 537 Communication Issues 395 Attitude & Behaviour 274 Medication 127
Compliance with NHS Delivery Framework target that 75% of complaints should be resolved within 30 working days	55%
Incidents Logged	26,647
Serious Incidents/Nationally Reportable Incidents Recorded	89
Legal Claims Registered	140
PSOW requests for a further response	78
Compliments Received	866

Innovation & Improvement

CTMUHB has established iCTM bringing together Quality Improvement, Innovation, Value Based Healthcare and organisational change into a single function to ensure clear focus on improvement activity across the organisation. The iCTM directorate **builds capacity for change** across the organisation, co-ordinates improvement and innovation activity and engages with staff, patients, communities & partners in driving the adoption and spread of the most impactful improvement and innovation options, all underpinned by the principles of Prudent and Value Based Healthcare and co-creation.

Working with our partners, CTMUHB have set up a **Patient Safety Improvement Collaborative Programme** focusing on Community Acquired Pressure Ulcers. This newly formed Improvement Collaborative across health, social care, academia and 3rd sector aims to support healthcare teams to reduce the incidence of avoidable patient safety incidence of skin pressure damage occurring whilst patients are outside of a hospital setting. Building upon the excellent work already taking place to reduce avoidable patient safety incidents, the Improvement Collaborative provides teams with the information, support, and resources they need to reduce the number of avoidable community acquired pressure ulcers whilst at the same time **increasing the capacity and capability of frontline clinical teams** to improve the care they deliver using quality improvement methods.

The iCTM team continues to roll-out, across CTMUHB, Patient Reported Outcome Measures (PROMS) and Patient Reported Experience Measures (PREMS), providing valuable **insight into the experience of our patients** and identifying areas for

improvement. This insight has led to a number of **projects to improve quality** such as the Value Based Healthcare Heart Failure pathway projects. The insights showed that of these patients 90% felt listened to, 50% of patients who found that they had to use the Heart Failure service found the wait shorter than they were expecting and 74% of patients rated their experience as excellent.

Our Innovation Team and Regional Innovation Coordination Hub (RIC Hub) have worked with Newydd Housing Association and GetFitWales to promote healthy development in participant's **inclusion, wellbeing and behaviour**. By using step trackers and incentivising attainment of step goals, GetFitWales aims to **support individuals to improve their physical activity and connect community vendors** addressing issues effecting their health and wellbeing. The RIC Hub have coordinated the programme and identified new partners to upscale the project with a view to roll-out across Wales.

Working alongside Newydd, Cardiff and Vale RIC Hub, Public Health Wales, University of Trinity St David, Wales Institute of Digital Information and regional health board and community experts, we have been working on creating a **new digital portal to build positive long-term habits for participant's health, happiness and well-being**. CTMUHB's Wellness Improvement Service programme are working with Get Fit Wales to support patients on pre-diabetic and Cardiology waiting lists to improve wellbeing whilst waiting for appointments.

Key areas of improvement focus during 2022-23 have been:

- IV Fluids – a project to improve the safer use of IV fluids is now being rolled-out across the organisation;
- Process Mapping – support given to teams to understand their systems;
- Falls reduction – our work at Angleton Clinic at Glanrhyd Hospital to reduce falls will be rolled-out across the organisation as part of a wider improvement collaborative;
- The relaunch of the 'Your Medicines, Your Health' patient safety campaign; and
- The delivery of workshops on psychological safety in partnership with the Patient Safety Team.

Research and Development

CTMUHB's R&D Department continues to support and deliver a broad range of high-quality collaborative commercial and non-commercial research studies registered on the Health and Care Research Wales Clinical Research Portfolio (CRP), providing patients with the opportunity to participate in high quality research with potential access to new treatments and therapies.

The main performance metric for recruitment from Welsh Government is for 80% of studies to close having recruited to time and target (target number of participants recruited within the specified timeframe). During 2022-23, this metric was met for non-commercial research (84%) although the standard was not achieved for commercial research (67%) due to a lack of eligible participants.

The R&D Department continues to meet and collaborate with its academic and industry partners to optimise research opportunities and provide support in the set up and delivery of studies, a key role in the Health Board maintaining University

Health Board status. Collaborative working has supported the submission of high quality and successful funding applications, increasing research income. The grant applications provide a source of income that can help build capacity to support the research studies.

Since the establishment of CTM UHB's (first) Clinical Research Centre (CRC) at the Royal Glamorgan Hospital funded from the Vaccine Taskforce Fund and CTM UHB, the research activity has evolved. Having designated research space makes the Health Board be more attractive to commercial and academic partners, providing further opportunity for our population to take part in high quality research. It also facilitates income generation from commercial research, which can be re-invested to grow the Health Board's research infrastructure. The R&D senior management team are now seeking to develop designated space for research (administrative and clinical) at Prince Charles Hospital and Princess of Wales Hospital sites.
As a result of having the CRC, CTMUHB was the only site in Wales to set up and deliver the Moderna Covid-19 vaccine trial, comparing a bivalent omicron variant vaccine with the original vaccine. The bivalent vaccine was approved and administered as part of the autumn booster programme, (2022).

The R&D infra-structure for research support and delivery continues to be reviewed and developed to provide additional research capacity ensuring that equitable research delivery support is provided to the clinicians across each of the hospital sites, as well as equitable access for the community to participate in research. Recent appointments include a Research Physiotherapist, 2 x Research Nurses, and an additional Research Midwife. Recruitment is also in progress for a Senior Clinical Research Specialist Officer.

The annual Research and Development Conference provides an opportunity to showcase the multi-disciplinary and multi-professional research being hosted and undertaken. This took place in the autumn of 2022 and in line with the Health Board's key strategic objective of promoting "sustainability", this was a paperless conference.

Nurse Staffing Levels (Wales) Act (2016)

Section 25A of the Nurse Staffing Levels (Wales) Act (2016) Act 25A refers to the organisation's overarching responsibility to have regard to providing sufficient nurses in all settings where they directly provide or commission care and Section 25B of the Act requires the organisation to calculate and take **reasonable steps to maintain the nurse staffing level in all adult & paediatric acute medical and surgical wards.** Health boards are also required to inform patients of the nurse staffing level on those wards.

As part of the triangulated approach to calculation of the nursing workforce required, data is entered onto a digital platform that allows daily recording, oversight, monitoring of patient acuity, staffing levels, and recording of mitigating actions when the staffing levels required cannot be met. This programme of work has been driven and embedded throughout the Health Board for many years. As part of an all-Wales initiative, a ward management system called 'Safe Care' provides a visual presentation of live data entered by operational staff relating to the acuity of patients and planned and deployed nurse staffing levels. This is being implemented across CTMUHB with a plan to ensure this is embedded by the end

of 2023. Regular updates are provided to the Board regarding organisational compliance with the Nurse Staffing Act and an example of such a report is available here. A copy of the Nurse Staffing Act Annual Assessment Report which was received by the Board in May 2023 is available here.

Mortality Review

CTMUHB are performing mortality reviews in line with the all-Wales Learning From Mortality Review Model Framework which aims to provide a **co-ordinated and systematic approach to the review process** to enable local and national implementation of learning, prevent future harm and improve the experience of patients, families and NHS staff. Medical Examiners (ME) are **independent to Health Boards** and aim to provide objective review of all deaths other than those covered by HM Coroners. HM Coroners investigate deaths where the cause is unknown, violent or unnatural or where the deceased has died whilst in state detention. In most cases the deceased's own doctor or a hospital doctor who has been treating the deceased is able to give a cause of death and issue a medical certificate.

Upon receipt of an ME referral, the process for managing cases is decided via the CTM Multidisciplinary Mortality Review Screening Panel that went live on 1st April 2022. This ensures all cases follow the same process within each Service Group. April 2022 was also the "go live" date for the Mortality Review module within DATIX capturing information in a more systematic way, **providing themes and learning action plans**. This co-ordinated approach to analysing information from different sources helps target and prioritise the key risks that require local and national attention.

Every stage of the mortality review process provides an opportunity to learn and recognise notable practice. Immediate learning from Mortality Reviews is urgently communicated and **direct feedback is provided to clinical and nursing teams** when required. 2023 will see the introduction of bi-annual learning MR events across CTM with quarterly events being established for education.

The ME Service is currently reviewing approximately 97% of all CTM in hospital deaths with around 45% of these referred for MR. ME and MR rates vary across Wales, reflecting local practice within an evolving national ME and MR framework.

The high rate of ME reviews achieved in CTMUHB along with its high quality MR system produces a **comprehensive picture of hospital mortality**. CTMUHB is currently a **field leader within Wales for the hospital MR Process** enabled by the dedication and hard work of the MR Teams and the Audit Department.

Workforce Metrics

Performance against workforce metrics such as staff appraisals, statutory and mandatory training etc. are reported to the Board's People & Culture Committee which scrutinises performance. This data is also part of the overall performance report presented to each Board meeting held in public and examples of such data can be located in the Performance Analysis section of this report.

Cymraeg /Welsh Language

Increasing our capacity and capability to provide more of our services in Welsh is a Health Board strategic objective. We have made further progress in **improving**

and consolidating our bilingual provision in year, concentrating on accountability and monitoring, and cultural and behavioural change.

The following are some of our key Welsh language achievements in 2022-23:

- Established our **Welsh Language Steering Group** reporting to the People & Culture Committee, with senior Care Group membership;
- Created a **monitoring tool to capture improvement work** and record and monitor compliance at ward and service level;
- Commenced the process of **developing our operational plan** for the next three years, ensuring this captures improvements needed to meet the Welsh Language Standards Regulations and the Welsh Government's More Than Just Words 5-year Plan 2022-2027;
- Commenced the process of **embedding the Policy Making Standards** into how services are planned and support decision making by including Welsh in our new Equality Impact Assessment (EQIA) process;
- Moved the focus from top-down communication to support and structure conversations between the Welsh Language Team and individual wards and services;
- Developed a **Welsh Language Communications & Promotion Plan** based on behavioural insights and cultural change best practice, to ensure we talk about Welsh and promote bilingual provision in a way that enables and inspires. As part of this plan we have:

    - Held a staff event to talk about **what Welsh means to patients** including a patient story segment, a research segment with a leading clinical researcher on the importance of Welsh in care and a segment to share our outline operational plan with staff;
    - Created **two new staff guides**, one for operational staff and one for using Welsh in Communications & Engagement work;
    - Revamped our SharePoint site to align with our principles for communicating around Welsh;
    - Included a stand-alone Welsh section within the new corporate induction with engaging material, the **messaging of which focuses on why we offer services in Welsh,** how we support staff and what we do bilingually in CTMUHB; and
    - Created **bespoke resource packs** for wards and services, with resources to support the Active Offer and posters and prompts to support greeting visitors and encouraging staff to use Welsh.

Further information can be found in our Welsh Language Standards Annual Monitoring Report due to be published in September 2023 and the report relating to 2022 is available here. More information on the Welsh Language Standards and our compliance notices can be found here.

Wellbeing of Future Generations (Wales) Act 2015

A commitment to the **Wellbeing of Future Generations Act (WBFGA)** provides a "golden thread" throughout the work of the Health Board.

The CTM2030 Strategy*, Our Health, Our Future,* outlines the Health Board's ambitious programme of strategic transformation, identifying four strategic priorities (**creating health, sustaining our future, improving care and**

inspiring people), underpinned by strategic implementation groups which work across the life course. Its ambition of "*building healthier communities together"* represents a fundamental shift towards preventing ill health from happening, rather than treating people when they get sick, whilst ensuring that we are able to provide the best care possible when people need our support.

Recognising that many of the determinants of population health and wellbeing exist outside of our direct control, CTMUHB is actively pursuing its role as an effective system leader, working with partners to realise a CTM of **cohesive, prosperous, more equal, resilient and healthy communities**. Within the past year, it has:

- **Established the CTM2030 Community Leaders' Network**, a multidisciplinary group comprising community partners from across the public and third sectors within CTM, who meet quarterly to identify partnership opportunities for supporting people's health and wellbeing needs; from cost of living and housing support to bereavement and routes into employment;
- Actively participated in the merger of the Cwm Taf and Bridgend Public Service Boards into a single entity, supporting **the production of a CTM Wellbeing Assessment** and shaping the Wellbeing Plan;
- Established the CTM Healthy Housing Alliance, which brings together housing and health partners to share data, resources and staff appointments to address the critical impacts of (poor) housing on the health and social wellbeing of CTM residents;
- Instigated a Whole System Approach (WSA) to Healthy Weight, which has galvanised partner organisations to address the critical issue of **how we can collectively enable our residents to achieve and maintain a healthy body mass index (BMI);**
- Worked with academic partners to achieve re-designation as a University Health Board, **evidencing our commitment to research and development**, training and education and innovation, underpinned by a commitment to digital solutions and the development of staff and partnerships; and
- Emerged as a **leading population health organisation**, informed by data driven planning and delivery of proactive care to achieve maximum impact for the health and wellbeing of the population.

Internally, CTMUHB is actively realising its unique contribution to a **globally responsible Wales.** The newly formed CTMUHB Environmental Sustainability Group (ESG) plays a key role in advising, guiding and monitoring the development and implementation of:

- CTM's **Decarbonisation Strategy** (2022–30) and implementation plan;
- CTM's **Biodiversity and Resilient Ecosystem** Strategy (2022-25) and implementation plan;
- Programmes and projects delivering decarbonisation and environmental sustainability;
- **Annual carbon emission reporting** to Welsh Government which serve to monitor CTM's progress towards our strategic goal of **'Sustaining Our Future'** and becoming a carbon neutral organisation in line with Welsh Government's NHS Decarbonisation plan. A copy of CTMUHB's the six monthly report to Welsh Government was received by the Board at its meeting in May 2023 and is available here.

Likewise, as a committed Anchor Institution, CTM has developed an **Anchor Strategy** and steering group to maximise the positive impacts of its employment, procurement, environmental and corporate activities. Whilst serving as a brief precis, these activities ably demonstrate CTMUHB's long term vision and commitment to **the Seven Wellbeing Goals and five ways of working,** as laid out within the WBFGA.

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

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

A copy of the CTMUHB Annual Sustainability Report for 2022-23 will be available via our website in the autumn of 2023.

ISO 14001:2015 is the international environmental standard that specifies requirements for controlling aspects of an organisation that have a significant impact on the environment, through an effective Environmental Management System (EMS). It is a requirement of Welsh Government that Health Boards in Wales are accredited to ISO 14001:2015. The accreditation is on a three-year cycle with surveillance audits every year for CTMUHB to ensure compliance. The Audit & Risk Committee was made aware of a lapse in accreditation of this standard, of a minimum of 11 months during this reporting period.

At the time of finalising this report CTMUHB has achieved re-accreditation (June 2023) and has implemented robust systems and processes to prevent a lapse occurring in the future. Further assurance is provided that during the lapsed period the environmental management system and processes have been maintained by the CTMUHB Facilities Team, in accordance with ISO14001 requirements and standards.

Performance Report Conclusion and Forward Look

Despite the many challenges CTMUHB is facing, this Annual Report highlights how we have continued to deliver service improvements, new ways of working, taken opportunities to be innovative and embraced new technology – all of which have **contributed to us making improvements** to the quality, safety and sustainability of services.

As we continue to look forward we remain committed to ensuring that **people**, **quality and safety are at the heart of everything we do.** In developing our long term strategy – CTM2030: Our Health, Our Future - there are clear opportunities for us to focus on how we best provide timely and accessible services but also tackle long-standing inequalities, poor health and lifestyle choices.

Throughout this work we will continue to **build on the partnership working** across primary and secondary care and with our partners and communities to ensure that we all work together to deliver the high quality services and support our communities deserve.

Paul Mears

Chief Executive and Accountable Officer **Date:** 27th July 2023

Chapter 2:

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. The requirements of the Accountability Report are based on the matters required to be dealt with in a Directors' Report, as set out in Chapter 5 of Part 15 of the Companies Act 2006 and Schedule 7 of SI 2008 No 410, and in a Remuneration Report, as set out in Chapter 6 of the Companies Act 2006 and Schedule 8 of SI 2008 No 410. As not all requirements of the Companies Act apply to NHS bodies, the structure adopted is as described in the HM Treasury's Government Financial Reporting Manual (FReM) and set out in the 2021-22 Manual for Accounts for NHS Wales, issued by Welsh Government.

The Accountability Report consists of three main parts:

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

- The **Remuneration and Staff Report:** this report contains information about the remuneration of senior managers and independent board members. It details 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. It also sets out the membership of the CTMUHB's Remuneration Committee, and information with regards to staff numbers, composition and sickness absence, together with expenditure on consultancy and off-payroll expenditure; and

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

Corporate Governance Report

The Corporate Governance Report provides an overview of the governance arrangements and structures that were in place across CTMUHB during 2022-23. 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, are fair, balanced and understandable; and

- **The Governance Statement:** this is the main document within the Corporate Governance Report. It explains the governance arrangements and structures within CTMUHB and brings together how the organisation manages governance, risk and control.

Director's 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.

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. Details of Board Members and other members of the Executive Leadership Team for the year 2022-23 are outlined in this section (and further details are also listed at Appendix B – page 97).

In terms of changes to Board Members and the Executive Senior Team during 2022-23, these are outlined below:

- Gethin Hughes took up the substantive Chief Operating Officer position from April 2022;
- Lauren Edwards also took up post as the substantive Executive Director of Therapies and Health Sciences position during April 2022;
- Dom Hurford, Executive Medical Director (substantive appointment) from May 2022; and
- Kelechi Nnoaham, Executive Director of Public Health left on the 30th November 2022.
- Georgina Galletly, Director of Corporate Governance (Board Secretary) left mid November 2022 to commence a secondment opportunity.

As highlighted above, during 2022-2023, whilst a small number of roles on the Board were vacant for short periods, responsibilities were covered to ensure

continuity of business and effective governance arrangements. Deputising arrangements were specifically put into place to cover priority areas. Such arrangements supported the Health Board in maintaining stability and ensure the Board's duties could be discharged during the periods of absence of a substantive post holder:

- Executive Director of Public Health (from December 2022); and
- Director of Corporate Governance (from mid November 2022).

Independent (Voting) Board Members as at 31st March 2023:

In March 2023, the Minister for Health & Social Services announced that the term of office of CTMUHB's interim Chair, (Emrys Elias) would come to an end on 31st March 2023 and Jonathan Morgan would take up this role on a substantive basis from 1st April 2023. The Chair is supported by ten other Independent Members. Confirmation of their membership of Board Committees is set out below and biographies are available via our website by clicking here:

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

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

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

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

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

Nicola Milligan, Independent Board Member
- Vice-Chair of Charitable Funds Committee

- Vice-Chair of People & Culture Committee
- Member of Remuneration Committee
- Member of Planning Performance & Finance Committee
- Member of Quality & Safety Committee

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

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

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

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

Executive Directors (Voting Board Members) **as at 31st March 2023**:
- Paul Mears, Chief Executive;
- Dom Hurford, Executive Medical Director (substantive appointment from May 2022);
- Greg Dix, Executive Director of Nursing, Midwifery and Patient Care (and appointed Deputy Chief Executive from March 2023);
- Gethin Hughes, Chief Operating Officer encompassing Executive Director responsibility for Primary, Community and Mental Health Services;
- Hywel Daniel, Executive Director for People;
- Linda Prosser, Executive Director of Strategy & Transformation;
- Sally May, Executive Director of Finance; and
- Lauren Edwards, Executive Director of Therapies and Health Science.

***Points of Note**:*

Non-Voting Associate Board Members 2022-23
- Lisa Curtis-Jones (Local Authority);
- Anne Morris, Chair, CTMUHB Stakeholder Reference Group (appointed from May 2022); and
- Sally Bolt, Chair, Clinical Advisory Group - incorporating the remit of the Health Professionals Forum (appointed from September 2022).

Other Board Level Directors

- Georgina Galletly, Director of Corporate Governance/Board Secretary (until November 2022); and
- Stuart Morris, Director of Digital.

The Health Board ensures that there is rotation of Committee meetings in terms of those acting as the Chair and Vice Chair. This supports succession planning. This will be particularly important during 2023-2024 and 2024-2024 where a number of IM Terms will be coming to an end. The Health Board ensures it complies with the lead time with Welsh Government Public Appointments Unit to provide sufficient time to ensure a stable Board is maintained and allow for a robust handover arrangements as appropriate.

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 2022-23, a full register of interests for this period is available upon request from the Director of Corporate Governance or via the Audit & Risk Committee papers available here. A further update was also prepared at the end of March 2023, which was received by the Committee in April 2023.

Statement of the Chief Executive's Responsibilities as Accountable Officer for Cwm Taf Morgannwg University Health Board (CTMUHB)

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer to the CTMUHB.

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

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

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

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

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

Paul Mears **27th July 2023**

Chief Executive and
Accountable Officer

Statement of Directors Responsibilities in Respect of the Accounts

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

In preparing the accounts, the Directors are required to:

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

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

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

By Order of the Board Signed:

	Jonathan Morgan **Chair**	**Date: 27th July 2023**
	Paul Mears **Chief Executive and Accountable Officer**	**Date: 27th July 2023**
	Sally May **Executive Director of Finance**	**Date: 27th July 2023**

Governance Statement

Accountable Officer Statement: Scope of Responsibility

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

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

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

Targeted Intervention
As noted in the Performance Report, there was a change to CTMUHB's escalation status towards the end of 2022 when Maternity Services were de-escalated to 'Targeted Intervention' status. A summary of CTMUHB's current escalation status as at 31st March 2023 is set out on page 10-11

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 regularly by the Operational Management Board providing oversight that CTMUHB is meeting both internal and external targets for quality and performance. The Board Assurance Framework, discussed later in this section, is also now be received at every routine Health Board meeting.

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

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

Application of the Model Standing Orders

Standing Orders are agreed by NHS organisations in Wales for the regulation of proceedings and business and are designed to translate the statutory 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.

Variation to CTMUHBs Standing Orders

In accordance with the Public Bodies (Admissions to Meetings) Act 1960 CTMUHB is required to meet in public. Throughout 2022-23 Board meetings have been held virtually via MS Teams with meetings live-streamed to enable members of the public to observe proceedings remotely which mirrors the arrangements first put into place during 2020 when the Covid-19 pandemic first struck. For the March 2023 meeting, Board Members met in person and plan to hold future meetings in person but will continue to live-stream these to the public.

The live-broadcast of the meeting complies with the requirement to conduct such meetings in an open and transparent manner and is supported by the fact that agenda and meeting papers are made available in advance via the CTMUHB website, including any minutes relating to meetings held in private. Further information as to what constitutes a private meeting is captured later on in this section.

Consideration is being given to how the Board can continue to meet in person, live-stream its Board meetings using its own digital systems, whilst also making it possible for members of the public to listen to the meeting in-person.

Similar arrangements are in place for Board Committees in terms of the meeting papers being published on the CTMUHB website although Board Committee meetings are not currently live-streamed to the public. It is acknowledged that CTMUHB does not currently comply fully with the Public Bodies (Admission to Meetings) Act 1960 as Board Committees are not currently open for the public to attend in-person.

When there is a need to vary Standing Orders or duties need to be discharged differently, then such decisions are logged in the respective meeting minutes and action logs as appropriate.

CTMUHB continues to operate a system of only using **Chair's Urgent Action** for exceptional circumstances with details of the decision being reported to the next Board meeting. The Health Board also continues to a **'Consent Agenda'** for all Board meetings so that any items which are straightforward in nature can be processed without placing these on the main agenda which maximises the use of available meeting time.

During 2022-23, CTMUHB breached its Standing Orders in terms of the requirement to publish its Board agenda and papers 10 calendar days prior to a Board meeting. The Health Board routinely publishes its papers seven calendar days in advance of Board meetings.

CTMUHB Board & Committee Meetings

Health Board Meetings

As a minimum, the Board meets in public six times a year, but there are occasions when special extra-ordinary board meetings take place, for example to approve the annual accounts. Each regular meeting now begins with a **Listening & Learning story**, setting out the personal experience of someone who has used one of CTMUHB's services and/or works within CTMUHB. This is an opportunity to learn lessons and help improve and plan future services. Examples of the stories received during 2022-23 are set out below:

- A story received in May 2022 regarding the use of a heart failure app to help a patient manage their condition;
- A story received in July 2022 related to a patient's experience of Maternity Services;
- A story received in September 2022 related to a patients experience of the treatment they received after experiencing a significant crush injury at work;
- A staff story received in November 2022 outlining work being undertaken by the Frailty Service;
- A staff story received in January 2023 meeting outlining the work of the Wellness Improvement Service Programme; and
- A story received in March 2023 relating to a mother who suffered a significant deterioration in her mental health after giving birth and how this impacted the ability to bond with her child.

All the meetings of the Board held during 2022-23 were appropriately constituted and quorate.

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

At each Board meeting, the Health Board receives the Board Assurance Framework which provides a high-level account of the Principal/Strategic risks and links to the high level risks on the Organisational Risk Register. This report is published in the public domain, ensuring transparency around the strategic risks the Health Board has identified as obstacles to its strategic direction. Members of the public and any other stakeholders have the opportunity to comment or raise queries on these risk reports, in accordance with the Health Board Standing Orders.

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 Integrated Medium Term Plan. These Committees are set out below and their terms of reference are available at here:

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

The Board is exploring plans to enable its committee meetings to be made available to the public via live streaming. In the meantime, anyone wishing to observe a meeting of a Board Committee can submit a request to CTM_Corporate_Governance@wales.nhs.uk and this will be considered on an individual basis.

Sub Committee(s): CTMUHB has a single Sub-Committee – the 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 is set out in the respective terms of reference. .

The governance structure of the Board Committees and Advisory Groups of the Board is captured in Appendix D of the Accountability Report on page 100.

Board Committees are chaired by Independent Members (details of which Board Members act in this capacity is set out on page 96 onwards) and meet regularly with **cross-representation** between Board Committees to support the connection of the business of committees and also to seek to **integrate assurance reporting**. Details of membership and levels of attendance at both the Board and these Committees is set out at Appendix B on page 97.

The Board receives a highlight report following each Board Committee meeting. This is an effective system for **channelling information flows** regarding performance monitoring, assurance and matters which have been identified for escalation to the Board. These might be areas of under-performance or indeed particular good news of which the Board needs to be aware.

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

As well as reporting to the Board, Committees work together on behalf of the 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 and Vice 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, CTMUHB's Audit and Risk Committee has a specific role in relation to reviewing the effectiveness of our **risk management systems** and the Board Assurance Framework which provides assurance to the Board on the delivery of its objectives as outlined within the organisation's three-year plan (IMTP – further details regarding this plan are set out on page 17). The Audit and Risk Committee meeting is held in two parts, one relates to matters relating to CTMUHB and the other 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 2022-23, key aspects of CTMUHB business activity delegated to the Audit and Risk Committee included:

- Overseeing systems of internal control, including receiving regular progress reports on the Standards of Behaviour Framework, the Organisational Risk Register, Losses and Special Payment and Procurements and Scheme of Delegation;
- Receiving regular reports on the Post Payment Verification Process, including an Annual Report;
- Receiving regular reports for information in relation to Clinical Audit, such as the Clinical Audit Annual Plan and Quarterly Update reports;
- Receiving regular progress reports in relation to Consultant Job Planning and Medical Rostering;
- Review and endorsement for Board Approval the Annual Accounts and Accountability Report for onward submission to Welsh Government;

- Agreement of the Internal and External Audit Plans for the year;
- Receiving Internal and External Audit Reports and subsequently monitoring progress against Audit Action Plans;
- Monitoring the implementation of agreed audit recommendations;
- Receiving and noting the Head of Internal Audit Opinion and Annual Report
- Agreeing the Annual Counter Fraud Plan and monitoring counter fraud activities;
- Monitoring the development and draft content of CTMUHB's Accountability Report;
- Monitoring of Governance Arrangements across the organisation, including hosted bodies;
- Provided oversight and scrutiny to hosted bodies, namely Welsh Health Specialised Services Committee (WHSSC), the Emergency Ambulance Services Committee (EASC) and the National Imaging Academy of Wales (NIAW);
- Endorsed approval of any revisions made in relation to the Standing Orders and Scheme of Financial Delegations.

Board Committee meeting papers classified as 'public' are published on the CTMUHB website in advance of each meeting in the spirit of openness and transparency.

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

- **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. Examples of highlights report to the Board in May 2022 and January 2023 are linked here for information; and

- **Local Partnership Forum (LPF)** – the LPF is the formal mechanism for the Trade Union/Professional Organisation Representatives to work collaboratively with the executive and senior managers across the organisation to improve health services. The LPF hold quarterly meetings, submitting highlight reports to the Board. During 2022-2023, the LPF has continued to meet regularly using a virtual platform which has enabled the sharing of key workforce intelligence and ensure prompt actions were taken, as and when required. Formal Board Highlight reports will be produced from May 2023 onwards;

- **Clinical Advisory Group (CAG)** – the former Health Professions Forum responsibilities have been subsumed into the remit of the Clinical Advisory Group (CAG). The CAG is a diverse group of multi-professional clinicians that provides a mechanism by which frontline clinical staff can communicate directly with the Board as its Chair is an Associate Board Member and therefore attends Board meetings. This enables clinical staff to have a voice within the organisation to discuss ideas or concerns. It also provides a vehicle for the Board to gain a clinical opinion on its clinical strategy. On occasion updates for the Board are provided verbally by the relevant Associate Board Member. However a copy of the report prepared for the May 2022 Board meeting is available here for information.

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

NHS Wales Joint Committees

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

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

Board Development

CTMUHB has held regular Board Development Session throughout 2022-23 on a variety of topics to support ongoing awareness, learning and development for Board Members. Examples of the topic covered include:

- Community Centred Approach to Health & Wellbeing;
- A Day in the Life of a GP;
- Healthcare Partner Annual Updates;
- Planned Care Recovery & Six Goals Programme Update;
- Strategic Partnership Opportunities – Hafod Housing;
- Value Based Healthcare;
- Unified Transformation Portfolio Board;
- CTM2030 –Update and Next Steps;
- CTM Children's Rights Charter;
- Winter Resilience in CTM;
- WHSSC's Specialised Services 10 year Strategy;
- National Imaging Academy;
- Research & Development;

- Digital & Data Update;
- Quality & Engagement Act Update;
- Quality Improvement and Staff Ideas Scheme;
- Safeguarding Briefing;
- Safe Care Collaborative;
- Board Member Cultural Competence Training;
- Stroke Services Update;
- Board Member Leadership Session;
- All-Wales Business Case Update;
- Development of CTMUHB IMTP;
- Progress update and site tour – Prince Charles Hospital Refurbishment; and
- Board Member Sustainable Healthcare Training.

