Help us in the fight against COVID-19

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Bae Abertawe
Swansea Bay University Health Board

GIG CYMRU NHS WALES
Bwrdd Iechyd Prifysgol Bae Abertawe
Swansea Bay University Health Board

Swansea Bay University Health Board Annual Report 2020-21

Contents

Statement of the Chief Executive's Responsibilities as Accountable Officer

The Welsh ministers have directed that the Chief Executive should be the accountable officer to the health board.

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

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

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

Date: Chief Executive:

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 health board and of the income and expenditure of the health board for that period.

In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting principles laid down by the Welsh ministers with the approval of the Treasury;
- make judgements and estimates which are responsible and prudent;
- state whether 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 Welsh ministers.

By order of the board, signed:

Chair	Date:
Chief Executive	Date:
Interim Director of Finance	Date:

About the Health Board

Swansea Bay University Health Board plans, secures and delivers healthcare services for the people of Neath Port Talbot and Swansea, and works to improve their health and wellbeing. We serve a population of approximately 390,000, have a budget of around £1.1billion and employ almost 13,500 staff.

We have three major hospitals providing a range of services: Morriston and Singleton hospitals in Swansea and Neath Port Talbot Hospital in Baglan, Port Talbot. We also have a community hospital at Gorseinon and primary care resource centres providing clinical services outside of the main hospitals.

We provide more than 70 specialised services to the populations of south-west Wales, south Wales and for certain services, on a national basis. This reflects our clinical excellence and our diverse range of local and tertiary services for the people of Wales and beyond.

Primary care independent contractors play an essential role in the care of our population, and the health board commissions services from 49 GP practices, 31 optometry practices, 72 dental practices and 92 community pharmacies across our region.

Mental health and learning disability services are provided in both hospital and community settings for residents within the Swansea Bay region, and we provide a regional service for both learning disability and forensic mental health services.

There are four all-Wales services hosted by the health board:

- Emergency Medical Retrieval and Transfer Service (EMRTS) – provides advanced decision-making and critical care for life or limb-threatening emergencies requiring transfer for time-critical treatment at an appropriate facility.

- Major Trauma Network Operational Delivery Network – provides the management function overseeing the major trauma network, coordinating patient transfers between the major trauma centre, trauma units and local hospitals and enhancing major trauma learning to improve patient outcomes, patient experience and quality standards from the point of wounding to recovery.

- Lymphoedema Network – manages the Lymphoedema Network Wales National

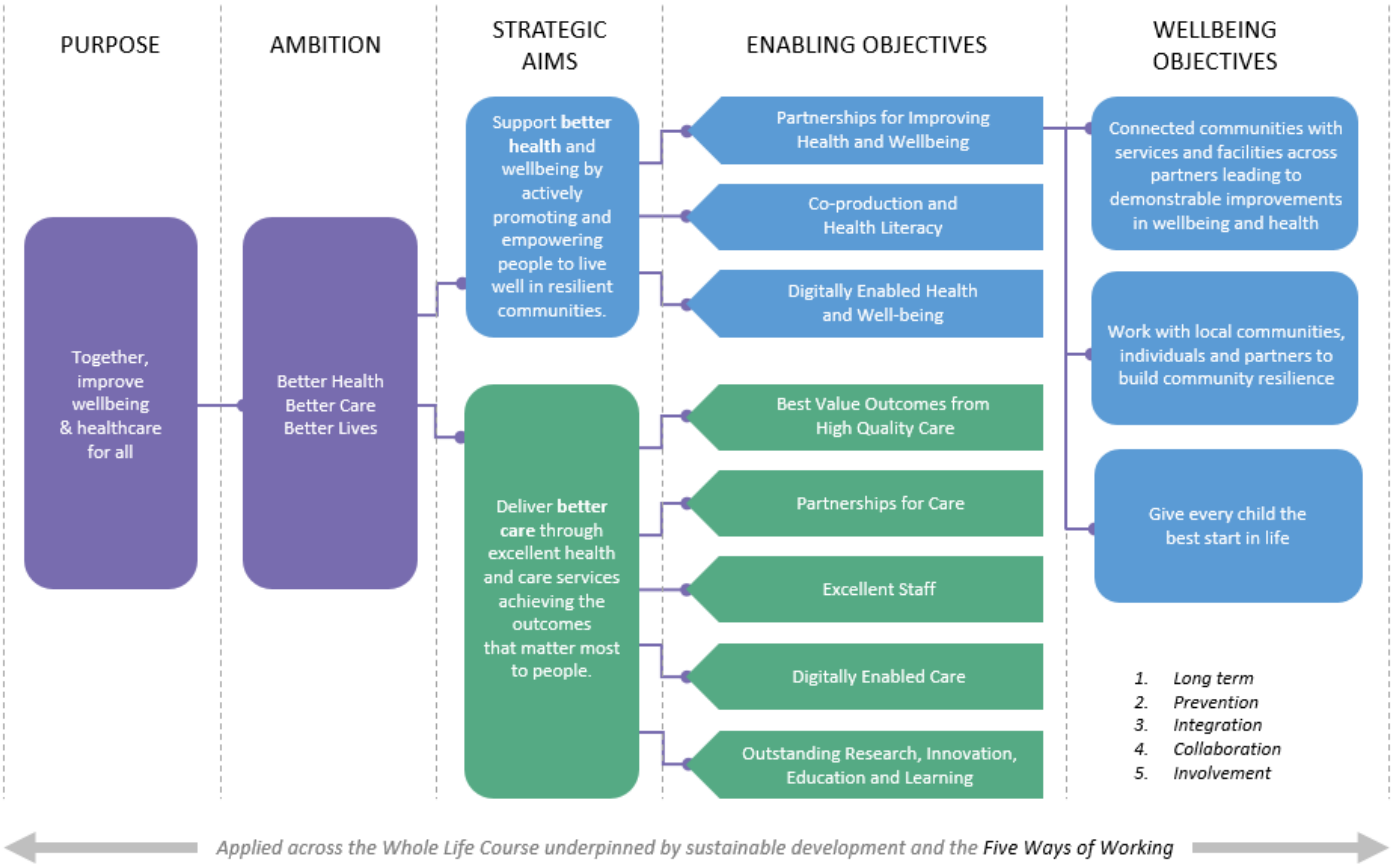
Team.

- NHS Wales Delivery Unit – provides professional support to Welsh Government to monitor and manage performance delivery across NHS Wales.

We recognise that to deliver effective health and wellbeing services for our population we must work in close collaboration with key partners, including Swansea and Neath Port Talbot local authorities, third sector organisations, universities, other health boards and our public. We place great importance on our membership of local partnership boards, including public service boards and West Glamorgan Regional Partnership Board.

We are also part of A Regional Collaboration for Health (ARCH), which is a unique collaboration between three partners: Swansea Bay University Health Board, Hywel Dda University Health Board and Swansea University. It spans the local authority areas of Ceredigion, Pembrokeshire, Carmarthenshire, Neath Port Talbot and Swansea and aims to improve the health, wealth and wellbeing of the south-west Wales region.

The board has a clear purpose, ambition, strategic aims, and enabling objectives have been developed to fulfil our civic responsibilities by improving the health of communities, reducing health inequalities and delivering prudent healthcare in which patients and service users feel cared for, confident and safe.



While our objectives ensure we meet national and locally priorities and professional standards, our ways of working are underpinned by a values and behaviour framework, which was developed following many conversations with staff, patients, relatives and carers. These values are at the heart of all that we do.

CARING for each other | Working TOGETHER | always IMPROVING

Caring for each other in every human contact in all of our communities and each of our hospitals

We will: Be approachable, helpful, attentive to other's needs; be thoughtful and flexible about how to meet the needs of each person; be calm, patient, reassuring and put people at ease; protect others' dignity and privacy and treat others as we wish to be treated.

Working together as patients, families, carers, staff and communities so we always put patients first

We will: Listen closely; consider other's views and include people; appreciate others: be open, honest and clear; give constructive feedback and be open to and act on feedback ourselves; be supportive and say "thank you."

Always improving so that we are at our best for every patient and for each other

We will: Be vigilant about safety and risk; never turn a blind eye; look for opportunities to learn; enthusiastically share ideas and actively seek solutions; be accountable for our behaviour and hold others to account; keep promises; be positive, a role model and inspiration to others.

Introduction: Chief Executive's Overview

2020-21 was an unprecedented year for the health board as its primary focus had to be the response to the Covid-19 pandemic. For significant periods of the year, our focus had to be on managing the health impacts of the pandemic and on treating the most urgent healthcare needs. This has had a huge impact on our communities and on all areas of the health board's business. This is reflected throughout our annual report.

We are sincerely grateful to all our staff for the continued, tireless efforts during these challenging times. They have shown great commitment and resilience, often at personal sacrifice. Many chose not to see their families during the first and second waves of the pandemic to reduce the risk of passing on the virus on to those they loved. Others worked long hours, days and weeks to provide the very best care and many took on new roles to support the needs of the services under the most pressure. Tragically, we lost seven staff members to the virus. Our thoughts remain with their loved ones and friends.

We established a preparedness and response framework to the Covid-19 pandemic on 31st January 2020, and implemented a major incident response with associated command, control and communication arrangements. These arrangements have facilitated an agile response to the changing demands of the pandemic over the past year which have been focused not only the meeting the healthcare needs of those contracting the virus, but also preventative and control arrangements such as the hugely successful vaccination programme.

Our handling of the pandemic to-date was a contributory factor in Welsh Government's decision to de-escalate the health board from 'targeted intervention' to 'enhanced monitoring'. This was also a reflection of the progress the health board has made in the lead up to and during the pandemic on its operational performance in a number of key areas.

The impact of the pandemic is writ large through the performance sections of this annual report. As noted above, Covid-19 transformed the way we worked and the way people accessed their healthcare. During the first wave of the pandemic, all non-urgent care was suspended; much of primary care was delivered over the phone; and our hospital services were redesigned to stream suspected Covid patients and non-Covid patients in line with rigorous infection and prevention control arrangements. We had to deal with very significant workforce pressures, with high numbers of staff needing to shield or self-isolate for Covid-19 related reasons, and large numbers of staff being deployed to support the Covid effort. The same

pressures were experience in the care sector, and we worked very closely with our local authority colleagues in managing risks.

The legacy will be with us for the years ahead, as we look to address very significant backlogs of care while still, in the short term at least, continuing to operate in a Covid environment. Some of the changes we have made to the way we work, such as the rapid expansion of digital infrastructure to support virtual consultations, will remain critical components of our service offer in the future.

The pandemic similarly had a very significant impact on the health board financial plans. The end-of year financial position was reported as a deficit of £24.304m. While this was in-line with the forecast made at the start of the year, it was delivered in part as a result of £157.496m additional in year funding provided by Welsh Government to meet the additional costs of the Covid-19 response, such as the vaccination programme; testing programme; and establishment of field hospitals.

While it has been an unforgiving and challenging year for the health board and for the communities that we serve, our hope is that we can now transition from responding to the pandemic and increasingly move into recovery.

Mark Hackett
Chief Executive

Performance Report 2020-21

Our Performance Report

Responding to Covid-19

Responding to Covid-19 has been our main priority for 2020-21. Our testing and vaccination programme have been core elements of the response:

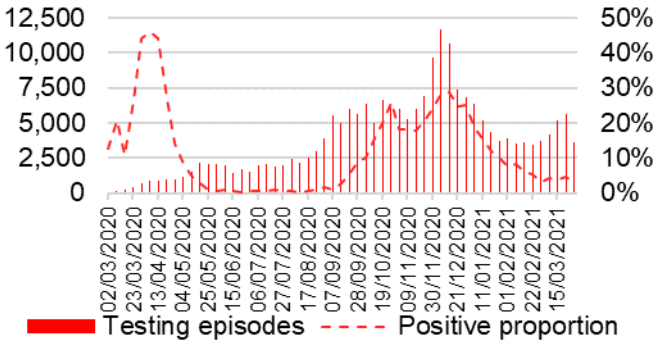
❖ Testing and Vaccines

Within our local communities, as at 31st March 2021, we had:

349,572 Covid-19 tests

29,213 positive results
(including 2,107 positive staff results)

Number of Covid-19 tests completed and positivity rate



The approach to testing has evolved as the pandemic has continued, and to date we have a daily testing capacity of 3,000 thanks to:

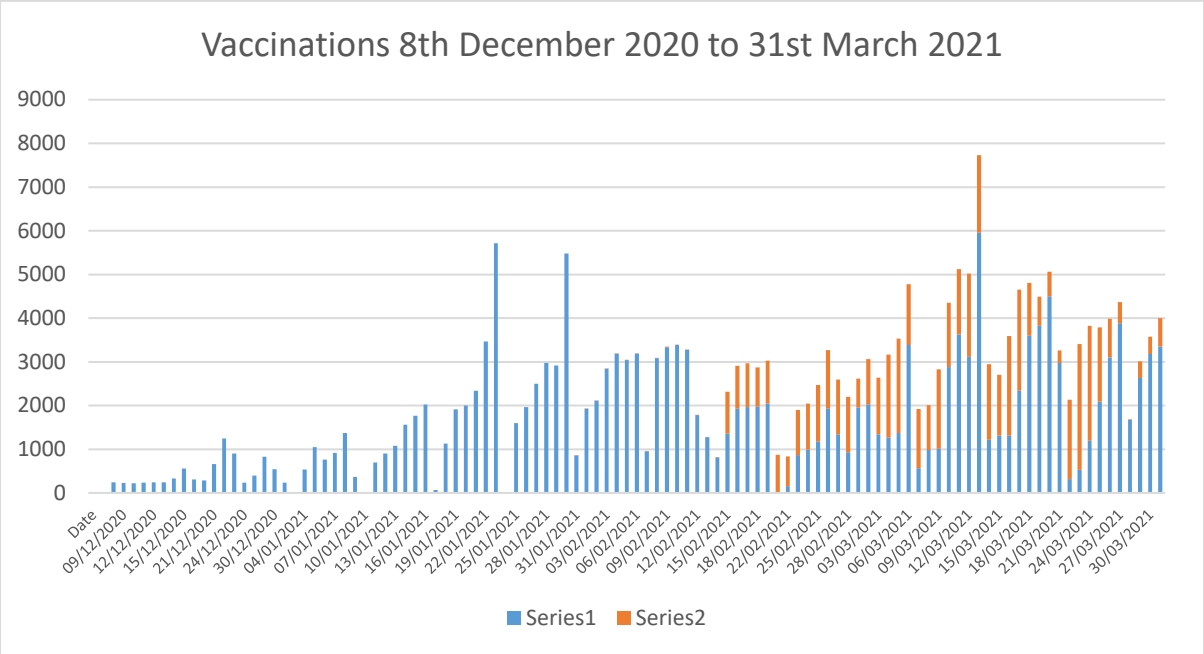
- Two drive-through testing centres (Margam and Liberty Stadium);
- Two walk-in centres;
- Two mobile testing units.

Linked to testing is the Test, Trace and Protect programme. In partnership with local authorities, call centres were set up to trace contacts for each confirmed case. Health board staff initially were deployed into these roles but subsequently a recruitment drive was undertaken to ensure there was enough capacity to cope with additional demands.

Since 8th December 2020, the health board has had a comprehensive vaccination programme in place, which started with frontline healthcare staff in Morriston Hospital before quickly extending to other hospital sites. Once the programme was fully established, a number of facilities started to administer either Pfizer BioNtech and Oxford Astra Zeneca vaccines, or both:

- Mass vaccination centres - Bay Field Hospital, Margam Orangery and Canolfan Gorseinion;
- A mobile service targeting hard to reach groups and geographically isolated communities via an ‘Immbulance’;
- Primary care centres;
- A small number of community pharmacies set up as pathfinders to explore the delivery of vaccine through these settings.

By 31st March 2021 **179,772** first doses and **55,516** second doses had been administered as show in the graph below (blue are the first doses, orange the second).



The national flu campaign began in the autumn of 2020 as planned, with 8,243 vaccines given by 31st March 2021 - this equates to 63% of frontline staff. Fortunately there were relatively low levels of the flu virus reported in 2020-21 but it was more important than ever to reduce the potential impact of seasonal influenza on both individuals and healthcare services.

❖ Primary and Community Care

Primary care is the first port of call for many patients when accessing our services. Throughout the year, our GP practices, dentists and other contractor services such as pharmacies and optometrists have remained open, but working behind closed doors, and in the case of dental services, only seeing those who were clinically urgent. The rapid and widespread roll-out of digital systems helped services to be maintained, such as 'AskMyGP', an online service which helps patients access advice and healthcare from their GP online, reducing the number of unnecessary face-to-face appointments.

A primary care assessment hub was set up to provide robust assessment, review and management of patients who were self-isolating and required medical attention that could not be managed over the telephone by their own GP practice. Also, a cluster approach to phlebotomy, vaccination and immunisations and sexual health/family planning services was established and a cluster virtual ward model developed to protect hospital capacity by admission avoidance and early discharge.

Not only was there a focus on trying to help patients stay out of hospital, systems were put in place, in conjunction with local authority colleagues, to help people return to the community once they were well enough to do so. A rapid discharge process was put in place on 1st July 2020 to fast-track pathways that including streamlined assessments, a trusted triage model and a joint discharge team for those requiring

care, including continuing healthcare and local authority funded patients. There was also considerable support by district nursing, acute clinical teams and long-term care nurses to support residents in care homes where outbreaks had occurred.

The care home sector has experienced significant fragility as a result of workforce constraints. The health board worked with its local authority partners, the voluntary sector and care home providers to provide support and guidance when required, in particular direct staffing input, infection control advice and support with testing, tracing and outbreak management when needed.

❖ Hospital Sites

Although the majority of people were able to recover from the virus at home, a number of people were admitted to our hospitals, some of whom were so unwell, they needed beds in our intensive care units (ITU). We repurposed ward space at great speed to create additional ITU capacity, which did need to be used during the peaks of the pandemic activity.

For those patients who did need hospital care, whether it was planned or unscheduled, Covid-19 or non-Covid, services were redesigned to make them as safe as possible for patients and staff.

The emergency department at Morriston Hospital was divided into two zones; one for confirmed or suspected Covid-19 patients and the other for those without the virus. Other initiatives put in place included:

- A paediatric emergency department;
- A respiratory assessment unit;
- A temporary building to accommodate the older people's assessment service; this created additional capacity next to the emergency department to help ambulances offload patients so they could be sanitised and released;
- An additional discharge vehicle to support afternoon and evening discharges;
- 'Contact first' service which encourages people to call before attending the emergency department;
- An urgent primary care centre to reduce the number attending the hospital unnecessarily as they could be seen in primary care settings instead.

While the urgent and emergency care service has always been running, our response to restarting essential, non-Covid services agenda began in May 2020 and included:

- Appointing an associate medical director for non-Covid and recovery;
- Using a quality impact assessment process, overseen by clinical executive directors and supported by a panel, to ensure services were being reinstated in a structured and safe way;
- Developing theatre standard operating procedures (SOPs), pre-operative processes, consent process and patient information leaflets;
- Quarterly updated assessments against a Welsh Government framework for essential services.

