

**Confirmed Minutes of the Board Meeting**  
**Held on Thursday, 10<sup>th</sup> June 2021 at 14:30 – 15:00**  
**Via MS Teams Live Event**

<b>Present:</b>		
Charles Janczewski	CJ	UHB Chair
Abigail Harris	AH	Executive Director of Strategic Planning
Akmal Hanuk	AH	Independent Member - Community
Allan Wardhaugh	AW	Chief Clinical Information Officer
Catherine Phillips	CP	Executive Director of Finance
Ceri Phillips	CP	UHB Vice Chair
Chris Lewis	CR	Deputy Director of Finance
David Edwards	DE	Independent Member - ICT
Fiona Jenkins	FJ	Executive Director of Therapies & Health Sciences
Fiona Kinghorn	FK	Executive Director of Public Health
Gary Baxter	GB	Independent Member - University
John Union	JU	Independent Member - Finance
Len Richards	LR	Chief Executive Officer
Mike Jones	MJ	Independent Member – Trade Union
Rachel Gidman	RG	Executive Director of People & Culture
Rhian Thomas	RT	Independent Member – Capital and Estates
Ruth Walker	RW	Executive Nurse Director
Steve Curry	SC	Chief Operating Officer
Stuart Walker	SW	Executive Medical Director
Susan Elsmore	SE	Independent Member – Local Authority
<b>In Attendance:</b>		
David Thomas	DT	Director of Digital Health & Intelligence
Nicola Foreman	NF	Director of Corporate Governance
Darren Griffith	DG	Audit Wales
Ian Virgil	IV	Head of Internal Audit
Mark Jones	MJ	Audit Wales
Sam Austin	SA	Chair of the Stakeholder Reference Group
<b>Observing</b>		
Aaron Fowler	AF	Head of Risk and Regulation
Joanne Brandon	JB	Director of Communications
<b>Secretariat</b>		
Raj Khan	RK	Corporate Governance Officer
<b>Apologies:</b>		
Sara Moseley	SM	Independent Member – Third Sector
Michael Imperato	MI	Independent Member - Legal

<b>UHB 21/06/001</b>	<b>Welcome &amp; Introductions</b>  The UHB Chair welcomed everyone to the Public Meeting in English and Welsh.	
<b>UHB 21/06/002</b>	<b>Apologies for Absence</b>  Apologies for absence were noted.	
<b>UHB 21/06/003</b>	<b>Declarations of Interest</b>  The Executive Director of Therapies & Health Sciences declared an interest as a Board member of Cwm Taf Morgannwg UHB	
<b>UHB 21/06/004</b>	<b>Introduction to the Annual Report and Accounts 2020-21</b>  The Director of Corporate Governance (DCG) informed the Board that this was the first time it had received a full Annual Report and Accounts for sign off at this stage. Historically the Accounts and Accountability Report would be shared separately. She reminded members that the version shared was not the finalised version that would be presented at the Health Board AGM so that any errors that were identified could be rectified. She highlighted that the attendance table would be the final item to be checked before the final version was presented.  The DCG stated that the annual Report was made up of 3 main sections: <ol style="list-style-type: none"> <li>1. Performance report;</li> <li>2. Accountability Report; and</li> <li>3. Accounts</li> </ol> The DCG highlighted that the Performance report, Accountability report, Accountable Officer’s responsibilities, Directors responsibilities, Annual Governance Statement and the Statement of Financial position would be signed off by the CEO as the Accountable Officer. In addition to the Directors Responsibilities which would also be signed off by the Executive Director of Finance (DOF) and the UHB Chair.  The EDOF advised that the accounts were submitted on the basis of an unqualified opinion and would have a qualification for the 3 year rolling average for their break even duty which was supported by the ISA 260 and the Head of Internal Audit Opinion 2020/21.  The EDOF stated that the Board were asked to approve the letter of representation and adoption of the accounts so that they could be submitted to Welsh Government having been approved by Audit Wales  The EDOF informed the Board that the accounts had not changed in terms of value since the previous draft submission and that they did not have a qualification on their stock which they received the previous	

	<p>year. She added that there was an issue around emphasis of matter on the Health Board's ability to value senior clinical pension tax liabilities as they come due which was also covered in the ISA 260 report.</p> <p><b>The Board resolved that:</b></p> <p>The introduction to the Annual Report and Accounts for 2021/22 be noted.</p>	
<p><b>UHB 21/06/005</b></p>	<p><b>Audit Wales ISA 260 Report for 2020-21</b></p> <p>Mark Jones – Audit Wales (MJ-AW) highlighted that an unqualified opinion had been provided for the Annual Accounts &amp; Remuneration Report which had been properly prepared and he commented that it was a very positive outcome.</p> <p>He highlighted a qualification on the regularity opinion which was the fifth year this had occurred due to the 3-year resource limit being exceeded by £9.7 million. He added that this did not apply to the current financial year as there was a £9.8 million deficit in 2018/19.</p> <p>MJ-AW highlighted a lower materiality level had been set for the Dragons Heart Field Hospital where enhanced testing had been undertaken.</p> <p>He added that there were no uncorrected misstatements and all corrections that had been made were detailed within appendix 4 of the report.</p> <p>MJ-AW stated that the issue that featured most prominently within the report was the tax issue with Senior Clinician Pensions.</p> <p>He referred to the point made by the DOF in regards to stock with it being unqualified due to figures being marginally below materiality of £130,000. He advised that enhanced work was undertaken to satisfy themselves that the figure was not understated.</p> <p>MJ-AW added that the stock was qualified the previous year but due to the pandemic they were not able to attend the year end stock take.</p> <p>MJ-AW stated that the letter of representation would be subsequently signed by the UHB Chair and CEO pending Board approval, if there were any uncorrected misstatements they would be highlighted within the letter and that this year Audit Wales were accepting electronic signatures.</p> <p>MJ-AW thanked the Corporate Governance and Finance Teams along with everyone else at the Health Board for their cooperation.</p>	