Board Effectiveness

Board Annual Self-Assessment of its Effectiveness

During 2022-23, 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:

- An assessment against the **Corporate Governance in Central Governance Departments: Code of Good Practice 2017**, has been completed and was submitted to the Board when it met in March 2023, 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 2023 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. A risk assessment has been undertaken a risk assessment in relation to its compliance with the Act;
- Introduction of **reflective practice** following all Committee and Board meetings to aide continuous improvement of the management of meetings and Board business;
- Board **Committee Effectiveness** – there is a programme in place to ensure Board Committees review the following activity on an annual basis:
  - Terms of Reference and Operating Arrangements;
  - Committee Effectiveness Annual Surveys;
  - Committee Cycle of Business;
  - Annual Committee Reports on Activity to the Board; and
  - Themes identified from the Board and Board Committee self-assessment process being shared with the Board.
- **Independent Member Scrutiny Toolkit in place**. This toolkit is designed to support Independent Members (IMs) to provide constructive challenge in their role as Board Members. It may also be of use to Executive Directors to provide constructive challenge to their peers as papers progress through Committees to the Board;
- Embedded the **Board Assurance Framework** which was approved in March 2022 and has been reported to the Board throughout 2022-23. The framework supports the Board in the triangulation of risks, performance and assurance. This was subject to Internal Audit Review during the final quarter of 2022-23 and the process allocated a 'substantial' assurance rating;

- **Board Development Programme / Board Briefings** have been held on topical issues;
- **"In-Committee" Private Meetings and Chairs Urgent Action** are used by exception where items have been considered to include Personal Identifiable Information, business or commercially sensitive (applied in the context of the Freedom of Information Act exemptions). The Health Board is committed to being open and transparent in the conduct of its Board and Committee business;
- **Targeted Intervention Self-Assessment – Governance & Risk.** The Health Board has self-assessed its maturity rating as 'mature' in terms of Governance & Risk.
- **Audit Wales Structured Assessment** – this was undertaken during 2022 and the full report and management response is available upon request. The recommendations were received via the Audit & Risk Committee in April 2023;
- **Audit Wales – thematic and national audits** undertaken throughout the year such as Equality Impact Assessments;
- **Audit Wales - audit of CTMUHB's financial statements** (annual accounts) and Charitable Funds financial statements (annual accounts); and
- **Joint Escalation and Intervention Arrangements status** - Joint Escalation and Intervention Arrangements, the Welsh Government meets with Audit Wales and HIW twice a year to discuss the overall assessment of each NHS Wales organisation in relation to these arrangements. Detail of CTMUHB's current status is set out on page 10-11.

Following due consideration of the sources of assurances and supporting documentation, the Board were asked to consider an overall level of maturity in respect of governance and board effectiveness, based on the same criteria used in previous years, the Board concluded its maturity rating in respect of Board Effectiveness / Governance, Leadership and Accountability to be ***"Level 4 –We have well developed plans and processes and can demonstrate sustainable improvement throughout the service"***, and this was formally approved by the Board at its meeting on 30th March 2023.

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 2023 and up to the date of approval of the annual report and accounts.

The Board is **accountable for maintaining a sound system of internal control** which aids achievement of the organisation's objectives. It has been supported in this role by the work of the main Committees, each of which provides regular reports to the Board, underpinned by a Board Committee structure, as outlined in Appendix D on page 100. 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 (IMTP).

CTMUHB's 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 Annual Plan.

The Board Assurance Framework (BAF) is 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.

CTMUHB reviewed and approved a revised Risk Management Strategy at its meeting in May 2023, which is available on the Health Board's website: Health Board Policies and Procedures - Cwm Taf Morgannwg University Health Board (nhs.wales), and is further complemented by an updated Risk Management Policy and Risk Assessment Procedure.

The Risk Management Strategy, Risk Management Policy and Risk Assessment Procedure outline how CTMUHB escalates areas of weakness (risk) from service to Board.

The Cwm Taf Morgannwg Community Health Council, (now known as 'Llais', is the new Citizens Voice Body for Health and Social Care, Wales created to represent the views of and advocate for people across health and social care in respect of complaints about services) is represented at Quality & Safety Committee and Health Board meetings where risk is discussed.

Where work is delivered in partnership with strategic partners, such as via the Public Services Board and Regional Partnership Board, risk management arrangements are led by the host organisation. These risk management arrangements dovetail with the health board's Risk Management Framework to feed into the Organisational Risk Register and Board Assurance Framework as appropriate.

Risk Appetite

The Health Board's risk appetite has been defined following consideration of organisational risks, issues and consequences. Appetite levels will vary, in some areas the Health Board's risk tolerance may be cautious in others it may be eager for risk and willing to carry risk in the pursuit of important strategic objectives.

The Health Board will always aim to operate organisational activities at the levels defined below. Where activities are projected to exceed the defined levels, this will be escalated through the appropriate governance mechanisms to the Board for ratification.

The Risk Management Strategy, Risk Appetite Statement, Board Assurance Framework and Risk Scoring Domain Matrix have been reviewed in April 2023 for approval at the May 2023 Board meeting. Prior to this, they were previously reviewed and approved in May 2022.

Quality and Safety risks - (including physical and/or psychological harm) of its patients, workforce and the public) – the Health Board has adopted a ***Cautious*** stance for quality and safety risks, with a preference for safer delivery options, tolerating a cautious degree of residual risk and choosing the option most likely to result in successful delivery, high quality care and value for money services to its population.

Reputation / Adverse Publicity (Trust in Confidence) risks - the Health Board has adopted a ***Cautious*** stance for reputational risks, with a preference for safer delivery options, tolerating a cautious degree of residual risk and choosing the option most likely to result in successful delivery, high quality care and value for money services to its population.

Business Continuity risks - the Health Board has adopted a ***Cautious*** stance for Business Continuity Risks. The Board will receive ongoing assurance from the testing of business continuity plans.

Legal / Regulatory Compliance risks – the Health Board has adopted a Cautious stance for Legal, Regulatory and Compliance risks, seeking a preference for adhering to responsibilities and safe delivery options with little residual risk. The Board will receive assurance that compliance regimes are in place.

Data and Information Management risks – the Health Board has adopted a ***Cautious*** stance for data and information management risks seeking a preference for adhering to responsibilities and safe delivery options with little residual risk. There is acceptance for the need for operational effectiveness with risk mitigated through careful management of information sharing and limiting distribution.

Financial stability risks – the Health Boards stance for financial risk is varied as follows:

- ***Averse*** for financial propriety and regularity risks with a determined focus to maintain effective financial control framework accountability structures;
- ***Averse*** – in terms of risks related to the Health Boards qualification of accounts, associated process and deviation from reporting timescales;
- ***Minimal*** – as to risk relating to breaching individual control totals;
- ***Cautious*** – in relation to the Health Boards budget spend with the intention that it should maximise the use of resource each year. The Health Board will seek safe delivery options with little residual risk that only yield some upside opportunities. The Board would receive ongoing assurance through reporting structures that policies and procedures are in place to comply with HMT guidance.

Assets and Estates risks – the Health Board has adopted ***Cautious and Open*** stances for assets and estates respectively, seeking value for money but with a preference for proven delivery options that have a cautious residual risk. This means that the Health Board will use solutions for purchase, rental, disposal, construction, and refurbishment that ensures it protects the public purse from as much risk as possible, producing good value for money whilst fully meeting organisational objectives.

Technological advances - the Health Board has adopted an ***Open*** stance for risks associated with technological advances accepting that system and technology developments can enable improved delivery. Responsibility for non-critical decisions may be devolved in accordance with the Scheme of Delegation. Plans aligned with functional standards and organisational governance.

Board Assurance Framework

The Health Board's Board Assurance Framework (BAF) was first approved by the Board on the 31st March 2022. A review was undertaken in April 2023 and is being submitted to the Board meeting in May 2023 for approval. The BAF will be articulated via a Board Assurance Report (BAR) presented to Board that **brings together the organisation's strategic goals and the strategic risks** which may prevent them from being achieved. The BAR identifies the controls in place to manage these risks and the assurances which show whether they are working.

The BAR:

- provides action plans to fill any gaps in controls or assurances;
- links to key measures of performance and National Priority Measures; and
- aligns strategic risks to operational risks on the Organisational Risk Register.

The benefits of the BAR include:

- that it is designed specifically for Board-level oversight;
- it is a structured and evidence-based assessment of the key risks facing the Health Board;
- can be used to shape cycles of business and the work of the Board and Board Committees;
- enables Independent Members to focus their scrutiny and constructive challenge; and
- supports strategic decision-making.

The Health Board will monitor the BAR and ensure remains up to date by the following activity:

- each strategic risk has a Lead Executive(s);
- the Assistant Director of Governance and Risk will review the risk score, action plan and current performance with the Lead Executive(s) in readiness for reporting to the Board;
- each principal risk has a lead Board Assurance Committee;
- the BAR will include a trend line for each strategic risk, showing how the score has changed over time;
- the Board should consider annually whether the principal risks are comprehensive, or if risks need to be added / removed / changed.

The Audit and Risk Committee, as a Committee of the Board, has oversight of the processes through which the Board gains assurance in relation to the management

of the BAF. The latest Board Assurance Framework Report which was received at the Health Board meeting on the 30th March 2023, is available here.

Strategic / Principal Risks
As at 31st March 2023, there were nine Strategic /Principal Risks captured within the Board Assurance Framework Report as follows:

1. Sufficient **capacity to meet emergency and elective demand**. This risk has been scored as a 20.
2. Ability to **deliver improvements which transforms care and enhance outcomes**. This risk has been scored as a 16.
3. **Finance revenue resources**. This risk has been scored as a 20.
4. **Sufficient workforce to deliver the activity and quality** ambitions of the organisation. This risk has been scored as a 20.
5. **Community and Partner Engagement**. This risk has been scored as a 12.
6. Delivery of a **Digital and information infrastructure to support organisational transformation.** This risk has been scored as a 16.
7. **Leadership and Management**. This risk has been scored as a 12.
8. **Culture, Values and Behaviours.** This risk has been scored as a 12.
9. **Fulfilling our environmental and social duties and ambitions**. This risk has been scored as a 16.

The Board Assurance Framework Report is available here.

Aligned to the Strategic/Principal risks within the Board Assurance Framework report are organisational risks which have been escalated to the Organisational Risk Register, which have a risk score of 15 and above.

A summary of some of the highest graded risks facing the organisation, which have been escalated to the Organisational Risk Register, are listed below. This is not an exhaustive list and the Organisational Risk Register as at the end of March 2023 is available here:

- Failure to meet the demand for patient care at all points of the journey;
- Failure to sustain services as currently configured to meet cancer targets;
- Sustainability of a safe and effective ophthalmology service;
- Provision of an effective and comprehensive stroke services across the Health Board;
- Pathology services unable to meet current workload demands;
- Critical care medical cover;
- Emergency department overcrowding;
- There is a risk to the delivery of quality patient care due to difficulty recruiting & retaining sufficient numbers of nurses;
- Failure to deliver replacement Laboratory Information Management System, LINC Programme, by summer 2025;
- Failure to manage Redress cases efficiently and effectively in respect of Duty of Candour;
- Failure to achieve financial balance in 2022-23;
- Failure to reduce the planned recurrent deficit of £28.0m at the end of 2022-23;
- Ransomware attack resulting in loss of critical services and possible extortion; and

- Retrieval and filing of case notes in the Princess of Wales Hospital Medical Records Library.

CTMUHB has a number of Improvement Programmes supporting the mitigation of risk, for example, the Planned Care Recovery Programme, Six Goals, and Stroke Improvement Programme.

The Impact of Covid-19 Pandemic
In terms of the Covid-19 Risk Logs, when Gold Command was stood down, any relevant legacy risks were transferred to the Organisational Risk Register as appropriate. It is evident from the Health Board's risk register that the impact of the pandemic has significantly affected the organisation's position in terms of recovery and resetting of its services.

Service to Board 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". Health Board Policies and Procedures - Cwm Taf Morgannwg University Health Board (nhs.wales).

Risk Tolerance Levels
CTMUHB's Risk Management Strategy indicates that any risk graded 15 and above, or those not able to be managed, are escalated to the Organisational Risk Register for consideration by the Board once they have been signed-off through the relevant escalation stages.

Organisational Risk Register
A copy of the Organisational Risk Register (as at March 2023) is available here. It is received in its entirety at the Audit & Risk Committee and assigned risks are considered at each Board Committee meeting as appropriate. The cover paper supporting the register outlines the new risks, control measures and the action taken to mitigate risks. The register is also made available to Board Members at each Board meeting for reference when scrutinising the Board Assurance Report.

Community Health Council colleagues (now known as 'Llais' - the new Citizens Voice Body for Health and Social Care, Wales created to represent the views of and advocate for people across health and social care in respect of complaints about services) are invited to attend meetings of the Board held in public and also meetings of the Quality & Safety Committee both of which scrutinise the processes in place to manage the risks facing the organisation.

Risk Management Training
Risk Management training continues on a monthly basis delivered by the Assistant Director of Governance & Risk and the Heads of Quality & Safety. Sessions are planned throughout 2023 and continue to result in positive feedback and results in training numbers growing year on year.

Internal Audit Report – Board Assurance Framework
An Internal Audit Review on the Board Assurance Framework (BAF) was undertaken during the final quarter of 2022-23, which concluded with a 'Substantial Assurance'

rating. The report (including management action plan) was submitted to the Audit & Risk Committee papers in April 2023. The findings confirmed that policies and procedures are in place, that the BAF aligns to strategic objectives set out in the IMTP and that strategic risks are regularly reviewed. Furthermore the report set out that action plans are in place where gaps in controls exist and that monitoring and scrutiny of the BAF is evident.

The only area identified for improvement related to the provision of greater clarity as regards the gaps in controls and mitigating actions. It has been agreed that these gaps in controls will be reviewed with the respective risk owners to ensure there is robust aligned mitigating actions recorded via the BAF.

The Control Framework

Quality is at the heart of CTMUHB and our aim is to improve outcomes for our people, however they are and wherever they live, by providing access to high quality health Quality Governance arrangements including the **Quality Strategy and Quality & Safety Framework** which is outlined in further detail in Chapter 1, page 43 of this report.

An assessment of the **Corporate Governance Code** has been undertaken and is captured on page 73 of this report, along with the annual review of **Board Effectiveness**.

CTMUHB's **escalation status** is detailed on page 10-11 of the report.

Clinical Audit - A report setting out progress on the Clinical Audit Forward Plan for 2023-24 (which includes a position report for audits from 2022-2023) was submitted to the Quality & Safety Committee at its meeting in March 2023. A Clinical Audit and Effectiveness Group is responsible for development of the organisation's annual forward plan, identifying priority clinical audit topics and for the monitoring of national clinical audit recommendations and action plans. The group is also responsible for reviewing the progress of local Clinical Audit Operational Plans and is able to escalate any concerns to Audit and Risk and Quality and Safety Committee.

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

- A Caldicott Guardian whose role it is to safeguard patient information
- A Senior Information Risk Owner (SIRO) whose role it is to manage information risk from a corporate viewpoint; and
- A Data Protection Officer (DPO) whose role it is to ensure CTMUHB is compliant with data protection legislation.

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

- Quarterly reports to the IGG, including **key performance indicators**;

- **Highlight reports** to the Digital & Data Committee and example of which is available here;
- A range of information governance and information security **policies, procedures and guidance documents;**
- **IG training** and bespoke learning in addition to Induction for new staff;
- Robust management of all reported breaches, including proactive reporting to the ICO;
- An **Information Asset Register** used to manage information across the organisation;
- Registers of **data sharing agreements and of data protection impact assessments**;
- IG Risk Register, received at all regular meetings of the IGG; and
- **Annual SIRO report** and Highlight Reports from the IGG to the Digital & Data Committee.

In terms of the Freedom of Information (FOI) Act, 508 FOI requests were received in 2022-2023 (a decrease on the previous 12 month period during which 554 FOI requests were received) and as at 27th April 2023, 465 (91%) had been fully processed fully within the 20 working day requirement.

Planning Arrangements
The planning arrangements relating to CTMUHB's IMTP are outlined on page 17.

Disclosure Statements
On the basis that CTMUHB's existing Equality and Diversity Policy is out of date, work during 2022/23 has enabled the development of a Strategic Equality Plan (SEP) which, once approved will supersede the existing Equality & Diversity Policy providing assurance that CTM is meeting its Equality Diversity and Inclusion (EDI) obligations. Internal and External consultation on the draft SEP is due to conclude in July 2023 with the final version of the SEP prioritising areas that will shape the work around EDI through to 2027.

Themes arising from the consultation process are set to be analysed in order to co-develop an operational plan with stakeholders that underpins the SEP and will include process and outcomes measures that linking to national governmental actions plans for anti-racism; LGBTQ+ and disability. EDI is being viewed from the perspective of cultural change, so this will also very much be embedded into future work on a 'restorative, just and learning culture' and within other programmes such as 'Speak-Up Safely'. The approach for EDI has been designed to respond to both to our patients and service user community, as well as the CTMUHB workforce.

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.

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.

Lapses in Information / Data Security
Data protection legislation requires that where personal data breaches meet a certain set criterion, they be notified to the Information Commissioner's Office (ICO) as the statutory body for data protection in the UK. Information governance incidents are assessed against the threshold for notification by the Information Governance Team. Incident reports which include data breaches are submitted to the Information Governance Group for scrutiny. For the year 2022-23, there were no personal data breaches notified to the ICO.

As of the beginning of March 2023, **staff compliance with the Core Skills Training Framework stood at 74.29% against a target of 85%** and an action plan is in place to help drive improvement. This includes the requirement to attain compliance feature in the CTMUHB staff induction programme with all new starters being required to attend training to equip them with the skills to complete their Information Governance compliance training with a requirement to undertake training within 30 days of commencing employment.

Emergency Preparedness
As a Category 1 Responder, CTMUHB must fulfil its statutory duties in relation to Emergency Preparedness, Response and Recovery (EPRR) under the Civil Contingencies Act (CCA) 2004 and in line with Emergency Guidance issued by Welsh Government. There is a robust governance structure for oversight of the EPRR functions with an executive lead for EPRR and formal reporting structures to Board Committees and the Board itself. CTMUHB has developed a Strategic Emergency Preparedness, Response and Recovery Group to oversee planning and preparedness and work is ongoing to further develop and embed operational EPRR functions across revised care group structures. This is to ensure that pre-planning for foreseeable and unforeseen events is embedded within processes and procedures and becomes part of everyday working. The EPRR function provides Major Incident Training for on call senior managers across the organization at Strategic, Tactical and Operational level to ensure effective 24/7 response to Major/Critical Incidents.

Collaborative working is a key function within EPRR and the EPRR manager works closely with all-Wales external partners as part of the South Wales Local Resilience Forum (SWLRF), forming an integral part of local and national multi-agency response planning and exercising and plays an active part in a number of task and finish groups as part of the SWLRF.

The EPRR function is also fully embedded within all-Wales health emergency planning and response structures to ensure uniformity of preparedness and response across NHS Wales. Developing and updating of cross-organisational plans is an integral

EPRR function and the EPRR manager develops, coordinates and oversees key plans to ensure organizational effectiveness. This ensures that not only does CTMUHB address all requirements under the CCA/Welsh Government guidance in relation to EPRR, but that it also provides **detailed response expectations and guidance for key staff** to ensure the organisation can discharge its emergency function. The EPRR function also provides oversight and support to ensure departmental business continuity management plans are developed, in place and trained/exercised against on a regular basis. The EPRR function **initiates de-briefs/learning events** within the organisation and provides a link between CTMUHB and external partners to ensure that awareness is gleaned from lessons identified from major incidents and that plans are amended and trained and exercised against in line with recommendations. A copy of CTMUHB's Civil Contingencies and Business Continuity Report for 2022-2023 was received by the Board in May 2023 and is available here.

Quality of Data

CTMUHB makes every attempt to ensure the quality and robustness of its data. As such processes have been implemented that include regular checks to assure the accuracy of information relied upon. These processes are **underpinned by a policy framework** incorporating Data Quality, Information Governance and Information Security.

It is important to recognise that the adoption of these policies as custom and practice across the organisation has been variable. The reasons for this variation are multi-factorial, and include: the supporting technologies available to make the record; the effectiveness of the record keeping processes that are in place across a diverse range of environments and services, and user training and behaviours relating to the direct and indirect value perceived to be gained from maintaining an accurate and consistent record. There are also a multiplicity of systems and data inputters across the organisation that means there is always the potential for variations in quality. To that end, a **Data Quality Assurance Framework** has been developed with the overarching aim of ensuring that all staff irrespective of roles are aware of:

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

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

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

Modern Slavery Act 2015 – Transparency in Supply Chains - The Welsh Government's Code of Practice

Ethical Employment in Supply Chains highlights 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; and
- Unfair use of umbrella schemes and zero hour's contracts.

To promote this agenda CTMUHB has been **raising awareness of the Code** with our staff via Statutory and Mandatory training, as well as with our contractors and suppliers. **CTMUHB is an accredited Living Wage Employer**, which means our staff receive an hourly rate, which is higher than the Government's "Minimum National Living Wage. This commitment applies to not only to our directly employed staff but also to our third party contractor and supplier staff. Therefore all CTMUHB newly appointed contractors / suppliers are required to pay their staff the living wage, if they are not already. This will ensure everyone working or undertaking work for CTMUHB will received a fair day's pay for their work.

CTMUHB has developed a new Raising Concerns (Whistleblowing) SharePoint page which provides staff with easy access to the policy and a summary of the process and individuals they may contact, to empower and enable them to raise suspicions of any form of malpractice, by either our staff or that of suppliers / contractors working on our premises. Staff also have the opportunity to raise such matters via the **Anonymous Communication or Respect and Resolution Policies.**

The Health Board has also continued to work in partnership with NHS Wales Shared Services Partnership, recruitment and, buying and procurement staff, to ensure the code commitments underpin and support these activities. During 2023-24 CTMUHB will continue **to take the following actions, to deliver on the Code's commitments**:

- Produce and publish an annual Ethical Employment Statement on SharePoint, internally and externally;
- Seek assurances the NHS Wales Shared Services Procurement Services continues to use the Transparency in Supply Chains (TISC) Report - Modern Slavery Act (2015) compliance tracker, through contracts procured by them, on the behalf of CTMUHB;
- Utilise the tender process to obtain assurances that potential suppliers do not make use of blacklists / prohibited lists.
- Ensure all newly appointed contractors and suppliers are paying their staff the living wage;
- Continue to pay the living wage to our staff on the lowest pay bands, which are Agenda For Change Bands one and two;
- Pay our contractors and suppliers within the 30-day target, of receipt of a valid invoice;

- Continue to utilise our robust IR35 processes, to reduce the risk of false self-employed workers or workers being engaged under umbrella schemes;
- Continue to use our robust IR35 processes to facilitate the fair and appropriate engagement of all workers and prevent individuals from avoiding paying Tax and National Insurance contributions;
- Not engage or employ any staff or workers on Zero Hours Contracts; and
- Rigorously implement our robust Recruitment and Selection Policy and pre-employment checking procedures, to ensure a fair, transparent and safe appointment process;
- Rigorously implement our robust Equality and Diversity Policy, to ensure no potential applicant, employee or worker engaged by CTMUHB is in any way unduly disadvantaged, in terms of pay, employment rights, employment, training and development or career opportunities;
- Ensure, in accordance with the Transfer of Undertaking (Protection of Employment) Regulations any staff or workers required to transfer to a third party organisation, will retain their NHS Pay and Terms and Conditions of Service; and
- The Welsh Government's Code of Practice: Ethical Employment in Supply Chains highlights 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.

Ministerial Directions
There were no Ministerial Directions received during 2022-23. Welsh Government has issued non-statutory instruments and **Welsh Health Circulars (WHCs)** since 2014-2015, and a list of circulars issued can be found on the Welsh Government website. Within CTMUHB, WHC's are logged centrally and an Executive Lead assigned. The list of WHC's are captured in Appendix A to the Governance Statement on page 94.

Environmental, Social and Community Issues - as outlined in the Environmental Sustainability section on page 57, CTMUHB works 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.**

Review of Effectiveness

The Board is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system.

As Accountable Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. The annual Head of Internal Audit opinion contributes to the assurances available to the Accountable Officer and the CTMUHB Board which underpin the Board's own assessment of the effectiveness of the organisation's system of internal control. The review of the systems of internal control is informed by the work of the internal auditors, and the executive officers within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

Head of Internal Audit (HoIA) Opinion
Internal audit provide the Chief Executive and the Board, through the Audit & Risk Committee, with a flow of assurance on the system of internal control. The HoIA has commissioned a programme of audit work which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit & Risk Committee. The 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 & Risk Committee.

The purpose of the annual Head of Internal Audit opinion is to contribute to the assurances available to the Chief Executive as Accountable Officer and the Board which underpin the Board's own assessment of the effectiveness of the system of internal control. The overall opinion for 2022-23 is that:

Reasonable assurance		The Board can take **Reasonable Assurance** that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.

The **audit plan is agile and responsive** to ensure that key developing risks to the organisation are covered. As a result of this approach, and with the support of Health Board Officers and Independent Members across the Health Board, the plan for 2022-23 has been delivered substantially in accordance with the agreed schedule and changes required during the year, as approved by the Audit & Risk Committee. In addition, regular audit progress reports have been submitted to the Audit & Risk Committee. Although changes have been made to the plan during the year, it has been confirmed that sufficient audit work has been undertaken during the year to be able to give an overall opinion in line with the requirements of the Public Sector Internal Audit Standards.

The Internal Audit Plan for 2022-23 year was presented to the Audit & Risk Committee in April 2022. Some changes to the plan have been made during the course of the year and these changes have been reported to the Committee as part of regular progress reporting.

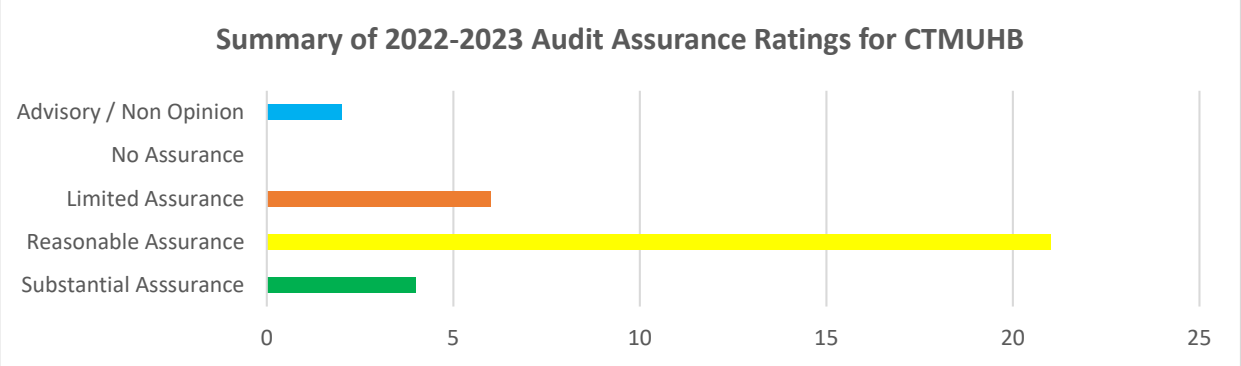
As in previous years, audits undertaken at NHS Shared Services Partnership, Digital Health & Care Wales, Welsh Health Specialist Services Committee, and the Emergency Ambulance Services Committee support the overall opinion for NHS Wales health bodies.

The audit coverage in the plan agreed with the Health Board has been deliberately **focused on key strategic and operational risk areas**; the outcome of these

audit reviews may therefore highlight control weaknesses that impact on the overall assurance opinion.

Where there have been Limited Assurance outcomes, the Health Board is aware of the specific issues identified and have agreed action plans to improve control in these areas.

Summary of 2022-2023 Audit Assurance Ratings for CTMUHB



A summary of the audits undertaken in the year and the results are summarised in the table below:

Summary of Audits 2022/23

Substantial Assurance	Reasonable Assurance
• Staff wellbeing • Board Assurance Framework • Prince Charles Hospital – Validation of management actions • Prince Charles Hospital – 1B Final Account	• Medical records management • Board awareness of digital • iCTM – Quality improvement team • Cyber security • Follow up – Fire safety • Follow up – CAMHS workforce management • Follow up – Bridgend transfer of Informatics services • Follow up – Single cancer pathway data quality and integrity • Radiology Service review – Governance arrangements • Radiology Service review – Risk management • Radiology Service review - Planning and performance • Radiology Service review – Compliance with Financial Control Procedures (FCP)

	• Performance reporting – Integrated performance report • Welsh risk pool claims • Follow up – Concerns • National incident framework (Draft) • Decontamination (Draft) • Prince Charles Hospital - governance (Draft) • Prince Charles Hospital - Change, risk and contingency (Draft) • Prince Charles Hospital – Community benefits (Draft) • Prince Charles Hospital – Programme performance (Draft)
Limited Assurance	Advisory/Non-Opinion
• Radiology service review – Workforce management • Digital operating model • Medical variable pay – Agency costs • Reasonable offer process • Arrangements for managing SLAs • Follow up - Facilities systems – (Draft)	• Annual Governance Statement • Decarbonisation
No Assurance	
• N/A	

In reaching this opinion the HoIA identified that the majority of reviews undertaken within CTMUHB during the year concluded positively, with robust control arrangements operating in some areas. From the opinions issued, 4 were allocated 'Substantial Assurance', 21 were allocated 'Reasonable Assurance' and 6 were allocated 'Limited Assurance'. There were no reports with a 'no assurance' opinion.

Details are set out here of the six reviews which received a '**Limited Assurance**' rating:

1. **Facilities systems – Follow up** [Draft] – It has been confirmed that some action has been taken against all of the previous recommendations, resulting in one closed recommendation and a reassessment of the priority rating for five of the outstanding actions. Internal Audit issued a **limited** assurance opinion overall as further work is needed to ensure that staff are trained on procurement, and purchasing responsibilities need to be clearer for both the central facilities team and facilities teams in other locations.