We used national categorisation to determine which cases should be seen when and clinical emergency and trauma theatre capacity was increased to ensure that all urgent and emergency cases could be treated in a timely way. For the other cases, a

process was developed which set out the requirements for clinical teams to prioritise cases on speciality waiting lists. Available theatre capacity was then targeted at the specialities and patients in greatest need.

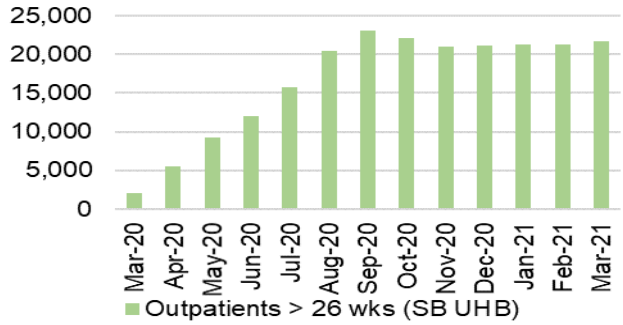
Two field hospitals were established, in-line with modelling, which pointed to the potential for hospital capacity being exceeded; one at Llandarcy Academy of Sport and the other at Bay Studios Business Park. Both were ready by May 2020. The Llandarcy Field Hospital was de-commissioned once the first wave had passed. However, Bay Field Hospital is currently running as a mass vaccination centre and as a community phlebotomy facility. The bed capacity is still in place should we need it.

Planned care

At the end of 2020-21, we had **78,902** patients waiting for elective care – this everybody waiting for some aspect of planned care, whether it be a new outpatient appointment, diagnostic service or treatment.

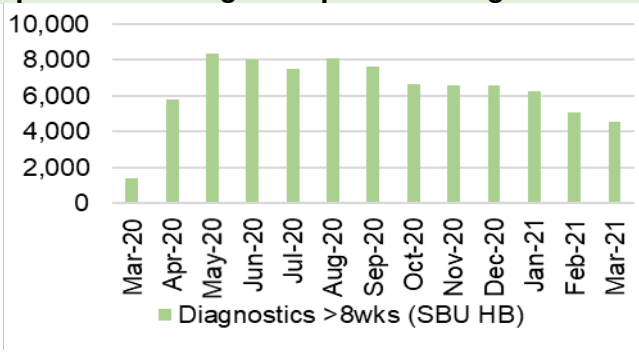
The elective care process usually starts with an outpatient appointment. During the first wave of the pandemic, all but the most urgent outpatient activity in the health board stopped, but this was gradually reintroduced as it became safe to do so. At the same time, there was a significant increase in the use of virtual consultations with patients; this has continued, particularly with those requiring a follow-up appointment. Currently approximately 40% of all consultations are taking place virtually and outpatient activity is now around 70% of the level it was pre-Covid.

Number of patients waiting over 26 weeks for an outpatient appointment



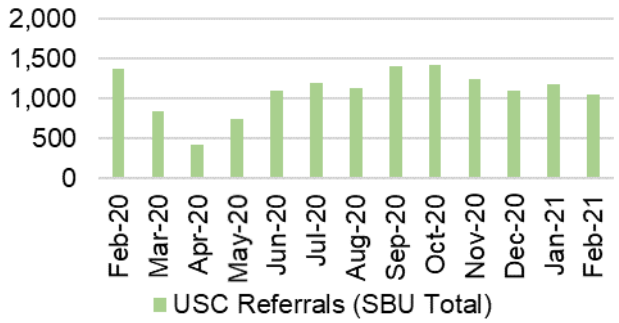
The next step is diagnostics and timely access to these services is critical. During the first few months of Covid-19, the majority were stood down to enable staff to be retrained, to limit footfall on sites and to create capacity for pandemic demand. The impact of this led to a rapid rise in volumes of patients waiting and the length of time waited increased significantly. Detailed recovery plans were developed and implemented and this has resulted in some being on track to return to an eight week maximum wait by the end of March 2021.

Number of patients waiting for reportable diagnostics over 8 weeks



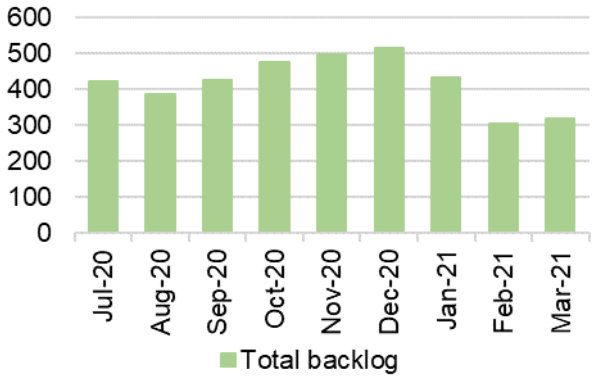
One of the specialities we have continued to provide throughout the pandemic is cancer treatment but services has been severely disrupted. We saw a very significant drop in cancer referrals during the first wave of the pandemic.

Cancer referrals

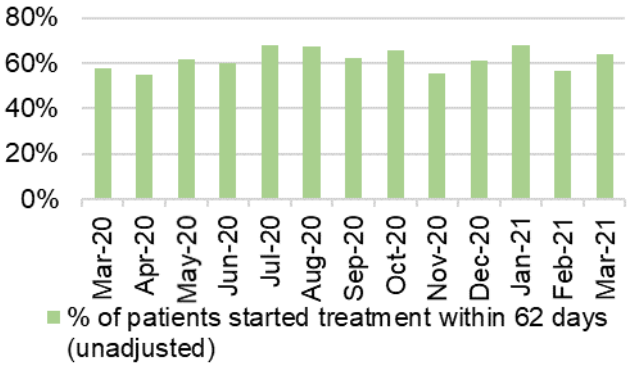


From December 2020, a major change to the management of suspected cancer patients was introduced, moving away from a system that measured timeliness of access to treatment depending on where in the health system cancer was first suspected. From January 2021 we have been reporting only against the single cancer pathway.

Single Cancer Pathway backlog- patients waiting over 63 days

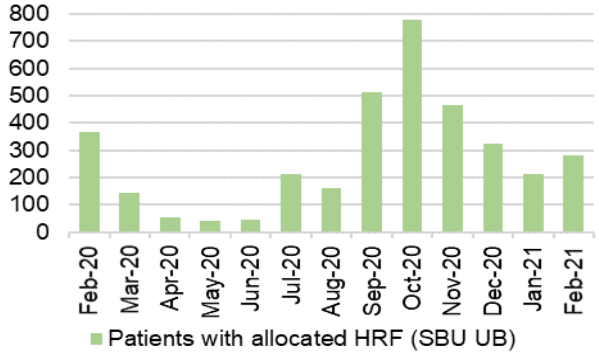


Single Cancer Pathway- % of patients starting definitive treatment within 62 days from point of suspicion



Eye care is also a priority for the health board, particularly for those at greatest risk of sight loss. We have concentrated on emergencies and ensuring that those patients with age related macular degeneration were seen in a timely manner with treatment initiated. In addition, those already on a treatment regime continued to receive this.

Ophthalmology patients without an allocated health risk factor



It is important that patients waiting for treatment were also supported through pre-habilitation and examples of our approach included:

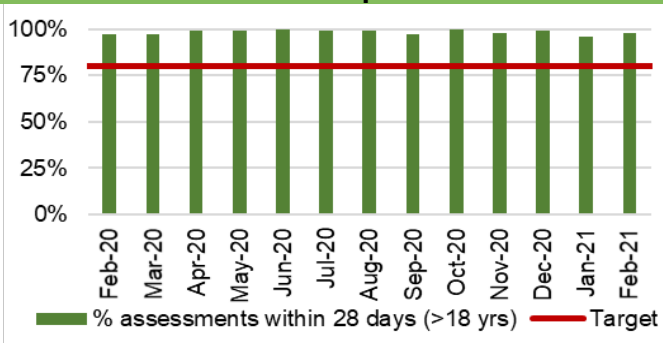
- An exercise and lifestyle programme pilot to work with patients waiting for arthroplasty surgery where they engage with lifestyle, exercise and therapy work with the intention to increase fitness to improve surgical outcomes and potentially help patients avoid the need for surgery;
- Advanced practice physiotherapists working with spinal surgeons and patients waiting for appointments, providing advice and therapeutic support;
- A cancer services pilot with the Upper Valleys cluster, the rapid diagnostic clinic and initially two cancer multi-disciplinary teams (upper gastro-intestinal and colorectal) which will work will patients on these cancer pathways on pre-assessment, lifestyle and psychological support in order to optimise their treatment and outcomes.

Mental health was just as critical, especially at a time of such additional stress and anxiety. Local arrangements were established for moving staff between areas to maintain essential mental health services, particularly urgent and inpatient care. Additional equipment was provided across community and inpatient services and arrangements made for the increased demand for oxygen as none of our inpatient

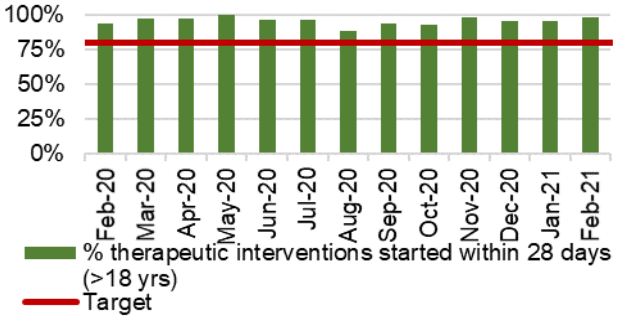
environments have, nor require in normal circumstances, piped oxygen. Existing caseloads were risk assessed and RAG (red, amber, green) rated to identify vulnerability and prioritise allocation of resources to manage risk. This included capturing information on age, physical health issues, mental health issues and whether living alone/with elderly carers.

Performance has been maintained despite the additional pressures:

% of mental health assessments undertaken within (up to and including) 28 days from the date of receipt of referral

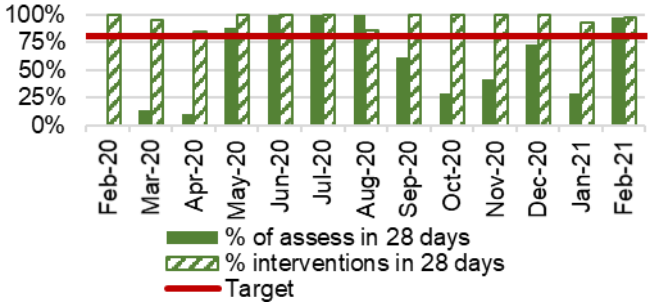


% of therapeutic interventions started within (up to and including) 28 days following an assessment by Local Primary Mental Health Specialist Services

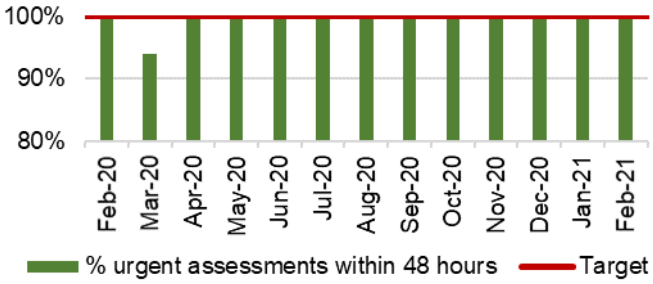


For our younger patients, child and adolescent mental health services (CAMHS) are provided for the Swansea Bay area by Cwm Taf Morgannwg University Health Board, who continued to work in partnership with us during 2020-21 to ensure that services could continue to be provided, albeit in a different way. The services have continued to implement the multi-agency delivery plan to improve the emotional health and wellbeing of children and young people.

Assessment and intervention within 28 days



Urgent assessments undertaken within 24 hours from receipt of referral



Keeping our Staff and Patients Safe

Keeping our staff and patients safe throughout the pandemic has been paramount. Personal protective equipment (PPE) was a critical factor and a dedicated silver logistics cell was set up to oversee arrangements, with a modelling tool developed to monitor usage, taking into account the detailed requirements and implications to revised national guidance. The infection prevention and control team provided and led on training for the correct 'donning and doffing' of PPE, including fluid repellent face masks, face shields/visors, gowns, aprons and gloves. Since April 2020, more than 6.5m items of PPE have been distributed through our hub.

The physical environment was also a key consideration. Where appropriate, beds were removed to ensure adequate spacing and ClearScreen curtains were installed throughout inpatient facilities, where relevant, to provide additional barriers.

To reduce the risk of transmission of the virus, particularly to vulnerable inpatients, we suspended hospital visiting (with some very limited exceptions (such as end of life patients). We appreciated that this could add to the distress of patients and their loved ones and we put a number of steps in place to try and alleviate this. Working with the clinical teams, we set up the 'messages to loves ones' email address and a central coordinating point to distribute the messages to patients on the ward as well as send replies. Additional iPads were purchased for patients to use to 'keep in touch' with those at home.

End of Life Care

Ensuring dignified care for all our patients is key, regardless of prognosis, as they often access our services when they are most vulnerable. This is of particular importance when individuals are approaching the end of life. Improving end-of-life care is one of our quality priorities for 2021-22, and we have already developed a service to support care after death, including access to bereavement support. There was also engagement and collaborative working with funeral directors to ensure that processes were as efficient as possible.

Always Improving

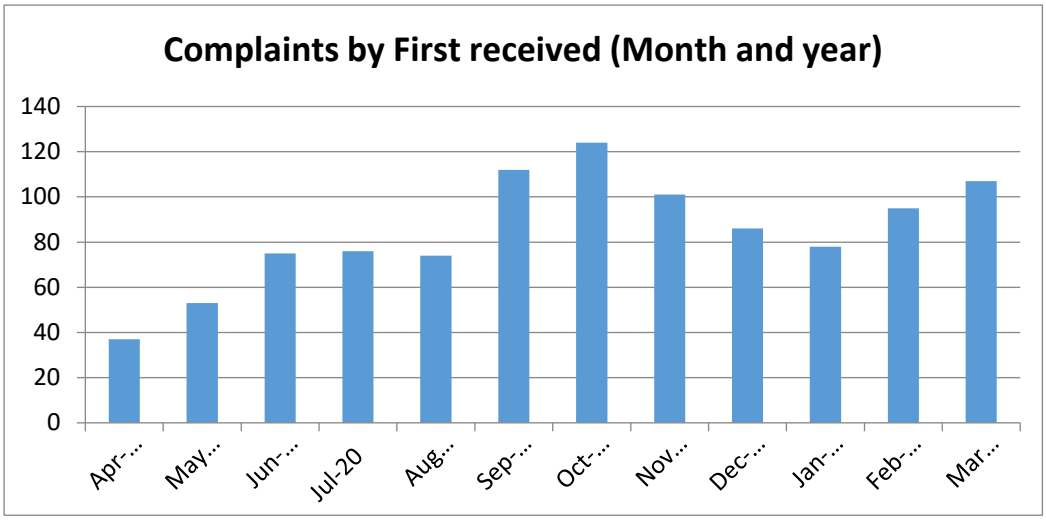
A core value for the Health Board is 'always improving'. While every effort was made to do what is right for our patients, there have been times when we have got it wrong, and it was important that we listened to people's feedback in order to learn.

To capture patients' experiences, social media and text messaging was quickly established to allow us to send patients a survey following their discharge. The

feedback is shared across the services as appropriate. We have also developed bespoke surveys to help heads of services and clinical teams improve their services.

As well as hearing from patients, we also received 1,667 completed surveys from our staff survey; the results of which will help shape home working and wellbeing services for our staff.

We received 1,018 formal complaints during 2020-21 and the graph below breaks this down per month:



Communication is a common theme for complaints throughout the health board and as a result, we have developed bespoke communication training for all staff. Clinical treatment is also one of the top themes, as were appointments, and the concerns are set out below.

Clinical Treatment Concerns	
Lack of treatment	279
Delay in receiving treatment	269
Reaction to procedure/ treatment	134
Incorrect treatment given	109
Incorrect diagnosis	99
Delay in diagnosis	89
Other	1

For serious incidents, the team produces a learning brief and supports the sharing of thematic learning from investigations for example, falls; pressure ulcer; mental health cases and infection control. The top five themes in 2020-21 were:

- Injury of unknown origin;
- Pressure ulcers;
- Patient accidents/falls;
- Behaviours;

- Medication/biologics/fluids.

The learning from closed cases has been presented to the Quality and Safety Governance Group and Quality and Safety Committee and a newsletter setting out the learning and actions taken was issued.

During 2020-21, 18 investigations were undertaken by the Public Services Ombudsman for Wales and the health board received three public interest reports within the past 12 months. These are reports for which the Ombudsman feels that the findings and subsequent actions should be made public. Actions being taken as a result of these include:

- **Communication** – a task and finish group to look at incidents and complaints relating to communication has been set up;
- **Poor Documentation** – is being raised in professional forums such as the Nursing and Midwifery Board and the health board is also part of an all-Wales programme to implement a digital record**;**
- **Poor concerns handling** – complaints standards training was delivered by the Ombudsman Training Officer early in 2021. Work continues to be undertaken by a corporate team to reduce referrals;
- **Human Rights Training** – being rolled out across service groups, commencing in the Mental Health and Learning Disabilities Service Group.

Working in Partnership

Good partnership working has been a core feature of our pandemic response as well as a broader partnership agenda. The health board participated with the Local Resilience Forum as a category one responder, not only for Covid-19, but also on preparations for the exit from the European Union (Brexit).

We continued to work with our respective partner agencies to manage and respond to safeguarding and domestic abuse concerns. In addition, we are engaging with emotional wellbeing review group meetings led by Neath Port Talbot and Swansea local authorities of vulnerable adults, vulnerable children and young people.

Our Stakeholder Reference Group is a key part of our mechanisms for engaging with the public over the health board's plans and actions. It has continued to meet, albeit virtually, during most of 2020-21 and while Covid-19 has understandably been a focus for these meetings, consideration of health board plans and actions has also been included so that any concerns or issues raised by members are taken into account by the board prior to making any relevant decisions.

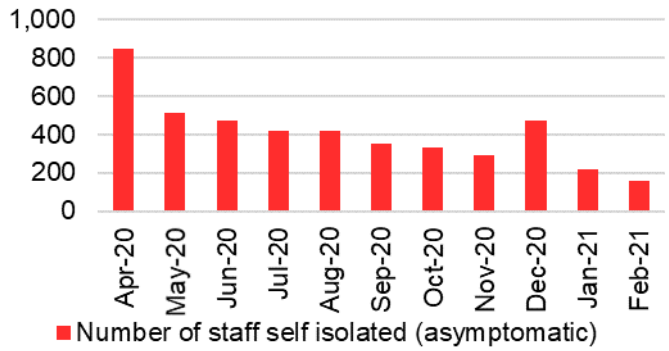
We worked very closely with trade union partners, a partnership all the more important given the demands and challenges being placed on staff throughout the year. In addition to close working with union representatives, the health board partnership forum met on a monthly basis. These meetings were in addition to local partnership forums.

