

Swansea Bay University Health Board

Unconfirmed

**Minutes of the Meeting of the Health Board
held on 7th June 2021 at 2.30pm via Zoom**

Present

Emma Woollett	Chair
Mark Hackett	Chief Executive
Steve Spill	Vice-Chair
Andrew Jarrett	Associate Board Member
Christine Morrell	Interim Director of Therapies and Health Science
Christine Williams	Interim Director of Nursing and Patient Experience
Darren Griffiths	Interim Director of Finance
Jackie Davies	Independent Board Member
Keith Lloyd	Independent Member
Keith Reid	Director of Public Health
Maggie Berry	Independent Member
Mark Child	Independent Member
Martin Sollis	Independent Member
Martyn Waygood	Independent Member
Richard Evans	Executive Medical Director
Siân Harrop-Griffiths	Director of Strategy
Tom Crick	Independent Member
Nuria Zolle	Independent Member

In Attendance:

Hannah Evans	Director of Transformation
Matt John	Director of Digital
Rab McEwan	Interim Chief Operating Officer
Pam Wenger	Director of Corporate Governance
Liz Stauber	Head of Corporate Governance
Andrew Biston	Head of Accounting and Governance
Jason Blewitt	Audit Wales
Anthony Veale	Audit Wales

Minute No.		Action
125/21	WELCOME AND APOLOGIES	
	Emma Woollett welcomed everyone to the meeting. She noted that it was the last board meeting for Martin Sollis and that, since the last Board meeting, Kathryn Jones had been successful in securing a position outside the organisation and would be leaving in July 2021. On behalf of	

	<p>the board, Emma Woollett thanked Martin Sollis for his commitment and support to the board and the organisation over the past four years.</p> <p>Apologies for absence were received from Reena Owen, Independent Member and Kathryn Jones, Interim Director of Workforce and Organisational Development (OD).</p>	
126/21	DECLARATION OF INTERESTS	
	<p>Darren Griffiths declared an interest in the item relating to the annual accounts as a family member was an employee of the British Red Cross, for which there were entries in the ledger. He provided assurance that he had separated himself from all relevant transactions.</p>	
127/21	FINANCIAL ANNUAL ACCOUNTS 2020-21	
	<p>A report and presentation setting out the financial accounts 2020-21 for approval were received.</p> <p>In introducing the report, Andrew Biston highlighted the following points:</p> <ul style="list-style-type: none"> - The draft accounts had been submitted to Welsh Government on 30th April 2021; - Audit Wales had commenced its review of the accounts on 4th May 2021 and this had now been completed, with the findings discussed in detail at the Audit Committee prior to this Board meeting; - The health board had failed to meet its financial duty to maintain balance over a three-year period (2018-19 to 2020-21). A deficit of £24.304m was recorded for the year 2020-21, and a deficit of £50m had been recorded for the rolling three-year period; - It had met its financial duty to have a balanced capital resource limit, achieving an underspend of £28k against a £49m budget. Over the three years, a total underspend of £96k had been achieved; - The final financial duty, to have an approved three-year plan, had not been met. Although this requirement had been paused in spring 2020 due to the pandemic, the health board's position of not having one prior to this remained extant; - The best practice target of paying 95% of invoices within 30 days had just been missed, at 93.9% 	

	<ul style="list-style-type: none"> - £149m additional income had been received to support the response to Covid-19 which had brought the financial position back in-line with its original forecast. <p>In discussing the report, the following points were raised:</p> <p>Darren Griffiths recorded his thanks to Andrew Biston and the finance team, as well as Audit Wales, for the work to complete the annual accounts during a very challenging year. Emma Woollett concurred, adding that this had been an extraordinary year and an exceptional job had been achieved despite the circumstances.</p> <p>Tom Crick acknowledged that the failure to achieve a three-year plan was based on the health board's recorded position prior to the pandemic. He stated it was important to note that it had been the intention of the health board to develop such a plan but Covid-19 had prevented this. Andrew Biston responded that this had been highlighted as part of the national process, adding that the health board had included a note in its accounts referencing the de-escalation from targeted intervention to enhanced monitoring to put context around the position.</p> <p>Martin Sollis, as Chair of the Audit Committee, confirmed that the committee had considered the draft and final accounts in detail and had agreed to recommend them to the Board for approval.</p>	
Resolved	<ul style="list-style-type: none"> - The annual accounts for 2020-21 be approved to enable them to be submitted to Welsh Government by the deadline of midday on Friday 11th June 2021. 	
128/21	AUDIT WALES ISA 260 AUDIT OF FINANCIAL STATEMENTS	
	<p>A report setting out the findings of Audit Wales's review of the annual accounts for 2020-21 was received.</p> <p>In introducing the report, Jason Blewitt highlighted the following points:</p> <ul style="list-style-type: none"> - The report had been agreed with the Director of Finance and Head of Accounting and Governance; - The Audit Committee had considered the report at its meeting prior to the Board; - An unqualified true and fair opinion but a qualified regularity opinion was to be issued by the Auditor General on the accounts based on the failure to meet two of the financial duties; 	