2. **Arrangements for managing Service Level Agreements** – A Service Level Agreement (SLA) sets the expectations between the service provider and the customer and describes the services to be delivered, costs associated with service delivery, and the metrics by which the effectiveness of the process is monitored and approved. SLAs should contain the necessary information to use and manage the service being provided. Internal Audit issued limited assurance on this area. They identified high priority matters for: the system of capturing SLA agreements which does not adequately allow centralised capture, monitoring and oversight on a regular and timely basis; internal reviews of SLAs; and financial monitoring of SLAs. Overall, a **limited** assurance opinion was issued.
3. **Digital operating model –** Four high priority and four medium priority recommendations were issued along with a limited assurance report. The high priority recommendations included the need to ensure that there is appropriate steering and ownership of the model, and an improved digital clinical leadership structure.
4. **Reasonable offer process** – The length of time a patient waits for NHS treatment is a significant quality and clinical governance issue for healthcare providers. A reasonable offer to a patient is defined as 'any date mutually agreed between the patient and the organisation'. Internal Audit looked at the policies and procedures, the process applied and the validation of information. They raised high priority recommendations in relation to the validation and data integrity arrangements, and the application of waiting time adjustments. Internal Audit also raised three medium priority recommendations. Overall a **limited** assurance opinion was issued.
5. **Radiology service – Workforce management** – Internal Audit looked at the arrangements in place for sickness absence, managing leave, training compliance, rostering and job planning. They identified that improvements were needed when recording absences, completing personal development records and mandatory training, and updating consultant job plans. Overall a **limited** assurance opinion was issued.
6. **Medical variable pay – agency costs** – The Health Board has a number of options available to fill shifts when short and long-term gaps in rosters are identified, which includes using agency staff. Internal Audit looked at administration of agency staffing at three Clinical Service Groups (CSGs), one in each of the Integrated Locality Groups (ILGs). A **limited** assurance opinion was issued on this area. Whilst the policies and procedures set out the controls and process that staff should follow, these were not up to date, not always followed, and some staff were not aware of them.

During 2022-23, Internal Audit have undertaken follow up work and issued six reports during the year which consider the progress made by the Health Board against the recommendations that they raised. Reasonable assurance opinions have been issued for 5 of those reviews, meaning the progress has been made against the agreed recommendations. Two of the planned follow up reviews have been deferred and will be undertaken in 2023-24. These reviews were: Princess of Wales theatres follow up, which related to a capital project, which has been paused in 2022-23; and the patient pathway appointment management process review. The implementation date of the recommendations was revised to June 2023 and as such we plan to do this work in early 2023-24.

The CTMUHB Audit & Risk Committee is responsible for agreeing the adequacy of management responses and the dates for implementation, and any subsequent request for revised dates, proposed by management.

The Health Board continues to work to improve the accuracy and timeliness of the information contained within the Audit Recommendations Tracker. Internal Audit attend Audit & Risk Committee and see that the tracker is scrutinised at each meeting.

The **full version of the HOIA's report will be accessible via the Board's website** from mid July 2023. In that the HOIA states that assurances can be provided to the Board with regard to the arrangements to secure governance, risk management and internal control being suitably designed and applied effectively.

Audit Wales

Structured Assessment - The Board received its Structured Assessment 2022 from Audit Wales in March 2022.

The report's overarching finding was: "Overall, we found that while the Health Board's corporate governance arrangements continue to develop and improve, it needs to strengthen its performance and financial management arrangements to fully address the challenges facing the organisation".

Set out below are some of the individual findings from the report:

- "…the Board and its committee are generally effective, with evidence of good scrutiny, challenge, and self-reflection. However, opportunities exist to improve the Health Board's administrative arrangements for ensuring public transparency of Board business;
- …the Health Board is led by a relatively stable Executive Team, and positive changes have been made to the role of the Director of Corporate Governance to allow them to focus exclusively on the Health Board's governance arrangements. Whilst a new operating model has been agreed, it will take time for the new structures to embed and deliver the intended benefits and improvements;
- …whilst the Health Board's systems of assurance are generally effective, it needs to strengthen its performance management arrangements to address current operational challenges;
- …the Health Board's approach to strategic planning is improving, with evidence of good stakeholder engagement and Board-level oversight;
- …that corporate strategies and plans generally lack clear outcomes, milestones, and targets which inhibits effective progress monitoring and reporting;
- …that while some financial controls appear robust, others require strengthening. We found that the Health Board's financial reports are generally clear and comprehensive and support effective monitoring and scrutiny;
- …that whilst the Health Board has a clear Digital Strategy in place, it must seek to address staffing and funding challenges to maximise the benefits of digital technologies and solutions; and

- …the Health Board currently has no estates strategy, and Board level arrangements for overseeing the condition of the estate and scrutinising capital programmes and projects require strengthening."

Audit Wales 2022 Annual Audit Report – this report was received by the Board at its meeting in March 2023 and the Audit & Risk Committee at its April 2023 meeting. A copy of the report is available here. The key findings highlighted in the report are as follows:

- "…the Health Board's governance and leadership arrangements are improving, and organisational structures are being refreshed to support further improvements. However, the Health Board needs to further strengthen its systems of assurance to fully address the performance challenges facing the organisation;
- …the Health Board's strategic planning arrangements continue to improve, and positive progress has been made in developing a clear long-term vision and strategy for the organisation. Preparing a Clinical Strategy and an approvable IMTP, and enhancing reporting arrangements, must remain key priorities for the Health Board;
- …the Health Board has clear arrangements for financial planning, and it finances are well scrutinised. Whilst the Health Board met its financial duties for 2021-22, it faces several risks to achieving financial balance and sustainability in the short- and medium-term; and
- …staff wellbeing remains a clear priority for the Health Board. However, capacity and funding challenges need to be addressed (Page 18 of 28 - Annual Audit Report 2022 – Cwm Taf Morgannwg University Health Board) to enable the Health Board to maximise the benefits of digital, and Board-level oversight of matters relating to the estate require strengthening."

The case studies we have captured under the Wellbeing of Future Generations Act section on page 56 onwards highlight 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' and 'A Resilient Wales' etc.

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

- Equality Impact Assessments – More Than a Tick Box Exercise
- Digital Inclusion in Wales
- Orthopaedic Services in Wales – Tackling the Waiting List Backlog
- National Fraud Initiative 2020-21
- Public sector readiness for Net Zero Carbon by 2030
- Cyber Resilience.

Conclusion

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

Signed

Paul Mears, Chief Executive and Accountable Officer **27th July 2023**

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

a. Table of Welsh Health Circulars / Ministerial Directions 20221-2023
b. Table of Board Membership and Attendance 2022-2023
c. Table of Board & Committee Meetings held during 2022-2023
d. Board and Committee Structure Infographic.

Appendix A: Table of Welsh Health Circulars and Ministerial Directions Received during 2022-23

WHC Number and Topic	Date/Year of Adoption	Action /Response
WHC 2022 (003) – Adult continence products	October2022	Updated guidance for health boards and trusts in respect of the provision of continence containment pad products for adults. Disseminated to all relevant staff within hospital sites and community nursing.
WHC 2022 (004) – Paediatric Continence Containment Products	October 2022	Guidance for the care of children and young people with continence problems. Disseminated to all relevant staff within hospital sites and community nursing.
WHC 2022 (009) - Prioritisation of COVID-19 patient episodes by NHS Wales Clinical Coding Departments	December 2022	COVID-19 cases to be recorded as promptly and accurately as possible and frequency of submissions of APC ds Episodes data increased from monthly to weekly. Disseminated to Director of Digital and all relevant staff within Clinical Coding Departments.
WHC 2022 (011) – Patient Testing Guidance	August 2022	Updated guidance for patient testing. Disseminated to all services where patient testing is required in hospital and community settings.
WHC 2022 (013) - Health boards, special health authorities and trusts financial monitoring guidance 2022 to 2023	April 2022	Update guidance for the submission of monitoring returns to Welsh Government. Updated guidance has been circulated to relevant staff for monthly submission of monitoring returns.
WHC 2022 (015) - HPV Immunisation Programme Update - Changes to the vaccine for the HPV immunisation programme	June 2022	Changes to the vaccine for the HPV immunisation programme. Guidance disseminated to all services that carry out the HPV immunisations.
WHC 2022 (016) - The National Influenza Vaccination Programme 2022-23	June 2022	Guidance for the Influenza Vaccine Programme 2022-23. Disseminated to local pharmacists/GPs.
WHC 2022 (018) - Revised Guidelines for Managing Patients on the Suspected Cancer Pathway	August 2022	Revised guidance on managing suspected cancer patients. Pathway has been implemented as part of the suspected cancer pathway and being used to support the planning, delivery and performance monitoring of cancer services and adopted by Multi- Disciplinary Teams.
WHC 2022 (019) – Non-Specialised Paediatric Orthopaedic	June 2022	Service specification to be used to inform the delivery and commissioning of Non-Specialised Paediatric Orthopaedic Services for children up to 16 years resident in Wales. Disseminated to all services where children with non-complex orthopaedic conditions are diagnosed and managed.
WHC 2022 (020) Never Events policy and Incident List July 2022	July 2022	List of Never Events and Incidents July 2022. For information.
WHC 2022 (021) - National Optimal Pathways for Cancer (2022 update)	July 2022	Cancer pathways guidance to support the planning, delivery, and performance monitoring of cancer services. Disseminated to Assistant Medical Directors for Primary Care. Directorate Managers for colorectal surgery and gastroenterology Health Board Cancer Managers and lead cancer clinicians and Health Board Leads for Laboratory Services.
WHC 2022 (022) - The Role of the Community Dental Service and Services for Vulnerable People	August 2022	Updated guidance on the role of the community dental service, including the expansion of salaried dental officer posts, to support local communities who have limited or no access to general dental services normally provided by the independent contractor model. Disseminated to Community Dental Services, Primary Care Services provided by General Dental Services (GDS), Personal Dental Services (PDS) and Hospital Dental Services (HDS).
WHC 2022 (023) - HPV Immunisation Programme Update - Changes to the vaccine for the HPV immunisation programme	September 2022	Changes to the guidance for the HPV Immunisation Programme. Changes disseminated to all services that carry out the HPV immunisations.
WHC 2022 (026) - Approach for Respiratory Viruses – Technical Guidance for Healthcare Planning	October 2022	Guidance for Healthcare Planning and the approach for Respiratory Viruses. Disseminated to all relevant staff including Infection, Prevention and Control and implemented.
WHC 2022 (028) – Urgent Polio Catch Up Programme for Children Under 5	November 2022	Update on the Urgent Polio Catch Up Programme for Children Under 5. Disseminated to all relevant staff including school nurses and immunisation leads.
WHC 2022 (031) - Reimbursable vaccines and eligible cohorts for the 2023/24 NHS Seasonal Influenza (flu) Vaccination Programme	December 2022	Guidance on ordering supplies of influenza vaccines for 2023-2024. Disseminated to GPs and Community Pharmacists.

WHC Number and Topic	Date/Year of Adoption	Action /Response
WHC 2022 (034)- 2023-24 Health Board revenue allocation	December 2022	Welsh Government revenue allocation to Health Boards for 2023-24. For information.
WHC 2022 (035) - Influenza (flu) Vaccination Programme deployment 'mop up' 2022- 2023	December 2022	Health boards, working in collaboration with Primary Care teams, to draw up detailed plans on how the flu vaccination 'mop-up' exercise will operate. Disseminated to all Immunisation leads.
WHC 2023 (001) - Eliminating hepatitis (B and C) as a public health threat in Wales – Actions for 2022-23 and 2023-24	January 2023	Key actions required by health boards, Area Planning Boards and Public Health Wales for 2022-23 and 2023-24. Disseminated to the Head of Planning and Commissioning and Public Health Consultant who are jointly leading on this work.
WHC 2023 (002) - New Lower Gastrointestinal 'FIT' National Optimal Pathway	February 2023	Health Boards are required to move to adopt the updated Lower Gastrointestinal 'FIT' National Optimal Pathway by 21 April 2023. Disseminated to Assistant Medical Directors for Primary Care, Directorate Managers for colorectal surgery and gastroenterology, Health Board Cancer Managers and lead cancer clinicians and Health Board Leads for Laboratory Services
WHC 2023 (004) - Covid-19 Spring Booster 2023	March 2023	Guidance on the Covid-19 Spring Booster Vaccination Programme 2023. Disseminated to all Immunisation Leads.

National Alerts & Guidance	Date/Year of Adoption	Action /Response
Direct paramedic referral to same day emergency care: All-Wales policy	April 2022	Guidance to support the Welsh Ambulance Services NHS Trust (WAST) and health boards in implementing direct referrals into same day emergency care (SDEC). Goal 3 of the 'Six Goals' for emergency care. Disseminated to all relevant staff via the Chief Operating Officer team.
Directed enhanced service: type 2 diabetes	May 2022	Guidance outlines specialised services provided by general medical services for type 2 diabetes. Disseminated to all relevant staff.
NHS Wales Performance Framework 2022-2023	June 2022	Interim framework whilst further work is undertaken to identify outcome focused measures that deliver the priorities outlined in the NHS Planning Framework and the Health and Social Care Outcomes Framework (in development). Disseminated to all relevant staff.
Welsh Public Sector Net Zero Carbon Reporting Guide No. 2	June 2022	Guidance details the principles and priorities for the Welsh Public Sector Net Zero Carbon reporting (hereafter called the Welsh Net Zero reporting), its operational and organisational scope and the data which public bodies in Wales will need to assemble annually in order to fulfil the reporting requirements. The Health Board's Net Zero Carbon Action Plan has been developed and received at Committee and Board.
Right care, right place, first time Six Goals for Urgent and Emergency Care	June 2022	Policy Handbook that set out the Six Goals for Urgent and Emergency Care for 2021-26. The Health Board have implemented the Policy.
GMS Contract in Wales 2008-09 Enhanced Service for Homeless Patients Specification	July 2022	Service specification for Local Health Boards when commissioning primary medical services for homeless people, both single people and families, in their area. Disseminated to all relevant staff.
Directed enhanced service: asylum seekers and refugees	July 2022	Guidance for providing an enhanced service specification for Local Health Boards when commissioning primary medical services for asylum seekers and refugees in their area. Disseminated to all relevant staff.
Hormone Treatment for Adult Patients with Gender Dysphoria/Incongruence after Assessment and Optimisation of Treatment by the Welsh Gender Clinic & Local Intermediate Gender Team	July 2022	Directed Enhanced Service (DES) specification outlines the more specialised services to be provided in relation to Hormone Treatment for Adult Patients with Gender Dysphoria/Incongruence. The specification of this service is designed to cover the enhanced aspects of that service which are beyond the scope of essential services. Applicable for Welsh Health Specialised Services Committee (WHSSC).
Welsh Public Sector Net Zero Carbon Reporting Guide No. 3	March 2023	Guidance details the principles and priorities for the Welsh Public Sector Net Zero Carbon reporting (hereafter called the Welsh Net Zero reporting), its operational and organisational scope and the data which public bodies in Wales will need to assemble annually in order to fulfil the reporting requirements. The Health Board's Net Zero Carbon Action Plan has been developed and received at Committee and Board.

Delivery Plan Enactment	Date/Year of Adoption	Status
2022. No.16 – The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2022	April 2022	Enacted
2022. No.17 - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2022	April 2022	Enacted
2022. No.24 – The Primary Care (Contracted Services: Outpatient Waiting List Scheme) Directions 2022	August 2022	Enacted
2022. No.25 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2)	June 2022	Enacted
2022. No. 31 – The Primary Medical Services (Influenza and Pneumococcal Immunisation Scheme) (Directed Enhanced Service) (Wales) (No. 2) (Amendment)	August 2022	Enacted
2022. No. 32 – The Pharmaceutical Services (Advanced Services) (Appliances) (Wales)(Amendment)Directions 2022	August 2022	Enacted
2022. No. 37 - The Primary Care (Contracted Services: Immunisations) (Amendment)(No.2) Directions 2022	August 2022	Enacted
2022. No. 44 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 3) Directions 2022	November 2022	Enacted
2022. No. 45 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 4) Directions 2022	November 2022	Enacted
2022. No. 46 - The Wales Infected Blood Support Scheme (Amendment) (No. 2) Directions 2022	December 2022	Enacted
2022. No. 47 – The Local Health Boards (Directed Functions) (Wales) Directions 2022	December 2022	Enacted
2023. No. 01 - The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) Directions 2023	January 2023	Enacted
2023.No. 02 - The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2023 Made 13 January 2023	January 2023	Enacted
2023. No. 07 - Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2023	February 2023	Enacted
2023. No. 08 – Local Health Boards and NHS Trusts Reporting on the Introduction of New Medicines into the National Health Service in Wales Directions 2023	March 2023	Enacted

Appendix B to the Governance Statement – Table of Board Membership and Attendance

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD / BOARD COMMITTEE ATTENDANCE 2022/2023	CHAMPION ROLE*
Emrys Elias	Interim Chair	Board Remuneration & Terms of Service Committee (Chair) Charitable Funds Committee	**6/6** **5/6** **3/4**	Not Applicable
Jayne Sadgrove	Vice-Chair	Board Remuneration & Terms of Service Committee (Vice-Chair) Audit & Risk Committee Digital & Data Committee Mental Health Act Monitoring Committee (Chair) Population Health & Partnerships Committee (Chair) Quality & Safety Committee (Chair)	**6/6** **6/6** **7/8** **4/4** **4/4** **4/4** **12/12**	Mental Health, Children & Young People
Patsy Roseblade	Independent Member (Finance)	Board Remuneration and Terms of Service Committee Audit and Risk Committee (Chair) Planning, Performance and Finance Committee Quality and Safety Committee Charitable Funds Committee (Chair)	**6/6** **6/6** **7/8** **6/7** **12/12** **3/4**	Not Applicable
James Hehir	Independent Member (Legal)	Board Remuneration and Terms of Service Committee Quality and Safety Committee Mental Health Act Monitoring Committee (Vice-Chair) Charitable Funds Committee	**6/6** **5/6** **11/12** **3/4** **4/4**	Equality, Putting Things Right
Carolyn Donoghue	Independent Member (University)	Board Remuneration & Terms of Service Committee Audit & Risk Committee Planning, Performance & Finance Committee Population Health & Partnerships Committee Quality & Safety Committee	**6/6** **3/6** **7/8** **7/7** **2/4** **12/12**	Research & Development
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	**5/6** **6/6** **7/7** **3/4** **3/4**	Veterans and Armed Forces
Lynda Thomas	Independent Member (Corporate Business/General)	Board Remuneration & Terms of Service Committee Digital & Data Committee People & Culture Committee Population Health & Partnerships Committee	**5/6** **5/6** **2/4** **2/4** **2/4**	Not Applicable
Cllr Geraint Hopkins	Independent Member (Local Authority)	Board Remuneration and Terms of Service Committee Planning, Performance & Finance Committee Population Health & Partnerships Committee Mental Health Act Monitoring Committee	**4/6** **4/6** **1/7** **2/4** **2/4**	Not Applicable
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 Charitable Funds Committee	**5/6** **6/6** **12/12** **4/4** **7/7** **1/3**	Infection Prevention and Control
Dilys Jouvenat	Independent Member (Third Sector)	Board Remunerations and Terms of Service Committee People and Culture Committee Digital and Data Committee Quality and Safety Committee Charitable Funds Committee	**6/6** **5/6** **4/4** **4/4** **11/12** **4/4**	Raising Concerns
Ian Wells	Independent Member (ICT and Governance)	Board Remuneration and Terms of Service Committee Audit and Risk Committee Digital and Data Committee (Chair) Planning, Performance and Finance Committee Quality & Safety Committee	**6/6** **5/6** **7/8** **4/4** **7/7** **1/1**	Not Applicable

BOARD MEMBER	POSITION (AREA OF EXPERTISE)	BOARD/ BOARD COMMITTEE	BOARD / BOARD COMMITTEE ATTENDANCE 2022/2023	CHAMPION ROLE
Paul Mears	Chief Executive	Board Emergency Ambulance Services Committee * Welsh Health Specialised Services Committee*	**5/6** **5/6** **5/6**	Not applicable
Sally May	Director of Finance	Board Audit and Risk Committee Planning, Performance and Finance Committee Charitable Funds Committee	**6/6** **5/8** **6/7** **4/4**	Not Applicable
Kelechi Nnoaham (Until 30.11.2022) Philip Daniels (from April 2023)	Director of Public Health Interim Director of Public Health	Board Population Health and Partnerships Committee Digital and Data Committee	**4/4** **1/3** **2/2**	Caldicott Guardian (Until Dec 2022)
Greg Dix	Director of Nursing	Board Quality and Safety Committee	**5/6** **9/12**	Children and Young People Putting Things Right
Hywel Daniel	Director of People	Board People and Culture Committee Remuneration & Terms of Service Committee	**5/6** **4/4** **5/6**	Fire Safety /Violence and Aggression/ Raising Staff Concerns / Welsh Language
Gethin Hughes	Chief Operating Officer	Board Planning, Performance and Finance Committee Quality and Safety Committee Mental Health Act Monitoring Committee **(IA)** (Deputy Director of Primary, Community & Mental Health attends Mental Health Act Monitoring Committee on behalf of the COO as necessary) Population Health and Partnerships Committee Charitable Funds Committee	**6/6** **6/7** **12/12** **1/4** **3/4** **2/4**	Not Applicable
Dom Hurford	Medical Director	Board Quality & Safety Committee	**5/6** **7/12**	Interim Caldicott Guardian (from December 2022)
Linda Prosser	Director of Strategy & Transformation	Board Planning, Performance and Finance Committee Population Health and Partnerships Committee	**5/6** **7/7** **4/4**	
Lauren Edwards	Director of Therapies and Health Sciences	Board Quality and Safety Committee Population Health and Partnerships Committee	**3/6** **10/12** **2/4**	
Stuart Morris	Director of Digital	Board Digital & Data Committee	**6/6** **4/4**	
Georgina Galletly (until Nov 2022)	Director of Corporate Governance	Board Remuneration & Terms of Service Committee Audit & Risk Committee Quality & Safety Committee	**2/3** **2/3** **5/5** **6/6**	

*nominated representative attends on behalf of CEO as necessary.

Appendix C to the Governance Statement - Table of Board & Committee Meetings held during 2022-23

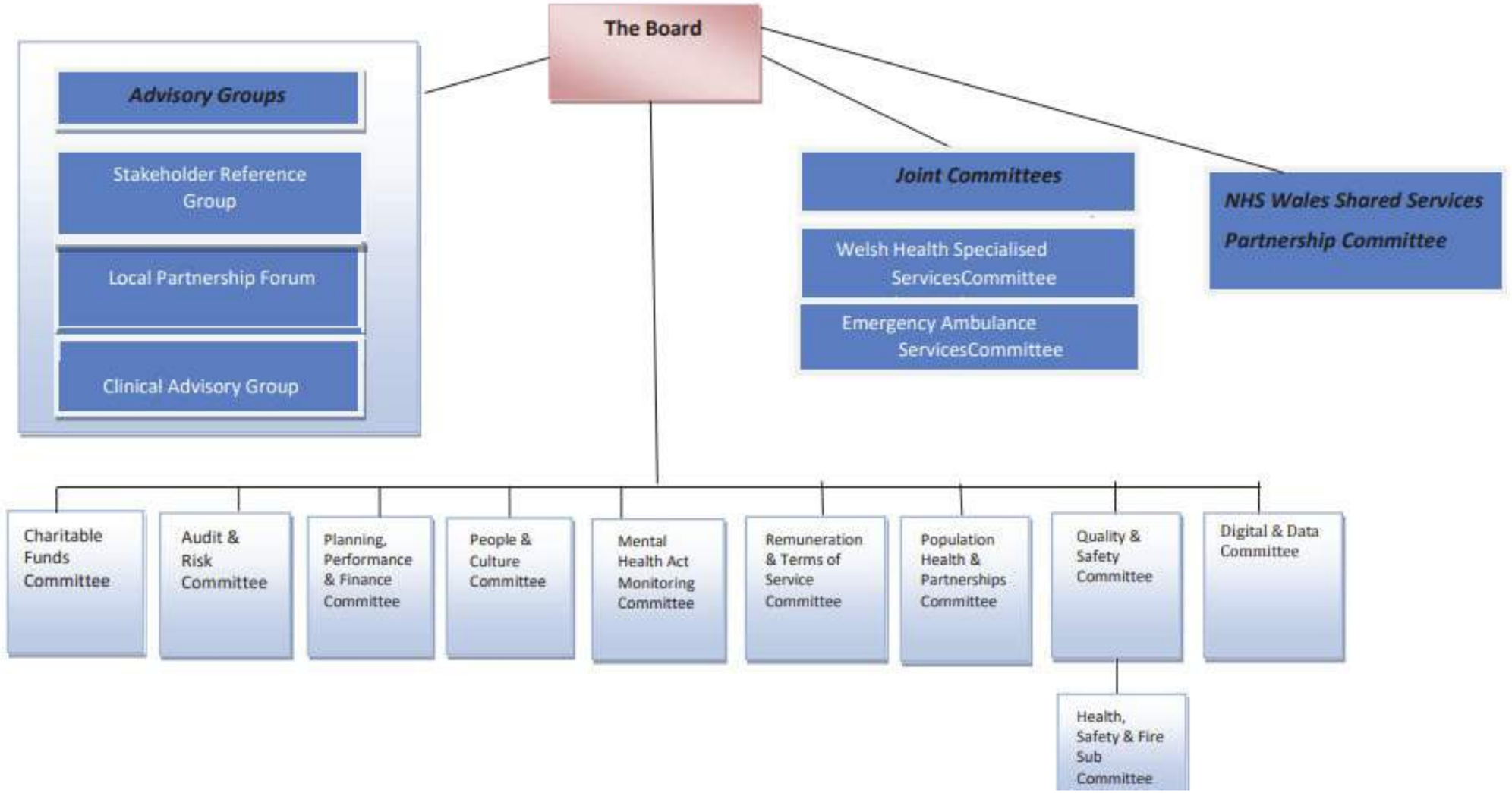
Board/Committee									
Board Meeting (held in public)#	26/05/22	28/07/22	29/09/22	24/11/22	26/01/23	30/03/22			
Audit & Risk Committee	28/04/22	18/05/22	14/06/22	23/06/22	22/08/22	24/10/22	12/12/22	13/02/22	
Charitable Funds Committee	07/04/22	25/07/22	18/08/22 (Meeting of Trustees)	10/11/22	23/01/23 (Meeting Cancelled)				
Quality & Safety Committee	24/05/22	15/06/22	19/7/22 & 27/07/22	20/09/22	11/10/22	15/11/22 & 17/11/22	24/01/23 & 30/01/23	16/03/23	27/03/23
Planning, Performance & Finance Committee	26/04/22	28/06/22	23/08/22	20/09/22 (Extra Ordinary Meeting)	25/10/22	20/12/22 (Scheduled but not held due to Industrial Action)	28/02/23	22/03/23 (Extra ordinary Meeting)	
People & Culture Committee	11/05/22	10/08/22	09/11/22	08/02/23					
Population Health & Partnerships Committee	04/04/22	26/07/22	02/11/22	01/02/23					
Digital & Data Committee	22/06/22	28/09/22	19/12/22	13/03/22					
Mental Health Act Monitoring Committee	08/06/22	12/10/22	07/12/22	08/03/23					
Remuneration & Terms of Service Committee	26/05/22	30/03/22	17/08/22	21/12/22	08/03/23	22/03/23			

#Where it was necessary to hold a Board Meeting in-committee, the agenda items were reported to the next available Board meeting held in public.

All Board and Board Committee meetings were quorate.

Board Development/ Board Briefing sessions were also held, generally in the months when Board meetings in public were not scheduled.

Appendix D Board and Committee Structure



Remuneration and Staff Report

The Welsh Government's Manual for Accounts requires that a Remuneration Report be prepared by NHS bodies providing information under the headings in SI 2008 No 41 http://www.legislation.gov.uk/uksi/2008/410/contents/ made to the extent that they are relevant. This Remuneration and Staff Report contains information about senior manager's remuneration. The definition of "Senior Managers" for these purposes is:

> *"those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments."*

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

Board Composition by Gender

Board Member Gender at 21 March 2023	Female	Male
Independent Member	6	5
Associate Board Members	3	0
Chief Executive Officer & Executive Directors	4	5

Staff Composition by Gender as at 31st March 2023

Employee Gender	Headcount	Full-time Equivalent	% of Headcount
Female	10,380	8,884.10	81.16%
Male	2,409	2,272.14	18.84%
Total	12,789	11,156.23	100%

Staff Composition by Staff Group

During 2022-23 the average full-time equivalent (FTE) number of staff permanently employed was 11,156.23. The average number of employees is calculated by the full time equivalent number of employees in each week of the financial year, divided by the number of weeks in the financial year.

Staff Group at 31 March 2023	Female		Male		Totals	
	Headcount	FTE	Headcount	FTE	Headcount	FTE
Add Prof Scientific and Technical	312	268.52	107	93.24	419	361.76
Additional Clinical Services	2,100	1,772.17	348	327.12	2,448	2,099.29
Administrative and Clerical	2,186	1,865.74	412	396.75	2,598	2,262.49
Allied Health Professionals	637	573.73	163	159.57	800	733.30
Estates and Ancillary	945	652.57	467	430.88	1,412	1,083.44
Healthcare Scientists	126	113.40	85	84.81	211	198.21
Medical and Dental	326	291.51	487	457.18	813	748.68
Nursing and Midwifery Registered	3,716	3,316.14	336	318.60	4,052	3,634.74
Students	32	30.33	4	4.00	36	34.33
Total	**10,380**	**8,884.1**	**2,409**	**2,272.14**	**12,789**	**11,156.23**

Sickness Absence Data

CTMUHB's 2022-23 sickness absence rate was 6.71% at the end of March 2023, which means the organisation did not achieve the Welsh Government's sickness absence target of 5% or less.