Workforce Management and Wellbeing

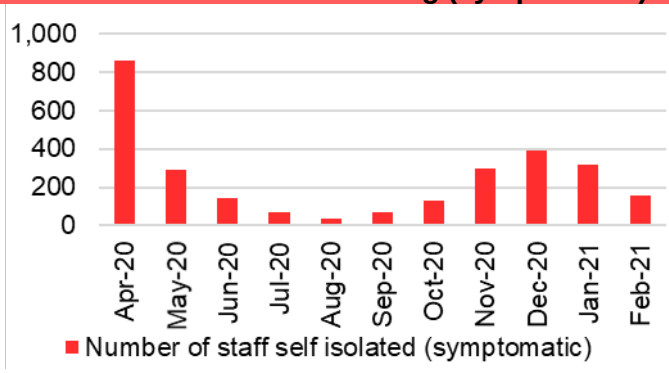
Our people are integral to the working of the health board and we continue to be grateful for all that they do. At our peak, there were 1,700 staff not in work due to

Covid-19 related absences out of 13,499. This was in addition to those shielding. This had a very significant effect on the running of services.

Number of staff self isolating (asymptomatic)



Number of staff self isolating (symptomatic)



We continued to comply with the Nurse Staffing Levels (Wales) Act 2016, assessing relevant wards on a daily basis. Where there were staffing issues, colleagues were redeployed from areas under less pressure or bank/agency called upon to fill the gaps. Nursing staff are not the only ones who have been redeployed with many doctors moving into different rota patterns in additional to extra resources being recruited. This is the same for allied health professionals.

Since April 2020, more than 1,400 additional bank staff have been added to the bank to support a number of roles include surge capacity, safer staffing, field hospitals and administration. In addition, there continues to be a 'rolling' advert for bank healthcare support workers. While we were lucky to have benefitted from the support of 580 students in the first wave, these have since returned to their studies.

Risk assessments have been undertaken throughout the pandemic to ensure staff are working as safely as possible. All staff were encouraged to complete the Welsh Government risk assessment tool, in particular those of black, Asian and minority ethnic descent, as more cases of Covid-19 were being seen in their demographic groups. For those staff for whom it was not safe to work closely patients, alternatives were initially considered and where possible they were redeployed to support other non-clinical areas of business. Otherwise they were asked to work from home if possible.

There was a 78% increase in management referrals to occupational health relating to Covid-19. As a result, a nurse-based team was established with allied health professional and medical support. The pathway has also been extended to include trauma and bereavement services. Nearly 400 wellbeing champions are now in place to support teams as well as learning and development coaches based within each of the service groups.

Learning

Whilst the Covid-19 pandemic has had devastating impacts on communities, families and economies, it did create a sense of urgency that generated innovation and transformation in the way health services are configured, delivered and enabled at scale and at pace.

During summer 2020, the health board undertook a listening and learning exercise, engaging with staff, patients and partners in order to capture the experiences of change and ensure that the positive changes were identified so that improvements could be embedded. These included:

- ***Consultant Connect*** for primary care practitioners to seek an opinion from consultants and where possible avoid a new outpatient referral. 35% of the consultations have avoid referral. The health board was the first in Wales to launch this and the focus in 2021-22 will be on rolling it out more widely;
- ***Virtual consultations*** are now in use in all specialties with around 40% of all consultations taking place virtually. The next phase is to pilot virtual group consultations and we are being supported by Welsh Government in a pilot in rheumatology and dermatology;
- A ***"Quick Question" self-validation tool*** has been adopted which gives patients the opportunity to self-assess their conditions and whether they feel they need to remain on a follow up list. This approach has seen a reduction in over 10% from follow-up lists in rheumatology and gynaecology with a plan in place to roll out to more specialties over the coming months;
- ***Patient Reported Outcomes Measures*** (PROMS) is being used in a number of specialties to support the prioritisation of patients according to need. For example in lymphoedema services, the introduction of PROMS has seen the average wait to first appointment for urgent referrals drop to nine days (versus 33 days in 2019), while for routine appointments it has dropped to 18 days (versus 71 days in 2019).

Decision Making and Governance

To respond to the pandemic, the health board's major incident command and control structure was initiated, managed through the gold command centre. This took responsibility for the high-level decision making and oversaw the operational silver group, which managed the day-to-day decisions as well as the site and service-based bronze groups. Regular updates from this structure were provided to the board, including a specific Covid-19 risk log which was updated on an ongoing basis.

Throughout the year it was essential to maintain good governance and ensure the decisions were being made in the right way but without delaying progress. The board continued to meet but quickly moved to virtual meetings at the start of the year which have since started to be livestreamed to enable members of the public to observe. Meeting frequency was increased to monthly until the summer to keep members

appraised of the evolving situation and response and a review of committee arrangements was undertaken in April 2020. The initial outcome was to step-down all committees except for the Quality and Safety Committee given the importance to maintain patient and staff safety and the Audit Committee to maintain strong governance. The arrangements were kept under review and gradually stepped back up from June 2020 but with executive directors, other than the lead for the committee, being able to step-down from meetings unless required for a specific item. The board recognises that it has a commitment to holding its committee meetings in public however, given the ongoing pandemic, this has not been possible. Due to the number of committees and frequency of these, it is too resource intensive to livestream committee meetings but the health board will look at ways in which committees could be held in public where possible.

There was also use of Chair's action to support urgent decision making so as to not cause delays while awaiting board meetings and temporary changes to standing orders, standing financial instructions and scheme of delegation to enable more decision making. The board also temporarily agreed changes to the risk appetite and reporting of risk has been a constant through the committee and the board.

We received a positive internal audit report in relation to the health board response to pandemic and the areas of improvement addressed. In addition, we had closer working with Audit Wales and internal audit through the pandemic assisted by remote working and also contributed to the Audit Wales report "Doing it Differently, Doing it Right", and lessons learnt are being taken forward.

Conclusion and Forward Look

This has been an incredibly challenging year for the health board. Much has been achieved but there is significant work ahead to recover backlogs of care; to continue to provide an effective and agile response to the pandemic; to continue to modernise our services and to stabilise the health board's financial position on the road to long term sustainability.

At the time of writing, our annual plan for 2021-22 is in the process of being finalised. It plans to rejuvenate our hospitals as well as our primary care, community and therapy services to link improvements in a number of areas, including cancer and emergency medicine.

A critical priority is to create a sustainable urgent and emergency care system but we also recognise that we need to improve the rate at which we provide planned care, as people are now waiting longer. Full recovery of the waiting list position will be a longer-term plan, but we are already thinking about how we address the backlog.

All this is alongside the continuing need to respond to Covid-19, as cases still remain high in the communities we serve, with some needing admission to our hospital. While we are hopeful that we will be able to start our recovery from the pandemic in the second half of 2021-22, our response to the pandemic will remain a focus for us.

Accountability Report 2020-21

Annual Governance Statement

❖ Scope of Responsibility

The board is accountable for good governance, risk management and the internal control processes of the organisation. As Chief Executive, I have responsibility for maintaining appropriate governance structures and procedures, as well as ensuring that an effective system of internal control is in place that supports the achievement of the organisation's policies, aims and objectives, while safeguarding the public funds and the health board'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.

In discharging this responsibility I, together with the board, am responsible for putting into place arrangements for the effective governance of the health board, facilitating the effective implementation of the functions of the board and the management of risk.

At the time of preparing this annual governance statement, the health board and the NHS Wales are facing unprecedented and increasing pressure in planning and providing services to meet the needs of those who are affected by Covid-19, while also continuing essential non-Covid-19 services.

The required response has meant the whole organisation has had to work very differently both internally and with partners and stakeholders, and it has been necessary to revise the way the governance and operational framework is discharged.

To demonstrate this, the organisation is recording how the effects of Covid-19 have impacted on any changes to normal decision making processes. Where relevant these, and other actions taken, have been explained within this annual governance statement.

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 annual 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 annual governance statement.

❖ System of Governance and Assurance

- **Overview**

The health board has a statutory requirement to comply with the Local Health Board (Constitution, Membership and Procedures) (Wales) Regulations 2009 and comprises chair, vice-chair, chief executive, nine independent members and seven executive directors. In December 2020, a public appointments process was undertaken to recruit a substantive vice-chair, with Stephen Spill taking up post in January 2021. For the majority part of the year, the post was undertaken on an

interim basis by Martyn Waygood, who is also an independent member. There are also three associate member posts (one of which is currently vacant).

All of these ensure that the board is made up of people with a range of backgrounds, disciplines and expertise. This is enhanced further by non-voting director posts comprising the Director of Transformation, Director of Digital Services and the Director of Communications.

The board works as a corporate decision-making body with executive directors and independent members as equal members sharing responsibility. Its main role is to exercise leadership, direction and control which includes setting the overall strategic direction for the organisation (in-line with Welsh Government policies and priorities) and establishing and maintaining high-levels of corporate governance and accountability, including risk management and internal control. It is also there to:

- Ensure delivery of aims and objectives through effective challenge and scrutiny of performance across all areas of responsibility;
- Ensure delivery of high quality and safe patient care;
- Build capacity and capability within the workforce to build on the values of the health board and creating a strong culture of learning and development;
- Enact effective financial stewardship by ensuring the health board is administered prudently and economically with resources applied appropriately and efficiently;
- Instigate effective communication between the organisation and its community to ensure its services are planned and responsive to the identified needs;
- Appoint, appraise and oversee arrangements for remunerating executives.

The day to day running of the board is covered through its approved standing orders and standing financial instructions which tailor the statutory requirements of the Local Health Board (Constitution, Membership and Procedures) (Wales) Regulations 2009, together with a scheme of delegation which is relevant for officers as well as the board and its committees. The standing orders and standing financial instructions are reviewed regularly and are supported by corporate policies and procedures.

During 2020-21, the following improvements were made:

- Board briefings were held throughout the year to provide updates on legislation/policy changes, business cases and services changes to enable members to make more informed decisions during formal meetings;
- A standard operating procedure was produced to have a more consistent format of corporate meeting planning as well board report training developed;
- Virtual meetings fully operational including a livestream option, with a meeting etiquette in place to ensure sessions run efficiently;

While the number of audit and external reviews was reduced due to the pandemic, a review was undertaken by the Welsh Government Integrated Assurance Hub of field hospitals. In terms of its findings relating to the health board, it gave an amber/red rating for its delivery confidence assessment which was defined as “successful delivery of the project/programme is in doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed, and establish whether resolution is feasible.” Seven recommendations were made and

progress against the action plan monitored by the Audit Committee, with a number already completed.

- **Director's Report**

The directors' report provides details about the health board including the independent members and executive directors, the structure of the board and components of its governance and risk management structure. It also includes the disclosures and reporting required of Swansea Bay University Health Board as part of its day-to day business.

The board is made-up of executive directors, who are employees of the health board, and independent members appointed by the Minister through the public appointment process. Current board members and other members of the senior team are below, but there have been some changes during the year, most notably:

- The retirement of Tracy Myhill as Chief Executive, Hazel Robinson as Director of Workforce and OD and Gareth Howells as Director of Nursing and Patient Experience;
- The appointments of Darren Griffiths, Director of Finance (interim), Kathryn Jones, Director of Workforce and OD (interim) and Christine Williams, Director of Nursing and Patient Experience (interim);
- The appointments of Mark Hackett as Chief Executive, Stephen Spill as Vice-Chair, Keith Lloyd as the independent member representing the university sector, Rab Mcewan as interim Chief Operating Officer and Christine Morrell, Interim Director of Therapies and Health Science.

❖ Chair and Independent Members

Emma Woollett, Chair

Appointment:

Emma was appointed as Chair in April 2020. Prior to this she held the office of vice-chair but also undertook the interim Chair role from July 2019.

Board and Committee Membership

Emma chairs the board and Remuneration and Terms of Service Committee.

Stephen Spill, Vice-Chair

Stephen was appointed as Vice-Chair in January 2021. Prior to this he was a special advisor on performance and finance to the board from May 2020.

Board and Committee Membership

Stephen chairs the Mental Health Legislation Committee. He is a member of the board, Audit Committee, Remuneration and Terms of Service Committee, Quality and Safety Committee and Performance and the Finance Committee.

Martin Sollis, Independent Member

Appointment:

Martin was appointed as an independent member in June 2017.

Area of Expertise:

Finance

Board and Committee Membership

Martin chairs the Audit Committee. He is a member of the board, Remuneration and Terms of Service Committee, Charitable Funds Committee and Performance and the Finance Committee.

Martyn Waygood, Independent Member

Appointment:

Martyn was appointed as an independent member in June 2017 but became interim vice-chair in July 2019 until January 2021. He returned to his substantive post as an independent member in January 2021.

Area of Expertise:

Legal

Board and Committee Membership

Martyn chairs the Quality and Safety Committee and Charitable Funds Committee. He is a member of the board, Remuneration and Terms of Service Committee and Mental Health Legislation Committee, which he also chaired during his time as interim Vice-Chair.

Reena Owen, Independent Member

Appointment:

Reena was appointed as an independent member in August 2018.

Area of Expertise:

Community.

Board and Committee Membership

Reena chairs the Performance and Finance Committee. She is a member of the board, Remuneration and Terms of Service Committee and the Quality and Safety Committee.

Tom Crick, Independent Member

Appointment:

Tom was appointed as an independent member in October 2017.

Area of Expertise:

Information and Communications Technology.

Board and Committee Membership

Tom chairs the Workforce and OD Committee. He is a member of the board, Health and Safety Committee, Remuneration and Terms of Service Committee and Audit Committee.

Maggie Berry, Independent Member

Appointment:

Maggie was appointed as an independent member in May 2015.

Board and Committee Membership

Maggie chairs the Health and Safety Committee. She is a member of the board, Remuneration and Terms of Service Committee, Quality and Safety Committee and the Mental Health Legislation Committee.

Nuria Zolle, Independent Member

Appointment:

Nuria was appointed as an independent member in October 2019.

Area of Expertise:

Third sector

Board and Committee Membership

Nuria is a member of the board, Quality and Safety Committee, Audit Committee, Workforce and OD Committee, Remuneration and Terms of Service Committee and Stakeholder Reference Group.

Jackie Davies, Independent Member

Appointment:

Jackie was appointed as an independent member in August 2017.

Area of Expertise:

Trade union

Board and Committee Membership

Jackie is a member of the board, Mental Health Legislation Committee, Quality and Safety Committee, Workforce and Organisational Development, Health and Safety Committee and Charitable Funds Committee.

Mark Child, Independent Member

Appointment:

Mark was appointed as an independent member in October 2017.

Area of Expertise:

Local authority

Board and Committee Membership

Mark is a member of the board, Remuneration and Terms of Service Committee and Performance and Finance Committee.

Keith Lloyd, Independent Member

Appointment:

Keith was appointed as an independent member in May 2020.

Area of Expertise:

University

Board and Committee Membership

Keith is a member of the board, Quality and Safety Committee and Remuneration and Terms of Service Committee.

❖ Associate Board Members

Andrew Jarrett, Director of Social Services, Neath Port Talbot Council

Appointment:

Andrew was appointed as an associate board member in April 2020.

Board and Committee Membership

Andrew attends the board.

Alison Stokes, Chair of the Stakeholder Reference Group

Appointment:

Alison was appointed as an associate board member in November 2020.

Board and Committee Membership

Alison attends the board.

❖ Chief Executive and Executive Directors

Mark Hackett, Chief Executive

Appointment:

Mark joined the health board as Chief Executive in January 2021.

Board and Committee Membership

Mark attends the board and Remuneration and Terms of Service Committee.

Richard Evans, Medical Director/Deputy Chief Executive (from March 2021)

Appointment:

Richard was appointed as Medical Director in November 2018 and Deputy Chief Executive from March 2021.

Board and Committee Membership

Richard attends the board and Quality and Safety Committee and Workforce and OD Committee.

Chris White, Chief Operating Officer/Director of Primary Care and Mental Health/Director of Therapies and Health Sciences/Deputy Chief Executive (until March 2021)

Appointment:

Chris was appointed as Chief Operating Officer in December 2017.

Board and Committee Membership

Chris attends the board, Quality and Safety Committee, Health and Safety Committee, Mental Health Legislation Committee, Performance and Finance Committee and Workforce and OD Committee.

Christine Williams, Interim Director of Nursing and Patient Experience

Appointment:

Christine was appointed as Interim Director of Nursing and Patient Experience in July 2020.

Board and Committee Membership

Christine attends the board, Audit Committee Quality and Safety Committee, Health and Safety Committee, Mental Health Legislation Committee and the Workforce and OD Committee.

Kathryn Jones, Interim Director of Workforce and Organisational Development (OD)

Appointment:

Kathryn was appointed as Interim Director of Workforce and OD in August 2020.

Board and Committee Membership

Kathryn attends the board and Workforce and OD Committee, Health and Safety Committee and Remuneration and Terms of Service Committee.

Darren Griffiths, Interim Director of Finance

Appointment:

Darren was appointed as Interim Director of Finance in February 2020.

Board and Committee Membership

Darren attends the board, Performance and Finance Committee, Charitable Funds Committee, Audit Committee and Quality and Safety Committee.

Siân Harrop-Griffiths, Director of Strategy

Appointment:

Sian was appointed as Director of Strategy in November 2014.

Board and Committee Membership

Siân attends the board, Quality and Safety Committee, Performance and Finance Committee and Charitable Funds Committee.

Keith Reid, Director of Public Health

Appointment:

Keith was appointed as Director of Public Health in December 2019.

Board and Committee Membership

Keith attends the board, Quality and Safety Committee and Health and Safety Committee.

Christine Morrell, Interim Director of Therapies and Health Science

Chris was appointed as Interim Director of Therapies and Health Science in March 2021

Board and Committee Membership

Chris attends the board, Quality and Safety Committee and Workforce and OD Committee.

❖ Members of the Executive Team (Non-Board Members)

Rab McEwan, Interim Chief Operating Officer

Appointment:

Rab was appointed as Interim Chief Operating Officer in March 2021

Board and Committee Membership

Rab attends the board in a non-voting capacity, Health and Safety Committee, Mental Health Legislation Committee and Performance and Finance Committee.

Irfon Rees, Director of Communications/Chief of Staff

Appointment:

Irfon was appointed as Chief of Staff in August 2018.

Board and Committee Membership

Irfon attends the board in a non-voting capacity.

Pamela Wenger, Director of Corporate Governance

Appointment:

Pam was appointed as Director of Corporate Governance in January 2018.

Board and Committee Membership

Pam is the main governance advisor to the board. She attends the board in a non-voting capacity, Quality and Safety Committee, Health and Safety Committee, Charitable Funds Committee, Audit Committee, Mental Health Legislation Committee, Performance and Finance Committee, Remuneration and Terms of Service Committee and the Workforce and Organisational Development Committee.

Hannah Evans, Director of Transformation

Appointment:

Hannah was appointed as Director of Transformation in August 2018.

Board and Committee Membership

Hannah attends the board in a non-voting capacity and Performance and Finance Committee.

Matt John, Director of Digital

Appointment:

While Matt has worked at the health board for a number of years, he was appointed as Associate Director of Digital Services in August 2018 and then Director of Digital in August 2020.