	<ul style="list-style-type: none"> - The report included a note describing the impact of a Ministerial Direction instructing the Permanent Secretary to fund the pension tax liabilities of clinical staff incurred during 2019-20; - There were no uncorrected mis-statements in the final accounts nor any significant issues that the auditors wished to draw to the attention of the Board; - The health board had a minor interest in an external company (Zoobiotics) which had been established for one of its predecessor organisations, Bro Morgannwg. Due to subsequent mergers, this was the first time the details had been included in the annual accounts. 	
Resolved:	<ul style="list-style-type: none"> - The report be approved. 	
129/21	RESPONSE TO AUDIT ENQUIRIES	
	A report setting out the health board's response to Audit Wales's enquiries to 'those charged with governance' was received and approved .	
130/21	HEAD OF INTERNAL AUDIT OPINION AND ANNUAL REPORT EXECUTIVE SUMMARY	
	<p>A report outlining the head of internal audit opinion and annual report executive summary was received.</p> <p>In introducing the report, Pam Wenger highlighted the following points:</p> <ul style="list-style-type: none"> - The report had been presented to the Audit Committee in May 2021; - It gave an internal audit opinion of reasonable assurance for 2020-21 which had been maintained from the previous year, despite the challenges; - There had been some limited assurance reports within the year and action plans were in place to address this. The Audit Committee was monitoring progress. 	
Resolved:	<ul style="list-style-type: none"> - The report be noted. 	
131/21	ANNUAL REPORT 2020-21	

The annual report for 2020-21 was **received**.

In introducing the report, Pam Wenger highlighted the following points:

- The annual report had been reviewed by the Audit Committee as well as internal and external audit, Welsh Government and Board members;
- It comprised the performance report, accountability report and financial statements;
- The report had been produced in-line with the manual for accounts;
- Audit Wales had taken reasonable assurance of the health board's system of control and a positive structured assessment had been received which highlighted that good governance had been maintained during the pandemic;
- There had been significant financial challenges, but the controls and scrutiny had been strengthened;
- As with other organisations, there had been a risk of breaching standing orders/standing financial instructions due to the need for quick decisions in response to the pandemic. Procurement services had processed these in-line with regulation 32 (a legislative instrument that made for provision for a streamlined procurement process) and the Audit Committee had reviewed all decisions retrospectively for completeness;
- Compliance with the code of corporate governance had been assessed and reported to the Audit Committee, along with four breaches of standing orders;
- As part of the sign-off process at the Audit Committee, a minor accuracy point had been raised and this would be addressed in the final version.

In discussing the report, the following points were raised:

Emma Woollett recorded her thanks to the corporate governance team for the work to compile the annual report. She also noted the work of the Audit Committee throughout the year, stating that its role was much wider than the end-of-year reporting as it was a key assurance committee to the board. She thanked Martin Sollis as its Chair and the other members for their scrutiny.

Martin Sollis, as Chair of the Audit Committee, provided assurance that the committee had discussed the report in detail and felt it was a good summary of the governance arrangements for 2020-21. He advised that

	members were content to recommend it to the Board for approval. He also placed on record his thanks to the corporate governance team.	
Resolved:	<ul style="list-style-type: none"> - The annual report 2020-21 was approved for submission to Welsh Government by the deadline of 11th June 2021. 	
132/21	ANY OTHER BUSINESS	
	There was no further business and the meeting was closed.	
133/21	DATE OF NEXT BOARD MEETING	
	The date of the next meeting was confirmed as 29 th July 2021.	