Sickness Absence Data	2021/2022	2022/2023
Total days lost (long-term)	220,858.48	246,879
Total days lost (short-term)	83,285.70	109,907
Total days lost	304,144.17	356,787
Total staff years lost (average staff employed in period – full-time equivalent)	11,106.62	11,014.69
Average Working days lost	17.10	27.39
Total staff employed in period (headcount)	12,763	12,789
Total staff employed in period with no absence (headcount)	3,595	3,754
Percentage of staff with no sick leave	31.50%	29.30%

Absence %	
At 31st March 2023	Rolling % at 31 March 2023
6.71%	7.50%

During 2022-23, the rates of long-term and short-term sickness absence increased, with the top three reasons being infectious diseases, as Covid-19 is still prevalent, gastrointestinal problems and anxiety / stress/depression / other psychiatric illnesses. This trend is not unexpected, given the pressured environment staff have been working in over the past three years. Health Board managers continue to manage sickness absence, in accordance with the NHS Wales Managing Attendance at Work Policy. They work closely with the People Directorate and trade union colleagues to provide employees with support and signposting to assist with their recovery and return to work, where possible.

CTMUHB has an established dedicated Wellbeing Service, led by the Wellbeing Lead, along with a Clinical Psychologist, a Systemic, a Mindfulness and two Psychological Wellbeing practitioners, which provide support to all of our staff. These services are available to staff across the organisation.

Staff have easy access to these services via the Wellbeing Service internet site and SharePoint pages or through internal promotion and our regular workplace roadshows, which publicise availability that includes a free Employee Assistance Programme and other wellbeing services.

The CTMUHB Wellbeing Service also provides a wide range of evidence-based interventions, to help employees to proactively manage and address underlying physical and psychological issues, which are causing sickness absence.

Staff Policies

During 2022-23, the partnership, People Policy Review Group reviewed and recommended 23 staff policies and procedures for approval by the People & Culture Committee. To help to provide our staff with an excellent employee experience the group is also focusing on developing progressive policies, which reinforce our values.

All staff policies can be access by staff via the policy SharePoint page.

All staff policies and procedures were equality impact assessed against the nine protected characteristics, to ensure they do not discriminate or disadvantage any individuals. All CTMUHB staff policies and procedures are available by contacting: CTM_Corporate_Governance@wales.nhs.uk.

Salary and Pension Disclosure Tables (Audited)

Cwm Taf Morgannwg University Local Health Board ***Salary and Pension benefits of Senior Managers***						
Single Total Figure of Remuneration 2022-23	**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**
Paul Mears	**210-215**	**0**	**0**	**n/a**	**53**	**265-270**
Chief Executive						
Sally May	**165-170**	**0**	**0**	**n/a**	**44**	**210-215**
Director of Finance						
Dom Hurford	**175-180**	**7**	**29**	**n/a**	**30**	**235-240**
Interim Medical Director to 1st May 2022						
Medical Director from 2nd May 2022						
Greg Dix	**135-140**	**15**	**0**	**n/a**	**63**	**195-200**
Director of Nursing, Midwifery and Patient Care (Note 1)						
Deputy Chief Executive Officer from 1st March 2023						
Linda Prosser	**140-145**	**0**	**20**	**n/a**	**32**	**195-200**
Director of Strategy & Transformation						
Hywel Daniel	**135-140**	**19**	**0**	**n/a**	**34**	**170-175**
Director of People						
Kelechi Nnoaham	**90-95**	**0**	**n/a**	**0**	**26**	**120-125**
Director of Public Health to 30th November 2022						
Lauren Edwards	**125-130**	**0**	**92**	**n/a**	**31**	**250-255**
Director of Therapies and Health Sciences						
Gareth Robinson	**10-15**	**0**	**0**	**n/a**	**4**	**10-15**
Interim Chief Operating Officer to 25th April 2022						
Gethin Hughes	**135-140**	**0**	**n/a**	**n/a**	**n/a**	**135-140**
Chief Operating Officer from 19th April 2022 (Note 2)						
Directors						
Georgina Galletly	**65-70**	**11**	**0**	**n/a**	**28**	**95-100**
Director of Corporate Governance/ Board Secretary to 13th November 2022						
Stuart Morris	**105-110**	**14**	**43**	**n/a**	**27**	**175-180**
Director of Digital						
Independent Members						
Emrys Elias	**70-75**	**0**				**70-75**
Interim Chair						
Jayne Sadgrove	**55-60**	**0**				**55-60**
Vice-Chair						
Patsy Roseblade	**15-20**	**0**				**15-20**
Independent Member (Finance)						
James Hehir	**15-20**	**0**				**15-20**
Independent Member (Legal)						

	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)
Ian Wells	**15-20**	**0**				**15-20**
Independent Member (ICT)						
Mel Jehu	**15-20**	**0**				**15-20**
Independent Member (Community)						
Nicola Milligan	**0**	**0**				**0**
Independent Member (Staff) (Note 3)						
Dilys Jouvenat	**15-20**	**0**				**15-20**
Independent Member (Third Sector)						
Carolyn Donoghue	**15-20**	**0**				**15-20**
Independent Member (University)						
Lynda Thomas	**15-20**	**0**				**15-20**
Independent Member (Corporate Business)						
Cllr Geraint E Hopkins	**15-20**	**0**				**15-20**
Independent Member (Local Authority)						
Lisa Curtis-Jones, Anna Lewis (to 31st August 2022), Dr Sally Bolt (from 1st September 2022) and Anne Morris (from May 2022) 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.						
Where applicable, any agreed increase in salaries relating to 2022-23, including payments made in 2023-24, have been included in the salary figures in the table above.						
Pension benefits figures have not been updated, as increases to pay scales were agreed after the pension information relating to 2022-23 had been provided by the NHS Pensions Agency.						
Notes						
1 - Greg Dix chose not to be covered by the NHS pension arrangements from January 2023.						
2 - Gethin Hughes chose not to be covered by the NHS Pension arrangements during 2022-23.						
3 - Nicola Milligan is a paid, full time employee of the organisation and receives no additional remuneration as an Independent Member.						

Single Total Figure of Remuneration 2021-22	**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**
Paul Mears	**205-210**	**0**	**24**	**n/a**	**51**	**280-285**
Chief Executive						
Steve Webster	**55-60**	**0**	**n/a**	**n/a**	**n/a**	**55-60**
Director of Finance to 1st August 2021(Note 1)						
Sally May	**105-110**	**0**	**17**	**n/a**	**49**	**170-175**
Director of Finance from 2nd August 2021						
Nick Lyons	**95-100**	**0**	**n/a**	**n/a**	**n/a**	**95-100**
Medical Director to 22nd August 2021 (Note 1)						
Dom Hurford	**120-125**	**4**	**0**	**n/a**	**28**	**145-150**
Interim Medical Director from 1st July 2021						
Greg Dix	**130-135**	**6**	**0**	**n/a**	**21**	**150-155**
Director of Nursing, Midwifery and Patient Care						
Clare Williams	**20-25**	**0**	**n/a**	**0**	**28**	**45-50**
Interim Director of Planning and Performance to 31st May 2021						
Linda Prosser	**110-115**	**0**	**74**	**n/a**	**n/a**	**185-190**
Director of Strategy & Transformation from 1st June 2021						
Hywel Daniel	**130-135**	**8**	**26**	**n/a**	**33**	**190-195**
Director of People						
Kelechi Nnoaham	**135-140**	**0**	**n/a**	**6**	**35**	**175-180**
Director of Public Health						
Fiona Jenkins	**65-70**	**0**	**219**	**n/a**	**n/a**	**285-290**
Interim Director of Therapies and Health Sciences (Note 2)						
Gareth Robinson	**150-155**	**0**	**0**	**n/a**	**35**	**185-190**
Interim Chief Operating Officer						
Directors						
Georgina Galletly	**105-110**	**2**	**0**	**n/a**	**29**	**135-140**
Director of Corporate Governance/ Board Secretary						
Stuart Morris	**30-35**	**2**	**59**	**n/a**	**32**	**120-125**
Director of Digital from 13th December 2021						
Independent Members						
Marcus Longley	**25-30**	**0**				**25-30**
Chair to 30th September 2021						
Emrys Elias	**30-35**	**0**				**30-35**
Interim Chair from 1st October 2021						
Maria Thomas	**5-10**	**0**				**5-10**
Vice-Chair to 31st May 2021						
Jayne Sadgrove	**45-50**	**0**				**45-50**
Independent Member (University) to 31st May 2021						
Vice-Chair from 1st June 2021						

	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)
	£000	£00	£000	£000	£000	£000
Patsy Roseblade	**10-15**	**0**				**10-15**
Independent Member (Finance)						
James Hehir	**10-15**	**0**				**10-15**
Independent Member (Legal)						
Ian Wells	**10-15**	**0**				**10-15**
Independent Member (ICT)						
Keiron Montague	**5-10**	**0**				**5-10**
Independent Member (Community) to 30th September 2021						
Cllr Phillip White	**0-5**	**0**				**0-5**
Independent Member (Elected Representative) until 14th October 2021						
Mel Jehu	**10-15**	**0**				**10-15**
Independent Member (Community)						
Nicola Milligan	**0**	**0**				**0**
Independent Member (Staff) (Note 3)						
Dilys Jouvenat	**10-15**	**0**				**10-15**
Independent Member (Third Sector)						
Carolyn Donoghue	**5-10**	**0**				**5-10**
Independent Member (University) from 4th August 2021						
Lynda Thomas	**5-10**	**0**				**5-10**
Independent Member (Corporate Business) from 8th October 2021						
Cllr Geraint E Hopkins	**0-5**	**0**				**0-5**
Independent Member (Local Authority) from 6th January 2022						
Sharon Richards (to 25th February 2022), Lisa Curtis-Jones and Anna Lewis (from 3rd August 2021) received no remuneration for their role as Associate Members						
Independent Members do not receive pensionable remuneration for their Board membership.						
Salary figures relate to remuneration for the period as Senior Manager only.						
Pension benefits relate to benefits accrued during the year, not just the period relating to their senior management service.						
The NHS and social care financial recognition scheme bonus of £735 payment to reward eligible NHS staff was paid in 2021-22. This has not been included in the NHS Remuneration Report calculations. This bonus payment is not a contractual payment, but a one off payment to reward eligible staff for their commitment and tireless efforts in the most challenging circumstances.						
Notes						
1 - Steve Webster and Nick Lyons chose not to be covered by the NHS pension arrangements during 2021-22.						
2 - Fiona Jenkins was employed by Cardiff & Vale ULHB for 2021-22 with a joint appointment with Cwm Taf Morgannwg ULHB for 0.5wte. The Pension benefits relate to her total membership of the NHS Pension Scheme.						
3 - Nicola Milligan is a paid, full time employee of the organisation and receives no additional remuneration as an Independent Member.						

Pension Benefits 2022-23	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 2023	Lump sum at pensionable age related to accrued pension at 31 March 2023	Cash Equivalent Transfer Value at 31 March 2023	Cash Equivalent Transfer Value at 31 March 2022	Real increase in Cash Equivalent Transfer Value	Employer's contribution to partnership pension account
Name and title	**(bands of £2,500)**	**(bands of £2,500)**	**(bands of £5,000)**	**(bands of £5,000)**				
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Cwm Taf Morgannwg University Local Health Board								
Executive Directors								
Paul Mears 1995 Pension Scheme	0	0	25-30	85-90	615	586	10	0
Paul Mears 2015 Pension Scheme	2.5-5	0	20-25	0	283	220	28	0
Chief Executive (Note 1)								
Sally May 1995 Pension Scheme	0	0	50-55	150-155	1131	1085	12	0
Sally May 2015 Pension Scheme	2.5-5	0	20-25	0	325	265	29	0
Director of Finance (Note 1)								
Dom Hurford 1995 Pension Scheme	0-2.5	2.5-5	20-25	60-65	375	334	31	0
Dom Hurford 2015 Pension Scheme	0-2.5	0	15-20	0	187	152	15	0
Interim Medical Director to 1st May 2022 (Note 1)								
Medical Director from 2nd May 2022								
Greg Dix 1995 Pension Scheme	0	0	25-30	75-80	525	520	0	0
Greg Dix 2015 Pension Scheme	2.5-5	0	15-20	0	248	189	40	0
Director of Nursing, Midwifery and Patient Care (Note 2)								
Deputy Chief Executive Officer from 1st March 2023								
Linda Prosser 1995 Pension Scheme	0-2.5	2.5-5	40-45	130-135	n/a	n/a	n/a	0
Linda Prosser 2015 Pension Scheme	2.5-5	0	0-5	0	41	0	21	
Director of Strategy & Transformation (Note 3)								
Hywel Daniel 1995 Pension Scheme	0	0	20-25	65-70	355	352	0	0
Hywel Daniel 2015 Pension Scheme	2.5-5	0	15-20	0	145	115	9	0
Director of People (Note 1)								
Kelechi Nnoaham 2008 Pension Scheme	0	0	10-15	0	152	164	0	0
Kelechi Nnoaham 2015 Pension Scheme	0-2.5	0	20-25	0	247	212	10	0
Director of Public Health to 30th November 2022 (Note 4)								
Lauren Edwards 1995 Pension Scheme	2.5-5	10-12.5	10-15	40-45	244	169	70	0
Lauren Edwards 2015 Pension Scheme	0-2.5	0	10-15	0	122	94	8	0
Director of Therapies and Health Sciences (Note 5)								
Gareth Robinson 1995 Pension Scheme	0	0-2.5	0-5	10-15	82	77	0	0
Gareth Robinson 2015 Pension Scheme	0-2.5	0	0-5	0	50	45	0	0
Interim Chief Operating Officer to 25th April 2022 (Note 6)								
Gethin Hughes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Chief Operating Officer from 19th April 2022 (Note 7)								
Directors								
Mrs G Galletly 1995 Pension Scheme	0	0	15-20	55-60	378	397	0	0
Mrs G Galletly 2015 Pension Scheme	0-2.5	0	10-15	0	165	133	8	0
Director of Corporate Governance/ Board Secretary to 13th November 2022 (Note 1)								
Stuart Morris 1995 Pension Scheme	0-2.5	5-7.5	20-25	60-65	381	329	42	0
Stuart Morris 2015 Pension Scheme	0-2.5	0	10-15	0	141	111	12	0
Director of Digital (Note 1)								

Notes:

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

2 - Greg Dix was a member of the 1995 pension scheme up to 2018-19. He re-joined the 2015 pension scheme on 1st July 2020 and terminated membership on 31st December 2022.

3 - Linda Prosser is over the Normal Retirement Age for the 1995 scheme and therefore a CETV is not applicable. She re-joined the 2015 pension scheme on 1st April 2022.

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

5 - Lauren Edwards transferred from the 1995 pension scheme to the 2015 pension scheme on the 1st November 2021.

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

7 - Gethin Hughes chose not to be covered by the NHS Pension arrangements during 2022-23.

Pension related figures above have not been updated with any agreed increase salaries relating to 2022-23, as increases to pay scales were agreed after the pension information relating to 2022-23 had been provided by the NHS Pensions Agency.

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 capitalised 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 figures include the value of any pension benefits in another scheme or arrangement which the member has transferred to the NHS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real Increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include 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. The above shows the CETVs of senior staff at the start and end of the reporting year, together with the real increase during that period. The real increase is the increase due to additional benefit accrual (i.e., as a result of salary changes and service) that is funded by the employer. It will be smaller than the difference between the start and end CETVs because it does not include any increase in the value of the pension due to inflation or due to the contributions paid by the employee or the value of any benefits transferred from another pension scheme. Nor does it include any increases (or decreases) because of any changes during the year in the actuarial factors used to calculate CETVs.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023-24 figures.

Pension Benefits 2021-22	Real increase in pension at pensionable age	Real increase in pension lump sum at pensionable age	Total accrued pension at pensionable age at 31 March 2022	Lump sum at pensionable age related to accrued pension at 31 March 2022	Cash Equivalent Transfer Value at 31 March 2022	Cash Equivalent Transfer Value at 31 March 2021	Real increase in Cash Equivalent Transfer Value	Employer's contribution to stakeholder pension
Name and Title	**(bands of £2,500)**	**(bands of £2,500)**	**(bands of £5,000)**	**(bands of £5,000)**				
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Cwm Taf Morgannwg University Local Health Board								
Executive Directors								
Paul Mears 1995 Pension Scheme	0-2.5	2.5-5	25-30	85-90	587	551	34	0
Paul Mears 2015 Pension Scheme	2.5-5	0	15-20	0	220	166	23	0
Chief Executive (Note 2)								
Steve Webster	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Director of Finance to 1st August 2021(Note 1)								
Sally May 1995 Pension Scheme	0-2.5	0-2.5	45-50	145-150	1085	1041	26	0
Sally May 2015 Pension Scheme	0-2.5	0	15-20	0	265	216	21	0
Director of Finance from 2nd August 2021(Note 2)								
Nick Lyons	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
Medical Director to 22nd August 2021 (Note 1)								
Dom Hurford 1995 Pension Scheme	0	0	15-20	55-60	334	332	0	0
Dom Hurford 2015 Pension Scheme	0-2.5	0	10-15	0	152	124	10	0
Interim Medical Director from 1st July 2021(Note 2)								
Greg Dix 1995 Pension Scheme	0	0	25-30	75-80	520	637	0	0
Greg Dix 2015 Pension Scheme	0-2.5	0	10-15	0	189	159	10	0
Director of Nursing, Midwifery and Patient Care (Note 3)								
Clare Williams 2008 Pension Scheme	0	0	10-15	0	130	142	0	0
Clare Williams 2015 Pension Scheme	0-2.5	0	10-15	0	109	85	1	0
Interim Director of Planning and Performance to 31st May 2021(Note 4)								
Linda Prosser 1995 Pension Scheme	2.5-5	7.5-10	40-45	120-125	n/a	n/a	n/a	0
Director of Strategy & Transformation from 1st June 2021(Note 5)								
Hywel Daniel 1995 Pension Scheme	0-2.5	2.5-5	20-25	65-70	352	325	25	0
Hywel Daniel 2015 Pension Scheme	2.5-5	0	10-15	0	115	88	7	0
Director of People (Note 2)								
Kelechi Nnoaham 2008 Pension Scheme	0-2.5	0	10-15	0	164	155	7	0
Kelechi Nnoaham 2015 Pension Scheme	2.5-5	0	15-20	0	212	175	17	0
Director of Public Health (Note 4)								
Fiona Jenkins 1995 Pension Scheme	5-7.5	15-17.5	70-75	210-215	n/a	n/a	n/a	0
Interim Director of Therapies and Health Sciences (Note 6)								
Gareth Robinson 1995 Pension Scheme	0	0	0-5	10-15	77	75	2	0
Gareth Robinson 2015 Pension Scheme	0-2.5	0	0-5	0	45	11	12	0
Interim Chief Operating Officer (Note 7)								
Directors								
Mrs G Galletly 1995 Pension Scheme	0	0	20-25	60-65	397	389	6	0
Mrs G Galletly 2015 Pension Scheme	0-2.5	0	10-15	0	133	108	10	0
Director of Corporate Governance/ Board Secretary (Note 2)								

Stuart Morris 1995 Pension Scheme	0-2.5	0-2.5	15-20	50-55	329	274	16	0
Stuart Morris 2015 Pension Scheme	0-2.5	0	5-10	0	111	88	6	0
Director of Digital from 13th December 2021(Note 2)								
Notes:								

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

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

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

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

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

6 - Fiona Jenkins was employed by Cardiff & Vale ULHB for 2021-22 with a joint appointment with Cwm Taf Morgannwg UHB for 0.5wte. The Total accrued pension and lump sums relate to her total membership of the NHS Pension Scheme. Fiona Jenkins is over the Normal Retirement Age for the scheme and therefore a CETV is not applicable.

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

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

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

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised 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 member 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 that is funded by the employer. It does not include 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 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
In accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS) and redundancy legislation some costs were paid. Where CTMUHB agreed the voluntary early release of staff, the organisation met these costs rather than the NHS Pensions Scheme. The NHS Pension Scheme did meet the cost of ill-health retirements, which are not included in the tables provided. No staff received an exit payment during 2022-23.

Expenditure on Consultancy Fees (Audited)
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. The expenditure for 2022-23 and 2021-22 is detailed in the table below:

	2022-23		**2021-22**
Expenditure on Hospital and Community Health Service	**£'000**		**£'000**
	CTM activities		**CTM activities**
Consultancy Services	**759**		**708**

Tax Assurance for Off-Payroll Engagements

Table 1: Highly paid Off-payroll worker engagements as at 31 March 2023, earning £245 per day or greater	
Number of existing engagements as of 31 March 2023	35
Of which, the number that have existed:	
for less than one year at time of reporting.	13
for between one and two years at time of reporting.	7
for between two and three years at time of reporting.	4
for between three and four years at time of reporting.	3
for four or more years at time of reporting.	8

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2023, earning £245 per day or greater	
Number of temporary off-payroll workers engaged during the year ended 31 March 2023	57
Of which…	
Number not subject to off-payroll legislation	0
Number subject to off-payroll legislation and determined as in-scope of IR35	38
Number subject to off-payroll legislation and determined as out-of-scope of IR35	19
Number of engagements reassessed for compliance or assurance purposes during the year.	0
Of which: Number of engagements that saw a change to IR35 status following review.	0

Table 3; For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023	
Number of off-payroll engagements of board members, and /or, senior officials with significant financial responsibility, during the financial year.	0
Total number of individuals on payroll and off-payroll 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.	12

Fair Pay Disclosures – Remuneration Relationship - (Audited)

		2022-23	2022-23	2022-23		2021-22	2021-22	2021-22
		£000	£000	£000		£000	£000	£000
		Chief Executive	Employee	Ratio		Chief Executive	Employee	Ratio
Total pay and benefits								
	25th percentile pay ratio	211	24	8.8		208	23	9.1
	Median pay	211	33	6.4		208	32	6.5
	75th percentile pay ratio	211	43	4.9		208	42	5
Salary component of total pay and benefits								
	25th percentile pay ratio	211	24	8.8		208	23	
	Median pay	211	33	6.4		208	32	
	75th percentile pay ratio	211	42	4.9		208	42	
Total pay and benefits		**Highest Paid Director**	**Employee**	**Ratio**		Highest Paid Director	Employee	Ratio
	25th percentile pay ratio	211	24	8.8		213	23	9.3
	Median pay	211	33	6.4		213	32	6.7
	75th percentile pay ratio	211	43	4.9		213	42	5.1
Salary component of total pay and benefits								
	25th percentile pay ratio	211	24	8.8		213	23	
	Median pay	211	33	6.4		213	32	
	75th percentile pay ratio	211	43	4.9		213	42	

In 2022-23, 32 (2021-22, 12) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £3k to £320k (2021-22, £5k to £351k).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

Financial Year Summary

Percentage Changes (Audited)

						2021-22 to 2022-23		2020-21 to 2021-22
% Change from previous financial year in respect of Chief Executive						**%**		**%**
	Salary and allowances					1		3
	Performance pay and bonuses					1		3
% Change from previous financial year in respect of highest paid director								
	Salary and allowances					-1		5
	Performance pay and bonuses					-1		5
Average % Change from previous financial year in respect of employees takes as a whole								
	Salary and allowances					4		1
	Performance pay and bonuses					3		1

Reporting of other compensation schemes – exit packages (Audited)

		2022-23		2022-23		2022-23		2022-23		2021-22
Exit packages cost band (including any special payment element)		**Number of compulsory redundancies**		**Number of other departures**		**Total number of exit packages**		**Number of departures where special payments have been made**		Total number of exit packages
		Whole numbers only		**Whole numbers only**		**Whole numbers only**		**Whole numbers only**		Whole numbers only
less than £10,000		**0**		**1**		**1**		**0**		0
£10,000 to £25,000		**0**		**1**		**1**		**0**		3
£25,000 to £50,000		**0**		**3**		**3**		**0**		0
£50,000 to £100,000		**0**		**1**		**1**		**0**		3
£100,000 to £150,000		**0**		**1**		**1**		**0**		1
£150,000 to £200,000		**0**		**1**		**1**		**0**		0
more than £200,000		**0**		**0**		**0**		**0**		0
Total		**0**		**8**		**8**		**0**		7

		2022-23		2022-23		2022-23		2022-23		2021-22
Exit packages cost band (including any special payment element)		**Cost of compulsory redundancies**		**Cost of other departures**		**Total cost of exit packages**		**Cost of special element included in exit packages**		Total cost of exit packages
		£		**£**		**£**		**£**		**£**
less than £10,000		**0**		**4,016**		**4,016**		**0**		0
£10,000 to £25,000		**0**		**11,019**		**11,019**		**0**		62,658
£25,000 to £50,000		**0**		**127,751**		**127,751**		**0**		0
£50,000 to £100,000		**0**		**97,364**		**97,364**		**0**		248,086
£100,000 to £150,000		**0**		**129,287**		**129,287**		**0**		101,977
£150,000 to £200,000		**0**		**150,308**		**150,308**		**0**		0
more than £200,000		**0**		**0**		**0**		**0**		0
Total		**0**		**519,745**		**519,745**		**0**		412,721
Exit costs paid in year of departure										Total paid in year
						2022-23				2021-22
						£				**£**
Exit costs paid in year						**519,745**				412,721
Total						**519,745**				412,721

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. Seven special payments are severance payments related to CTM employees, the highest payment was £129,287 the lowest payment was £4,016 and the median value was for £44,466. There is 1 special payment in relation to WHSSC with a value of £150,308.

Signed:

Paul Mears, Chief Executive & Accountable Officer

Date: 27th July 2023

Where 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. Please see the AGW's qualified regularity opinion which is set out from page 125.

Compliance with Cost Allocation and Charging
CTMUHB can confirm that it has complied with cost allocation and charging requirements as set out in HM Treasury's '*Managing Public Money'* guidance.

Going Concern Basis
CTMUHB's accounts are prepared on a going concern basis as the continued provision of CTMUHB's services in the future are anticipated, as evidenced by the inclusion of financial provisions for these services in published Welsh Government documents. There are no known events or conditions that might cast significant doubt on this assessment.