Board and Committee Membership

Matt attends the board in a non-voting capacity

Each board member has stated in writing that he/she has taken steps to make the auditors aware of any relevant audit information. Board members and senior managers have advised of any interests in which may have a conflict with their board responsibilities and no material interests have been declared in 2020-21. A full register of interests is available upon request from the Director of Corporate Governance.

- **Role of the Board**

The board has the overall responsibility for the strategic direction of the organisation and provides leadership and direction. It also has a key role in ensuring that there are robust governance arrangements in place as well as an open culture and high standards as to how its work is carried out. Board members share corporate responsibility for all decisions and play a key role in monitoring the performance.

As a standard, the board meets in public six times a year, but there will be occasions when special board meetings will take place, for example in May to agree the annual accounts. Each regular meeting begins with a patient or staff story, setting out the personal experience of someone who has used one of the health board's services.

This is an opportune way to learn lessons and help improve and plan services for the future. Due to the Covid-19 pandemic, changes were made to the way in which board meetings were run in order to comply with social distancing guidance as well as the Public Bodies (Admissions to Meetings) Act 1960 which requires the organisation to meet in public. To ensure public and staff safety, meetings took place virtually via Zoom, with only the Chair, Chief Executive and Director of Corporate Governance in the same room, along with the secretariat. The public session was then livestreamed from July 2021 to enable members of the public to observe safely, and this option will be maintained if/when the board is able to meet physically once more. In the few months before the meeting was livestreamed, in order to ensure business was conducted as openly as possible, summaries of the meetings were published on the website within seven days.

Normally in addition to formal board meetings, development sessions take place six times a year. This is a chance for the board to undertake training or hear about good practice internal and external to the organisation. Due to operational pressures as a result of the pandemic, these were stood down for 2020-21, with the exception of February 2021, which had a focus on medicines management and 'Just Culture'. Members are also involved in a range of other activities on behalf of the board, such as service visits and meetings with local partners.

As the board development sessions were stood down, the board was unable to undertake its annual skills assessment to identify areas of work for the coming year until May 2021.

- **Committees of the Board**

The health board has established a number of committees as set out in the diagram at **appendix one**. Each one is chaired by an independent member and has a key role in relation to the system of governance and assurance, decision making, scrutiny, assessment of current risks and performance monitoring. Following each meeting, a summary of the discussion is shared with the board at its next formal meeting and all the papers for the public sessions of board and committee meetings are on the health board's website. There are some meetings for which papers are not made public either because of the confidential nature of the business or because the items are in a developmental stage. The board recognises that it has a commitment to holding its committee meetings in public however, given the ongoing pandemic, this has not been possible.

Throughout the year the committee arrangements have been adapted as necessary in response to the ongoing pandemic to ensure robust governance is maintained but at the same time, provide the headspace for operational pressures to be managed. These were revised and agreed on a quarterly basis by the board following an initial chair's action on 1st April 2020.

Two assurance committees the health board is required to have are the Audit Committee and Quality and Safety Committee:

Audit Committee
The Audit Committee supports the overall board assurance framework arrangements, including the development of the annual governance statement, and

provides advice and assurance as to the effectiveness of arrangements in place around strategic governance, risk management and internal controls. More specifically it has:

- Overseen the system of internal controls;
- Continued to focus on the improvements of the financial systems and control procedures;
- Overseen the development and implementation of the board assurance framework;
- Monitored local counter fraud arrangements;
- Sought assurance in relation to the risk management process;
- Considered and recommended for approval revisions to standing orders and standing financial instructions;
- Reviewed findings of internal and external audits and progress against corresponding action plans;
- Held executive directors to account where appropriate;
- Discussed and recommended for approval by the board the audited annual accounts, accountability report, annual report and head of internal audit opinion;
- Continued to monitor the implementation of the recommendations as set out in the governance work programme.

Quality and Safety Committee
The Quality and Safety Committee is the main assurance mechanism for reporting evidence-based and timely advice to the board in relation to the quality and safety of healthcare as well as the arrangements for safeguarding and improving patient care in line with the standards and requirements set out for NHS Wales. Each meeting begins with a patient story and also includes updates from internal and external regulatory bodies, and where reports have raised concerns, action plans are monitored by the committee.

A summary of board and committee dates, memberships, attendances and key matters considered are included within **appendices two to five**.

- **Advisory Groups and Joint Committees**

As well as its board level committees, the health board has three advisory groups which report to the board: Stakeholder Reference Group, Health Professionals' Forum and Local Partnership Forum.

Advisory Boards

- *Stakeholder Reference Group*

The Stakeholder Reference Group is formed from a range of partner organisations from across the health board's local communities and engages with the strategic direction, provides feedback on service improvement proposals and advises on the impact on local communities of the current ways of working. Its membership includes representatives from wide ranging community groups, including children and young people, LGBT (lesbian, gay, bisexual and transgender), older people and ethnic minorities, as well as statutory bodies such as police and fire, rescue services and

environment agency. As a result, the group has excellent links to the wider general public and each member can highlight issues raised by their particular communities. The group provides a report to each meeting summarising its discussions.

- *Health Professionals' Forum*

The role of the Health Professionals' Forum provides balanced, multidisciplinary professional advice to the board on local strategy and delivery. During 2019-20 the Health Professionals' Forum was re-instated with refreshed membership but is not currently meeting due to the pandemic.

- *Health Board Partnership Forum*

The health board's partnership forum's role is to provide a way by which the health board, as an employer, and the professional bodies, such as trade unions, who represent staff, can work together to improve health services. It is an opportunity to engage with each other, inform debate and agree local priorities for workforce within health services. The chair of the forum alternates between the health board and staffside representatives. A report is submitted to each board meeting summarising the discussions of the group.

Joint and all-Wales Committees

There are three all-Wales committees as detailed below:

- *Welsh Health Specialised Services Committee (WHSSC)*

WHSSC was established in 2010 by the seven health boards to ensure the population has fair and equal access to the full range of specialised services. Hosted by Cwm Taf Morgannwg University Health Board, the health board is represented on the joint committee by the Chief Executive and regular reports are received by the board.

- *Emergency Ambulance Services Committee (EASC)*

EASC is a joint committee of the seven health boards, with the three NHS trusts as associate members, and was established in April 2014. It has responsibility for the planning and commissioning of emergency ambulance services on an all-Wales basis. Hosted by Cwm Taf Morgannwg University Health Board, the health board is represented on the joint committee by the Chief Executive and regular reports are received by the board.

- *NHS Wales Shared Services Partnership (NWSSP) Committee*

The NWSSP Committee was established in 2012 and is hosted by Velindre NHS Trust. It looks after the shared functions for NHS Wales, such as procurement, recruitment and legal services. The health board's representative is the Director of Workforce and OD and regular reports are received by the board.

- **Partnership Working**

The health board works in partnership with a number of organisations, including local authorities, Swansea University, other NHS organisations including the NHS Wales Collaborative and the third sector. In addition, it has joint executive groups with Cardiff and Vale, Cwm Taf Morgannwg and Hywel Dda university health boards.

- **Organisational Structure**

At the start of 2020-21, the organisation comprised five service units:

- Morriston Hospital;
- Singleton Hospital;
- Neath Port Talbot Hospital;
- Primary Care and Community Services;
- Mental Health and Learning Disabilities.

Changes were agreed and implemented in September 2020 to reduce the structure to four service groups:

- Primary, Community, and Therapies
- Mental Health and Learning Disabilities
- Singleton and Neath Port Talbot
- Morriston

Each one is led by a service group director, supported by group nurse and medical directors, and in the case of primary, community and therapies, there is also a group dental director. Corporate directorates, such as finance, governance, workforce, digital services and strategy/planning also play a central role in supporting the service groups as well as the organisation as a whole. All of these elements of the structure are subject to regular performance reviews.

The changes implemented were the result of a review of the organisational structure undertaken once responsibility for commissioning and planning services for the population of Bridgend moved to Cwm Taf Morgannwg University Health Board on 1st April 2019, resulting in the population size, budget and workforce reducing by a third. This was an opportunity to ensure that the current organisation is appropriately structured, focused and reflects the ambition of the organisation as outlined in the organisation's strategy, *Better Health, Better Care, Better Lives*.

In order to ensure effective delivery of high quality and safe services fit for the future, a transformation portfolio is in place to centralise all such work, moving away from varying approaches across the organisation. Through this programme, the board has a clear mechanism to oversee the delivery of the organisational strategy, clinical services plan and other key priorities.

❖ System of Control

Systems of control are designed to understand and 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 health board's system of internal control is based on an ongoing process designed to identify and prioritise the risks to achievement of aims and objectives, evaluate the likelihood of those risks being realised and the potential efficient, effective and economic impact of having to manage them. This has been in place for 2020-21 and up to the date of approval of the accountability report and annual accounts.

- **Risk Management**

Swansea Bay University Health Board is committed to providing safe and effective, high quality healthcare. We mandate a culture and environment, which minimises and actively seeks to reduce risk and promotes the health, safety and well-being of patients, staff, visitors and the general public.

The health board recognises that all health service activity carries risks including harm to patients which need to be managed through a systematic framework. This will ensure that risks to patient and staff safety and the organisations objectives are identified, assessed, eliminated or minimised so far as is reasonably practicable. The aim being to minimise the chance of the risk being realised, although where this has not been possible then we will review, learn and share the learning to minimise the likelihood of reoccurrences in an open and fair culture.

All staff have a responsibility for promoting risk management, adhering to health board policies and have a personal responsibility for patients' safety as well as their own and colleague's health and safety. The health board encourages staff to take ownership of their responsibilities through a two-way communication process, with appropriate training and support, to identify and manage risk. To support the development of good risk management practice the organisation aims to ensure:

- the risk management process is robust, integral to the day to day operation of the organisation, consistent and supports the achievements of the health board's objectives;
- we have a safe environment for patients, staff and visitors through the identification of hazards and the management of risks;
- there is an open and fair culture and staff can highlight and discuss risks openly;
- risk management is linked to clinical audit to prioritise risk based audits and risks identified following audit are risk assessed and managed;
- the level of risk appetite is clear and tolerance is defined to support innovation at an agreed level of risk;
- a safe, high quality service is provided promoting continuous improvement;
- awareness of risk management is raised through education/training and guidance to ensure awareness and effective management of potential hazards/risks and how they can be minimised;
- there is a culture of learning from everything we do to improve safety in, compliance with legislation and continuous improvement by using the Health and Care Standards in Wales as a framework;
- roles, responsibility and accountability for risk management is clear and well documented within policies, procedures and job descriptions;

- **Capacity to Handle Risk**

The work to develop and embed the risk management process throughout the organisation has progressed during the year. Understanding of risks informs the board's priorities, actions and overall approach to how it manages them, and ensures high quality and safe care to the local communities as well as a safe and effective work environment for staff.

While overall responsibility for the management of risk sits with the Chief Executive, the Director of Corporate Governance is responsible for the system of reporting of risk management. All executive directors are accountable for the management of their own risks in accordance with the health board risk management policy. Arrangements are in place to effectively assess and manage risks across the organisation, which included the ongoing review and updating of the health board risk register. The Chief Executive also delegates elements of risk management to other senior managers, and this is set out in the risk management framework.

- **Risk Control and Framework**

Systems of control are designed to understand and 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 health board's system of internal control is based on an ongoing process designed to identify and prioritise the risks to it achieving its policies' aims and objectives, evaluate the likelihood of those risks being realised and the potential efficient, effective and economic impact of having to manage them. This has been in place for 2020-21 and up to the date of approval of the accountability report and annual accounts.

The risk management framework sets out the way in which risks are identified, evaluated and controlled, with delivery of the framework overseen by the Audit Committee, with individual executives and senior managers having specific delegated responsibilities.

Each executive director is responsible for managing risk within their area of responsibility ensuring that there:

- are clear responsibilities for clinical, corporate and operational governance as well as risk management;
- is appropriate training for staff in risk assessment and risk management;
- are mechanisms in place for identifying and managing significant risks through regular, timely and accurate reports to the senior leadership team, committees and the board;
- are systems in place to learn lessons from any incidents or untoward occurrences, and that corrective action is taken where required;
- are processes which allow details of the key risks to be reported to the board;
- is compliance with health board policies, legislation, regulations and professional standards for the functions.

Within the services groups, the service group directors manage risk and ensure there are effective arrangements to carry this out. Any risks outside of a group's control are escalated to the Chief Operating Officer as the professional lead as well as the executive director responsible for the area in which the risk has been identified.

Communicating and consulting with internal and external stakeholders and partners, as appropriate, at each stage of the risk management process and concerning the process as a whole is important. The frequency of the communication will vary depending upon the severity of the risk and is discussed and agreed with the stakeholders and partners. This process is led by the person nominated as the lead

to manage the risk and for communication with external stakeholders this will be the appointed executive director lead for the risk.

Effective internal and external communication is important to ensure that those responsible for implementing risk management, and those with a vested interest, understand the basis on which decisions are made and why particular actions are required. External stakeholders will vary depending on the type of risk and the risk lead for the service group will need to consider which external stakeholders will need to be notified and included on or briefed following establishment of task and finish groups/executive gold command groups set up to oversee actions to minimise the risk. All significant risks will be reported to Welsh Government through the weekly brief from organisations and quarterly performance review meetings

The health board risk register was most recently reviewed by the Audit Committee and the board at the March 2021 meeting. As part of the risk management framework, the board gave consideration to its main objectives, both strategic and operational, and identified the risks most likely to prevent the achievement of these. As such it is aware of potential risks and would therefore not just be reactive should a risk come to fruition. When determining the board's risk appetite, it acknowledges that the delivery of healthcare cannot be achieved unless risks are taken, as well as the subsequent consequences and mitigating actions. It also ensures that risks are not considered in isolation as they are taken from all the risks flowing through the organisation.

- **Risk Appetite**

The board reviewed its risk appetite and tolerance levels and set new levels for the staff to follow during the Covid-19 pandemic. Previously, the board's risk appetite was that risks of 16 and above were considered high risks and risks which the board considered actions should be taken as a priority to mitigate the risk. There was, and this remains, a low threshold to taking risk where it will have a high impact on the quality and safety of care being delivered to patients. The health board uses risk appetite and tolerance acts, as a guidance as to the risk boundaries that are acceptable and how risk and reward are to be balanced, as well as providing clarification on the level of risk the board is prepared to accept.

Members of the board, in the April 2020 meeting, agreed that the risk appetite, whilst dealing with Covid-19, would increase to **20** and considered risks at this level and above high risks. These arrangements were reviewed at the board meetings in July 2020 and March 2021 and agreed no change. In addition, they have also been reviewed by the Executive Team and Audit Committee.

The risk management policy sets out levels of risks and within these levels there is a management structure which supports decision making in terms of risk appetite and tolerance. Risks rated up to and including a risk score of 16 are managed, including determining the risk appetite and tolerance, within the service groups. Special arrangements have been in place, as a result of the pandemic, with the development of a Covid-19 risk register oversee by gold command meeting and reported together with the health board risk register to the board, Audit Committee and Executive Team.

Covid-19 business decisions are made against the backdrop of quickly-changing circumstances on the ground, and the Covid-19 risk register offers an essential framework for informing those choices. Covid-19 gold command meetings reviewed the risks on a weekly basis. The Covid-19 risk register has been reported to the board, Audit Committee and Executive Team together with the health board risk register so that the board and Executive team are able to see the totality of the risks, mitigating actions being taken and controls in place.

As such, there needs to be a proportionate response to risk balanced with the current capacity pressures and challenges presented by the pandemic and managing the 'business as usual' issues and risks.

Appendix six sets out the health board's key risks by their ratings.

- **Top Health Board Risks**

As of March 2021, there were 34 risks on the health board risk register, with the scores ranging from 12 to 25, with the highest noted as:

- **16:** Access to Planned Care
- **50:** Access to Cancer Services (two further risks linked to this risk ref: 66 and 67)

In terms of the Covid-19 Risk Register the high risks are:

- **R_COV_008:** Capacity
- **R_COV_009a:** Workforce Shortages
- **R_COV_012:** Partnership Working
- **R_COV_20:** Workforce Resilience

As the health board resumes broader services then the Covid-19 risks will be incorporated into the health board risk register. Actions being taken to manage these risks are included on the health board risk register.

While the Audit Committee has the overarching responsibility for overseeing risk management, it has delegated relevant risks to each of the other board sub-committees to ensure their work programmes are aligned to these to ensure they review and receive reports on the progress made to mitigate key risks as far as possible.

Quarterly reports are submitted to each of the sub-committees of the board to accompany the specific health board risk register entries assigned to the Committees.

- **Risk Profile 2020-21**

Due to the variability of healthcare services, the health board's risk profile continually changes, with the key risks scored and documented within the risk register based on the ability to affect the delivery of the objectives. The risk register is updated on a quarterly basis and reported to Audit Committee and the board, feeding into the annual plan. Each of the board's supporting committees also has a version of the risk register specifically outlining the risks allocated to them with members requesting deep dives on significant risks with the highest risk score assessments.

In 2020-21, the health board managed a number of risks, including:

- Access to Unscheduled Care

While Covid-19 saw a reduction in those attending the emergency department, performance is still below the national targets, although it has significant improved from 2019-20. A number of mitigating actions are in place to address the challenges, including developing a 'phone first' model to discourage people from just arriving at the department and a mobile unit at the department entrance in which to cohort patients to release ambulances.

- Access to Planned Care

In response to the pandemic, there was no requirement to report planned care performance but a focus on reducing harm by prioritising those who are clinically most urgent. At the start of the outbreak, all non-Covid-19 services which were not emergencies were stood down. While essential services are now being provided, due to staffing and safety restrictions it is at a reduced level, which means that the waiting time continues to increase. This may be further compounded by an influx of GP referrals once the pandemic starts to subside as fewer than normal have been received during the height of the pressures.

- Access to Cancer Services

Due to capacity and demand issues relating to the pandemic, the department is experiencing target breaches in the provision of radical radiotherapy treatment to patients and unacceptable delays in access to SACT (systemic anti-cancer therapy) treatment in the chemotherapy day unit. Consequently, there is a high risk of failure to sustain services as currently configured to meet cancer targets which could impact on patient and family experience of care.

- TAVI (transcatheter aortic valve replacement)

In 2017, the health board became aware of prolonged waiting times for TAVI procedures. A review of cases was commissioned by the Royal College of Physicians, followed by a site visit and a second cohort review, to determine if the length of wait contributed to the death of some of the patients on the waiting list. The findings of the initial case note review were reported publically to the board in March 2020. Following this, a draft report of the site visit was received and discussed in November 2020 and the findings of the second case note review were still awaited at the time of writing. Comprehensive action plans are in place, as well as a quality dashboard, and regular updates are provided to the Quality and Safety Committee and the board on the improvements made.

- Screening for Foetal Growth Assessment in-line with Gap-Grow

Gap and grow standards were put in place across Wales to reduce the number of still births however there are challenges to meeting these due to scanning capacity. In response, all staff have received training on the detection of small gestational babies and obstetric scanning capacity is being reviewed with general ultrasound services providing support when possible.

- Brexit

The Health Board continues to monitor the consequences of Brexit, particularly from a supply chain and workforce perspective.