	<p>The UHB Chair thanked Audit Wales for their work as it helped to ensure that the Board can obtain the best possible assurance that their financial affairs are in order.</p> <p><b>The Board resolved that:</b></p> <p>The Audit Wales ISA 260 Report for 2020-21 be noted.</p>	
<p><b>UHB</b> <b>21/06/006</b></p>	<p><b>The Head of Internal Audit Opinion and Annual Report for 2020-21</b></p> <p>The HIA clarified that his annual opinion had been thoroughly reviewed by the Audit Committee via the Audit Workshop in May and in the Special Audit Meeting held prior to the meeting.</p> <p>The HIA highlighted the key messages from his opinion within section 1.2 which clarified the final Head of Internal Audit Opinion which stated that the Board could take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, were suitably designed and applied effectively.</p> <p>The HIA highlighted section 1.3 of his report and advised that the team had to make significant changes to their Audit plan to progress throughout the year but, largely due to the ongoing engagement with executives, management, and staff within the Health board, the team were able to complete sufficient work to provide a full opinion for the year which was a very positive position. He added that the changes to the plan were communicated and approved regularly through the Audit and Assurance Committee as the year progressed.</p> <p>He highlighted figure 1 within the report which provided the final outcomes for all internal audit work completed throughout the year:</p> <ul style="list-style-type: none"> <li>- Completed 29 internal audits for the year</li> <li>- 7 received substantial assurance</li> <li>- 18 received reasonable assurance</li> <li>- 1 received limited assurance</li> <li>- 3 advisory pieces of work</li> <li>- Positive position considering the adjustments for the year</li> </ul> <p>The UHB Chair thanked the HIA and his team for their work this year as it was useful to the Board to have the assurance to improve on areas where there were limited assurance ratings.</p> <p><b>The Board resolved that:</b></p> <p>The Head of Internal Audit Opinion and Annual Report for 2020-21 be noted.</p>	
<p><b>UHB</b> <b>21/06/007</b></p>	<p><b>The response to the audit enquiries of those charged with Governance and Management</b></p> <p>The EDOF advised that the response was a mandatory document that needed to be prepared and provided to Audit colleagues in order to inform their work. She provided highlights from the document which included the response for 2020/21 and the previous year. She stated</p>	

	<p>that both responses were largely similar and that both years had been audited and prepared whilst dealing with the emerging issues of the pandemic.</p> <p>She added that the document along with the letter of representation were two of the documents that had to be submitted to Audit Wales to provide assurance that accounts were prepared in accordance with current guidance and best practice.</p> <p><b>The Board resolved that:</b></p> <p>The response to the audit enquiries of those charged with Governance and Management be noted and approved.</p>	
<p><b>UHB 21/06/008</b></p>	<p><b>The CVUHB Annual Report 2020-21 including the Annual Accountability Report, Performance Report and the Financial Statements</b></p> <p>The Independent Member – Finance (IM-F) advised that the Audit Committee had conducted a workshop where it reviewed, in detail, the draft papers and following that meeting had held a Special Audit Committee meeting where the final drafts were reviewed and approved prior to being presented to the Board. He advised that the outcome of the Special Audit meeting was that the Committee were happy to recommend the aforementioned reports to the Board with an assurance that the draft papers had been adequately scrutinised by the Audit Committee.</p> <p>The EDOF highlighted the increase of value in revenue received that year which was directly related to responding to the pandemic which amounted to £176 Million.</p> <p>The CEO commented that the Health Board was in a really good position for the year and had delivered on its duty for a three year rolling average which was a testament to the people within the organisation and also the leadership provided by the executive team. He added that the document was comprehensive, which is something that they had been working towards and he commended the DCG who had overseen the work.</p> <p>The CEO highlighted that two years previously there were five areas of limited assurance compared to the present time where they was only one area. This demonstrated the proactive management and good work undertaken to improve on these areas and was a significant move forward for the organisation.</p> <p>Independent Member – Local Authority (IM-LA) questioned whether a more simplified snapshot document would be made available to the public, despite the fact that receiving a comprehensive document was quite reassuring.</p> <p>The DCG stated that there would be a finalised formal version prepared for the upcoming AGM but proposed that an easy-to-read version with</p>	

	<p>key messaging for patients and employees would be produced alongside it.</p> <p>MJ-AW stated that the accounts would be sent to Welsh Government on 11/06/2021 as the AGW were certifying all Health Bodies on the same day, Tuesday, 15/06/2021. Following this the accounts would be formally laid before the Senedd alongside a press release from Welsh Government.</p> <p><b>The Board resolved that:</b></p> <ul style="list-style-type: none"> <li>a) The reported financial performance contained within the Annual Report and that the UHB has breached its statutory financial duties in respect of revenue expenditure be noted;</li> <li>b) The Audit Wales ISA 260 Report for 2020/21 which included the letter of representation be agreed and endorsed;</li> <li>c) The Head of Internal Audit Opinion and Annual Report for 2020/21 be agreed and endorsed;</li> <li>d) The response to the audit enquiries of those charged with governance and management be agreed and endorsed;</li> <li>e) The Annual Report and Accounts for 2020/21 be approved.</li> </ul>	
<p><b>UHB 21/06/009</b></p>	<p><b>Date and time of next meeting:</b> Thursday, 24 June 2021 at 09:30am Via MS Team</p>	