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 (Audited)

Detailed below are the remote contingent liabilities as at 31st March 2023:

	2022-23	2021-22
Contingent Liabilities	£'000	£'000
Guarantees	**0**	0
Indemnities	**187**	200
Letters of Comfort	**0**	0
Total	**187**	**200**

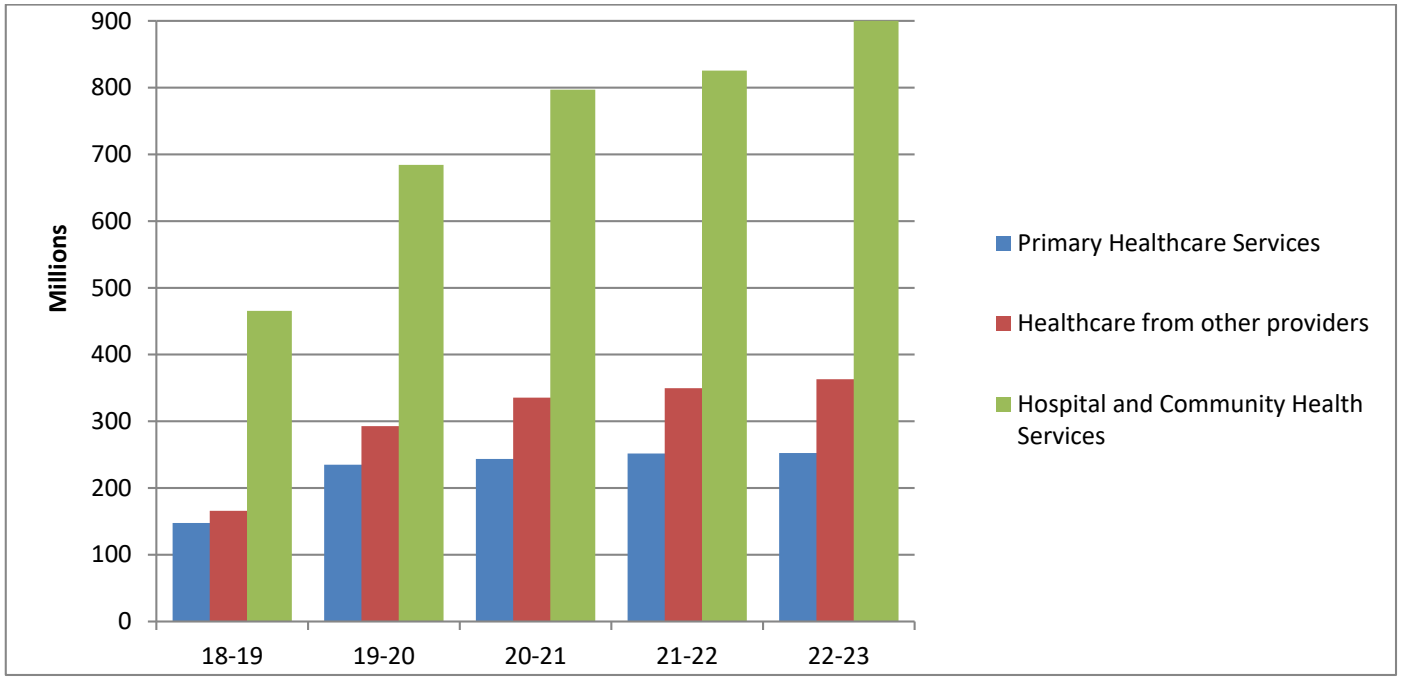
Miscellaneous Income (Audited)

Detailed below is the miscellaneous income as at 31st March 2023:

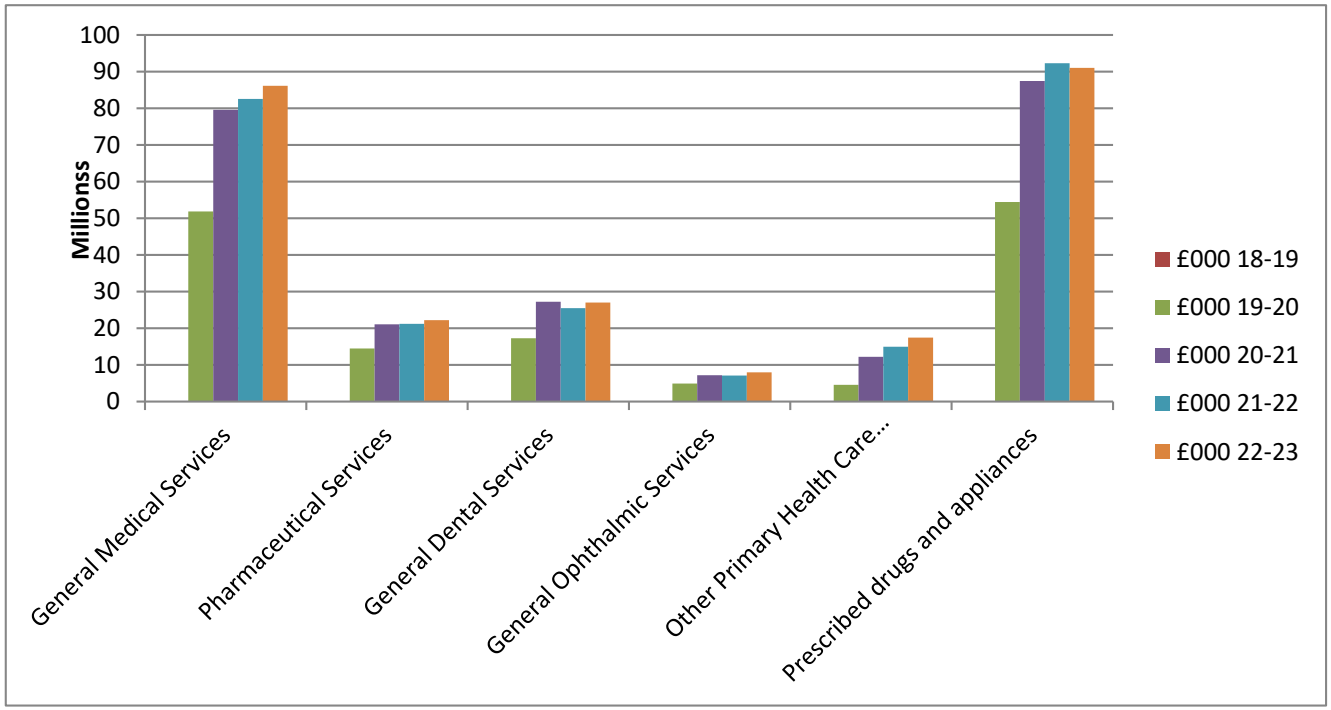
	2022-23	2021-22
	£'000	£'000
Total	**155,074**	148,099

Long Term Expenditure Trends (excluding WHSSC / EASC) (Audited)

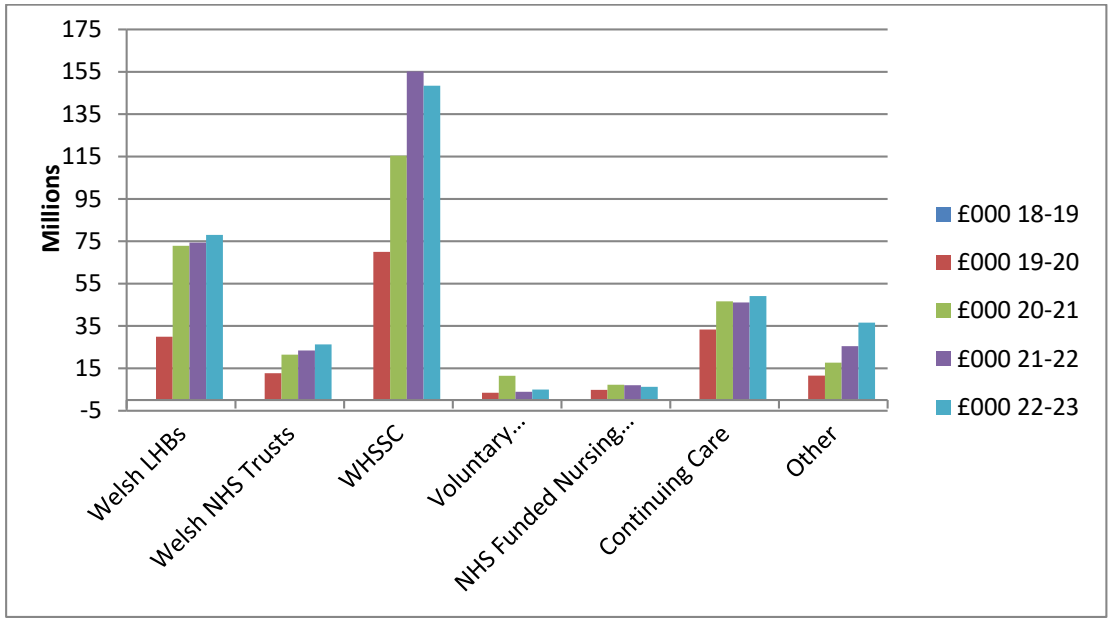
Operating Expenses	£000	£000	£000	£000	**£000**		%	%	%	%	**%**
	18-19	19-20	20-21	21-22	**22-23**		18-19	19-20	20-21	21-22	**22-23**
Primary Healthcare Services	147,605	234,802	243,573	251,779	**252,376**		18.95	19.37	17.70	17.64	**16.60**
Healthcare from other providers	165,770	292,814	335,415	349,708	**363,049**		21.28	24.16	24.38	24.51	**23.88**
Hospital and Community Health Services	465,516	684,350	797,071	825,533	**904,637**		59.77	56.47	57.92	57.85	**59.51**
Total	778,891	1,211,966	1,376,059	1,427,020	**1,520,062**		100.00	100.00	100.00	100.00	**100.00**



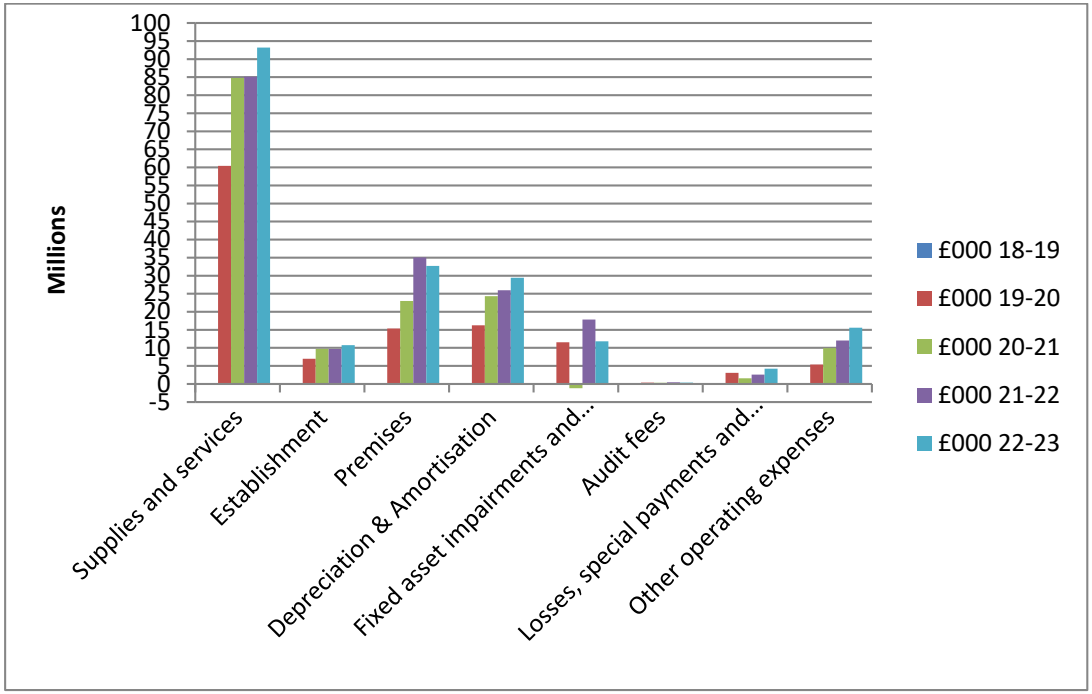
Expenditure on Primary Healthcare Services	£000	£000	£000	£000	**£000**		%	%	%	%	%
	18-19	19-20	20-21	21-22	**22-23**		18-19	19-20	20-21	21-22	**22-23**
General Medical Services	51,875	79,585	82,559	86,136	**87,403**		35.14	33.89	33.90	34.21	**34.63**
Pharmaceutical Services	14,479	21,081	21,196	22,194	**21,072**		9.81	8.98	8.70	8.81	**8.35**
General Dental Services	17,285	27,248	25,470	27,011	**25,612**		11.71	11.60	10.46	10.73	**10.15**
General Ophthalmic Services	4,949	7,211	7,101	8,001	**6,826**		3.35	3.07	2.92	3.18	**2.70**
Other Primary Health Care expenditure	4,588	12,231	14,984	17,435	**14,289**		3.11	5.21	6.15	6.92	**5.66**
Prescribed drugs and appliances	54,429	87,446	92,263	91,002	**97,174**		36.87	37.24	37.88	36.14	**38.50**
Total	147,605	234,802	243,573	251,779	**252,376**		100.00	100.00	100.00	100.00	**100.00**



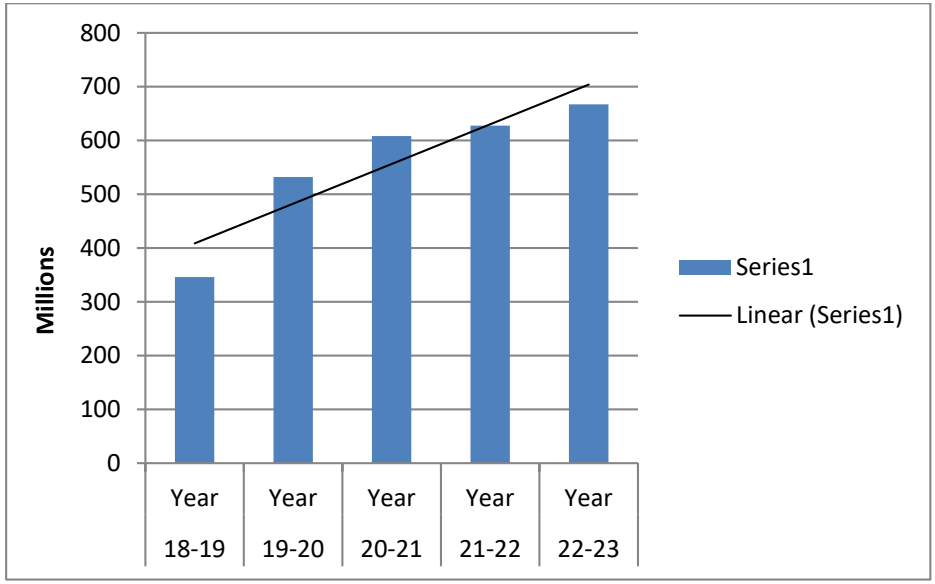
Expenditure on Healthcare from other providers	£000	£000	£000	£000	**£000**		**%**	**%**	**%**	**%**	**%**
	18-19	19-20	20-21	21-22	**22-23**		18-19	19-20	20-21	21-22	**22-23**
Welsh LHBs	29,927	72,875	74,359	77,989	**79,324**		18.05	24.89	22.17	22.30	**21.85**
Welsh NHS Trusts	12,690	21,462	23,392	26,305	**25,133**		7.66	7.33	6.97	7.52	**6.92**
WHSSC	69,963	115,411	155,190	148,438	**151,733**		42.20	39.41	46.27	42.45	**41.79**
Voluntary organisations	3,451	11,481	3,920	4,975	**3,989**		2.08	3.92	1.17	1.42	**1.10**
NHS Funded Nursing Care	4,867	7,269	7,022	6,246	**6,961**		2.94	2.48	2.09	1.79	**1.92**
Continuing Care	33,298	46,653	46,093	49,163	**55,820**		20.09	15.93	13.74	14.06	**15.38**
Other	11,574	17,663	25,440	36,592	**40,089**		6.98	6.03	7.58	10.46	**11.04**
Total	165,770	292,814	335,415	349,708	**363,049**		100.00	100.00	100.00	100.00	**100.00**



Expenditure on Hospital and Community Health Services	£000	£000	£000	£000	**£000**		%	%	%	%	%
	18-19	19-20	20-21	21-22	**22-23**		18-19	19-20	20-21	21-22	**22-23**
Supplies and services	60,447	84,783	85,152	93,191	**101,352**		50.62	55.61	45.10	47.05	**42.70**
Establishment	7,000	9,718	9,700	10,766	**11,934**		5.86	6.37	5.14	5.44	**5.03**
Premises	15,353	22,985	35,044	32,685	**37,803**		12.86	15.08	18.56	16.50	**15.93**
Depreciation & Amortisation	16,242	24,322	25,978	29,428	**33,626**		13.60	15.95	13.76	14.86	**14.17**
Fixed asset impairments and reversals	11,569	-1,189	17,840	11,826	**45,528**		9.69	-0.78	9.45	5.97	**19.18**
Audit fees	352	350	459	378	**403**		0.29	0.23	0.24	0.19	**0.17**
Losses, special payments and irrecoverable debts	3,062	1,586	2,602	4,221	**1,184**		2.56	1.04	1.38	2.13	**0.50**
Other operating expenses	5,394	9,898	12,023	15,581	**5,549**		4.52	6.49	6.37	7.87	**2.34**
Total	119,419	152,453	188,798	198,076	**237,379**		100.00	100.00	100.00	100.00	**100.00**



Expenditure on Hospital and Community Health Services – Staff Costs	18-19	19-20	20-21	21-22	**22-23**
	Year	Year	Year	Year	**Year**
Pay Costs	346,097	531,897	608,273	627,457	**667,258**



Performance against Resource Limits (Audited)

	2018-19	2019-20	2020-21	2021-22	**2022-23**
	£'000	£'000	£'000	£'000	**£'001**
Net operating costs for the year	687,347	1,066,986	1,234,585	1,278,862	**1,365,069**
Less general ophthalmic services expenditure and other non-cash limited expenditure	(725)	(672)	93	(66)	**(107)**
Less revenue consequences of bringing PFI schemes onto SoFP	(120)	(122)	(126)	(131)	**(198)**
Total operating expenses	686,502	1,066,192	1,234,552	1,278,665	**1,364,764**
Revenue Resource Allocation	686,518	1,067,075	1,234,640	1,278,837	**1,340,283**
Under /(over) spend against Allocation	16	883	88	172	**(24,481)**

CTMUHB has not met its financial duty to break-even against its Revenue Resource Limit over 3 years 2020-21 to 2022-23.

CTMUHB did receive strategic cash only support in 2022-23.

Capital Resource Performance (Audited)

	2018-19	2019-20	2020-21	2021-22	**2022-23**
	£'000	£'000	£'000	£'000	**£'001**
Gross capital expenditure	27,283	40,244	53,772	79,967	**74,915**
Add: Losses on disposal of donated assets	0	0	0	0	**0**
Less NBV of property, plant and equipment and intangible assets disposed	0	(5)	(80)	(717)	**(227)**
Less capital grants received	0	(49)	(1,264)	(13)	**(1,592)**
Less donations received	(3,115)	(1,862)	(197)	(83)	**(114)**
Charge against Capital Resource Allocation	24,168	38,328	52,231	79,154	**72,982**
Capital Resource Allocation	24,178	38,352	52,278	79,196	**73,025**
(Over) / Underspend against Capital Resource Allocation	10	24	47	42	**43**

CTMUHB has met its financial duty to break-even against the Capital Resource Limit over the three years 2020-21 to 2022-23.

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 2023 under Section 61 of the Public Audit (Wales) Act 2004.

These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Cash Flow Statement and Statement of Changes in Taxpayers' Equity and related notes, including a summary of significant accounting policies.

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

In my opinion, in all material respects, 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 2023 and of its net operating costs for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Opinion on regularity

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

Basis for Qualified Opinion on regularity

I have qualified my opinion on the regularity of Cwm Taf Morgannwg University Health Board's financial statements because the Health Board has breached its revenue resource limit by spending £24.221 million over the amount that it was authorised to spend in the three-year period 2020-21 to 2022-23. This spend constitutes irregular expenditure.

Further detail is set out in my Report on page 130.

Basis for opinions

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

My staff and I are independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance

with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

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

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

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

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

Other Information

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

I have nothing to report in this regard.

Opinion on other matters

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

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

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

Matters on which I report by exception

In the light of the knowledge and understanding of the Health 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:

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

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities, set out on pages 65 and 66, the Directors and the Chief Executive are responsible for:

- maintaining adequate accounting records
- the preparation of financial statements and annual report in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- ensuring that the annual report and financial statements as a whole are fair, balanced, and understandable;
- ensuring the regularity of financial transactions;
- internal controls as the Directors and Chief Executive determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Health Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors and Chief Executive anticipate that the services provided by the Health Board will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

My procedures included the following:

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

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Audit and Assurance Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

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

Other auditor's responsibilities

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

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

Report

Please see my Report on page 130.

Adrian Crompton
Auditor General for Wales
28 July 2023

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

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 financial statements. I am reporting on these financial statements for the year ended 31 March 2023 to draw attention to two key matters for my audit. These are the failure against the first financial duty and consequential qualification of my 'regularity' opinion and the failure of the second financial duty. I have not qualified my 'true and fair' opinion in respect of any of these matters.

Financial duties

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

For 2022-23, Cwm Taf Morgannwg University Health Board failed to meet both the first and second financial duty.

Failure of the first financial duty

The **first financial duty** gives additional flexibility to Health Boards by allowing them to balance their revenue and capital income with their expenditure over a three-year rolling period. The three-year period being measured this year under this duty is 2020-21 to 2022-23.

As shown in Note 2.1 to the Financial Statements, Cwm Taf Morgannwg University Health Board did not manage its net revenue expenditure within its resource allocation over this three-year period, exceeding its cumulative revenue resource limit of £3,853 million by £24.221 million.

Where a Health Board does not balance its books over a rolling three-year period, any expenditure over the resource allocation (i.e. spending limit) for those three years exceeds the Health Board's authority to spend and is therefore 'irregular'. In such circumstances, I am required to qualify my 'regularity opinion' irrespective of the value of the excess spend.

Failure of the second financial duty

The **second financial duty** requires Health Boards to prepare and have approved by the Welsh Ministers a rolling three-year integrated medium-term plan. This duty is an essential foundation to the delivery of sustainable quality health services. A Health Board will be deemed to have met this duty for 2022-23 if it submitted a 2022-23 to 2024-25 plan approved by its Board to the Welsh Ministers, who were required to review and consider approval of the plan.

As shown in Note 2.3 to the Financial Statements, Cwm Taf Morgannwg University Health Board did not meet its second financial duty to have an approved three-year integrated medium-term plan in place for the period 2022-23 to 2024-25.

Adrian Crompton
Auditor General for Wales
28 July 2023

Chapter 3 – Financial Statements and Accounts

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.

The key statements therefore have a separate column for Cwm Taf Morgannwg University Health Board activities only with the total column representing the consolidated position. In line with normal consolidation practices, any transactions between Cwm Taf Morgannwg University Health Board, WHSSC and EASC will have been eliminated within the consolidated column.

Statement of Comprehensive Net Expenditure for the year ended 31 March 2023

	Note	2022-23 £000 Cwm Taf HB Activities	2022-23 £000	2021-22 £000 Cwm Taf HB Activities	2021-22 £000
Expenditure on Primary Healthcare Services	3.1	**252,376**	**252,376**	251,779	251,779
Expenditure on healthcare from other providers	3.2	**363,049**	**1,235,868**	349,708	1,130,174
Expenditure on Hospital and Community Health Services	3.3	**904,637**	**913,685**	825,533	833,624
		1,520,062	**2,401,929**	1,427,020	2,215,577
Less: Miscellaneous Income	4	**(155,074)**	**(1,036,941)**	(148,099)	(936,656)
LHB net operating costs before interest and other gains and losses		**1,364,988**	**1,364,988**	1,278,921	1,278,921
Investment Revenue	5	**0**	**0**	0	0
Other (Gains) / Losses	6	**(76)**	**(76)**	(38)	(38)
Finance costs	7	**157**	**157**	(21)	(21)
Net operating costs for the financial year		**1,365,069**	**1,365,069**	**1,278,862**	**1,278,862**

See note 2 on page 26 for details of performance against Revenue and Capital allocations.

The notes on pages 8 to 76 form part of these accounts

Other Comprehensive Net Expenditure

	2022-23 £000	2021-22 £000
Net (gain) / loss on revaluation of property, plant and equipment	**(35,733)**	(15,214)
Net (gain) / loss on revaluation of right of use assets	**0**	
Net (gain) / loss on revaluation of intangibles	**0**	0
(Gain) / loss on other reserves	**0**	0
Net (gain)/ loss on revaluation of PPE & Intangible assets held for sale	**0**	(198)
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	**(35,733)**	**(15,412)**
Total comprehensive net expenditure for the year	**1,329,336**	1,263,450

The notes on pages 8 to 76 form part of these accounts

Statement of Financial Position as at 31 March 2023

	Notes	31 March 2023 £000 Cwm Taf HB Activities	31 March 2023 £000	31 March 2022 £000 Cwm Taf HB Activities	31 March 2022 £000
Non-current assets					
Property, plant and equipment	11	**635,857**	**635,857**	603,416	603,416
Right of Use Assets	11.3	**23,000**	**23,000**		
Intangible assets	12	**2,833**	**2,833**	3,596	3,596
Trade and other receivables	15	**47,608**	**47,608**	43,216	43,216
Other financial assets	16	**0**	**0**	0	0
Total non-current assets		**709,298**	**709,298**	650,228	650,228
Current assets					
Inventories	14	**7,017**	**7,017**	6,856	6,856
Trade and other receivables	15	**74,622**	**92,102**	91,571	105,305
Other financial assets	16	**0**	**0**	0	0
Cash and cash equivalents	17	**1,348**	**19,256**	438	37,548
		82,987	**118,375**	98,865	149,709
Non-current assets classified as "Held for Sale"	11	**245**	**245**	455	455
Total current assets		**83,232**	**118,620**	99,320	150,164
Total assets		**792,530**	**827,918**	749,548	800,392
Current liabilities					
Trade and other payables	18	**(169,055)**	**(215,925)**	(182,269)	(244,595)
Other financial liabilities	19	**0**	**0**	0	0
Provisions	20	**(27,320)**	**(27,680)**	(27,052)	(27,412)
Total current liabilities		**(196,375)**	**(243,605)**	(209,321)	(272,007)
Net current assets/ (liabilities)		**(113,143)**	**(124,985)**	(110,001)	(121,843)
Non-current liabilities					
Trade and other payables	18	**(20,069)**	**(20,069)**	(976)	(976)
Other financial liabilities	19	**0**	**0**	0	0
Provisions	20	**(52,164)**	**(52,164)**	(49,555)	(49,555)
Total non-current liabilities		**(72,233)**	**(72,233)**	(50,531)	(50,531)
Total assets employed		**523,922**	**512,080**	489,696	477,854
Financed by :					
Taxpayers' equity					
General Fund		**428,850**	**417,008**	427,163	415,321
Revaluation reserve		**95,072**	**95,072**	62,533	62,533
Total taxpayers' equity		**523,922**	**512,080**	489,696	477,854

The financial statements on pages 2 to 7 were approved by the Board on 27/07/2023 and signed on its behalf by:

Chief Executive and Accountable Officer …….. Date: 27/07/2023

The notes on pages 8 to 76 form part of these accounts

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2023

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2022-23			
Balance as at 31 March 2022	**415,321**	**62,533**	**477,854**
NHS Wales Transfer	**0**	**0**	**0**
RoU Asset Transitioning Adjustment	**715**	**0**	**715**
Balance at 1 April 2022	**416,036**	**62,533**	**478,569**
Net operating cost for the year	**(1,365,069)**		**(1,365,069)**
Net gain/(loss) on revaluation of property, plant and equipment	**0**	**35,733**	**35,733**
Net gain/(loss) on revaluation of right of use assets	**0**	**0**	**0**
Net gain/(loss) on revaluation of intangible assets	**0**	**0**	**0**
Net gain/(loss) on revaluation of financial assets	**0**	**0**	**0**
Net gain/(loss) on revaluation of assets held for sale	**0**	**0**	**0**
Impairments and reversals	**0**	**0**	**0**
Other reserve movement	**0**	**0**	**0**
Transfers between reserves	**3,194**	**(3,194)**	**0**
Release of reserves to SoCNE	**0**	**0**	**0**
Transfers to/from LHBs	**0**	**0**	**0**
Total recognised income and expense for 2022-23	**(1,361,875)**	**32,539**	**(1,329,336)**
Net Welsh Government funding	**1,336,781**		**1,336,781**
Notional Welsh Government Funding	**26,066**		**26,066**
Balance at 31 March 2023	**417,008**	**95,072**	**512,080**

The notes on pages 8 to 76 form part of these accounts

Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2022

	General Fund £000	Revaluation Reserve £000	Total Reserves £000
Changes in taxpayers' equity for 2021-22			
Balance at 31 March 2021	392,783	48,852	441,635
NHS Wales Transfer	0	0	0
RoU Asset Transitioning Adjustment			
Balance at 1 April 2021	392,783	48,852	441,635
Net operating cost for the year	(1,278,862)		(1,278,862)
Net gain/(loss) on revaluation of property, plant and equipment	0	15,214	15,214
Net gain/(loss) on revaluation of right of use assets			
Net gain/(loss) on revaluation of intangible assets	0	0	0
Net gain/(loss) on revaluation of financial assets	0	0	0
Net gain/(loss) on revaluation of assets held for sale	0	198	198
Impairments and reversals	0	0	0
Other reserve movement	0	0	0
Transfers between reserves	1,731	(1,731)	0
Release of reserves to SoCNE	0	0	0
Transfers to/from LHBs	0	0	0
Total recognised income and expense for 2021-22	(1,277,131)	13,681	(1,263,450)
Net Welsh Government funding	1,274,558		1,274,558
Notional Welsh Government Funding	25,111		25,111
Balance at 31 March 2022	415,321	62,533	477,854

The notes on pages 8 to 76 form part of these accounts

Statement of Cash Flows for year ended 31 March 2023

	Notes	2022-23 £000 Cwm Taf HB Activities	2022-23 £000	2021-22 £000 Cwm Taf HB Activities	2021-22 £000
Cash Flows from operating activities					
Net operating cost for the financial year		**(1,365,069)**	**(1,365,069)**	(1,278,862)	(1,278,862)
Movements in Working Capital	27	**(1,118)**	**(20,320)**	36,633	55,466
Other cash flow adjustments	28	**117,846**	**117,846**	68,531	68,637
Provisions utilised	20	**(11,540)**	**(11,540)**	(20,952)	(21,058)
Net cash outflow from operating activities		**(1,259,881)**	**(1,279,083)**	(1,194,650)	(1,175,817)
Cash Flows from investing activities					
Purchase of property, plant and equipment		**(73,597)**	**(73,597)**	(80,552)	(80,552)
Proceeds from disposal of property, plant and equipment		**298**	**298**	756	756
Purchase of intangible assets		**(4)**	**(4)**	(198)	(198)
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		**(73,303)**	**(73,303)**	(79,994)	(79,994)
Net cash inflow/(outflow) before financing		**(1,333,184)**	**(1,352,386)**	(1,274,644)	(1,255,811)
Cash Flows from financing activities					
Welsh Government funding (including capital)		**1,336,790**	**1,336,790**	1,274,558	1,274,558
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		**0**	**0**	0	0
Capital element of payments in respect of on-SoFP PFI		**(168)**	**(168)**	(163)	(163)
Capital Element of payments in respect of Right of Use Assets		**(2,528)**	**(2,528)**		
Cash transferred (to)/ from other NHS bodies		**0**	**0**	0	0
Net financing		**1,334,094**	**1,334,094**	1,274,395	1,274,395
Net increase/(decrease) in cash and cash equivalents		**910**	**(18,292)**	(249)	18,584
Cash and cash equivalents (and bank overdrafts) at 1 April		**438**	**37,548**	687	18,964
Cash and cash equivalents (and bank overdrafts) at 31 March		**1,348**	**19,256**	438	37,548

The notes on pages 8 to 76 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 2022-23 Manual for Accounts. The accounting policies contained in that manual follow the 2022-23 Financial Reporting Manual (FReM), in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the LHB Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the LHB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the LHB are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1. Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2. Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3. Income and funding

The main source of funding for the LHBs are allocations (Welsh Government funding) from the Welsh Government within an approved cash limit, which is credited to the General Fund of the LHB. Welsh Government funding is recognised in the financial period in which the cash is received.

Non-discretionary funding outside the Revenue Resource Limit is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, or ophthalmic services identified by the Welsh Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the Revenue Resource Limit.

Funding for the acquisition of fixed assets received from the Welsh Government is credited to the General Fund.

Miscellaneous income is income which relates directly to the operating activities of the LHB and is not funded directly by the Welsh Government. This includes payment for services uniquely provided by the LHB for the Welsh Government such as funding provided to agencies and non-activity costs incurred by the LHB in its provider role. Income received from LHBs transacting with other LHBs is always treated as miscellaneous income.

From 2018-19, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FREM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments

identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

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 2022-23 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Net Expenditure (SoCNE).

From 2015-16, IFRS 13 Fair Value Measurement must be complied with in full. However IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in

operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

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

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

IFRS 16 leases is effective across public sector from 1 April 2022. The transition to IFRS 16 has been completed in accordance with paragraph C5 (b) of the Standard, applying IFRS 16 requirements retrospectively recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard have been employed. These are as follows: The entity has applied the practical expedient offered in the standard per paragraph C3 to apply IFRS 16 to contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 leases and IFRIC 4 determining whether an arrangement contains a lease and not to those that were identified as not containing a lease under previous leasing standards.

On initial application the Health Board has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.
The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application has been employed per paragraph C10 (c) of IFRS 16.
Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

List any other transition expedients employed by the entity at its discretion.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1st April 20xx will be assessed under the requirements of IFRS 16.

There are further expedients or election that have been employed by [the entity] in applying IFRS 16. These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

The entity will not apply IFRS 16 to any new leases of intangible assets applying the treatment described in section 1.14 instead.

List any other expedients employed by the entity (such as low value 5(b) or 15 on componentisation HM Treasury have adapted the public sector approach to IFRS 16 which impacts on the identification and measurement of leasing arrangements that will be accounted for under IFRS 16

The entity is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. Prior to accounting for such arrangements under IFRS 16 [the entity] has assessed that in all other respects these arrangements meet the definition of a lease under the standard.