❖ The Control Framework

- **Corporate Governance Code**

For NHS Wales, governance is defined as 'a system of accountability to citizens, service users, stakeholders and the wider community, within which healthcare organisations work, take decisions and lead their people to achieve their objectives". This ensures NHS bodies are doing the right things, in the right way, for the right people, in a manner that upholds the values set for the public sector.

An assessment of compliance with the code was undertaken in May 2021 and reported to the Audit Committee that month. This found no departures from the code, although it did note that the review of board effectiveness had been deferred to May 2021 due to the Covid-19 pandemic.

Breaches in standing orders are reported to the Audit Committee. Four were reported to the Audit Committee in May 2021 - the failure to meet the two financial duties as discussed earlier in the report, the non-livestreaming of board committees and late distribution of the March 2021 board papers.

The health board has continued to ensure that all procurement activity has been conducted in line with the standing financial instructions and procurement legislative framework. Due to the effects of the Covid-19 pandemic, the health board found itself in an emergency position and so there were instances whereby our own standing orders would normally have been breached. The procurement, finance and the corporate governance teams worked collaboratively to ensure that where no other options were available, regulation 32, which is a legislative instrument that makes for provision for a streamlined procurement process, was used.

A key aspect of the use of this regulation was to ensure that all criterion relating to the application of the regulation were met. All expenditure in response to the Covid-19 pandemic has been reported to the health board's Audit Committee and the health board has been included in the Audit Wales April 2021 report **"Procuring and Supplying PPE for the Covid-19 Pandemic".**

The health board will review its financial control procedures in the first quarter of 2021-22 to ensure that enhanced provision is included within the standing orders and standing financial instructions so that any future emergency requirements continue to be able to be met in line with all relevant governance and policy arrangements.

- **Assessment Against Section 175 of the National Health Service (Wales) Act 2014**

There are two requirements for the health board to meet under the Act:

- to secure that expenditure does not exceed the aggregate of the funding allotted to it over a period of three financial years;
- to prepare a plan which sets out the strategy for securing compliance with the duty while improving healthcare, and for that plan to be submitted to and approved by Welsh Government.

For 2020-21, while the health board met its financial duty to breakeven against capital resource limit, reporting a £28k underspend from a £48m budget underspend, it failed to meet its first requirement as it did not achieve financial balance, as set out below. In addition, as it did not have a three year plan approved by Welsh Government, it also failed to meet the second requirement.

	2018-19	2019-20	2020-21	**Total**
	£'000	£'000	£'000	£'000
Net operating costs for the year	1,143,379	930,886	1,096,986	**3,172,142**
Less general ophthalmic services expenditure and other non-cash limited expenditure	1,484	993	739	**3,216**
Less revenue consequences of bringing PFI schemes onto SoFP	(1,684)	(1,925)	(2,164)	**(5,773)**
Total operating expenses	1,143,179	929,954	1,095,561	**3,169,585**
Revenue Resource Allocation	1,133,300	913,670	1,071,257	**3,119,118**
Under /(over) spend against Allocation	(9,879)	(16,284)	(24,304)	**(50,467)**

The full financial performance is set out later in this report as part of the financial accounts.

- **Integrated Medium Term Plan**

The organisation was unable to submit an IMTP in 2020-21 however it did submit an annual plan following board approval in March 2020. This was noted to be a 'point in time' plan as the Covid-19 pandemic was starting to accelerate and the health board's response commencing. On 18th March 2020, the health board received a letter from Welsh Government confirming that the IMTP/annual plan process was on pause to enable NHS Wales organisations to focus on the immediate actions needed in response to the Covid-19 pandemic. The health board was required to submit specific plans for each of the first two quarters of the year and one for the latter six months which set out how the health board would manage its response to the pandemic, as well as continuing to maintain non-Covid-19 essential services and consider its recovery. Progress against the actions in these plans was considered by the Performance and Finance and Quality and Safety committees as well as the board. These included performance, finance and workforce elements.

- **Development of the Annual Plan 2021-22**

As part of the recovery from the Covid-19 pandemic, all NHS Wales organisations were asked to produce an annual plan for 2021-22, regardless of whether they were previously in the position of having an approved IMTP. The plans are to be set in the context of recovery and transition from an operational response to the pandemic to more long-term strategic planning. The health board has taken the same approach to the annual plan as it did for the quarter three/four operational delivery plan for 2020-21, maintaining a strong alignment between service, workforce and finance to

determine realistic service deliverables. Board approval was given to the draft plan in March 2021 ready for Welsh Government submission.

- **Health and Care Standards**

The current standards came into being in April 2015 and form Welsh Government's common framework of standards to support NHS Wales and partner organisations to provide effective, timely and quality healthcare services. Its framework incorporates the 'Standards for Health Services in Wales (2010)' and the 'Fundamentals of Care Standards (2003)'. They place the patient at the centre, emphasising the importance of strong leadership, governance and accountability.

Swansea Bay University Health Board has fully embedded the standards within its quality and safety governance processes, to help ensure we deliver on our aims and objectives for the delivery of safe, high quality health services. We do this through routine governance and a self-assessment against the standards across all activities, with service group directors, medical group directors and group nurse directors collectively responsible for embedding and monitoring the standards within their areas. Furthermore, reporting on the standards through governance groups and committees ensures registered risks are incorporated and acted upon.

In January 2021, a meeting was held with the service group directors and quality and safety leads to provide a progress update on the self-assessment process for 2020-21. In addition, further meetings have been set to oversee the final submissions received from service groups, in readiness for the annual year-end self-assessment report, which is submitted to the Quality and Safety Committee for approval prior to final submission to the board in May 2021. Following this, a further meeting will take place with the service groups to disseminate the report to all levels of the organisation.

Given the pressures of the pandemic, the process of self-assessment has not been as robust as the health board would strive for, although given the exceptional year, it is recognised that the process was sufficient. It will, however, require strengthening in 2021-22.

- **Equality, Diversity and Human Rights**

The health board is committed to treating everyone fairly and does not tolerate discrimination on the grounds of age, disability, gender identity, marriage or civil partnership status, pregnancy or maternity, race or nationality, religion or belief, sex or sexual orientation. It continues to widen access to opportunities to employment and training to attract, develop and nurture people from different backgrounds. This is documented in the strategic equality plan 2020-2024, which includes an objective to increase diversity in workforce to reflect the communities supported through its services. Steps being taken include supporting under-represented groups to access apprenticeship places and vocational training, as well as the roll out of Project SEARCH to enable people with learning disabilities to have work experience.

It also remains vital that we protect those members of our workforce who are extremely vulnerable from the Covid-19 virus. The health board encourages staff to check if they are at higher risk of developing more serious symptoms if they come into contact with the Covid-19. Regular communication has raised awareness of the

need for all staff to complete the all-Wales Covid-19 workforce risk assessment tool and a subsequent discussion with their line manager will enable appropriate measures to be put in place to ensure staff are protected in their role.

The health board facilities and promotes staff networks.

- **Emergency Preparedness, Civil Contingencies and Disaster Recovery**

The health board must be capable of responding to incidents of any scale, in a way that delivers optimum care and assistance to those affected, minimises the disruption and has a timely return to 'business as usual'. As part of the Civil Contingencies Act (2004), the organisation is required to show that it can deal with such incidents while maintaining critical service. It is also a category one responder as defined in the Act, making it accountable for six civil protection duties, including risk assessment and emergency planning. An integrated emergency management approach of assessment, planning, response and recovery is maintained.

The board established its preparedness and response framework to the Covid-19, pandemic on 31st January 2020 with a decision to implement a major incident response and associated command, control and communication arrangements. Since then, a significant amount of work has been undertaken and is continuing across the board. The command, control and communication arrangements, together with the respective response arrangements remain in place, flexing in accordance to the situation. The response has been in conjunction and with close collaboration with other key multi-agency partners.

The first wave of the pandemic occurred during March and April 2020 and consequently included a regulatory lockdown, following this there was a period of comparative stability, but the health board remained in response. Since November 2020, the organisation has been focusing its response to the second wave of the pandemic. After the initial benefits from the October 2020 "Firebreak" dissipated, there was a considerable increase in the incidence of Covid-19 within Swansea Bay, impacting on the delivery of primary, community and hospital services. At the peak of the second wave during mid-December 2020, positive Covid-19 cases had risen to over 1,000 per 100,000 population.

In line with the Welsh Government's coronavirus control plan, a regional incident management team was established on 25th September 2020 and the group has convened thrice weekly since, reporting weekly to Welsh Government. The scope of the reporting has widened to include an increased focus on workplaces, schools, universities and households as well the situation in care homes.

The Covid-19 coordination centre was established in March 2020 and has continued to operate and the governance structure is regularly reviewed to ensure fitness for purpose. Frequency of gold and silver meetings are reviewed to ensure they reflect system pressures and requirements. There have been a number of silver and associated bronze cells established throughout the pandemic in order to allow further planning of the response. Some of the original cells have been stood down but some have remained and others established, such as 'test, trace protect operational silver' as well as 'nosocomial and mass immunisation silver group'.

All cells have reviewed their arrangements and improvements have been made in respect of strengthening financial decision making and highlight reporting. The South Wales Local Resilience Forum remains in major incident stand-by since September 2020 following re-establishment of the Strategic Coordination Group and stand down of the Recovery Coordination Group. Currently it is convened once a week with SITREP (situation reporting) to include Brexit through to Welsh Government. The Tactical Coordination Group also meets once weekly. In addition there is a Health and Social Services Group meeting convened once weekly and includes a number of national working groups.

A Covid-19 archivist has been appointed supporting the cataloguing, indexing and records management process in preparation for future inquiries. Other organisations in Wales are now following suit and the NWSSP legal and risk service has recently commended the health board's approach, citing that it is evidence of good practice which they will be recommended for adoption by all Welsh NHS organisations.

There is a specific emergency preparedness, resilience and response (EPRR) risk register, which is aligned with that of the national and regional risk registers, and continues to be reviewed quarterly. It includes the necessary scorings and mitigations to either manage or tolerate the risks identified and there is an EPRR strategy, training and exercising strategy and programme in place, however, due to the continued pandemic response, training and exercising has been greatly reduced and currently is only linked to the Covid-19 response.

In addition the health board works in collaboration with other appropriate local and national groups and in particular, there is excellent collaboration with other health boards, Welsh Ambulance Service Trust (WAST), Welsh Blood Service and Public Health Wales.

- **Data Security**

Information governance is robustly managed within the health board and the framework includes the following:

- The Information Governance Group whose role it is to support and drive the board agenda and provide the health board with the assurance that effective information governance best practice mechanisms are in place;
- 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;
- A Data Protection Officer whose role it is to ensure the health board is compliant with data protection legislation;
- Information Governance Group leads within each service delivery group and corporate department whose role it is to champion data protection within their areas.

The health board follows a dedicated strategic work plan to maintain, review and improve organisational compliance with data protection legislation. It continues to further develop its data protection compliance via a number of measures, and assurances that the organisation has compliant information governance practices are evidenced by:

- Quarterly reports to the Information Governance Group, including key performance indicators;
- A detailed operational strategic work plan, taken to the Information Governance Group quarterly, detailing progress made against actions required to ensure compliance with data protection legislation;
- A raft of information governance and information security policies, procedures and guidance documents;
- An Information Commissioner's Office (ICO) commended intranet site;
- A comprehensive biannual mandatory training programme for all staff, including proactive targeting of any staff who are non-compliant;
- A proactive audit programme across the health board;
- A robust management of all reported breaches, including proactive reporting to the ICO;
- An information asset register used to manage information across the health board;
- Registers of data sharing agreements and of data protection impact assessments taken to the Information Governance Group quarterly;
- Report taken to the Information Governance Group quarterly of identified and managed health board-wide risks;
- Audit reports from Audit Wales and internal audit;
- Annual SIRO report;
- Information Governance Group chair's assurance report taken to both Audit Committee and also the management board following all meetings.

Data protection legislation requires that where personal data breaches meet a certain set criteria that they be notified to the ICO as the statutory body for data protection in the UK. Information governance incidents are assessed against the threshold for notification by the information governance department. Quarterly breach reports are submitted to the Information Governance Group for scrutiny. For the financial year 2020-21, five personal data breaches were notified to the ICO - these are summarised in the table below. Each of these breaches has been reviewed and closed by the ICO. Where recommendations were made by the ICO, these have been considered for implementation by the health board.

Breach Category	Summary of Breach	Summary of Actions
Unauthorised access	Notification of a cyber-attack received from data processor, precautionary notification submitted to the ICO until further investigation confirmed there was no likely risk to personal data associated with the health board.	• Investigations undertaken by data processor to establish root cause of attack; • Assurances received of actions implemented by data processor to minimise any further risks to personal data.

Breach Category	Summary of Breach	Summary of Actions
Disclosure - paper	Letter address details incorrectly typed and addressed to neighbour who subsequently opened the letter causing distress.	• Apology provided; • Investigation commenced into how error occurred and remedial actions taken by department.
Disclosure – paper	A batch of outpatient appointment /cancellation letters printed incorrectly, subsequently disclosing the data of another patient on the reverse side of the intended recipient's letter.	• Formal apology letter issued to all patients who were potentially affected by the error; • Efforts made to arrange the secure destruction of all letters received in error; • All letters on the affected print run were correctly re-printed and re-issued to patients; • Investigations undertaken and actions implemented to minimise the risk of a further print error occurring in future.
Data availability	Flooding within a storage area caused water damage to approximately 5-10,000 podiatry discharge records	• Records relocated to avoid further damage; • Records stabilised using a records restoration company • Consideration of actions required to avoid a further flooding incident in future.
Disclosure – electronic	Third party data disclosed in error as part of the response to a subject access request.	• Formal apology issued to recipient; • Serious incident investigation undertaken; • Disciplinary processes commenced; • Development and issue of additional redaction guidance; • Organisational wide task and finish group established to undertake a comprehensive review of subject access procedures, processes and documentation across the organisation.

- **Ministerial Directions**

Welsh Government has issued non-statutory instruments and Welsh health circulars (WHC)since 2014-15, and a list of ministerial directions circulated for 2020-21 can be found on the Welsh Government website. All relevant directions have been fully considered and implemented appropriately, with Welsh health circulars logged corporately and an executive lead assigned, as well as reported to the board. The ones which had particular reference to the governance of the organisation were:

Ministerial Direction/ Date of Compliance	Year of Adoption	Action to demonstrate implementation/response
Ministerial Direction referred to in letter from Dr Andrew Goodall on 19th December 2019 Action on 2019-20 Pension Tax Impacts	2019	Following the letter the Director General on the 19th December 2019, all health board medical staff were made aware of the all-Wales position regarding pensions and the ongoing tax implications and details circulated to all staff affected. The Medial Director issued communication to all medical staff backed up with detailed discussions through the local negotiating committee and local British Medical Association representatives
WHC 2020 (11) Temporary Amendments to Model Standing Orders, Reservation and Delegation of Powers – Local Health Boards, NHS Trusts, Welsh Health Specialised Services Committee, Emergency Ambulances Services Committee and Health Education and Improvement Wales	2020	Temporary changes were made to standing orders in March 2020 to reflect the fact that the annual general meetings were to be held by November 2020 rather than July 2020 and the tenure of independent members and associate board members were flexed for those nearing the end of their term while the public appointments process was suspended to ensure organisations were not left with vacancies. The changes were in place until 31st March 2021 and

standing orders have now been revised back to the original arrangements.

- **Wellbeing of Future Generations Act**

The board published its original objectives in relation to the Wellbeing of Future Generations Act in 2017 in its wellbeing statement and then incorporated them as part of the organisational strategy. These were:

- Giving every child the best start in life;
- Connecting communities with services and facilities;
- Maintaining health, independence and resilience of communities of individuals, communities and families.

Following a Wellbeing of Future Generations Act self-assessment in August 2019, the Future Generations Commissioner feedback to the health board suggested a need for greater alignment between its wellbeing objectives and the seven national wellbeing goals, in particular those for the environment, culture (including Welsh language) and global impact. On that basis, it was agreed by the senior leadership team that the existing wellbeing objectives be reviewed and a set of refreshed wellbeing objectives published in the 2021-22 annual plan.

The engagement on the refresh identified the need to also take into account:

- Our role as provider, commissioner, partner and employer;
- Direct control, collaboration and influencing opportunities;
- Ability to demonstrate delivery;
- Focus on health inequalities and inclusivity;
- Use of clear, concise, uncomplicated language.

The refreshed wellbeing objectives for inclusion in the annual plan 2021-22 have been agreed as:

“In our role as an anchor institution in the region we are a major employer, commissioner, provider of health and care services and key contributor to the reduction of health inequalities. In support of this we will collaborate with communities and partners to:

- *Give every child the best start in life*
- *Nurture and use the environment to improve health and wellbeing*
- *Apply ethical recruitment practices and support health and care workers to be healthy, skilled, diverse and resilient*
- *Plan, commission, deliver and promote equitable, inclusive and accessible health and wellbeing services*
- *Provide opportunities to support every adult to be healthier and to age well*
- *Seek to allocate our resources to meeting the needs of, and improving, the population’s health”*

While national guidance requires the health board to annually publish progress made in meeting the wellbeing objectives for each preceding financial year, should the annual review find that one or more objectives no longer maximise contribution to the achievement of the well-being goals, then these must be changed and new well-being objectives published as soon as possible.

- **Welsh Language**

As a health board, the vital part that the Welsh language and culture has to play in the provision of health and social care services to our resident population is recognised. Many people choose to receive services in Welsh because that is what they prefer. For others, however, it is more than a matter of choice - it is a matter of need.

It is especially important for many vulnerable people and their families who need to access services in their first language, such as older people with dementia or stroke who may lose their second language and children who speak only Welsh. In addition, when discussing mental health, being able to communicate in your first language to express feelings, thoughts and emotions is important.

The integration of bilingualism and strengthening of our capacity to provide services via the medium of Welsh is a priority for the health board, as is ensuring compliance with the Welsh Language (Wales) Measure 2011, and the standards imposed by the Welsh Language Commissioner. Work undertaken to date includes:

- The development of bilingual patient correspondence;
- Ensuring that an inpatient's preferred language is established on admission;
- The production of guidance documents for staff covering areas such as translation, signage and the production of marketing materials to promote bilingualism and ensure compliance with the Welsh Language Standards;
- Supplying lanyards and badges to appropriate staff in order to visibly identifying them to patients as being Welsh speakers;
- The production of a protocol for those who answer the telephone on behalf of the organisation, to ensure that people know they can use both Welsh and English when dealing with the health board.

The health board has also commissioned an external report to assess our position in implementing the standards, and to help evaluate our upcoming priorities. The feedback and recommendations received will be used to plan and inform our work going forward not only in terms of compliance with the Standards, but also the implementation of *More Than Just Words* and the 'Active Offer' principle.

The recruitment of an additional Welsh language translator has allowed the health board to increase the volume of information we are able to provide bilingually, in particular patient-facing information such as posters, leaflets, and the content of our internet site.