The entity is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

1.11.1 The entity as lessee

At the commencement date for the leasing arrangement a lessee shall recognise a right of use asset and corresponding lease liability. The entity employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of 0.95% has been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset [the entity] applies a revised rate to the remaining lease liability.

Where existing leases are modified the Health Board must determine whether the arrangement constitutes a separate lease and apply the standard accordingly.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or is elected as a lease containing low value underlying asset by the Health Board.

1.11.2 The entity as lessor (where relevant)

A lessor shall classify each of its leases as an operating or finance lease. A lease is classified as finance lease when the lease substantially transfers all the risks and rewards incidental to ownership of an underlying asset. Where substantially all the risks and rewards are not transferred, a lease is classified as an operating lease.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Health Board's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Health Board's net investment outstanding in respect of the leases.

Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Where the Health Board is an intermediate lessor, being a lessor and a lessee regarding the same underlying asset, classification of the sublease is required to be made by the intermediate lessor considering the term of the arrangement and the nature of the right of use asset arising from the head lease.

On transition the Health Board has reassessed the classification of all of its continuing subleasing arrangements to include peppercorn leases.

1.12. Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is

considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13. Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14. Provisions

Provisions are recognised when the NHS Wales organisation has a present legal or constructive obligation as a result of a past event, it is probable that the NHS Wales organisation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the NHS Wales organisation has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the NHS Wales organisation has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1. Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operates a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participative NHS Wales bodies. The risk sharing option was implemented in both 2022-23 and 2021-22. The WRP is hosted by Velindre NHS Trust.

1.14.2. Future Liability Scheme (FLS) - General Medical Practice Indemnity (GMPI)

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GMP services in Wales.

In March 2019, the Minister issued a Direction to Velindre NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1 April 2019.

GMP Service Providers are not direct members of the GMPI FLS, their qualifying liabilities are the subject of an arrangement between them and their relevant LHB, which is a member of the scheme. The qualifying reimbursements to the LHB are not subject to the £25,000 excess.

1.15. Financial Instruments

From 2018-19 IFRS 9 Financial Instruments has applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales' organisations, was to change the calculation basis for bad debt provisions, changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

All entities applying the FReM recognised the difference between previous carrying amount and the carrying amount at the beginning of the annual reporting period that included the date of initial application in the opening general fund within Taxpayer's equity.

1.16. Financial assets

Financial assets are recognised on the SoFP when the NHS Wales organisation becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses. All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1. Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value through SoCNE'; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2. Financial assets at fair value through SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCNE. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4. Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCNE on de-recognition.

1.16.5. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the NHS Wales organisation assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the SoCNE and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the SoCNE to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.17. Financial liabilities

Financial liabilities are recognised on the SOFP when the NHS Wales organisation becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired.

1.17.1. Financial liabilities are initially recognised at fair value

Financial liabilities are classified as either financial liabilities at fair value through the SoCNE or other financial liabilities.

1.17.2. Financial liabilities at fair value through the SoCNE

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCNE. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3. Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18. Value Added Tax (VAT)

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19. Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCNE. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20. Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Wales organisation has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21. Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCNE on an accruals basis, including losses which would have been made good through insurance cover had the NHS Wales organisation not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The NHS Wales organisation accounts for all losses and special payments gross (including assistance from the WRP).

The NHS Wales organisation accrues or provides for the best estimate of future pay-outs for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for, where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5- 50%, the liability is disclosed as a contingent liability.

1.22. Pooled budget

The NHS Wales organisation has entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

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

1.23. Critical Accounting Judgements and key sources of estimation uncertainty

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

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

Significant estimations are made in relation to the accruals/creditors for the bonus payments and the annual leave accrual.

1.24. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these claims would be recoverable through the Welsh Risk Pool.

Significant estimations are also made for continuing care costs resulting from claims post 1 April 2003. An assessment of likely outcomes, potential liabilities and timings of these claims are made on a case by case basis. Material changes associated with these claims would be adjusted in the period in which they are revised.

Estimates are also made for contracted primary care services. These estimates are based on the latest payment levels. Changes associated with these liabilities are adjusted in the following reporting period.

1.24.1. Provisions

The NHS Wales organisation provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the Welsh Risk Pool Services (WRPS) which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the NHS Wales organisation, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

1.24.2. Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement;

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Remote Contingent Liability.
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision*
	Contingent Liability for all other estimated expenditure.	
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

** Personal injury cases - Defence fee costs are provided for at 100%.*

Clinical negligence cases - In accordance with the Manual for Accounts, defence fee provision calculation is based on analysis of historical information covering a three year period. Accordingly, 35.78% of the defence fee costs are accounted for as provision and the remaining 64.22% is accounted for in Contingent Liabilities.

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of minus 0.25%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%- 94% respectively are held as a provision on the balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

1.25 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

1.26 Private Finance Initiative (PFI) transactions

HM Treasury has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of IFRIC 12. The NHS Wales organisation therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

a) Payment for the fair value of services received;

b) Payment for the PFI asset, including finance costs; and

c) Payment for the replacement of components of the asset during the contract 'lifecycle replacement'.

1.26.1. Services received

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

1.26.2. PFI asset

The PFI assets are recognised as property, plant and equipment, when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with the NHS Wales organisation's approach for each relevant class of asset in accordance with the principles of IAS 16.

1.26.2. PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the implicit interest rate in the lease to the opening lease liability for the period, and is charged to 'Finance Costs' within the SoCNE.

The element of the annual unitary payment that is allocated as a finance lease rental is applied to meet the annual finance cost and to repay the lease liability over the contract term.

An element of the annual unitary payment increase due to cumulative indexation is allocated to the finance lease. In accordance with IAS 17, this amount is not included in the minimum lease payments, but is instead treated as contingent rent and is expensed as incurred. In substance, this amount is a finance cost in respect of the liability and the expense is presented as a contingent finance cost in the SoCNE.

1.26.3. Lifecycle replacement

Components of the asset replaced by the operator during the contract ('lifecycle replacement') are capitalised where they meet the NHS Wales organisation's criteria for capital expenditure. They are

capitalised at the time they are provided by the operator and are measured initially at their fair value.

The element of the annual unitary payment allocated to lifecycle replacement is pre-determined for each year of the contract from the operator's planned programme of lifecycle replacement. Where the lifecycle component is provided earlier or later than expected, a short-term finance lease liability or prepayment is recognised respectively.

Where the fair value of the lifecycle component is less than the amount determined in the contract, the difference is recognised as an expense when the replacement is provided. If the fair value is greater than the amount determined in the contract, the difference is treated as a 'free' asset and a deferred income balance is recognised. The deferred income is released to the operating income over the shorter of the remaining contract period or the useful economic life of the replacement component.

1.26.4. Assets contributed by the NHS Wales organisation to the operator for use in the scheme

Assets contributed for use in the scheme continue to be recognised as items of property, plant and equipment in the NHS Wales organisation's SoFP.

1.26.5. Other assets contributed by the NHS Wales organisation to the operator

Assets contributed (e.g. cash payments, surplus property) by the NHS Wales organisation to the operator before the asset is brought into use, which are intended to defray the operator's capital costs, are recognised initially as prepayments during the construction phase of the contract. Subsequently, when the asset is made available to the NHS Wales organisation, the prepayment is treated as an initial payment towards the finance lease liability and is set against the carrying value of the liability.

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured at the present value of the minimum lease payments, discounted using the implicit interest rate. It is subsequently measured as a finance lease liability in accordance with IAS 17.

On initial recognition of the asset, the difference between the fair value of the asset and the initial liability is recognised as deferred income, representing the future service potential to be received by the NHS Wales organisation through the asset being made available to third party users.

1.27. Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.28. Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

Where transfer of function is between LHBs the gain or loss resulting from the assets and liabilities transferring is recognised in the SoCNE and is disclosed separately from the operating costs.

1.29. Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM

IFRS14 Regulatory Deferral Accounts
Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

1.30. Accounting standards issued that have been adopted early

During 2022-23 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.31. Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the NHS Wales organisation has established that as it is the corporate trustee of the Cwm Taf Morgannwg NHS Charitable Fund, it is considered for accounting standards compliance to have control of the Cwm Taf Morgannwg NHS Charitable Fund as a subsidiary and therefore is required to consolidate the results of the Cwm Taf Morgannwg NHS Charitable Fund within the statutory accounts of the NHS Wales organisation.

The determination of control is an accounting standard test of control and there has been no change to the operation of the Cwm Taf Morgannwg NHS Charitable Fund or its independence in its management of charitable funds.

However, the NHS Wales organisation has with the agreement of the Welsh Government adopted the IAS 27 (10) exemption to consolidate. Welsh Government as the ultimate parent of the Local Health Boards will disclose the Charitable Accounts of Local Health Boards in the Welsh Government Consolidated Accounts. Details of the transactions with the charity are included in the related parties' note.

2. Financial Duties Performance

The National Health Service Finance (Wales) Act 2014 came into effect from 1 April 2014. The Act amended the financial duties of Local Health Boards under section 175 of the National Health Service (Wales) Act 2006. From 1 April 2014 section 175 of the National Health Service (Wales) Act places two financial duties on Local Health Boards:

- A duty under section 175 (1) to secure that its expenditure does not exceed the aggregate of the funding allotted to it over a period of 3 financial years
- A duty under section 175 (2A) to prepare a plan in accordance with planning directions issued by the Welsh Ministers, to secure compliance with the duty under section 175 (1) while improving the health of the people for whom it is reponsible, and the provision of health care to such people, and for that plan to be submitted to and approved by the Welsh Ministers.

The first assessment of performance against the 3 year statutory duty under section 175 (1) was at the end of 2016-17, being the first 3 year period of assessment.

Welsh Health Circular WHC/2016/054 "Statutory and Financial Duties of Local Health Boards and NHS Trusts" clarifies the statutory financial duties of NHS Wales bodies effective from 2016-17.

2.1 Revenue Resource Performance

	Annual financial performance			
	2020-21	2021-22	**2022-23**	**Total**
	£000	£000	**£000**	**£000**
Net operating costs for the year	1,234,585	1,278,862	**1,365,069**	**3,878,516**
Less general ophthalmic services expenditure and other non-cash limited expenditure	93	(66)	**(107)**	**(80)**
Less unfunded revenue consequences of bringing PFI schemes onto SoFP	(126)	(131)	**(198)**	**(455)**
Less unfunded revenue consequences of bringing RoU Leases onto SoFP	0	0	**0**	**0**
Total operating expenses	1,234,552	1,278,665	**1,364,764**	**3,877,981**
Revenue Resource Allocation	1,234,640	1,278,837	**1,340,283**	**3,853,760**
Under /(over) spend against Allocation	88	172	**(24,481)**	**(24,221)**

Cwm Taf LHB has not met its financial duty to break-even against its Revenue Resource Limit over the 3 years 2020-21 to 2022-23.

The health board did receive strategic cash only support in 2022-23.

2.2 Capital Resource Performance

	2020-21	2021-22	**2022-23**	**Total**
	£000	£000	**£000**	**£000**
Gross capital expenditure	53,772	79,967	**74,915**	**208,654**
Add: Losses on disposal of donated assets	0	0	**0**	**0**
Less NBV of property, plant and equipment and intangible assets disposed	(80)	(717)	**(227)**	**(1,024)**
Less capital grants received	(1,264)	(13)	**(1,592)**	**(2,869)**
Less donations received	(197)	(83)	**(114)**	**(394)**
Less IFRS16 Peppercorn income	0	0	**0**	**0**
Less **initial recognition** of RoU Asset Dilapidations	0	0	**0**	**0**
Add: recognition of RoU Assets Dilapidations **on crystallisation**	0	0	**0**	**0**
Charge against Capital Resource Allocation	52,231	79,154	**72,982**	**204,367**
Capital Resource Allocation	52,278	79,196	**73,025**	**204,499**
(Over) / Underspend against Capital Resource Allocation	47	42	**43**	**132**

Cwm Taf LHB has met its financial duty to break-even against its Capital Resource Limit over the 3 years 2020-21 to 2022-23.

2.3 Duty to prepare a 3 year integrated plan

The NHS Wales Planning Framework for the period 2022-2025 issued to LHBs placed a requirement upon them to prepare and submit Integrated Medium Term Plans to the Welsh Government.

The LHB submitted an Integrated Medium Term Plan for the period 2022-2025 in accordance with NHS Wales Planning Framework.

However the Health Board were unable to deliver a balanced plan and therefore WG did not approve the plan, therefore the LHB failed to meet the statutory duty.

The Minister for Health and Social Services extant approval

Status	**Not Approved**
Date	13/07/2022

The LHB has not therefore met its statutory duty to have an approved financial plan.

2.4. Creditor payment

The LHB is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The Health Board has achieved the following results:

	2022-23	2021-22
Total number of non-NHS bills paid	**295,688**	249,925
Total number of non-NHS bills paid within target	**282,189**	239,146
Percentage of non-NHS bills paid within target	**95.4%**	95.7%

The LHB has met the target.

3. Analysis of gross operating costs

3.1 Expenditure on Primary Healthcare Services

	Cash limited	Non-cash limited	2022-23 Total	2021-22
	£000	£000	£000	£000
General Medical Services	87,403		87,403	86,136
Pharmaceutical Services	26,219	(5,147)	21,072	22,194
General Dental Services	25,612		25,612	27,011
General Ophthalmic Services	1,572	5,254	6,826	8,001
Other Primary Health Care expenditure	14,289		14,289	17,435
Prescribed drugs and appliances	97,174		97,174	91,002
Total	252,269	107	252,376	251,779

3.2 Expenditure on healthcare from other providers	2022-23	2022-23	2021-22	2021-22
	£000	£000	£000	£000
	CT activities		CT activities	
Goods and services from other NHS Wales Health Boards	79,324	608,352	77,989	557,398
Goods and services from other NHS Wales Trusts	25,133	308,676	26,305	261,125
Goods and services from Special Health Authorities	3,516	3,647	2,976	3,104
Goods and services from other non Welsh NHS bodies	1,466	177,355	335	179,578
Goods and services from WHSSC / EASC	151,733	0	148,438	0
Local Authorities	20,959	20,959	26,495	26,495
Voluntary organisations	3,989	6,216	4,975	6,878
NHS Funded Nursing Care	6,961	6,961	6,246	6,246
Continuing Care	55,820	55,798	49,163	49,163
Private providers	14,148	47,904	6,751	40,152
Specific projects funded by the Welsh Government	0	0	0	0
Other	0	0	35	35
Total	363,049	1,235,868	349,708	1,130,174

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

	2022-23	2021-22
	£000	£000
Goods and Services from WHSSC/EASC	13,920	14,208

3.3 Expenditure on Hospital and Community Health Services

	2022-23 £000 CT activities	2022-23 £000	2021-22 £000 CT activities	2021-22 £000
Directors' costs	2,328	2,328	2,235	2,235
Operational Staff costs	635,306	642,709	608,967	615,742
Non operational collaborative bank staff costs	0	0	0	0
Single lead employer Staff Trainee Cost	29,614	29,614	16,234	16,234
Collaborative Bank Staff Cost	10	10	21	21
Supplies and services - clinical	90,758	90,758	82,389	82,389
Supplies and services - general	10,594	10,586	10,802	10,802
Consultancy Services	759	1,364	708	1,003
Establishment	11,934	11,949	10,766	10,932
Transport	1,666	1,666	2,072	2,072
Premises	37,803	38,516	32,685	33,383
External Contractors	68	68	34	34
Depreciation	30,186	30,186	28,659	28,659
Depreciation RoU Asset	2,673	2,673		
Amortisation	767	767	769	769
Fixed asset impairments and reversals (Property, plant & equipment)	45,528	45,528	11,826	11,826
Fixed asset impairments and reversals (RoU Assets)	0	0		
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	403	462	378	429
Other auditors' remuneration	0	0	0	0
Losses, special payments and irrecoverable debts	1,184	1,444	4,221	4,327
Research and Development	0	0	0	0
NWSSP centrally purchased Covid assets issued free of charge to NHS Wales organisations	0	0	0	0
NWSSP centrally purchased Covid assets issued free of charge to other organisations	0	0	0	0
Expense related to short-term leases	123	123		
Expense related to low-value asset leases (excluding short-term leases)	249	249		
Other operating expenses	2,684	2,685	12,767	12,767
Total	**904,637**	**913,685**	825,533	833,624

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

Increase/(decrease) in provision for future payments:	**2022-23 £'000**	2021-22 £'000
Clinical negligence;		
Secondary care	16,773	1,180
Primary care	0	1
Redress Secondary Care	629	136
Redress Primary Care	0	0
Personal injury	(994)	946
All other losses and special payments	796	2,363
Defence legal fees and other administrative costs	892	993
Gross increase/(decrease) in provision for future payments	**18,096**	**5,619**
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	206	(81)
Less: income received/due from Welsh Risk Pool	(16,858)	(1,211)
Total	**1,444**	**4,327**

	2022-23 £	2021-22 £
Permanent injury included within personal injury £:	(1,626,511)	345,490

4. Miscellaneous Income

	2022-23 £000 CT activities	2022-23 £000	2021-22 £000 CT activities	2021-22 £000
Local Health Boards	78,121	970,583	76,968	874,394
Welsh Health Specialised Services Committee (WHSSC)/Emergency Ambulance Services Committee (EASC)	12,811	0	10,954	0
NHS trusts	10,583	11,384	8,216	8,331
Welsh Special Health Authorities	1,406	1,417	742	742
Foundation Trusts	0	0	0	0
Other NHS England bodies	957	957	898	898
Other NHS Bodies	0	0	0	0
Local authorities	12,289	12,289	11,050	11,050
Welsh Government	1,680	1,680	6,178	6,876
Welsh Government Hosted bodies	0	0	0	0
Non NHS:				
Prescription charge income	0	0	0	0
Dental fee income	3,824	3,824	3,909	3,909
Private patient income	391	391	273	273
Overseas patients (non-reciprocal)	0	0	0	0
Injury Costs Recovery (ICR) Scheme	1,450	1,450	1,297	1,297
Other income from activities	555	2,142	391	1,762
Patient transport services	0	0	0	0
Education, training and research	18,096	18,096	16,724	16,724
Charitable and other contributions to expenditure	481	481	250	250
Receipt of NWSSP Covid centrally purchased assets	0	0	0	0
Receipt of Covid centrally purchased assets from other organisations	0	0	0	0
Receipt of donated assets	114	114	83	83
Receipt of Government granted assets	0	0	13	13
Right of Use Grant (Peppercorn Lease)	1,592	1,592		
Non-patient care income generation schemes	555	555	520	520
NHS Wales Shared Services Partnership (NWSSP)	0	0	0	0
Deferred income released to revenue	0	0	0	0
Right of Use Asset Sub-leasing rental income	0	0		
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	652	652	528	528
Accommodation and catering charges	3,452	3,452	3,010	3,010
Mortuary fees	568	568	521	521
Staff payments for use of cars	210	210	230	230
Business Unit	0	0	0	0
Scheme Pays Reimbursement Notional	0	0	943	943
Other	5,287	5,104	4,401	4,302
Total	**155,074**	**1,036,941**	148,099	936,656

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

	2022-23 %	2021-22 %
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	23.76	23.76

5. Investment Revenue

	2022-23	2021-22
	£000	£000
Rental revenue :		
PFI Finance lease income		
planned	0	0
contingent	0	0
Other finance lease revenue	0	0
Interest revenue :		
Bank accounts	0	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	0	0

6. Other gains and losses

	2022-23	2021-22
	£000	£000
Gain/(loss) on disposal of property, plant and equipment	73	38
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	3	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	76	38

7. Finance costs

	2022-23	2021-22
	£000	£000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under Right of Use Leases	209	
Interest on obligations under PFI contracts		
main finance cost	30	42
contingent finance cost	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	239	42
Provisions unwinding of discount	(82)	(63)
Other finance costs	0	0
Total	157	(21)

8. Future change to SoCNE/Operating Leases

LHB as lessee

As at 31st March 2023 the LHB had 48 operating leases agreements. 46 Vehicle Leases and 2 equipment leases. The 23 property leases in place at 31st March 2022 are now reported in note 11.3 under IFRS16, along with 7 managed service contracts and 32 vehicles leases. 4 property leases and 16 vehicle leases expired in the year.

	Post Implementation of IFRS 16		Pre implementation of IFRS 16
Payments recognised as an expense	**Low Value & Short Term 2022-23 £000**	**Other 2022-23 £000**	2021-22 £000
Minimum lease payments	**372**	**260**	4,547
Contingent rents	**0**	**0**	0
Sub-lease payments	**0**	**0**	0
Total	**372**	**260**	4,547

Total future minimum lease payments			
Payable	**£000**	**£000**	£000
Not later than one year	**42**	**136**	3,504
Between one and five years	**13**	**94**	10,304
After 5 years	**0**	**0**	10,576
Total	**55**	**230**	24,384

As a result of the implementation of IFRS 16 the current year operating lease figures relate to low value and short term leases. Previously reported Expenditure £3,833k and Minimum lease Payments of £23,398K transitioned to the balance sheet as right of use assets.

LHB as lessor

	Post Implementation of IFRS 16 2022-23	Pre implementation of IFRS 16 2021-22
Rental revenue	**£000**	£000
Rent	**450**	207
Contingent rents	**0**	0
Total revenue rental	**450**	207

Total future minimum lease payments		
Receivable	**£000**	£000
Not later than one year	**146**	241
Between one and five years	**480**	506
After 5 years	**705**	825
Total	**1,331**	1,572

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	2021-22
	£000	£000	£000	£000	£000	£000	£000	£000
Salaries and wages	472,388	513	39,530	23,770	9	20,231	556,441	527,875
Social security costs	53,050	28	0	2,831	1	0	55,910	47,048
Employer contributions to NHS Pension Scheme	86,261	32	0	3,013	0	0	89,306	84,288
Other pension costs	287	0	0	0	0	0	287	247
Other employment benefits	0	0	0	0	0	0	0	0
Termination benefits	369	0	0	0	0	0	369	84
Total	612,355	573	39,530	29,614	10	20,231	702,313	659,542

Charged to capital	1,518	1,831
Charged to revenue	700,795	657,711
	702,313	659,542
Net movement in accrued employee benefits (untaken staff leave)	10,405	3,984
Covid 19 - Net movement in accrued employee benefits (untaken staff leave)		3,984
Non Covid 19 - Net movement in accrued employee benefits (untaken staff leave		0

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	2021-22
	Number	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,233	3	13	0	0	0	2,249	2,269
Medical and dental	751	3	4	394	0	134	1,286	1,209
Nursing, midwifery registered	3,568	1	442	0	1	0	4,012	3,919
Professional, Scientific, and technical staff	352	0	0	0	0	0	352	339
Additional Clinical Services	2,070	0	252	0	0	0	2,322	2,181
Allied Health Professions	728	0	2	0	0	9	739	739
Healthcare Scientists	196	0	0	0	0	8	204	211
Estates and Ancilliary	1,074	0	37	0	0	0	1,111	1,183
Students	57	0	0	0	0	0	57	30
Total	11,029	7	750	394	1	151	12,332	12,080

9.3. Retirements due to ill-health

	2022-23	2021-22
Number	17	10
Estimated additional pension costs £	1,139,770	442,659

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)	2022-23 Number of compulsory redundancies	2022-23 Number of other departures	2022-23 Total number of exit packages	2022-23 Number of departures where special payments have been made	2021-22 Total number of exit packages
	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only	Whole numbers only
less than £10,000	0	1	1	0	0
£10,000 to £25,000	0	1	1	0	3
£25,000 to £50,000	0	3	3	0	0
£50,000 to £100,000	0	1	1	0	3
£100,000 to £150,000	0	1	1	0	1
£150,000 to £200,000	0	1	1	0	0
more than £200,000	0	0	0	0	0
Total	0	8	8	0	7

Exit packages cost band (including any special payment element)	2022-23 Cost of compulsory redundancies	2022-23 Cost of other departures	2022-23 Total cost of exit packages	2022-23 Cost of special element included in exit packages	2021-22 Total cost of exit packages
	£	£	£	£	£
less than £10,000	0	4,016	4,016	0	0
£10,000 to £25,000	0	11,019	11,019	0	62,658
£25,000 to £50,000	0	127,751	127,751	0	0
£50,000 to £100,000	0	97,364	97,364	0	248,086
£100,000 to £150,000	0	129,287	129,287	0	101,977
£150,000 to £200,000	0	150,308	150,308	0	0
more than £200,000	0	0	0	0	0
Total	0	519,745	519,745	0	412,721

Exit costs paid in year of departure	2022-23	Total paid in year 2021-22
	£	£
Exit costs paid in year	519,745	412,721
Total	519,745	412,721

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.

7 special payments are severance payments related to CTM employees, the highest payment was £129,287 the lowest payment was £4,016 and the median value was for £44,466. There is 1 special payment in relation to WHSSC with a value of £150,308.

9.6 Fair Pay disclosures

9.6.1 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director /employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce.

	2022-23	2022-23	2022-23	2021-22	2021-22	2021-22
	£000	£000	£000	£000	£000	£000
Total pay and benefits	**Chief Executive**	**Employee**	**Ratio**	Chief Executive	Employee	Ratio
25th percentile pay ratio	**211**	**24**	**8.8**	208	23	9.1
Median pay	**211**	**33**	**6.4**	208	32	6.5
75th percentile pay ratio	**211**	**43**	**4.9**	208	42	5.0
Salary component of total pay and benefits						
25th percentile pay ratio	**211**	**24**	**8.8**	208	23	9.1
Median pay	**211**	**33**	**6.4**	208	32	6.5
75th percentile pay ratio	**211**	**42**	**4.9**	208	42	5.0

	Highest Paid			Highest Paid		
Total pay and benefits	**Director**	**Employee**	**Ratio**	Director	Employee	Ratio
25th percentile pay ratio	**211**	**24**	**8.8**	213	23	9.3
Median pay	**211**	**33**	**6.4**	213	32	6.7
75th percentile pay ratio	**211**	**43**	**4.9**	213	42	5.1
Salary component of total pay and benefits						
25th percentile pay ratio	**211**	**24**	**8.8**	213	23	9.3
Median pay	**211**	**33**	**6.4**	213	32	6.7
75th percentile pay ratio	**211**	**43**	**4.9**	213	42	5.1

In 2022-23, 32 (2021-22, 12) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £3k to £320k (2021-22, £5k to £351k).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

Financial year summary

9.6.2 Percentage Changes	**2021-22 to 2022-23**	2020-21 to 2021-22
	%	%
% Change from previous financial year in respect of Chief Executive		
Salary and allowances	1	3
Performance pay and bonuses	1	3
% Change from previous financial year in respect of highest paid director		
Salary and allowances	-1	5
Performance pay and bonuses	-1	5
Average % Change from previous financial year in respect of employees takes as a whole		
Salary and allowances	4	1
Performance pay and bonuses	3	1

9.7 PENSION COSTS

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2023, is based on valuation data as 31 March 2022, updated to 31 March 2023 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 actuarial valuation as at 31 March 2020 is currently underway and will set the new employer contribution rate due to be implemented from April 2024.

c) National Employment Savings Trust (NEST)

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

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

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

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

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2022-2023 tax year (2021-2022 £6,240 and £50,000).

Restrictions on the annual contribution limits were removed on 1st April 2017.

10. Public Sector Payment Policy - Measure of Compliance

10.1 Prompt payment code - measure of compliance

The Welsh Government requires that Health Boards pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the Health Board financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery.

	2022-23	**2022-23**	2021-22	2021-22
NHS	**Number**	**£000**	Number	£000
Total bills paid	**6,776**	**1,153,856**	6,945	1,034,267
Total bills paid within target	**5,809**	**1,135,955**	5,914	1,020,146
Percentage of bills paid within target	**85.7%**	**98.4%**	85.2%	98.6%
Non-NHS				
Total bills paid	**295,688**	**677,398**	249,925	564,138
Total bills paid within target	**282,189**	**639,735**	239,146	528,050
Percentage of bills paid within target	**95.4%**	**94.4%**	95.7%	93.6%
Total				
Total bills paid	**302,464**	**1,831,254**	256,870	1,598,405
Total bills paid within target	**287,998**	**1,775,690**	245,060	1,548,196
Percentage of bills paid within target	**95.2%**	**97.0%**	95.4%	96.9%

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

	2022-23	2021-22
	£	£
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 at 31 March bf	38,176	543,278	6,957	64,026	106,571	313	38,823	6115	804,259
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
Cost or valuation at 1 April 2022	**38,176**	**543,278**	**6,957**	**64,026**	**106,571**	**313**	**38,823**	**6,115**	**804,259**
Indexation	(185)	16,225	105	0	0	0	0	0	16,145
Additions									
- purchased	0	6,942	0	58,590	3,842	0	2,711	239	72,324
- donated	0	0	0	0	111	0	0	3	114
- government granted	0	0	0	0	0	0	0	0	0
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	354	67,940	0	(68,294)	0	0	0	0	0
Revaluations	234	(42,245)	(742)	0	0	0	0	0	(42,753)
Reversal of impairments	427	8,957	1,810	0	0	0	0	0	11,194
Impairments	(2,479)	(55,738)	(69)	0	0	0	0	0	(58,286)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(11,923)	(17)	(12,151)	(3,563)	(27,654)
At 31 March 2023	**36,527**	**545,359**	**8,061**	**54,322**	**98,601**	**296**	**29,383**	**2,794**	**775,343**
Depreciation at 31 March bf	0	102,867	1,329	11	68,049	283	23,761	4,543	**200,843**
NHS Wales Transfers	0	0	0	0	0	0	0	0	**0**
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	**0**
Depreciation at 1 April 2022	**0**	**102,867**	**1,329**	**11**	**68,049**	**283**	**23,761**	**4,543**	**200,843**
Indexation	0	61	1	0	0	0	0	0	62
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	7	(7)	0	0	0	0	0	0	0
Revaluations	(7)	(61,426)	(961)	(10)	0	0	0	0	(62,404)
Reversal of impairments	0	(1,361)	0	0	0	0	0	0	(1,361)
Impairments	0	(203)	0	0	0	0	0	0	(203)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(11,923)	(17)	(12,151)	(3,546)	(27,637)
Provided during the year	0	16,333	345	0	8,308	8	4,879	313	30,186
At 31 March 2023	**0**	**56,264**	**714**	**1**	**64,434**	**274**	**16,489**	**1,310**	**139,486**
Net book value at 1 April 2022	**38,176**	**440,411**	**5,628**	**64,015**	**38,522**	**30**	**15,062**	**1,572**	**603,416**
Net book value at 31 March 2023	**36,527**	**489,095**	**7,347**	**54,321**	**34,167**	**22**	**12,894**	**1,484**	**635,857**
Net book value at 31 March 2023 comprises :									
Purchased	36,527	465,879	23,467	54,321	33,101	22	12,775	1,428	627,520
Donated	0	7,096	0	0	251	0	111	56	7,514
Government Granted	0	0	0	0	815	0	8	0	823
At 31 March 2023	**36,527**	**472,975**	**23,467**	**54,321**	**34,167**	**22**	**12,894**	**1,484**	**635,857**
Asset financing :									
Owned	36,042	471,490	21,024	54,321	34,167	22	12,894	1,484	631,444
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	485	1,485	2,443	0	0	0	0	0	4,413
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2023	**36,527**	**472,975**	**23,467**	**54,321**	**34,167**	**22**	**12,894**	**1,484**	**635,857**

The net book value of land, buildings and dwellings at 31 March 2023 comprises :

	£000
Freehold	528,556
Long Leasehold	4,413
Short Leasehold	0
	532,969

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 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

In 2022-23 indexation has also been applied to the land and buildings based on indices received from the Valuation Office Agency and as agreed in the Technical Update Note 006 issued by Welsh Government on 29th March 2023. No indexation has been applied to equipment.