The health board has also undertaken a piece of work with a local Welsh language primary school to develop a series of short, simple Welsh conversational skills videos offering support to staff who may wish to develop their everyday 'meet and greet' Welsh language skills. The development of these videos demonstrates the health board's commitment to working with stakeholders and our local community in promoting use of the Welsh language amongst our staff and bilingualism in the provision of our services, and to playing our part in the national effort to increase the number of Welsh speakers in Wales to a million by 2050.

- **Carbon Reduction**

Welsh Government has 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. 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), the health board has contingency plans for extreme weather conditions.

The health board has achieved and maintained ISO:14001, the accreditation for our environmental management system, since 2012. It has a comprehensive risk assessment matrix for the identification and monitoring of all environmental impacts and aspects, subject to independent audit. The environment management committee approved the carbon reduction strategy (Care without Carbon: Vision 2025) in 2016, which set out clear carbon reduction objectives, and targets have been set. Progress against these objectives and targets is documented in the annual environment management system report. In 2019, the committee was replaced by the Wellbeing and Future Generations Committee – in order to address the requirements of The Well-being of Future Generations (Wales) Act 2015.

The health board's carbon reduction strategy comprises six key visions covering scopes one, two and three of the Green House Gas Protocol, as set by World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD) and has a number of objectives:

- Decarbonise its facilities in line with national targets;
- Decarbonise our travel and transport operations and minimise the environmental and health impacts associated with the movement of staff and materials;
- Contribute to staff and well-being by supporting a shift away from car dependency to more sustainable travel options that deliver additional environmental and health benefits
- Reduce waste CO^2 emissions;
- The health board will reduce waste through our operational activities in-line with Welsh Government targets to recycle or recover 70% of waste by 2025 (baseline year 2007);
- Eliminate waste from our supply chain through the implementation of our procurement policies and tendering processes and through proactive collaboration with our major supply chain partners;
- Develop its training programme to ensure all staff receive carbon reduction and climate change training as appropriate to their role;
- Inform, empower and motivate our workforce to take action to deliver high quality care today that does not compromise our ability to deliver care in the future and ensure this becomes part of the values;
- Commitment to a future without carbon.

The health board recognises the vital role our staff can play in helping us deliver this strategy as well as the power of partnership to accelerate progress and achieve success.

The health board is fully committed to reducing its carbon footprint and in previous years achieved and retained ISO14001:2015 accreditation for its environmental management systems at all its hospitals. This demonstrates our ongoing commitment to achieving legal and regulatory compliance to regulators and government.

Building management systems are used to control a range of energy consuming equipment at Singleton Hospital which provides better control of temperatures during the summer and a reduction gas consumption and associated carbon dioxide production. New burners were purchased for the boilers at Singleton Hospital and installed during the summer of 2018. Due to their greater efficiency, there has been a reduction in our gas consumption leading to a reduction in production of by carbon dioxide of 2,250 tonnes of gas.

The health board continues to purchase 100% renewable electricity, for which it pays the renewable source energy levies.

The health board is in the process of installing a range of energy saving measures across seven sites, including major investments at Morriston and Singleton hospitals. This activity is due to complete in December 2021 which will result in ongoing carbon emission savings of almost 2,500 tonnes carbon dioxide per year. To achieve these savings, the health board is investing £7.7m in improving its estate, funded from a Welsh Government Wales Funding Programme Invest to Save Grant. This grant funding will be repaid over a period of eight years to Welsh Government from savings made on its energy bills of around £1m pa. The work is being carried out through the National Re:fit Energy Performance Contract Framework and the health board has been supported by Welsh Government's Re:fit Cymru Programme Implementation Unit in the development of this project. Under the Re:fit Framework, the savings generated from a project are guaranteed by the contractor designing and installing the measures, this provides the health board with assurance of its ability to repay the grant.

While focussing on energy reduction and efficiency improvements, through Re:fit, it is possible to invest in renewable energy generation also. The current scheme includes a roof mounted solar scheme at Singleton Hospital but a much larger more ambitious scheme is currently in development for Morriston Hospital, with negotiations ongoing to secure farmland close to the hospital for a large (4MW) solar farm. This will have the capacity at times during the summer to supply the entire electrical demand of the hospital and to reduce throughout the year, the amount of grid electricity required. There will be a 3km cable connecting the farm to the hospital and any extra electricity produced which is not required by the hospital has the potential to either be sleeved to another of the health board's hospitals or potentially be exported back to the national grid providing low carbon energy that others can use. Whist this project is not yet funded and still under development, it is hoped that further borrowing from the Wales Funding Programme will be made available to facilitate this. This solar farm is expected to save a further 1,000 tonnes of carbon dioxide a year as well as a further £580k on electricity.

- **NHS Pensions**

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 are in accordance with the scheme rules, and that member records are accurately updated in accordance with the timescales detailed in the regulations.

- **Controlled Drugs**

The health board's controlled drug accountable officer (CDAO) is the Clinical Director for Pharmacy and Medicines Management. The main focus for the CDAO currently is working with service groups to strengthen controlled drug governance across the health board. During the first quarter of 2021, each service group nominated a controlled drug lead to strengthen accountability at a local level, and lead the commitment to ensuring safe and appropriate controlled drug management. As part of a phased model of improvement service groups will sign up to a controlled drug governance and assurance charter and develop a controlled drug management and assurance plan. These actions will support the CDAO to provide assurance of compliance with statutory responsibilities.

❖ Review of Effectiveness

As accountable officer, I have responsibility for reviewing effectiveness of the system of internal control. This is informed by the work of internal audit and executive directors who are responsible for the development and maintenance of the internal control framework and comments made by external auditors. Work has continued to improve the performance information provided to the board and its committees so that it can be assured on its accuracy and reliability as well as ensure the achievement of organisational objectives. As part of the implementation of the board assurance framework, committees now have delegated responsibilities to monitor developments in their areas, as the board is accountable for maintaining a sound system of internal control which supports the delivery of the organisation's objectives, primarily through the Audit and Quality and Safety committees.

- **Internal Audit**

Internal audit provides me, as accountable officer, and the board through the Audit Committee, with a flow of assurance on the systems of internal control. I have commissioned a programme of audit work which has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership (NWSSP). The scope of this work is agreed with the Audit Committee and is focused on significant risk areas and local improvement priorities.

The overall opinion provided by the head of internal audit on governance, risk management and control is an outcome of this risk based audit programme and contributes to the picture of assurance available to the board in reviewing effectiveness and supporting our drive for continuous improvement.

As a result of the Covid-19 pandemic and the response to it by the health board, the audit programme was not completed in full. However, the head of internal audit has concluded 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 findings of each review that was completed and the actions agreed, and where possible, already taken, are summarised in the head of internal audit's annual report:

- **Head of Internal Audit Opinion**

"Swansea Bay University Health Board's (the health board) board is collectively accountable for maintaining a sound system of internal control that supports the achievement of the organisation's objectives and is also responsible for putting in place arrangements for gaining assurance about the effectiveness of that overall system. A key element in that flow of assurance is the overall assurance opinion from the head of internal audit.

This report sets out the head of internal audit opinion together with the summarised results of the internal audit work performed during the year. The report also includes a summary of audit performance and an assessment of conformance with the Public Sector Internal Audit Standards.

As a result of the continued impact of Covid-19 our audit programme has been subject to significant change during the year. In this report we have set out how the programme has changed and the impact of those changes on the Head of Internal Audit opinion.

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 approved internal audit plan is focused towards risk and therefore the Board will need to integrate these results with other sources of assurance when making a rounded assessment of control for the purposes of the annual governance statement. The overall opinion for 2020-21 is that:

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

- **Delivery of the Audit Plan**

Due to the considerable impact of Covid-19 on the health board, the internal audit plan has needed to be agile and responsive to ensure that key developing risks are covered. As a result of this approach, and with the support of officers and independent members across the health board, the plan has been delivered substantially in accordance with the agreed schedule and changes required during the year, as approved by the Audit Committee. In addition, regular audit progress reports have been submitted to the Audit Committee. Although changes have been made to the plan during the year, we can confirm that we have undertaken sufficient audit work 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 2020-21 year was initially presented to the Audit Committee in April 2020, however as a result of the impact of the pandemic a revised version of the plan was prepared, with this version receiving approval at the Committee in June 2020. This annual report and opinion is primarily based on the delivery of the June 2020 version of the annual plan, including the subsequent updates made to the plan that are report the Audit Committee at each meeting.

There are, as in previous years, audits undertaken at NWSSP, NWIS (NHS Wales Informatics Service), WHSSC and EASC that support the overall opinion for NHS Wales health bodies.

Our external quality assessment (EQA), conducted by the Chartered Institute of Internal Auditors, and our quality assurance and improvement programme (QAIP) have both confirmed that our internal audit work 'generally conforms' to the requirements of the Public Sector Internal Audit Standards for 2020-21. For this year, our QAIP has considered specifically the impact that Covid-19 has had on our audit approach and programmes. We are able to state that our service 'conforms to the IIA's (Institute of Internal Auditors) professional standards and to PSIAS (Public Sector Internal Audit Standards).'

- **Summary of Audit Assignments**

The audit coverage in the plan agreed with management 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.

Overall, we can provide the following assurances to the board that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively in the areas in the table below.

Where we have given either limited or no assurance, management are aware of the specific issues identified and have agreed action plans to improve control in these areas. These planned control improvements should be referenced in the Annual Governance Statement where it is appropriate to do so.

In addition, and in part reflecting the impact of Covid-19, we also undertook a number of advisory and non-opinion reviews to support our overall opinion.

- **Summary of Audit Results**

Substantial Assurance	Reasonable Assurance
• Charitable Funds • Welsh Risk Pool Reimbursement Claims • Nurse Staffing levels Act • Informatics follow up	• Risk Management • Health & Safety Framework f/u • HTA Compliance: Mortuary f/u • Primary Care Cluster Plans & Delivery

• Hosted Body: Operational Delivery Network (Major Trauma)	• Vaccinations & Immunisations (f/u) • Adjusting services – Quality Impact Assessment (QIA) • Financial delivery – high level monitoring • Concerns & Redress • Infection control - cleaning • Safeguarding (*draft*) • Follow up (Capital) • Capital System
Limited Assurance	**Advisory & Non-Opinion**
• WHO Checklist Compliance (f/u) • Mortality Reviews • Fire Safety • Follow up (Estates Assurance) • Water Safety (Follow Up and Additional site Testing) (*draft*)	• Controlled Drugs Governance Framework • Governance during the Covid-19 Pandemic • Follow up of previous 'limited' assurance reports • ICF expenditure (*draft*) • Mass vaccinations programme (*draft*) • Annual Quality Statement • IM&T Control & Risk Assessment • Locum On-Duty (*draft*) • Environmental Sustainability Reporting • Major Strategic Investment Programmes: ARCH (*work in progress*)
No Assurance	
N/A	

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

- **External Audit**

The organisation's financial planning and management arrangements, governance and assurance arrangements and progress on improvement issues identified in the previous year's structured assessment were examined by Audit Wales and it was concluded that:

"We found that the Health Board maintained good governance during the pandemic. Rapid development of data modelling informed agile decision making and planning for the restart of services. The organisation sustained focus on its performance and financial position with continuing improvements made for greater grip and control.

These Improvements have not yet secured the necessary performance improvement and the full impact of Covid-19 is not yet known. The Health Board has not lost sight of its clinical services plan or ambitions for transformation. A reset and recovery programme is taking the learning from innovations during the pandemic to inform the organisation's future operating model.

"Overall good governance has been maintained while working with revised frameworks to discharge Board responsibilities during the Covid-19 response. Through adapted arrangements, the Board maintained transparency, ensuring effective scrutiny and using data effectively to support decision-making. A resilient Board led the organisation and essential systems of assurance continued during the pandemic with a strong focus on risk management. Oversight of governance arrangements was maintained with committees temporarily stood down reinstated.

"The Health Board faces significant financial challenge but has strengthened important aspects of financial management and maintained good financial controls, reporting and scrutiny, including tracking of Covid-19 expenditure. With a £16.3 million deficit, it did not meet financial duties in 2019-20 and is forecasting a £24 million deficit in 2020-21. Uncertainty over ongoing Covid-19 costs will likely lead to a bigger deficit without extra funding. Budgets were rebased for 2020-21 and the Health Board pursued financial management improvements to strengthen grip and control. The challenge is now to quickly embed these improvements to help the organisation's financial recovery. However, the plan to breakeven in three years will need recasting in light of Covid-19 and the smaller cost base from which to make savings following the Bridgend boundary change.

"Operational planning is informed by data modelling with arrangements to monitor progress and performance and a clear commitment to stakeholder engagement and regional working. Operational plans support the restart of services and recognise clinical service plan priorities. The Health Board reshaped performance reporting and is developing a new performance management framework based on the four quadrants of harm. The Health Board is supporting staff wellbeing and rose to workforce challenges, although in the event of another Covid-19 peak, workforce capacity is a risk. Learning is a key part of the organisation's reset and recovery programme. New ways of working generated by the pandemic are informing the future operating model, but alignment with the previous transformation programme will be needed

"We have not made any new recommendations based on our 2020 work but have noted improvement opportunities throughout this report. We will review progress against these and outstanding 2019 recommendations as part of our 2021 work."

The full structured assessment report is available from Audit Wales's website and the management actions have been incorporated into the governance work programme monitored through the Audit Committee.

❖ Conclusion

As accountable officer, and based on the process outlined above, I have reviewed the relevant evidence and assurance relating to internal control. While the challenges faced remain similar to those outlined last year, with the support of the

board there is confidence these can be addressed and improvement in governance has been demonstrated.

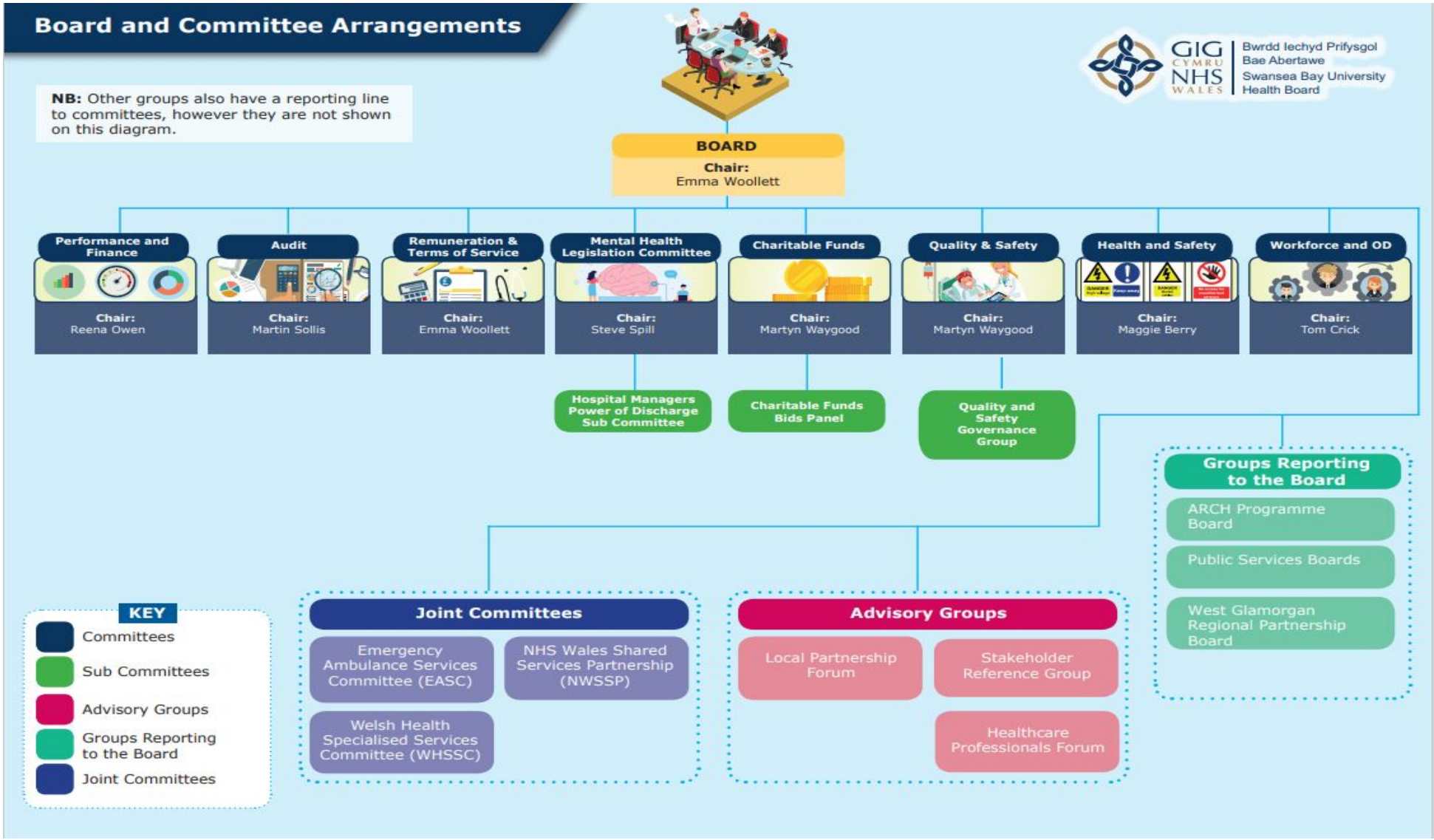
This governance statement highlights positive improvements in strengthening governance arrangements while at the same time addressing the challenges of Covid-19, and I am confident that we have plans in place to address the weaknesses highlighted within the statement. As an organisation, there is disappointment with the number of areas that have received a limited assurance rating from internal audit and work is continuing to strengthen and improve its services.

While the last year has been difficult and challenging, some stability and progress was being made despite the pandemic, illustrated by the health board's de-escalation from targeted intervention to enhanced monitoring. My review has concluded that the health board has a generally sound system of internal control that supports the achievement of policies, aims and objectives, and no significant issues have been identified. Detailed action plans have been agreed to improve performance in all areas and these will be monitored through the governance structure.

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

Mark Hackett
Chief Executive
Swansea Bay University Health Board

Appendix One – Board and Committee Structure



Appendix Two – Board and Committee Dates 2020-21

The table outlines dates of board and committee meetings held during 2020-21. Where meetings were not quorate, escalation arrangements were in place to ensure that any matters of significant concern that could not be brought to the attention of the committee could be raised with the health board chair.