11.1 Property, plant and equipment

	Land £000	Buildings, excluding dwellings £000	Dwellings £000	Assets under construction & payments on account £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 1 April 2021	37,494	514,784	6,767	32,736	102,293	329	32,165	6,815	733,383
Indexation	227	16,172	120	0	0	0	0	0	16,519
Additions									
- purchased	0	7,873	0	52,546	12,233	0	6,444	577	79,673
- donated	0	0	0	15	52	0	0	0	67
- government granted	0	0	0	0	13	0	0	0	13
Transfer from/into other NHS bodies	0	0	0	0	(2,216)	0	0	0	(2,216)
Reclassifications	0	21,030	0	(21,271)	(4)	0	245	0	0
Revaluations	0	(1,831)	(11)	0	0	0	0	0	(1,842)
Reversal of impairments	531	6,052	175	0	0	0	0	0	6,758
Impairments	0	(20,715)	0	0	0	0	0	0	(20,715)
Reclassified as held for sale	(76)	(87)	(94)	0	0	0	0	0	(257)
Disposals	0	0	0	0	(5,800)	(16)	(31)	(1,277)	(7,124)
At 31 March 2022	38,176	543,278	6,957	64,026	106,571	313	38,823	6,115	804,259
Depreciation at 1 April 2021	0	90,580	1,086	0	66,562	289	19,563	5,394	183,474
Indexation	0	2,318	34	0	0	0	0	0	2,352
Transfer from/into other NHS bodies	0	0	0	0	(1,536)	0	0	0	(1,536)
Reclassifications	0	(9)	0	9	0	0	0	0	0
Revaluations	0	(2,878)	(11)	0	0	0	0	0	(2,889)
Reversal of impairments	0	(2,082)	0	0	0	0	0	0	(2,082)
Impairments	0	(49)	0	0	0	0	0	0	(49)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals	0	0	0	0	(5,762)	(16)	(31)	(1,277)	(7,086)
Provided during the year	0	14,987	220	2	8,785	10	4,229	426	28,659
At 31 March 2022	0	102,867	1,329	11	68,049	283	23,761	4,543	200,843
Net book value at 1 April 2021	37,494	424,204	5,681	32,736	35,731	40	12,602	1,421	549,909
Net book value at 31 March 2022	38,176	440,411	5,628	64,015	38,522	30	15,062	1,572	603,416
Net book value at 31 March 2022 comprises :									
Purchased	37,302	433,255	5,628	64,015	37,329	30	14,873	1,511	593,943
Donated	874	7,156	0	0	183	0	177	61	8,451
Government Granted	0	0	0	0	1,010	0	12	0	1,022
At 31 March 2022	38,176	440,411	5,628	64,015	38,522	30	15,062	1,572	603,416
Asset financing :									
Owned	37,939	439,178	4,419	64,015	38,522	30	15,062	1,572	600,737
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SoFP PFI contracts	237	1,233	1,209	0	0	0	0	0	2,679
PFI residual interests	0	0	0	0	0	0	0	0	0
At 31 March 2022	38,176	440,411	5,628	64,015	38,522	30	15,062	1,572	603,416

The net book value of land, buildings and dwellings at 31 March 2022 comprises :

	£000
Freehold	484,215
Long Leasehold	0
Short Leasehold	0
	484,215

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 latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

11. Property, plant and equipment (continued)

Disclosures:

i) Donated Assets

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

	£'000
Fruit and Vegetable Stall	10
Xporte Sonosite Ultrasound	26
SMOTS Monitor	5
Bluebell room conversion POW Maternity	3
Rita Screen, trolley and software	10
Audio Visual Conferencing Equipment	5
PC's and accessories	1
ECG machine	6
Bladder Scanner	9
Simbaby	33
Intensive Care & Trauma Chair	6
Total	**114**

ii) Valuations

The LHBs land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. In addition indexation has also been applied to the land and buildings in year based on indices received from the Valuation Office Agency and as agreed in the Technical Update Note issued by Welsh Government on 29th March 2023. No indexation has been applied to equipment.

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 2022-23 the following impairments arose:

	£'000
The impairments as a result of bringing assets into use:	
PCH Ground and First Floor Fire Enforcment Works	46,226
Gwaun Elai Units 3 and 4	1,773
PCH Replcaement Windows	210
National Programme - Mental Health RGH	1,081
Bridgend Anti-ligature	651
Other:	
Impairment on Valuation of Whole Estate	7,950
Indexation Impairment on Land	1,130
Llantrisant Health Park Valuation	2,468
Reversal of impairments	(12,555)
Total impairments	**48,933**

vi) The LHB does/does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or sold in the period

During the year 11 Cedar Wood Drive was sold and LLwyn yr Eos remains held for sale with a view to a sale completing in 2023-24

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 2022	**134**	**321**	**0**	**0**	**0**	**455**
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	**(63)**	**(147)**	**0**	**0**	**0**	**(210)**
Add reversal of impairment of assets held for sale	**0**	**0**	**0**	**0**	**0**	**0**
Less impairment of assets held for sale	**0**	**0**	**0**	**0**	**0**	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	**0**	**0**	**0**	**0**	**0**	**0**
Balance carried forward 31 March 2023	**71**	**174**	**0**	**0**	**0**	**245**
Balance brought forward 1 April 2021	0	0	0	0	0	**0**
Plus assets classified as held for sale in the year	76	181	0	0	0	**257**
Revaluation	58	140	0	0	0	**198**
Less assets sold in the year	0	0	0	0	0	**0**
Add reversal of impairment of assets held for sale	0	0	0	0	0	**0**
Less impairment of assets held for sale	0	0	0	0	0	**0**
Less assets no longer classified as held for sale, for reasons other than disposal by sale	0	0	0	0	0	**0**
Balance carried forward 31 March 2022	134	321	0	0	0	**455**

11.3 Right of Use Assets

The organisation's right of use asset leases are disclosed across the relevant headings below. Most/all are individually insignificant, however, 9 are significant in their own right (ROU over £1m): CTM UHB Porthcawl Medical Centre held under L&B nbv at 31 March 2023 £4912k, CTM UHB Mountain Ash held under L&B nbv at 31 March 2023 £4739k, CTM UHB Land at Llantrisant Health Park held under Land nbv at 31 March 2023 £1592k, CTM UHB Treharris Primary Care Resource Centre held under L&B nbv at 31 March 2023 £1556k,CTM UHB Hirwaun Health Centre held under L&B nbv at 31 March 2023 £1554k, CTM UHB Ferndale Medical Centre held under L&B nbv at 31 March 2023 £1380k, CTM UHB Cwm Gwyrdd Medical Centre held under L&B nbv at 31 March 2023 £1276k, CTM UHB Ynyshir Medical Centre held under L&B nbv at 31 March 2023 £1097k and CTM UHB Roche Pathology held under P&M nbv at 31 March 2023 £1282k.

2022-23	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Cost or valuation at 31 March	0	0	0	0	0	0	0	0	0
Lease prepayments in relation to RoU Assets	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	391	19,819	368	0	1,473	225	926	0	23,202
Cost or valuation at 1 April	391	19,819	368	0	1,473	225	926	0	23,202
Additions	1,595	223	142	0	500	12	0	0	2,472
Transfer from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
At 31 March	1,986	20,042	510	0	1,973	237	926	0	25,674
Depreciation at 31 March	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases from PPE Note	0	0	0	0	0	0	0	0	0
Operating Leases Transitioning	0	0	0	0	0	0	0	0	0
Depreciation at 1 April	0	0	0	0	0	0	0	0	0
Recognition	0	0	0	0	0	0	0	0	0
Transfers from/into other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluations	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
De-recognition	0	0	0	0	0	0	0	0	0
Provided during the year	18	1,673	107	0	490	154	232	0	2,674
At 31 March	18	1,673	107	0	490	154	232	0	2,674
Net book value at 1 April	391	19,819	368	0	1,473	225	926	0	23,202
Net book value at 31 March	1,968	18,369	403	0	1,483	83	694	0	23,000

	Land £000	Land & buildings £000	Buildings £000	Dwellings £000	Plant and machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
RoU Asset Total Value Split by Lessor									
NHS Wales Peppercorn Leases	0	0	0	0	0	0	0	0	0
NHS Wales Market Value Leases	0	0	0	0	0	0	0	0	0
Other Public Sector Peppercorn Leases	351	0	271	0	0	0	0	0	622
Other Public Sector Market Value Leases	22	0	0	0	0	0	0	0	22
Private Sector Peppercorn Leases	1,595	0	0	0	0	0	0	0	1,595
Private Sector Market Value Leases	0	18,369	132	0	1,483	83	694	0	20,761
Total	1,968	18,369	403	0	1,483	83	694	0	23,000

11.3 Right of Use Assets continued

Quantitative disclosures

Maturity analysis Contractual undiscounted cash flows relating to lease liabilities	£000
Less than 1 year	2,592
2-5 years	8,258
> 5 years	11,399
Total	**22,249**

Lease Liabilities (net of irrecoverable VAT)	£000
Current	2,401
Non-Current	18,437
Total	**20,838**

Amounts Recognised in Statement of Comprehensive Net Expenditure	£000
Depreciation	2,673
Impairment	0
Variable lease payments not included in lease liabilities - Interest expense	210
Sub-leasing income	0
Expense related to short-term leases	249
Expense related to low-value asset leases (excluding short-term leases)	123

Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)	£000
Interest expense	210
Repayments of principal on leases	2,528
Total	**2,738**

The nature of CTM's leasing activities is (of the £23m total ROU asset base at 31st March 2023)

- Primary Care properties £17.3m
- Storage/Land/Office space £3.4m
- Managed Service Contracts £2.2m
- Vehicles £0.1m

Where there are extension periods negotiated within the contracts these have been included when calculating the lease liability

12. Intangible non-current assets

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure (internally generated)	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 1 April 2022	4,391	0	2,552	0	0	0	6,943
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	4	0	0	0	0	0	4
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	0	0	0	0	0	0	0
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	(123)	0	(745)	0	0	0	(868)
Gross cost at 31 March 2023	4,272	0	1,807	0	0	0	6,079
Amortisation at 1 April 2022	1,116	0	2,231	0	0	0	3,347
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	738	0	29	0	0	0	767
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	(123)	0	(745)	0	0	0	(868)
Amortisation at 31 March 2023	1,731	0	1,515	0	0	0	3,246
Net book value at 1 April 2022	3,275	0	321	0	0	0	3,596
Net book value at 31 March 2023	2,541	0	292	0	0	0	2,833
At 31 March 2023							
Purchased	2,505	0	289	0	0	0	2,794
Donated	27	0	3	0	0	0	30
Government Granted	9	0	0	0	0	0	9
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2023	2,541	0	292	0	0	0	2,833

12. Intangible non-current assets

	Software (purchased)	Software (internally generated)	Licences and trademarks	Patents	Development expenditure (internally generated)	Assets under Construction	Total
	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 31 March bf	4232	0	2496	0	0	0	6728
NHS Wales Transfers	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU	0	0	0	0	0	0	0
Cost or valuation at 1 April 2021	4,232	0	2,496	0	0	0	6,728
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	142	0	56	0	0	0	198
Additions- internally generated	0	0	0	0	0	0	0
Additions- donated	17	0	0	0	0	0	17
Additions- government granted	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0
Transfers	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
Gross cost at 31 March 2022	4,391	0	2,552	0	0	0	6,943
Amortisation at 1 April 2021	386	0	2,192	0	0	0	2,578
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	730	0	39	0	0	0	769
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 2022	1,116	0	2,231	0	0	0	3,347
Net book value at 1 April 2021	3,846	0	304	0	0	0	4,150
Net book value at 31 March 2022	3,275	0	321	0	0	0	3,596
At 31 March 2022							
Purchased	3,223	0	316	0	0	0	3,539
Donated	37	0	5	0	0	0	42
Government Granted	15	0	0	0	0	0	15
Internally generated	0	0	0	0	0	0	0
Total at 31 March 2022	3,275	0	321	0	0	0	3,596

Additional disclosures re Intangible Assets

No significant matters to report

13 . Impairments

	2022-23			2021-22		
	Property, plant & equipment £000	**Right of Use Assets £000**	**Intangible assets £000**	Property, plant & equipment £000	Right of Use Assets £000	Intangible assets £000
Impairments arising from :						
Loss or damage from normal operations	**0**	**0**	**0**	0		0
Abandonment in the course of construction	**0**	**0**	**0**	0		0
Over specification of assets (Gold Plating)	**0**	**0**	**0**	0		0
Loss as a result of a catastrophe	**0**	**0**	**0**	0		0
Unforeseen obsolescence	**0**	**0**	**0**	0		0
Changes in market price	**0**	**0**	**0**	0		0
Others (specify)	**61,488**	**0**	**0**	18,584		0
Reversal of Impairments	**(12,555)**	**0**	**0**	(6,758)		0
Total of all impairments	**48,933**	**0**	**0**	11,826		0
Analysis of impairments charged to reserves in year :						
Charged to the Statement of Comprehensive Net Expenditure	**45,528**	**0**	**0**	11,826		0
Charged to Revaluation Reserve	**3,405**	**0**	**0**	0		0
	48,933	**0**	**0**	11,826		0

Please see detail of impairments in note 11 - Property, Plant & Equipment

14.1 Inventories

	31 March 2023 £000	31 March 2022 £000
Drugs	3,296	3,075
Consumables	3,520	3,560
Energy	201	221
Work in progress	0	0
Other	0	0
Total	**7,017**	6,856
Of which held at realisable value	0	0

14.2 Inventories recognised in expenses

	31 March 2023 £000	31 March 2022 £000
Inventories recognised as an expense in the period	64	96
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	**64**	96

15. Trade and other Receivables

Current	31 March 2023 £000 CT activities	31 March 2023 £000	31 March 2022 £000 CT activities	31 March 2022 £000
Welsh Government	1,497	1,497	6,296	6,731
WHSSC / EASC	1,283	0	2,521	0
Welsh Health Boards	4,377	17,766	2,728	15,195
Welsh NHS Trusts	4,423	5,129	3,870	5,206
Welsh Special Health Authorities	619	630	341	341
Non - Welsh Trusts	278	3,314	299	2,177
Other NHS	0	0	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	14	14	9	9
Welsh Risk Pool Claim reimbursement;				
NHS Wales Secondary Health Sector	35,612	35,612	50,324	50,324
NHS Wales Primary Sector FLS Reimbursement	5	5	1	1
NHS Wales Redress	886	886	541	541
Other	0	0	0	0
Local Authorities	13,501	13,501	11,193	11,193
Capital debtors - Tangible	3	3	0	0
Capital debtors - Intangible	0	0	0	0
Other debtors	7,891	9,334	9,352	9,431
Provision for irrecoverable debts	(2,922)	(2,922)	(2,733)	(2,733)
NHS Pension Prepayments	0	0	0	0
NEST Pension Repayments	0	0	0	0
Other prepayments	6,641	6,819	6,343	6,403
Other accrued income	514	514	486	486
Sub total	**74,622**	**92,102**	91,571	105,305
Non-current				
Welsh Government	0	0	0	0
WHSSC / EASC	0	0	0	0
Welsh Health Boards	0	0	0	0
Welsh NHS Trusts	0	0	0	0
Welsh Special Health Authorities	0	0	0	0
Non - Welsh Trusts	0	0	0	0
Other NHS	0	0	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	484	484	934	934
Welsh Risk Pool Claim reimbursement;				
NHS Wales Secondary Health Sector	47,110	47,110	42,206	42,206
NHS Wales Primary Sector FLS Reimbursement	0	0	0	0
NHS Wales Redress	0	0	0	0
Other	0	0	0	0
Local Authorities	0	0	0	0
Capital debtors - Tangible	0	0	0	0
Capital debtors - Intangible	0	0	0	0
Other debtors	0	0	0	0
Provision for irrecoverable debts	0	0	0	0
NHS Pension Prepayments	0	0	0	0
NEST Pension Repayments	0	0	0	0
Other prepayments	14	14	76	76
Other accrued income	0	0	0	0
Sub total	**47,608**	**47,608**	43,216	43,216
Total	**122,230**	**139,710**	134,787	148,521

15. Trade and other Receivables

	31 March 2023 £000 CT activities	31 March 2023 £000	31 March 2022 £000 CT activities	31 March 2022 £000
Receivables past their due date but not impaired				
By up to three months	**2,894**	**2,900**	2,813	2,823
By three to six months	**1,094**	**1,095**	350	353
By more than six months	**1,037**	**1,041**	621	621
	5,025	**5,036**	3,784	3,797
Expected Credit Losses (ECL) / Provision for impairment of receivables				
Balance at 1 April	**(2,733)**	**(2,733)**	(2,850)	(2,850)
Transfer from other NHS Wales body	**0**	**0**	0	0
Amount written off during the year	**4**	**4**	20	20
Amount recovered during the year	**0**	**0**	20	20
(Increase) / decrease in receivables impaired	**(193)**	**(193)**	77	77
Bad debts recovered during year	**0**	**0**	0	0
Balance at 31 March	**(2,922)**	**(2,922)**	(2,733)	(2,733)

In determining whether a debt is impaired consideration is given to the age of the debt and the results of actions taken to recover the debt, including reference to credit agencies.

Receivables VAT				
Trade receivables	**0**	**0**	0	0
Other	**2,538**	**2,538**	4,880	0
Total	**2,538**	**2,538**	4,880	0

16. Other Financial Assets

	Current		Non-current	
	31 March 2023	31 March 2022	**31 March 2023**	31 March 2022
	£000	£000	**£000**	£000
Financial assets				
Shares and equity type investments				
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Deposits	**0**	0	**0**	0
Loans	**0**	0	**0**	0
Derivatives	**0**	0	**0**	0
Other				
Right of Use Asset Finance Sublease	**0**		**0**	
Held to maturity investments at amortised costs	**0**	0	**0**	0
At fair value through SOCNE	**0**	0	**0**	0
Available for sale at FV	**0**	0	**0**	0
Total	**0**	0	**0**	0

17. Cash and cash equivalents

	2022-23	**2022-23**	2021-22	2021-22
	£000	**£000**	£000	£000
	CT activities		CT activities	
Balance at 1 April	**438**	**37,548**	687	18,964
Net change in cash and cash equivalent balances	**910**	**(18,292)**	(249)	18,584
Balance at 31 March	**1,348**	**19,256**	438	37,548
Made up of:				
Cash held at GBS	**1,301**	**19,209**	396	37,506
Commercial banks	**20**	**20**	11	11
Cash in hand	**27**	**27**	31	31
Cash Total	**1,348**	**19,256**	438	37,548
Current Investments	**0**	**0**	0	0
Cash and cash equivalents as in Statement of Financial Position	**1,348**	**19,256**	438	37,548
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	**1,348**	**19,256**	438	37,548

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

Lease Liabilities £nil

PFI liabilities £168k

The movement relates to cash, no comparative information is required by IAS 7 in 2022-23.

18. Trade and other payables

Current	**31 March 2023 £000 CT activities**	**31 March 2023 £000**	31 March 2022 £000 CT activities	31 March 2022 £000
Welsh Government	**0**	**0**	0	54
WHSSC / EASC	**3,271**	**0**	813	0
Welsh Health Boards	**5,076**	**16,260**	3,024	20,689
Welsh NHS Trusts	**148**	**(1,539)**	3,292	5,882
Welsh Special Health Authorities	**83**	**84**	29	31
Other NHS	**1,713**	**31,005**	3,588	36,304
Taxation and social security payable / refunds	**0**	**93**	0	68
Refunds of taxation by HMRC	**0**	**0**	0	0
VAT payable to HMRC	**0**	**0**	0	0
Other taxes payable to HMRC	**5,232**	**5,232**	3,261	3,261
NI contributions payable to HMRC	**7,876**	**7,967**	6,878	6,954
Non-NHS payables revenue	**8,699**	**11,981**	20,844	24,616
Local Authorities	**15,983**	**15,983**	14,101	14,101
Capital Creditors-Tangible	**7,130**	**7,130**	6,662	6,662
Capital Creditors- Intangible	**0**	**0**	39	39
Overdraft	**0**	**0**	0	0
Rentals due under operating leases	**0**	**0**	0	0
RoU Lease Liability	**2,401**	**2,401**		
Obligations under finance leases, HP contracts			0	0
Imputed finance lease element of on SoFP PFI contracts	**173**	**173**	168	168
Pensions: staff	**8,750**	**8,750**	8,986	8,986
Non NHS Accruals	**82,518**	**90,400**	98,416	104,609
Deferred Income:				
Deferred Income brought forward	**1,000**	**1,000**	882	882
Deferred Income Additions	**1,965**	**1,965**	908	908
Transfer to / from current/non current deferred income	**0**	**0**	0	0
Released to SoCNE	**(908)**	**(908)**	(790)	(790)
Other creditors	**17,945**	**17,945**	11,168	11,168
PFI assets –deferred credits	**0**	**0**	0	0
Payments on account	**0**	**3**	0	3
Total	**169,055**	**215,925**	182,269	244,595
Non-current				
Welsh Government	**0**	**0**	0	0
WHSSC / EASC	**0**	**0**	0	0
Welsh Health Boards	**0**	**0**	0	0
Welsh NHS Trusts	**0**	**0**	0	0
Welsh Special Health Authorities	**0**	**0**	0	0
Other NHS	**0**	**0**	0	0
Taxation and social security payable / refunds	**0**	**0**	0	0
Refunds of taxation by HMRC	**0**	**0**	0	0
VAT payable to HMRC	**0**	**0**	0	0
Other taxes payable to HMRC	**0**	**0**	0	0
NI contributions payable to HMRC	**0**	**0**	0	0
Non-NHS payables revenue	**0**	**0**	0	0
Local Authorities	**0**	**0**	0	0
Capital Creditors-Tangible	**829**	**829**	0	0
Capital Creditors- Intangible	**0**	**0**	0	0
Overdraft	**0**	**0**	0	0
Rentals due under operating leases	**0**	**0**	0	0
RoU Lease Liability	**18,437**	**18,437**		
Obligations under finance leases, HP contracts			0	0
Imputed finance lease element of on SoFP PFI contracts	**803**	**803**	976	976
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	**20,069**	**20,069**	976	976
Total	**189,124**	**235,994**	183,245	245,571

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

RoU Lease Liability Transitioning & Transferring	**£000**
RoU liability as at 31 March 2022	**-**
Transfer of Finance Leases from PPE Note	**-**
Operating Leases Transitioning	**22,486**
RoU Lease liability as at 1 April 2022	**22,486**

19. Other financial liabilities

	Current		Non-current	
Financial liabilities	**31 March 2023 £000**	31 March 2022 £000	**31 March 2023 £000**	31 March 2022 £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 2022	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2023
Current	£000	£000	£000	£000	£000	£000	£000	£000	£000
Clinical negligence:-									
Secondary care	21,016	0	(4,336)	10,294	18,026	(5,221)	(16,362)	0	23,417
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	205	0	(170)	0	836	(330)	(205)	0	336
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	783	0	(65)	352	512	(746)	(311)	0	525
All other losses and special payments	1,750	0	0	0	1,712	(2,546)	(916)	0	0
Defence legal fees and other administration	1,625	0	0	(5)	1,690	(722)	(1,102)	0	1,486
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	97			1	213	(275)	0	0	36
2019-20 Scheme Pays - Reimbursement	9			0	0	(9)	0	0	0
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	1,927		0	0	1,223	(811)	(459)		1,880
Total	27,412	0	(4,571)	10,642	24,212	(10,660)	(19,355)	0	27,680
Non Current									
Clinical negligence:-									
Secondary care	41,670	0	0	(10,294)	16,881	(226)	(1,774)	0	46,257
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	5,791	0	0	(352)	(1,162)	(145)	(33)	(81)	4,018
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	1,117	0	0	5	482	(74)	(178)		1,352
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	43			(1)	(2)	0	0	(2)	38
2019-20 Scheme Pays - Reimbursement	934			0	0	(435)	0	0	499
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
Total	49,555	0	0	(10,642)	16,199	(880)	(1,985)	(83)	52,164
TOTAL									
Clinical negligence:-									
Secondary care	62,686	0	(4,336)	0	34,907	(5,447)	(18,136)	0	69,674
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	205	0	(170)	0	836	(330)	(205)	0	336
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	6,574	0	(65)	0	(650)	(891)	(344)	(81)	4,543
All other losses and special payments	1,750	0	0	0	1,712	(2,546)	(916)	0	0
Defence legal fees and other administration	2,742	0	0	0	2,172	(796)	(1,280)	0	2,838
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	140			0	211	(275)	0	(2)	74
2019-20 Scheme Pays - Reimbursement	943			0	0	(444)	0	0	499
Restructuring	0			0	0	0	0	0	0
RoU Asset Dilapidations CAME	0			0	0	0	0	0	0
Other Capital Provisions	0			0	0	0	0	0	0
Other	1,927		0	0	1,223	(811)	(459)	0	1,880
Total	76,967	0	(4,571)	0	40,411	(11,540)	(21,340)	(83)	79,844

Expected timing of cash flows:

	In year to 31 March 2024	Between 1 April 2024 31 March 2028	Thereafter	Total
Clinical negligence:-	£000	£000	£000	£000
Secondary care	23,417	46,257	0	69,674
Primary care	0	0	0	0
Redress Secondary care	336	0	0	336
Redress Primary care	0	0	0	0
Personal injury	525	1,339	2,679	4,543
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	1,486	1,352	0	2,838
Pensions relating to former directors	0	0	0	0
Pensions relating to other staff	36	38	0	74
2019-20 Scheme Pays - Reimbursement	0	499	0	499
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	0	0	0	0
Other	1,880	0	0	1,880
Total	27,680	49,485	2,679	79,844

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 £195k for Continuing Healthcare restrospective claims.

The Health Board estimates that it will receive £70,789k 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 2021	Structured settlement cases transferred to Risk Pool	Transfer of provisions to creditors	Transfer between current and non-current	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2022
Current	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Clinical negligence:-									
Secondary care	44,828	(18,986)	(4,495)	6,899	24,975	(16,200)	(16,005)	0	21,016
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	230	0	(43)	0	478	(119)	(341)	0	205
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	676	0	0	454	571	(881)	(37)	0	783
All other losses and special payments	0	0	0	0	2,363	(613)	0	0	1,750
Defence legal fees and other administration	1,837	0	0	6	1,327	(849)	(696)		1,625
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	117			103	181	(282)	(22)	0	97
2019-20 Scheme Pays - Reimbursement	0			0	9	0	0	0	9
Restructuring	0			0	0	0	0	0	0
Other	2,251		0	0	1,253	(626)	(951)		1,927
Total	49,939	(18,986)	(4,538)	7,462	31,157	(19,570)	(18,052)	0	27,412
Non Current									
Clinical negligence:-									
Secondary care	38,826	0	0	(6,899)	28,176	(1,453)	(16,980)	0	41,670
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	0	0	0	0	0	0	0	0	0
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	5,893	0	0	(454)	412	0	0	(60)	5,791
All other losses and special payments	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	796	0	0	(6)	439	(35)	(77)		1,117
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	165			(103)	(16)	0	0	(3)	43
2019-20 Scheme Pays - Reimbursement	0			0	934	0	0	0	934
Restructuring	0			0	0	0	0	0	0
Other	0		0	0	0	0	0		0
Total	45,680	0	0	(7,462)	29,945	(1,488)	(17,057)	(63)	49,555
TOTAL									
Clinical negligence:-									
Secondary care	83,654	(18,986)	(4,495)	0	53,151	(17,653)	(32,985)	0	62,686
Primary care	0	0	0	0	0	0	0	0	0
Redress Secondary care	230	0	(43)	0	478	(119)	(341)	0	205
Redress Primary care	0	0	0	0	0	0	0	0	0
Personal injury	6,569	0	0	0	983	(881)	(37)	(60)	6,574
All other losses and special payments	0	0	0	0	2,363	(613)	0	0	1,750
Defence legal fees and other administration	2,633	0	0	0	1,766	(884)	(773)		2,742
Pensions relating to former directors	0			0	0	0	0	0	0
Pensions relating to other staff	282			0	165	(282)	(22)	(3)	140
2019-20 Scheme Pays - Reimbursement	0			0	943	0	0	0	943
Restructuring	0			0	0	0	0	0	0
Other	2,251		0	0	1,253	(626)	(951)		1,927
Total	95,619	(18,986)	(4,538)	0	61,102	(21,058)	(35,109)	(63)	76,967

21. Contingencies

21.1 Contingent liabilities

Provisions have not been made in these accounts for the following amounts :	**2022-23 £000**	2021-22 £000
Legal claims for alleged medical or employer negligence;		
Secondary Care	**274,210**	267,024
Primary Care	**648**	397
Secondary Care Redress	**1,239**	1,225
Primary Care Redress	**0**	0
Doubtful debts	**0**	0
Equal Pay costs	**0**	0
Defence costs	**2,811**	2,844
Continuing Health Care costs	**241**	164
Other	**0**	0
Total value of disputed claims	**279,149**	271,654
Amounts (recoverable) in the event of claims being successful	**(275,170)**	(268,286)
Net contingent liability	**3,979**	3,368

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 2023.