Board/Committee	Dates in 2020-21										
Health Board	30th April 2020	28th May 2020	25th June 2020	30th July 2020	24th September 2020	7th October 2020	26th November 2020	28th January 2021	25th February 2021	25th March 2021	30th March 2021
Quorate/Not Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	
Audit Committee	15th May 2020	27th May 2020	25th June 2020	9th July 2020	10th September 2020	12th November 2020	12th January 2021	9th March 2021			
Quorate/Not Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate			
Mental Health Legislation Committee	6th August 2020	5th November 2020	4th February 2021								
Quorate/Not Quorate	Quorate	Quorate	Quorate								
Remunerations and Terms of Service Committee	27th May 2020	9th June 2020	5th August 2020	21st October 2020	22nd October 2020	17th December 2020	11th January 2021	25th February 2021			
Quorate/Not Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate			

Board/Committee	Dates in 2020-21										
Performance and Finance Committee	23rd June 2020	28th July 2020	22nd September 2020	27th October 2020	24th November 2020	15th December 2020	26th January 2021	23rd February 2021	23rd March 2021		
Quorate/Not Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate		
Charitable Funds Committee	21st July 2020	14th October 2020	6th November 2020	14th December 2020	18th February 2021	11th March 2021					
Quorate/Not Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate					
Quality and Safety Committee	26th May 2020	23rd June 2020	28th July 2020	25th August 2020	22nd September 2020	27th October 2020	24th November 2020	15th December 2020	26th January 2021	23rd February 2021	23rd March 2021
Quorate/Not Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate	Quorate
Workforce and OD Committee	10th July 2020	10th December 2020	9th February 2021								
Quorate/Not Quorate	Quorate	Quorate	Quorate								
Health and Safety Committee	2nd June 2020	13th July 2020	1st September 2020	1st December 2020	2nd March 2020						
Quorate/Not Quorate	Quorate	Quorate	Quorate	Quorate	Quorate						

Appendix Three – Board and Committee Membership

The board has been constituted to comply with the Local Health Boards (constitution, Membership and Procedures) (Wales) Regulations 2009. In addition to responsibilities and accountabilities set out in term and conditions of appointment, board members also fulfil a number a champions roles where they act ambassadors for these matters. In January 2021, Welsh Government issued a revised circular on board champion roles and the health board is currently reviewing this to align the roles to board committees.

Name	Position	Area of Expertise Representation Role	Board Committee Membership	Champion Roles
Emma Woollett	Chair	N/A	• Health Board (Member) • RATS Committee (Chair)	• Whistleblowing Champion
Martyn Waygood	Interim Vice Chair (until January 2020)	Mental Health Primary Care	• Health Board (Member) • Mental Health Legislative Committee (Chair) • RATS Committee (Member) • Charitable Funds Committee (Chair) • Quality and Safety Committee (Chair) • Pharmaceutical Applications (Member) • Audit Committee (Member)	
Steve Spill	Vice-Chair (from December 2020)	Mental Health Primary Care	• Health Board (Member) • Mental Health Legislative Committee (Chair) • RATS Committee (Member) • Performance and Finance Committee (Member)	• Primary Care • Mental Health and Learning Disabilities • Veterans
Keith Lloyd	Independent Member (from May 2020)	University	• Health Board (Member) • Quality and Safety Committee (Member)	

Name	Position	Area of Expertise Representation Role	Board Committee Membership	Champion Roles
Jackie Davies	Independent Member	Staff Side	• Health Board (Member) • RATS Committee (Member) • Mental Health Legislative Committee (Member) • Charitable Funds Committee (Member) • Workforce and OD Committee (Member) • Health and Safety Committee (Member)	
Maggie Berry	Independent Member	N/A	• Health Board (Member) • Mental Health Legislative Committee (Member) • RATS Committee (Member) • Quality and Safety Committee (Member) • Health and Safety Committee (Chair)	
Mark Child	Independent Member	Local Authority	• Health board (Member) • Pharmaceutical Applications (Member) • RATS Committee (Member) • Performance and Finance Committee (Member)	

Name	Position	Area of Expertise Representation Role	Board Committee Membership	Champion Roles
Martin Sollis	Independent Member	Finance	• Health Board (Member) • Audit Committee (Chair) • RATS Committee (Member) • Charitable Funds Committee (Member) • Performance and Finance Committee (Member)	
Tom Crick	Independent Member	ICT	• Health and Safety (Member) • Audit Committee (Member) • Workforce and OD Committee (Chair)	
Reena Owen	Independent Member	Community	• Health Board (Member) • RATS Committee (Member) • Performance and Finance Committee (Chair)	
Nuria Zolle	Independent Member	Voluntary Sector	• Workforce and OD Committee (Member) • RATS Committee (Member) • Audit Committee (Member) • Quality and Safety Committee (Member)	
Alison Stokes	Associate Board Member (from November 2020)	Stakeholder Reference Group	• Health Board (Member)	
Andrew Jarrett	Associate Board Member	Social Services	• Health Board (Member)	

Name	Position	Area of Expertise Representation Role	Board Committee Membership	Committee Roles
Tracy Myhill	Chief Executive (until December 2020)	N/A	• Health Board (Member)	• Emergency Ambulance Services Committee (Member)
Mark Hackett	Chief Executive (from January 2021)	N/A	• Health Board (Member)	• Emergency Ambulance Services Committee (Member)
Chris White	Chief Operating Officer/Director of Primary Care and Mental Health/ Director of Therapies and Health Science/Deputy Chief Executive (until March 2021)	N/A	• Health Board (Member) • Mental Health Legislative Committee • Performance and Finance (Member) • Quality and Safety Committee (In Attendance) • Workforce and OD Committee (In Attendance)	
Darren Griffiths	Director of Finance (interim)	N/A	• Health Board (Member) • Audit Committee (In attendance) • Chartable Funds (Lead Director/Member) • Performance and Finance (Lead Director/Member)	

Name	Position	Area of Expertise Representation Role	Board Committee Membership	Committee Roles
Gareth Howells	Director of Nursing and Patient Experience (until July 2020)	N/A	• Health Board (Member) • Audit Committee (In attendance) • Mental Health Legislative Committee (Lead Director/In attendance) • Quality and Safety Committee (Lead Director/In attendance) • Health and Safety (Lead Director/Member) • Workforce and OD Committee (In attendance)	
Christine Williams	Director of Nursing and Patient Experience (interim) (from July 2020)	N/A	• Health Board (Member) • Audit Committee (In attendance) • Mental Health Legislative Committee (Lead Director/In attendance) • Quality and Safety Committee (Lead Director/In attendance) • Health and Safety (Lead Director/Member attendance) • Workforce and OD Committee (In attendance)	

Name	Position	Area of Expertise Representation Role	Board Committee Membership	Committee Roles
Keith Reid	Director of Public Health	N/A	• Health Board (Member) • Quality and Safety Committee (In attendance) • Health and Safety Committee (In attendance)	
Hazel Robinson	Director of Workforce and OD (until August 2020)	N/A	• Health Board (Member) • RATS (Lead Director/In attendance) • Workforce and OD (Lead Director/In attendance) • Health and Safety Committee (Member)	• NHS Wales Shared Services Partnership Committee (NWSSP) Member
Kathryn Jones	Director of Workforce and OD (interim) (from August 2020)	N/A	• Health Board (Member) • RATS (Lead Director/In attendance) • Workforce and OD (Lead Director/In attendance) • Health and Safety Committee (Member)	• NHS Wales Shared Services Partnership Committee (NWSSP) Member
Siân Harrop-Griffiths	Director of Strategy	N/A	• Health Board (Member) • Charitable Funds Committee (Member) • Performance and Finance Committee (Member) • Quality and Safety Committee (In Attendance)	• Western Bay Partnership Board • ARCH Programme Board Member
Richard Evans	Medical Director/ Deputy Chief Executive (from March 2021)	N/A	• Health Board (Member) • Quality and Safety Committee (In attendance) • Workforce and OD Committee (In Attendance)	• ARCH Programme Board • Advisory Committee on Clinical Excellence Awards

Name	Position	Area of Expertise Representation Role	Board Committee Membership	Committee Roles
Rab McEwan	Interim Chief Operating Officer (from March 2021)		• Health Board (Member) • Mental Health Legislative Committee • Performance and Finance (Member) • Health and Safety Committee	
Christine Morrell	Interim Director of Therapies and Health Science		• Health Board (Member) • Quality and Safety Committee (In Attendance) • Workforce and OD Committee (In Attendance)	

Appendix Four – Members' Attendance at Meetings

Due to the turnover of board members and some taking the opportunity to observe committees before their portfolios were confirmed, the attendance at committees has varied, especially as the need for executive directors to attend was reduced due to the pandemic and independent members provided cover in times of absence for each other. On occasions where an executive was unable to attend, a deputy was sent ensure representation. Where attendance is not required by a board member at a committee, this is represented by a dash (-)

	Health Board *figures include public and in-committee sessions	Audit Committee	Charitable Funds Committee	Health and Safety Committee	Mental Health Legislation Committee	Performance and Finance Committee	Quality and Safety Committee	Remuneration and Terms of Service Committee	Workforce and OD Committee
	(20)	(8)	(6)	(5)	(3)	(9)	(11)	(7)	(3)
Emma Woollett, Chair	20	1	-	-	-	-	-	8	-
Martyn Waygood, Interim Vice-Chair (until January 2021)/Independent Member	18	3	5	-	3	-	10	7	-
Steve Spill, Special Advisor (from May 2020)/Vice-Chair (from December 2020)	18	2	1	1	1	8	2	2	1
Jackie Davies, Independent Member	17	-	5	3	3	-	10	6	3
Maggie Berry, Independent Member	17	-	1	5	2	-	11	7	-
Mark Child, Independent Member	20	-	-	-	-	8	-	4	-
Martin Sollis, Independent Member	18	8	4	-	-	7	-	7	-
Tom Crick, Independent Member	16	7	-	5	-	-	-	7	3
Reena Owen, Independent Member	18	-	-	2	-	7	10	8	-
Nuria Zolle, Independent Member	20	7	-	-	-	-	10	7	3
Keith Lloyd, Independent Member (from May 2020)	12	-	-	-	-	-	4	3	-
Alison Stokes, Associate Board Member (from November 2020)	0	-	-	-	-	-	-	-	-
Andrew Jarrett, Associate Board Member	16	-	-	-	-	-	-	-	-

	Health Board *figures include public and in-committee sessions	Audit Committee	Charitable Funds Committee	Health and Safety Committee	Mental Health Legislation Committee	Performance and Finance Committee	Quality and Safety Committee	Remuneration and Terms of Service Committee	Workforce and OD Committee
	(20)	(8)	(6)	(5)	(3)	(9)	(11)	(7)	(3)
Tracy Myhill, Chief Executive (until December 2020)	12	1	-	-	-	-	-	4	-
Mark Hackett, Chief Executive (from January 2021)	6	-	-	-	-	-	-	2	-
Chris White, Chief Operating Officer/Director of Therapies and Health Science/Director of Primary Care and Mental Health	17	-	-	2	2	3	8	-	-
Darren Griffiths, Interim Director of Finance	20	6	5	-	-	9	-	-	-
Gareth Howells, Director of Nursing and Patient Experience (until July 2020)	6	1	-	1	-	-	2	-	-
Christine Williams, Interim Director of Nursing and Patient Experience (from July 2020)	14	2	-	2	3	-	9	-	-
Keith Reid, Director of Public Health	20	-	-	-	-	-	5	-	-
Hazel Robinson, Director of Workforce and OD (until August 2020)	9	-	-	1	-	-	-	3	1
Kathryn Jones, Interim Director of Workforce and OD (from August 2020)	11	-	-	1	-	-	-	5	2
Siân Harrop-Griffiths, Director of Strategy	20	-	-	1	-	2	7	-	-

	Health Board *figures include public and in-committee sessions	Audit Committee	Charitable Funds Committee	Health and Safety Committee	Mental Health Legislation Committee	Performance and Finance Committee	Quality and Safety Committee	Remuneration and Terms of Service Committee	Workforce and OD Committee
	(20)	(8)	(6)	(5)	(3)	(9)	(11)	(7)	(3)
Richard Evans, Medical Director	20	-	3	-	-	-	11	-	2
Rab Mcewan, Interim Chief Operating Officer (from March 2021)	3	-	-	1	1	2	-	-	-
Christine Morrell, Interim Director of Therapies and Health Science (from March 2021)	3	-	-	-	-	-	1	-	-

Appendix Five – Summary of Topics Considered by the Board, Audit Committee and Quality and Safety Committee

Board Topics
- Patient/staff stories; - Covid-19 updates, including 'Test, Trace and Protect' and the vaccination progamme; - Approval of the quarterly operational delivery plans and the progress against these; - Committee key issue reports; - Financial position; - Performance report; - Nurse Staffing Levels (Wales) Act 2016; - Annual Quality Statement; - Staff survey; - TAVI; - Annual accounts; - Transformation programme; - Digital services; - Discretionary capital plan; - Budget and financial allocations; - NHS Wales partnerships; - External partnerships; - Local Partnership Forum report; - Stakeholder Reference Group report; - Update from WHSSC; - Solar farm; - Clinical services plan portfolio business case; - Annual plan; - Voluntary sector; - Risk register; - Corporate governance issues; - Welsh language services; - Review of standing orders; - Organisational annual report; - Accountability report; - Audit Wales structured assessment and audit letter; - SIRO annual report; - Research and development annual report.

Audit Committee Topics
- Annual governance statement; - Board assurance framework; - Organisational annual report; - Standing orders; - Audit Committee terms of reference; - Health board risk register; - Audit committee risks; - Risk management strategy; - Annual Quality Statement; - Governance work programme; - Update on Guardian Service and the annual report; - Annual accounts timetable and plan; - Review of annual accounts; - Remuneration and staff report; - Financial control procedure review plan; - Finance update; - Losses and special payments; - Audit registers and status of recommendations; - NWSSP procurement: single tender actions and quotations; - Internal audit annual plan (to include the charter); - Internal audit opinion and annual report; - Internal audit progress and audit assignment summary reports; - Post-payment verification reports; - Audit Wales annual plan and fees; - Audit Wales annual audit report; - Audit Wales structured assessment; - Audit Wales Audit of financial statements; - Audit Wales performance and progress reports; - Clinical audit mid-year progress report; - Clinical audit annual report; - Clinical audit and outcome review plan; - Counter fraud annual plan; - Counter fraud annual report (to include the self-assessment against NHS protect standards); - Counter fraud progress reports; - Effectiveness of audit; - Audit Committee annual report; - Declarations of interest register; - Hospitality register; - Information governance board updates; - SIRO annual report; - Hosted agencies annual report – NHS Wales Delivery Unit; - Hosted agencies annual report – EMRTS.

Quality and Safety Committee Topics
- Annual Quality Statement; - Infection control report; - Safeguarding report; - Substance misuse; - Suicide update; - Quality and Safety performance report to include Covid-19 metrics; - Patient experience; - Healthcare Inspectorate Wales inspections; - Healthcare Inspectorate Wales annual report; - Overview of unscheduled care; - Mortality review; - Clinical Ethics Committee; - Clinical audit and effectiveness update; - Planned care; - Cancer Care; - Operational plan tracker; - Committee annual report; - Board Assurance framework/risk register; - Quality and Safety Governance Group; - Ombudsman's annual report; - Welsh Risk Pool annual report; - EMRTS clinical governance; - External inspections; - Ward to board dashboard; - Primary care metrics.

Appendix Six – Dashboard of Risks

Impact/Consequences						
	5			**53:** Compliance with Welsh Language Standards **54:** No Deal Brexit	**39:** IMTP Statutory Responsibility **60:** Cyber Security **62:** Sustainable Corporate Services **64:** H&S Infrastructure Covid-19 across Wales remains fluid and uncertain. **68:** Pandemic Framework **70:** Data Centre outages	**16:** Access to Planned Care **50:** Access to Cancer Services **66:** Access to Cancer Services - SACT **67:** Access to Cancer Services - Radiotherapy
	4			**13:** Environment of Health Board Premises **36:** Electronic Patient Record **41:** Fire Safety Regulation Compliance **52**: Engagement & Impact Assessment Requirements	**01:** Access to Unscheduled Care Service **27:** Sustainable Clinical Services for Digital Transformation **37:** Operational and strategic decisions are not data informed **43:** DOLS Authorisation and Compliance with Legislation **48:** Child & Adolescence Mental Health Services **49:** TAVI Service **57:** Non-compliance with Home Office Controlled Drug Licensing requirements **61:** Paediatric Dental GA Service – Parkway **69:** Adolescents being admitted to Adult MH wards	**03:** Workforce Recruitment of Medical and Dental Staff **04:** Infection Control **15:** Population Health Improvement **51:** Compliance with Nurse Staffing Levels (Wales) Act 2016 **58:** Ophthalmology Clinic Capacity **63:** Screening for Fetal Growth Assessment in line with Gap-Grow (G&G) **65:** CTG Monitoring in Labour Wards **73:** There is potential for a residual cost base increase post Covid-19 as a result of changes to service delivery models and ways of working.
	3			**72:** Impact of Covid-19 pandemic on the Health Board Capital Resource Limit and Capital Plan for 2020-21.		
	2					
	1					
C X L		**1**	**2**	**3**	**4**	**5**
		Likelihood				

Parliamentary Accountability and Audit Report 2020-21

Parliamentary Accountability

Swansea Bay University Health Board makes the following parliamentary disclosures for 2020-21:

- **Regularity of expenditure** - public resources were used to deliver the intended objectives and expenditure was compliant with relevant legislation including EU legislation, delegated authorities and followed the guidance in Managing Welsh Public Money.

- **Fees and charges** - charges for services provided by public sector organisations normally pass on the full cost of providing those services. 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 is not applicable to the health board – all items are charged at full cost recovery.

- The health board is compliant with the cost allocation and charging requirements set out in HM Treasury guidance.

- All remote contingent liabilities are disclosed under IAS37.

Audit Certificate and AGW Report

Staff and Remuneration Report 2020-21

Staff Report

❖ Pre-Employment

Swansea Bay University Health Board is a disability confident employer. This means that we support and encourage applications from a wide range of individuals including those who are disabled. The following provisions are built into the recruitment process for applicants with a disability:

- Option to receive an electronic or paper application upon request;
- Guidance for applicants with a disability included in the applicant guide, which is attached to all adverts;
- As a disability confident employer, applicants with a disability can request a guaranteed interview. (Applicants must meet the minimum essential criteria listed in the person specification to qualify for a guaranteed interview);
- Applications are anonymised during shortlisting, with a two tick symbol visible if the applicant has requested a guaranteed interview;
- Applicant are asked in the interview invite if they require any reasonable adjustments prior to or during the interview and the recruitment system emails any requested adjustments requested to the manager for their consideration/action;
- Equal opportunities monitoring information is never provided to the recruiting manager at any time;
- Equality Act, unconscious bias and disability confident training is part of the recruitment module in the managers' pathway;
- The above subjects are also included in the recruiting managers recruitment and selection e-learning available in ESR (electronic staff record).

❖ Managing Attendance

The Managing Attendance at Work Policy addresses the needs of staff with disabilities in a number of ways. The purpose of the policy is to support the health and wellbeing of all employees in the workplace, support employees to return to work following a period of sickness absence safely and as quickly as possible and support employees to sustain their attendance at work.

The policy ensures that all employees are treated according to their circumstances and needs, that there is fair treatment of employees with a disability, and that the obligations in respect of the Equality Act 2010 are met. The health board is under a legal duty to make reasonable adjustments to ensure employees with disabilities are not put at a disadvantage when doing their jobs. This also applies to job applicants (see above).