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 £0.195m provision made for probable continuing care costs relating to 18 claims received;

Note 21.1 sets out the £0.241m contingent liability for possible continuing care costs relating to 15 claims received.

21.2 Remote Contingent liabilities

	2022-23	2021-22
	£000	£000
Please disclose the values of the following categories of remote contingent liabilities :		
Guarantees	0	0
Indemnities	187	200
Letters of Comfort	0	0
Total	**187**	**200**

21.3 Contingent assets

	2022-23	2021-22
	£000	£000
None	0	0
	0	0
	0	0
Total	**0**	0

22. Capital commitments

Contracted capital commitments at 31 March	2022-23	2021-22
The disclosure of future capital commitments not already disclosed as liabilities in the accounts.		
	£000	£000
Property, plant and equipment	107,544	165,502
Right of Use Assets	0	
Intangible assets	0	0
Total	**107,544**	165,502

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 2023	
	Number	£
Clinical negligence	171	10,081,093
Personal injury	65	887,523
All other losses and special payments	298	1,681,975
Total	534	12,650,591

Analysis of cases in excess of £300,000

	Case Type	In year claims in excess of £300,000		Cumulative claims in excess of £300,000	
Cases in excess of £300,000:		Number	£	Number	£
	Clinical Negligence	05RRSMN0039	0	05RRSMN0039	895,800
	Clinical Negligence	05RVEMN0022	410,000	05RVEMN0022	5,595,000
	Clinical Negligence	09RVEMN0017	0	09RVEMN0017	974,619
	Clinical Negligence	10RYLMN0078	374,447	10RYLMN0078	424,447
	Clinical Negligence	12RYLMN0004	25,523	12RYLMN0004	2,935,523
	Clinical Negligence	12RYLMN0037	0	12RYLMN0037	5,275,000
	Clinical Negligence	13RYLMN0096	0	13RYLMN0096	1,550,000
	Clinical Negligence	13RYLMN0131	0	13RYLMN0131	8,395,000
	Clinical Negligence	14RYLMN0127	0	14RYLMN0127	1,367,733
	Clinical Negligence	14RYLMN0200	323,768	14RYLMN0200	5,199,639
	Clinical Negligence	14RYLMN0208	0	14RYLMN0208	377,520
	Clinical Negligence	15RYLMN0109	0	15RYLMN0109	4,067,560
	Clinical Negligence	15RYLMN0171	0	15RYLMN0171	400,000
	Clinical Negligence	16RYLMN0073	35,000	16RYLMN0073	437,528
	Clinical Negligence	16RYLMN0089	45,000	16RYLMN0089	404,252
	Clinical Negligence	16RYLMN0138	0	16RYLMN0138	1,005,270
	Clinical Negligence	16RYLMN0205	1,201,000	16RYLMN0205	1,321,000
	Clinical Negligence	17RYLMN0022	0	17RYLMN0022	752,114
	Clinical Negligence	17RYLMN0122	437,000	17RYLMN0122	472,000
	Clinical Negligence	17RYLMN0157	90,706	17RYLMN0157	395,353
	Clinical Negligence	17RYLMN0185	0	17RYLMN0185	714,284
	Clinical Negligence	18RYLMN0064	168,353	18RYLMN0064	871,109
	Clinical Negligence	19RYLMN0006	0	19RYLMN0006	420,000
	Clinical Negligence	19RYLMN0056	100,000	19RYLMN0056	325,000
	Clinical Negligence	20RYLMN0005	370,000	20RYLMN0005	390,000
	Clinical Negligence	20RYLMN0008	0	20RYLMN0008	363,000
	Clinical Negligence	20RYLMN0035	2,317,342	20RYLMN0035	2,869,586
	Clinical Negligence	20RYLMN0121	540,000	20RYLMN0121	540,000
	Clinical Negligence	21RYLMN0019	405,000	21RYLMN0019	425,000
	Personal Injury	03RRSPI0020	49,891	03RRSPI0020	875,645
	Personal Injury	05RVEPI0033	19,727	05RVEPI0033	301,730
	Personal Injury	19RYLPI0022	43,613	19RYLPI0022	329,110
	Offences & Penalties	23RYLLC0001	860,817	23RYLLC0001	860,817
Sub-total		**0**	**7,817,187**	**0**	**51,530,639**
All other cases		0	4,833,404	0	14,442,382
Total cases		**0**	**12,650,591**	**0**	**65,973,021**

24. Right of Use / Finance leases obligations

24.1 Obligations (as lessee)

Below is a breakdown of the leasing commitments reported in note 11.3 by Land, Buildings and Other

Amounts payable under right of use asset / finance leases:

Land	**Post Implementation of IFRS 16 (RoU) 31 March 2023 £000**	Pre implementation of IFRS 16 (FL) 31 March 2022 £000
Minimum lease payments		
Within one year	**11**	0
Between one and five years	**11**	0
After five years	**49**	0
Less finance charges allocated to future periods	**(47)**	0
Minimum lease payments	**24**	0
Included in:		
Current borrowings	**11**	0
Non-current borrowings	**13**	0
	24	0
Present value of minimum lease payments		
Within one year	**11**	0
Between one and five years	**10**	0
After five years	**3**	0
Present value of minimum lease payments	**24**	0
Included in:		
Current borrowings	**11**	0
Non-current borrowings	**13**	0
	24	0

24.1 Right of Use / Finance leases obligations

Amounts payable under right of use asset / finance leases:	Post Implementation of IFRS 16 (RoU)	Pre implementation of IFRS 16 (FL)
Buildings	**31 March**	31 March
	2023	2022
Minimum lease payments	**£000**	£000
Within one year	**1,872**	0
Between one and five years	**7,005**	0
After five years	**10,971**	0
Less finance charges allocated to future periods	**(1,306)**	0
Minimum lease payments	**18,542**	0
Included in:		
Current borrowings	**1,700**	0
Non-current borrowings	**18,542**	0
	20,242	0
Present value of minimum lease payments		
Within one year	**1,700**	0
Between one and five years	**6,479**	0
After five years	**10,363**	0
Present value of minimum lease payments	**18,542**	0
Included in:		
Current borrowings	**1,700**	0
Non-current borrowings	**16,842**	0
	18,542	0

Other - Non Property	Post Implementation of IFRS 16 (RoU)	Pre implementation of IFRS 16 (FL)
	31 March	31 March
	2023	2022
Minimum lease payments	**£000**	£000
Within one year	**709**	0
Between one and five years	**1,242**	0
After five years	**379**	0
Less finance charges allocated to future periods	**(58)**	0
Minimum lease payments	**2,272**	0
Included in:		
Current borrowings	**691**	0
Non-current borrowings	**1,581**	0
	2,272	0
Present value of minimum lease payments		
Within one year	**691**	0
Between one and five years	**1,206**	0
After five years	**375**	0
Present value of minimum lease payments	**2,272**	0
Included in:		
Current borrowings	**691**	0
Non-current borrowings	**1,581**	0
	2,272	0

24.2 Right of Use Assets / Finance lease receivables (as lessor)

The Local Health Board has no finance leases receivable as a lessor.

Amounts receivable under right of use assets / finance leases:	Post Implementation of IFRS 16	Pre implementation of IFRS 16 (FL)
	31 March	31 March
	2023	2022
Gross Investment in leases	£000	£000
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Minimum lease payments	0	0
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
	0	0
Present value of minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Present value of minimum lease payments	0	0
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
	0	0

25. Private Finance Initiative contracts

25.1 PFI schemes off-Statement of Financial Position

The LHB has no PFI Schemes off-statement of financial position.

Commitments under off-SoFP PFI contracts	**Off-SoFP PFI contracts**	Off-SoFP PFI contracts
	31 March 2023	31 March 2022
	£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	**2,928**
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	**1,485**
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 2023	**31 March 2023**	**31 March 2023**
	£000	**£000**	**£000**
Total payments due within one year	**173**	**25**	**536**
Total payments due between 1 and 5 years	**749**	**45**	**2,143**
Total payments due thereafter	**54**	**1**	**659**
Total future payments in relation to PFI contracts	**976**	**71**	**3,338**

	On SoFP PFI Capital element	On SoFP PFI Imputed interest	On SoFP PFI Service charges
	31 March 2022	31 March 2022	31 March 2022
	£000	£000	£000
Total payments due within one year	168	30	450
Total payments due between 1 and 5 years	727	67	1,801
Total payments due thereafter	249	4	995
Total future payments in relation to PFI contracts	1,144	101	3,246

	31 March 2023
	£000
Total present value of obligations for on-SoFP PFI contracts	**0**

25.3 Charges to expenditure	2022-23	2021-22
	£000	£000
Service charges for On Statement of Financial Position PFI contracts (excl interest costs)	536	450
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	536	450

The LHB is committed to the following annual charges

	31 March 2023	31 March 2022
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	536	450
Total	536	450

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

	2022-23 £000 CT activities	2022-23 £000	2021-22 £000 CT activities	2021-22 £000
(Increase)/decrease in inventories	(161)	(161)	(795)	(795)
(Increase)/decrease in trade and other receivables - non-current	(4,392)	(4,392)	(3,918)	(3,918)
(Increase)/decrease in trade and other receivables - current	16,949	13,203	33,413	33,172
Increase/(decrease) in trade and other payables - non-current	19,093	19,093	(167)	(167)
Increase/(decrease) in trade and other payables - current	(13,214)	(28,670)	7,059	26,133
Total	18,275	(927)	35,592	54,425
Adjustment for accrual movements in fixed assets - creditors	(19,568)	(19,568)	1,309	1,309
Adjustment for accrual movements in fixed assets - debtors	3	3	(430)	(430)
Other adjustments	172	172	162	162
	(1,118)	(20,320)	36,633	55,466

28. Other cash flow adjustments

	2022-23 £000 CT activities	2022-23 £000	2021-22 £000 CT activities	2021-22 £000
Depreciation	30,186	30,186	28,659	28,659
Amortisation	767	767	769	769
(Gains)/Loss on Disposal	(76)	(76)	(38)	(38)
Impairments and reversals	45,528	45,528	11,826	11,826
Release of PFI deferred credits	0	0	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0	0	0
Covid assets received credited to revenue but non-cash	0	0	0	0
Donated assets received credited to revenue but non-cash	(114)	(114)	(83)	(83)
Government Grant assets received credited to revenue but non-cash	0	0	(13)	(13)
Right of Use Grant (Peppercorn Lease) credited to revenue but non cash	(1,592)	(1,592)		
Non-cash movements in provisions	14,417	14,417	2,300	2,406
Other movements	28,730	28,730	25,111	25,111
Total	117,846	117,846	68,531	68,637

29. Events after the Reporting Period

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on 27th July 2023; post the date the financial statements were certified by the Auditor General for Wales.

NHS Wales bodies were notified in a pay circular letter issued on 25th May 2023 by the Welsh Government, of the additional pay arrangements for employees covered by the Agenda for Change terms and conditions in Wales for 2022-23, which will be funded by the Welsh Government.

NHS Wales bodies will make a one off non-consolidated, prorated “recovery payment” for staff employed on the Agenda for Change terms and conditions (this includes most NHS staff including nursing staff but excludes medical staff).

These costs have not been recognised in the 2022-23 financial statements because the obligating event was the publication of the offer agreed with the Minister on 20 April 2023 and therefore post 31st March 2023. The costs will be accounted for in the 2023-24 Annual Accounts of NHS Wales bodies.

The estimated cost is c.£11 million.

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,

	2022-23 Expenditure Including Capital £000	2022-23 Income Including Capital £000	2022-23 Creditors Including Capital £000	2022-23 Debtors Including Capital £000
Welsh Assembly Government	1	1,343,166	0	1,497
WHSSC (see below)	151,783	13,053	3,271	1,283
NHS Trusts				
Public Health Wales	2,318	4,068	440	789
Velindre	63,239	10,165	(669)	16,445
Welsh Ambulance Services	764	85	521	11
Local Health Boards				
Aneurin Bevan	1,821	22,402	306	475
Betsi Cadwaladwr	86	230	52	40
Cardiff & Vale	37,209	17,806	1,962	1,296
Hywel Dda	635	843	83	92
Powys	168	5,307	162	134
Swansea Bay	43,159	32,548	2,511	2,340
Special Health Authority				
HEIW	98	13,343	22	588
DHCW	5,004	1,406	61	31
TOTAL	306,285	1,464,422	8,722	25,021

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:

	Expenditure	Income	Creditors	Debtors
Bridgend County Borough Council	14,412	1,170	6,249	(871)
Rhondda Cynon Taf County Borough Council	23,377	9,217	8,756	13,207
Merthyr Tydfil County Borough Council	4,612	1,919	968	900

The LHB has also received revenue payments from Cwm Taf Morgannwg NHS Charitable Funds totalling £0.481m (£0.250m in 2021-22) and capital contributions totalling £0.111m (£0.025m in 2021-22). 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
Emrys Elias	Chair up to 31st March 23	Director, Trustee National MIND Chair, MIND Governance Board (Pwyllgor) Wales
Jayne Sadgrove	Vice Chair	Senior Professional Fellow, Cardiff University
James Hehir	Independent Member	Interim Chair of the WHSSC All Wales IFPR Panel
Dilys Jouvenat	Independent Member	Chair of RCT Citizens Advice Trustee of INTERLINK
Mel Jehu	Independent Member	Chair (Standards Committee) Rhondda Cynon Taff Council Trustee, Safe Merthyr Limited Independent Member - Merthyr Tydfil County Borough Council Standards Committee Independent Member - Audit & Governance Committee - RCTCBC Spouse is employed in CTMUHB in a part time role as a Lymphedema Nurse since 2012 and prior to that Breast Care Specialist Nurse
Nicola Milligan	Independent Member	Board Member Royal College of Nursing in Wales
Carolyn Donoghue	Independent Member	Lay Governor - University West of England Chair - Welsh Wound Innovation Centre Son works for Hillrom Ltd
Lynda Thomas	Independent Member	Trustee of Age UK Chief Executive- Macmillan Cancer Support
Geraint Hopkins	Independent Member	Llanharan Community Development Project Limited Elected Member, Rhondda Cynon Taf County Borough Council
Greg Dix	Executive Nurse Director	Trustee Royal Colleague of Nursing Foundation Board Director - Welsh Wound Innovation Centre Visiting Professor, University of South Wales
Kelechi Nnoaham	Executive Director Public Health up to 30th November 2022	Honorary Professorship Cardiff University Spouse works in Blood Sciences Laboratory in the Royal Glamorgan Hospital
Linda Prosser	Executive Director of Strategy & Transformation	Son - Deputy Chief Operating Officer- Royal United Hospital Bath NHS Foundation Trust
Lisa Curtis Jones	Associate Member	Statutory Director of Social Services in Merthyr Tydfil County Borough Council
Anne Morris	Associate Member (SRG)	Deputy Chief Executive - Interlink RCT
Sharon Richards	Associate Member	Chief Officer of Voluntary Action Merthyr Tydfil

Total value of transactions with these related parties:

	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Age UK	452	0	5	0
Cardiff University	384	98	69	4
Hillrom Ltd	106	0	46	0
Interlink RCT	642	0	31	0
Llanharan Community Development Project Limited	13	0	0	0
MIND (including MIND WALES)	664	0	156	0
Rhondda Cynon Taf Citizens Advice	18	0	0	0
Royal College Of Nursing in Wales	6	0	0	0
Royal United Hospital Bath NHS Foundation Trust	14	0	0	0
Safer Merthyr Tydfil	130	0	26	0
University Of South Wales	148	297	18	84
University West of England	7	0	0	0
Welsh Wound Innovation Centre	13	0	0	0
Macmillan Cancer Support	-	196	0	381
Voluntary Action Merthyr Tydfil	477	0	-6	0

30. Related Party Transactions (continued)

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 2022/2023, 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 2022/23 as per Note 4,
· Expenditure incurred by WHSSC and EASC with providers of tertiary and specialist services is as per Note 3.2 and analysed in the Segmental Analysis in Note 33.
· Running costs, staffing and admin expenditure incurred with other NHS Wales organisations has been extracted from Note 3.3 but does not encompass the total of all running costs, the majority of which are transactions with organisations outside NHS Wales or are staff costs.
· Velindre and The Welsh Ambulance Service are included as providers only, as both are merely associate members of the Committees and do not have voting rights.

	Income (Note 4) £000's	Expenditure (Note 3.2) £000's	Running costs (Note 3.3)	Debtor (Note 15) £000's	Creditor (Note 18) £000's
Cardiff and Vale UHB	168,593	330,932	250	5,620	3,539
Aneurin Bevan UHB	198,719	11,466	55	3,125	1,019
Betsi Cadwalladr UHB	226,850	47,482	0	1,013	832
Swansea Bay UHB	126,540	136,113	81	907	5,009
Cwm Taf Morgannwg UHB	151,783	12,520	533	3,270	1,283
Hywel Dda UHB	121,557	2,984	94	2,533	728
Powys Teaching HB	50,203	51	53	192	58
Public Health Wales NHS Trust	144	190	0	0	32
Velindre NHS Trust	600	53,018	43	0	(1,754)
Welsh Ambulance Services NHS Trust	57	230,335	36	708	34
Robert Jones & Agnes Hunt Orthopaedic & I	0	2,527	0	0	963
Cardiff University	0	3,222	195	0	677
Platfform for Change	0	0	30	0	30
	1,045,046	**830,840**	**1,370**	**17,368**	**12,450**

Members of the Joint Committees for 2022-2023

LHB Chief Executives have voting rights on the committee while Trust Chief Executives are associate members only
During 2022/2023 WHSSC and EASC have entered into material transactions with the organisations represented as listed above

Glyn Jones	Member WHSSC & EASC	Until August 2022	Chief Executive Aneurin Bevan UHB
Nicola Prygodzicsz	Member WHSSC & EASC	From September 2022	Chief Executive Aneurin Bevan UHB
Carol Shillabeer	Member WHSSC & EASC		Chief Executive Powys Teaching HB, see Register
Jo Whitehead	Member WHSSC & EASC	Until December 2022	Chief Executive Betsi Cadwalladr UHB
Gill Harris	Member WHSSC & EASC	From January 2023	Interim Chief Executive Betsi Cadwalladr UHB
Paul Mears	Member WHSSC & EASC		Chief Executive Cwm Taf Morgannwg UHB
Steve Moore	Member WHSSC & EASC		Chief Executive Hywel Dda UHB
Mark Hackett	Member WHSSC & EASC		Chief Executive Swansea Bay UHB, see register
			Spouse is Non-Executive Director at Robert Jones
			& Agnes Hunt Orthopaedic & District Hospital NHS Trust
Suzanne Rankin	Member WHSSC & EASC		Chief Executive Cardiff and Vale UHB, see register
			Council Lay member Cardiff University

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, see register

The following are officers with voting rights on the Joint Committee

Sian Lewis	Managing Director WHSSC	No declared interests
Stuart Davies	Director of Finance WHSSC & EASC	No declared interests
Iolo Doull	Medical Director WHSSC	See register
Carole Bell	Nurse Director WHSSC	No declared interests
Stephen Harrhy	Chief Ambulance Services Officer EASC	No declared interests

Independent Members With a Declared Interest

Kate Eden	Chair WHSSC		Chair, Public Health Wales NHS Trust, see register
Ceri Phillips	Independent Member WHSSC and Chair of WHSSC QPSC		Independent Board Member, Cardiff and Vale UHB
Chantal Patel (from November 2022)	Independent Member WHSSC		Independent Board Member, Hywel Dda University Health Board
Steve Spill (from 30 November 2022)	independent Member WHSSC and Audit Lead		Independent Board Member, Swansea Bay University Health Board, see register
			Director for Platform for Change until 9th January 2023
Ian Wells	Independent Member WHSSC	Until 30 November 2023	Independent Board Member, Cwm Taf Morgannwg UHB
Ian Phillips	Independent Chair of Welsh Kidney Network		Independent Board Member, Powys Teaching Health Board
James Hehir	Independent Chair of Individual Patient Funding Reqeust Panel		Independent Board Member, Cwm Taf Morgannwg UHB
Chris Turner	Chair EASC		

31. Third Party assets

The LHB held £9,492.68 cash at bank and in hand at 31 March 2023 (31st March 2022, £5,748.54) which relates to monies held by the LHB on behalf of patients. Cash held in patient Investment Accounts amounted to £nil at 31st March 2023 (31st March 2022, £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 Commun ity Equipment Service. The service is to enable children and adults who require assistance to perform essential activities of dai ly living to maintain their health and autonomy and to live life as fully as possible. The equipment provided can include, but is not limi ted 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 contributio ns to the budget in expenditure. Contributions are based on each individual organisations forecast activities. Assets, liabiliti es, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

Funding	2022-23 £'000	2021-22 £'000
	Estimated	
Rhondda Cynon Taf County Borough Council	1,110	1,276
Merthyr Tydfil County Borough Council	138	144
Bridgend County Borough Council	851	761
Cwm Taf Morgannwg University Local Health Board	911	893
Total Partners Funding	3,010	3,074
I.C.F Funding	34	33
Other Income Received	85	165
Total Funding	3,129	3,272
Expenditure	3,154	3,436
Provision of community equipment services within Rhondda Cynon Taf, Bridgend and Merthyr Tydfil County Boroughs.		
Pooled Budget surplus carried forward	(25)	(164)

32. Pooled budgets(cont)

Cwm Taf Morgannwg Care Home Accommodation

The Health Board has entered into a pool fund arrangement with Rhondda Cynon Taf County Borough Council and Merthyr Tydfil County Borough Council.

The Agreement for the CWM TAF MORGANNWG CARE HOME ACCOMMODATION POOLED FUND is made under The Social Services and Well-being (Wales) Act 2014 (the 'Act') and the Partnership Arrangements (Wales) Regulations 2015 (the 'Regulations').

The Agreement provides for the establishment of the CWM TAF MORGANNWG CARE HOME ACCOMMODATION POOLED FUND which will undertake the following functions on behalf of the Parties.

The functions of a local authority under sections 35 and 36 of the Act, where it has been decided to meet the adult's needs by providing or arranging to provide accommodation in a care home;

The functions of a Local Health Board under section 3 of the National Health Service (Wales) Act 2006 in relation to an adult, in cases where:

The adult has a primary need for health care and it has been decided to meet the needs of the adult by arranging the provision of accommodation in a care home, or
The adult does not have a primary need for health care but the adult's needs can only be met by the local authority arranging for the provision of accommodation together with nursing care

A memorandum note to the accounts provides details of the joint income and expenditure.

The pool is hosted by Rhondda Cynon Taf County Borough Council. The financial operation of the pool is governed by a pooled budget agreement between the above named organisations and the Health Board. The Health Board accounts for its share of contributions to the budget in expenditure. Contributions are based on each individual organisations forecast activities. Assets, liabilities, income and expenditure arising from the activities of the pooled budget, identified in accordance with the pooled budget agreement.

Funding	2022-23 £'000	2021-22 £'000
Rhondda Cynon Taf County Borough Council	29,081	24,956
Merthyr Tydfil County Borough Council	5,697	4,788
Cwm Taf Morgannwg University Local Health Board	13,670	13,262
Bridgend County Borough Council	12,044	9,692
Total Partners Funding	60,492	52,698
Other Income Received	53	4
Balance carried forward	13	15
Total Funding (a)	60,558	52,717
Expenditure (b)	60,498	52,704
Objective - paying care fees to homes for the provision of residential & nursing care within the Rhondda Cynon Taf and Merthyr Tydfil County Boroughs.		
Net underspend/(overspend) (a) - (b)	60	13

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 2022 – 31 March 2023

	2022-23 £'000	2021-22 £'000
Funding		
Bridgend County Borough Council	2,474	£2,133
Cwm Taf Morgannwg University Local Health Board	£2,802	£2,661
Total Funding	£5,276	£4,794
Expenditure		
Provision of Community Support Service & reablement	£5,276	£4,794
Net under/Over spend	NIL	NIL

RIF Funding of £707,000 has been received in respect of the pooled budget. This has been excluded from the figures above.

33. Operating segments

IFRS 8 requires bodies to report information about each of its operating segments.

The following information segments the results of Cwm Taf Morgannwg Local Health Board by:
- Healthcare activities
- Welsh Health Specialised Services Committee (WHSSC)
- Emergency Ambulance Services Joint Committee (EASC)

Operating Costs 2022-23

	Healthcare activities	WHSSC	EASC	Inter-segment transactions	Cwm Taf LHB Total
	£000	£000	£000	£000	£000
Expenditure on primary healthcare services	252,376	0	0	0	252,376
Expenditure on healthcare from other providers	363,049	798,382	238,987	(164,550)	1,235,868
Expenditure on hospital and community health services	904,637	5,983	3,567	(502)	913,685
	1,520,062	804,365	242,554	(165,052)	2,401,929
Less: Miscellaneous Income	(155,074)	(804,365)	(242,554)	165,052	(1,036,941)
LHB net operating costs before interest and other gains and losses	1,364,988	0	0	0	1,364,988
Investment Income	0	0	0	0	0
Other (Gains) / Losses	(76)	0	0	0	(76)
Finance costs	157	0	0	0	157
Net operating costs for the financial year	1,365,069	0	0	0	1,365,069

Net Assets 2022-23

	£000	£000	£000	£000	£000
Total non-current assets	709,298	0	0	0	709,298
Total current assets	83,232	38,263	1,679	(4,554)	118,620
Total current liabilities	(196,375)	(50,105)	(1,679)	4,554	(243,605)
Total non-current liabilities	(72,233)	0	0	0	(72,233)
Total assets employed	523,922	(11,842)	0	0	512,080
Total taxpayers' equity	523,922	(11,842)	0	0	512,080

Operating Costs 2021-22

	Healthcare activities	WHSSC	EASC	Inter-segment transactions	Cwm Taf LHB Total
	£'000	£'000	£'000	£'000	£'000
Expenditure on primary healthcare services	251,779	0	0	0	251,779
Expenditure on healthcare from other providers	349,708	746,385	193,216	(159,135)	1,130,174
Expenditure on hospital and community health services	825,533	5,165	3,675	(749)	833,624
	1,427,020	751,550	196,891	(159,884)	2,215,577
Less: Miscellaneous Income	(148,099)	(751,550)	(196,891)	159,884	(936,656)
losses	1,278,921	0	0	0	1,278,921
Investment Income	0	0	0	0	0
Other (Gains) / Losses	(38)	0	0	0	(38)
Finance costs	(21)	0	0	0	(21)
Net operating costs for the financial year	1,278,862	0	0	0	1,278,862

Net Assets 2021-22

	£'000	£'000	£'000	£'000	£'000
Total non-current assets	650,228	0	0	0	650,228
Total current assets	99,320	50,306	3,872	(3,334)	150,164
Total current liabilities	(209,321)	(62,148)	(3,872)	3,334	(272,007)
Total non-current liabilities	(50,531)	0	0	0	(50,531)
Total assets employed	489,696	(11,842)	0	0	477,854
Total taxpayers' equity	489,696	(11,842)	0	0	477,854

34. Other Information

34.1. 6.3% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1 April 2022 to 31 March 2023. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2022 and February 2023 alongside Health Board/Trust/SHA data for March 2022.
Transactions include notional expenditure in relation to the 6.3% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows:

	2022-23	2021-22
Statement of Comprehensive Net Expenditure	**£000**	**£000**
for the year ended 31 March 2023		
Expenditure on Primary Healthcare Services	**764**	572
Expenditure on Hospital and Community Health Services	**25293**	24539
Statement of Changes in Taxpayers' Equity		
for the year ended 31 March 2023		
Net operating cost for the year	**26057**	25111
Notional Welsh Government Funding	**26057**	25111
Statement of Cash Flows for year ended 31 March 2023		
Net operating cost for the financial year	**26057**	25111
Other cash flow adjustments	**26057**	25111
2.1 Revenue Resource Performance		
Revenue Resource Allocation	**26057**	25111
3. Analysis of gross operating costs		
3.1 Expenditure on Primary Healthcare Services		
General Medical Services	**34**	37
General Dental Services	**89**	67
Other Primary Health Care expenditure	**641**	468
3.3 Expenditure on Hospital and Community Health Services		
Directors' costs	**70**	75
Staff costs	**25223**	24464
9.1 Employee costs		
Permanent Staff		
Employer contributions to NHS Pension Scheme	**26057**	25111
Charged to capital	**0**	0
Charged to revenue	**0**	0
18. Trade and other payables		
Current		
Pensions: staff	**0**	0
28. Other cash flow adjustments		
Other movements	**26057**	25111

34. Other Information (continued)

34.2 Welsh Government Covid 19 Funding

Details of Covid 19 Pandemic Welsh Government funding amounts provided to NHS Wales bodies:

	CTM	WHSSC	Total
	2022-23	2022-23	2021-22
	£000	£000	£000
Capital			
Capital Funding Field Hospitals			0
Capital Funding Equipment & Works			5354
Capital Funding other (Specify)	588		0
Welsh Government Covid 19 Capital Funding	**588**	**0**	**5354**
Revenue			
Stability Funding	11,783	0	55,400
Covid Recovery	0	0	31,520
Cleaning Standards	0	0	1,222
PPE (including All Wales Equipment via NWSSP)	1,672	0	3,564
Testing / TTP- Testing & Sampling - Pay & Non Pay	2,401	0	4,299
Tracing / TTP - NHS & LA Tracing - Pay & Non Pay	3,338	0	6,807
Extended Flu Vaccination / Vaccination - Extended Flu Programme	1,111	0	1,001
Mass Covid-19 Vaccination / Vaccination - COVID-19	6,517	0	12,060
Annual Leave Accrual - Increase due to Covid			0
Urgent & Emergency Care			4,717
Private Providers Adult Care / Support for Adult Social Care Providers			805
Hospices			0
Other Mental Health / Mental Health			2,491
Other Primary Care	0	0	1,191
Social Care			0
Other	3,142	0	330
Welsh Government Covid 19 Revenue Funding	**29,964**	**0**	**125,407**

Other Category includes - Dental PCR shortfall and Nosocomial C19 funding

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

Thank you for reading CTMUHB's Annual Report 2022-23.

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