Throughout the policy there are considerations in place for those staff who are, or who become disabled during the course of their employment:

- Where an employee is required to attend medical appointments as part of an ongoing treatment programme related to a disability or long-term health condition, their manager will discuss these appointments with them to plan any necessary support to be offered. Reasonable time off to attend such appointments as part of their programme of care and support will be given full consideration. This is regarded as disability / health and wellbeing condition leave and is not disability related sickness absence. It is a form of special

leave and will usually be requested by the employee and approved by the manager in advance;

- Employees with hearing impairment are able to use a text phone to notify their manager of their absence;
- At every stage of the absence management process, managers will consider what reasonable adjustments may be required to support the disabled employee in attending work regularly;
- The same will apply when supporting a disabled employee to return to work after a period of long-term sickness;
- Where an employee has become disabled as a result of illness or injury, a therapeutic return may be used to support the employee to get back into the workplace with reasonable adjustments in place;
- A phased return to work may also be considered in supporting an employee back into work;
- Reasonable adjustments may also be put into place proactively to support a disabled employee to stay in work rather than go off sick, as it is recognised that remaining in work is beneficial for the health and wellbeing of staff.

❖ Redeployment Policy

Where it is not possible for an employee to return to work to their own role even with reasonable adjustments, then they will be placed on the redeployment register for a period of 12 weeks, during which time suitable alternative employment will be sought.

When considering if a role is suitable, consideration will be given to any reasonable adjustments that may be required. Where the employee is on the redeployment register for ill health amounting to a disability, if they meet the essential criteria for the role, they will be interviewed before others on the redeployment register.

❖ Off Payroll Policy

The health board has a clear and well established process in place since 2017 for ensuring there are no off payroll payments made where the HMRC IR35 regulations apply to services provided by individuals. All invoices are routed through senior workforce staff prior to payment through payroll ensuring the correct tax deduction is made and no invoices for services submitted by individuals can be paid through. IR35 assessment are managed through senior workforce staff and HMRC has reviewed arrangements in previous audits.

❖ Staff Composition

The health board has 13,499 employees, the composition of whom comprises: During the year, the average full time equivalent number of staff permanently employed was 11,874. The average number of employees is calculated as the full time equivalent number of employees in each week of the financial year divided by the number of weeks in the financial year. The tables below provides a breakdown of the workforce by gender and then staff grouping, which as well as permanently employed staff, also shows staff on inward secondment, agency staff, and other staff. (*FTE – fulltime equivalent*)

Gender	Headcount	FTE	% of headcount
Female	10,430	8,956.58	77.3
Male	3,069	2,918.38	22.7
Grand Total	**13,499**	**11,874.97**	**100.0**

A breakdown of the board members and senior managers by gender is set out in the table below.

Job Title	Gender	Headcount	FTE	% of headcount
Assistant Director of Health and Safety Band 8d	Male	1	1.00	2.13%
Assistant Director of Informatics: Information & BI Band 8D	Male	1	1.00	2.13%
Assistant Director of Planning	Male	1	1.00	2.13%
Assistant Director of Strategy (Estates) Band 8d	Male	1	1.00	2.13%
Chief Operating Officer	Male	1	1.00	2.13%
Chief Executive	Male	1	1.00	2.13%
Clinical Director	Male	1	1.00	2.13%
Deputy Chief Operating Officer	Male	1	1.00	2.13%
Director	Male	1	1.00	2.13%
Director of Digital	Male	1	1.00	2.13%
Director of Public Health	Male	1	1.00	2.13%
Head of Workforce Localities and Systems	Male	1	1.00	2.13%
Interim Director of Finance	Male	1	1.00	2.13%
Medical Director	Male	1	1.00	2.13%
Non Executive Member	Male	3	1.00	6.38%
Secondment - HEIW Medical Director	Male	1	1.00	2.13%
Secondment - Velindre Director of Commercial & Strategic	Male	1	1.00	2.13%

Job Title	Gender	Headcount	FTE	% of headcount
Service Director	Male	2	2.00	4.26%
Unit Medical Director	Male	1	1.00	2.13%
Vice Chair	Male	2	2.00	4.26%
Assistant Director of Finance	Female	1	1.00	2.13%
Assistant Director of Planning (Service Planning)	Female	1	1.00	2.13%
Associate Director of Finance	Female	1	1.00	2.13%
Associate Director of HR- Learning & Development Band 8D	Female	1	1.00	2.13%
Board Secretary	Female	1	1.00	2.13%
Chairman	Female	1	0.00	2.13%
Clinical Director	Female	1	0.60	2.13%
Deputy Director of Transformation Band 9	Female	1	1.00	2.13%
Director of Planning	Female	1	1.00	2.13%
Director of Therapies	Female	1	1.00	2.13%
Director of Workforce and Organisation Development	Female	1	1.00	2.13%
Executive Director of Nursing	Female	1	1.00	2.13%
Head of HR Delivery Units Band 8d	Female	1	1.00	2.13%
Non Executive Member	Female	3	3.00	6.38%
Secondment - Dir. of Planning, Performance & Corp Services	Female	1	1.00	2.13%
Secondment - HEIW Director of Digital Development	Female	1	1.00	2.13%
Secondment - Public Health Wales Band 8d	Female	1	0.40	2.13%
Senior Manager Band 9 - Covid-19	Female	1	0.80	2.13%
Service Director	Female	2	2.00	4.26%
Unit Medical Director	Female	1	1.00	2.13%

Sickness absence for the year and in comparison with the previous was as follows:

	2020-21	2019-20
Days lost (long term)	89,361.93	75,095.71
Days lost (short term)	227,265.00	185,261.07
Total days lost	316,626.93	260,356.78

Remuneration Report

This report provides information in relation to Executive Directors' and Independent Members' remuneration, and outlines the arrangements which operate within the Health Board to determine this. It also includes information on staff numbers, composition, sickness absence data, staff policies applied during the year, expenditure on consultancy, off-payroll engagements and exit packages.

1. The Remuneration and Terms of Services Committee

This Committee considers the remuneration and performance of Executive Directors in accordance with the policy detailed below. The norm is for Executive Directors and very senior managers' salaries (those outside of Agenda for Change) to be uplifted in accordance with the Welsh Government identified normal pay inflation percentage. For 2020/21 there was a pay inflation uplift of 2% for Executive Directors and very senior managers in line with the pay award agreed nationally for NHS staff.

If there were to be an up-lift over and above this level, this would always be agreed as a result of changes in roles and responsibilities and with advice from an independent consultancy with specialist knowledge of job evaluation and executive pay within the NHS. The Remuneration and Terms of Services Committee would receive a detailed report in respect of issues to be considered in relation to any uplift to Executive Directors salaries (including advice from the Welsh Government) and having considered all the advice and issues put before them, would report their recommendations to the Health Board for ratification.

The Committee also reviews objectives set for Executive Directors and assesses performance against those objectives when considering recommendations in respect of annual pay uplifts. It should be noted that Executive Directors are not on any form of performance related pay.

The Remuneration and Terms of Services Committee is chaired by the Health Board's Chair, and the membership includes three other Independent Members (Chairs of Board Committees). The Committee meets as often as required to address business and formally reports in writing its recommendations to the Health Board. Meetings are minuted and decisions fully recorded.
The Committee also recommends to the Board annual pay uplifts in respect of Executive Directors and very senior managers in the Health Board who are not within the remit of Agenda for Change. For 2020/21, the only uplifts recommended were an inflationary uplift of 2%.

2. Independent Members' Remuneration

Remuneration for Independent Members is decided by the Welsh Government, who also determine tenure of appointment.

3. Single Remuneration Report

The Single Total Remuneration for each Director and Independent Member for 2020/21 and 2019/20 are shown in the table below. Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

The salaries disclosed in the table below reflect new appointments and leavers during the financial years 2020/21 and 2019/20. Whilst the salaries disclosed relate to the period in post during the year, the NHS Pensions Agency is unable to attribute part year pension benefits to post holders and therefore, the full financial year Pension Benefits are shown. It should also be noted that the table below only includes Directors in post at the point that the NHS Pensions Agency provided the pension information to the health board in February 2021.

The value of pension benefits is calculated as follows: (real increase in pension[1] multiplied by 20) plus real increase in lump sum, less contributions made by the individual.

The pension calculation is based on information received from NHS BSA Pensions Agency included in the Disclosure of Senior Managers' Remuneration (Greenbury) 2021 report. Further details on the Single Total Remuneration figure from Cabinet Office can be found at the following Employer Pension Notices website in EPN 571 (2019-20)
https://www.civilservicepensionscheme.org.uk/employers/employer-pension-notices/epn571-resource-accounts-2019-20-disclosure-of-salary-pension-and-compensation-information

[1] excluding increases due to inflation or any increase or decrease due to a transfer of pension rights

Names	Titles	2020/21					2019/20				
		Salary (£5k Bands) £000	Other Remun. £5k Bands £000	Benefits in Kind (to nearest £100) £00	Pension Benefits (to nearest £1000) £000	Total (£5k Bands) £000	Salary (£5k Bands) £000	Other Remun. £5k Bands £000	Benefits in Kind (to nearest £100) £00	Pension Benefits (to nearest £1000) £000	Total (£5k Bands) £000
A Davies	Chair until 30th June 2019						15-20	0	0	0	**15-20**
E Woollett	Chair from 1st April 2020. Interim Chair from 1st July 2019 to 31st March 2020. Vice Chair from 1st April 2019 to 30th June 2019	70-75	0	0	0	**70-75**	65-70	0	0	0	**65-70**
M Waygood	Interim Vice Chair from 23rd July 2019 to 18th January 2021. Independent Member from 19thJanuary 2021 to 31st March 2021 and from 1st April 2019 to 22nd July 2019	45-50	0	0	0	**45-50**	40-45	0	0	0	**40-45**
S Spill	Vice Chair from 15th December 2020.	15-20	0	0	0	**15-20**					
T Myhill	Chief Executive until 31st December 2020	160-165	0	0		**160-165**	200-205	0	0	53	**255-260**
M Hackett	Chief Executive from 1st January 2021	50-55	0	0		**50-55**					
C White	Deputy Chief Executive from 4 February 2019. Chief Operating Officer, Director of Therapies	160-165	0	0	4	**160-165**	160-165	0	0	221	**380-385**

Names	Titles	2020/21					2019/20				
		Salary (£5k Bands) £000	Other Remun. £5k Bands £000	Benefits in Kind (to nearest £100) £00	Pension Benefits (to nearest £1000) £000	Total (£5k Bands) £000	Salary (£5k Bands) £000	Other Remun. £5k Bands £000	Benefits in Kind (to nearest £100) £00	Pension Benefits (to nearest £1000) £000	Total (£5k Bands) £000
	and Health Science, Director of Primary, Community and Mental Health Services.										
L Hamilton	Director of Finance from 1st April 2019 to 29th February 2020						165-170	35-40	0	35	**235-240**
D Griffiths	Interim Director of Finance from 2nd March 2020	140-145	0	0	476	**620-625**	10-15	0	0		**10-15**
R Evans	Medical Director	175-180	0	0	125	**300-305**	170-175	0	0	125	**295-300**
G Howells	Director of Nursing & Patient Experience until 8th July 2020	40-45	0	0		**40-45**	130-135	0	0	97	**225-230**
C Williams	Interim Director of Nursing & Patient Experience from 9th July 2020	95-100	0	0		**95-100**					
H Robinson	Director of Workforce & OD until 24th August 2020	55-60	0	0		**55-60**	125-130	0	0	20	**145-150**
K Jones	Interim Director of Workforce & OD from 25th August 2020	75-80	0	0	138	**215-220**					

Names	Titles	2020/21					2019/20				
		Salary (£5k Bands) £000	Other Remun. £5k Bands £000	Benefits in Kind (to nearest £100) £00	Pension Benefits (to nearest £1000) £000	Total (£5k Bands) £000	Salary (£5k Bands) £000	Other Remun. £5k Bands £000	Benefits in Kind (to nearest £100) £00	Pension Benefits (to nearest £1000) £000	Total (£5k Bands) £000
S Husbands	Director of Public Health from 1st April 2019 to 13th October 2019						70-75	0	0		**70-75**
K Reid	Interim Director of Public Health from 13th October 2019 until 29th February 2020. Director of Public Health from 1st March 2020	120-125	0	0	63	**185-190**	50-55	0	0	23	**75-80**
S. Harrop-Griffiths	Director of Strategy	125-130	0	56	75	**205-210**	125-130	0	56	29	**160-165**
P Wenger	Director of Corporate Governance/Board Secretary	105-110	0	0	75	**180-185**	105-110	0	0	24	**125-130**
M Berry	Independent Member	15-20	0	0	0	**15-20**	15-20	0	0	0	**15-20**
M Sollis	Independent Member	15-20	0	0	0	**15-20**	15-20	0	0	0	**15-20**
T Crick	Independent Member	15-20	0	0	0	**15-20**	15-20	0	0	0	**15-20**
M Child	Independent Member	15-20	0	0	0	**15-20**	15-20	0	0	0	**15-20**
R Owen	Independent Member	15-20	0	0	0	**15-20**	15-20	0	0	0	**15-20**
N Zolle	Independent Member from 9th October 2019	15-20	0	0	0	**15-20**	5-10	0	0	0	**5-10**
K Lloyd	Independent Member	0	0	0	0	**0**					

Names	Titles	2020/21					2019/20				
		Salary (£5k Bands) £000	Other Remun. £5k Bands £000	Benefits in Kind (to nearest £100) £00	Pension Benefits (to nearest £1000) £000	Total (£5k Bands) £000	Salary (£5k Bands) £000	Other Remun. £5k Bands £000	Benefits in Kind (to nearest £100) £00	Pension Benefits (to nearest £1000) £000	Total (£5k Bands) £000
J Hopkin	Independent Member until 11th November 2019					**0**	0	0	0	0	**0**
J Davies	Independent Member	0	0	0	0	**0**	0	0	0	0	**0**

The pension benefits and total remuneration figures for Executive Directors for 2019/20 have been restated following recalculation of the figures using an inflation rate of 2.4% rather than the 1.7% used in the original calculation. This is in line with the confirmed inflation rate as prescribed for government pensions.

The NHS and social care financial recognition scheme bonus of £735 payment to reward eligible NHS staff has not been included in the NHS Remuneration Report calculations in the table above. 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.

The following notes provide explanations for either no salary or changes in salary or post between the financial the years:

- C White was appointed as Deputy Chief Executive with effect from 4th February 2019. Included within the salary for C White in 2019/20 is pay arrears of £5-£10k relating to the 2018-19 financial year. Actual salary for the post in 2019/20 was in the range £155-£160k.
- L Hamilton, Director of Finance left the health board on 29th February 2020. In line with the settlement agreement for her departure, the salary reported for 2019/20 within the table above represents a payment for untaken annual leave of £2,992.93, an ex-gratia payment for termination of employment of £35,464.64 and a payment of £35,464.64 in respect of her contractual entitlement to payment in lieu of notice. The ex-gratia payment is disclosed as other remuneration.
- K Lloyd has declined remuneration for his post as an Independent Member
- J Hopkin, Independent Member, declined remuneration for his post during the period that he was an Independent Member.

- J Davies is a full time employee of the Health Board and as such, has not received the remuneration that is normally paid to an Independent Member.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce. The highest paid director in the LHB in 2020/21 as in 2019/20 was the Chief Executive. The banded remuneration of the highest-paid director in the LHB in the financial year 2019/20 was £210,000 - £215,000 (2019/20, £200,000 - £205,000). This was 7.7 times (2019/20, 6.8) the median remuneration of the workforce, which was £27,761 (2019/20, £29,881).

In 2020/21, 0 (2019/20, 5) employees received remuneration in excess of the highest-paid director. The remuneration for those 5 employees in 2019-20 included payments in respect of waiting list initiatives undertaken in addition to their normal salary. Remuneration for staff ranged from £18,005 to £214,938 (2019/20 £17,652 to £249,523).

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions. Benefits in kind relate to benefits derived from the provision of a leased car.

The employees who received remuneration in excess of the highest paid director in 2019/20 were all medical staff. None of these staff are related to the Chair, Executive Directors or Independent Members.

4. Directors Pension Benefits

The NHS scheme requires that employees pay from 5% up to 14.5%, on a tiered scale, of their earnings, into the NHS Pension Scheme, with the employer contributing 20.68%. The employer's contribution to the NHS Pension Scheme is excluded from the salary figures shown below for Executive Directors.

Cash Equivalent Transfer Value

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership

of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures and the other pension details include the value of any pension benefits in another scheme or arrangement which the individual has transferred to the NHS pension scheme. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real Increase in CETV
This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period

The disclosures in the table below do not apply to independent members as they are not members of the NHS Pension Scheme and do not receive pensionable remuneration. It should be noted that the table below only includes Directors in post at the point that the NHS Pensions Agency provided the relevant information on pensions for staff, this being February 2021. As a result no pension disclosures are made in respect of the following directors who retired in year

- T Myhill, Chief Executive until 31st December 2020
- G Howells, Director of Nursing & Patient Experience until 8th July 2020
- H Robinson, Director of Workforce & OD until 24th August 2020.

Name	Title	Real Increase/ (Decrease) in Pension @ Age 60 (bands of £2,500) £000	Real Increase/ (Decrease) in Pension Lump Sum @ Age 60 (bands of £2,500) £000	Total accrued Pension at age 60 at 31 March 2021 (bands of £5,000) £000	Lump Sum at age 60 related to accrued Pension at 31 March 2021 (bands of £5,000) £000	Cash Equiv. Transfer Value at 31/03/2021 £000	Cash Equiv. Transfer Value at 31/03/2020 £000	Real increase in Cash Equiv. Transfer Value £000	Employer's contrib. to stake-holder pension £000
D Griffiths	Interim Director of Finance from 2nd March 2020	20-22.5	57.5-60	55-60	145-150	1,068	629	427	0
C White	Deputy Chief Executive, Chief Operating Officer, Director of Therapies and Health Science, Director of Primary, Community and Mental Health Services.	0-2.5	(2.5-5)	70-75	210-215	1,741	1,661	51	0
K Reid	Director of Public Health	2.5-5	0-2.5	20-25	45-50	420	351	64	0
S Harrop-Griffiths	Director of Strategy	2.5-5	0-(2.5)	55-60	120-125	1,088	987	84	0
R Evans	Medical Director	7.5-10	0-2.5	60-65	135-140	1,211	1,064	129	0
K Jones	Interim Director of Workforce & OD	5-7.5	12.5-15	25-30	60-65	579	426	146	0

Name	Title	Real Increase/ (Decrease) in Pension @ Age 60 (bands of £2,500) £000	Real Increase/ (Decrease) in Pension Lump Sum @ Age 60 (bands of £2,500) £000	Total accrued Pension at age 60 at 31 March 2021 (bands of £5,000) £000	Lump Sum at age 60 related to accrued Pension at 31 March 2021 (bands of £5,000) £000	Cash Equiv. Transfer Value at 31/03/2021 £000	Cash Equiv. Transfer Value at 31/03/2020 £000	Real increase in Cash Equiv. Transfer Value £000	Employer's contrib. to stake-holder pension £000
P Wenger	Director of Corporate Governance/Board Secretary	2.5-5	0-2.5	40-45	90-95	766	680	74	0

- M Hackett, Chief Executive and C Williams, Interim Director of Nursing and Patient Experience chose not to be covered by the NHS Pension Arrangements during 2020-21.

5. Contracts of employment

With the exception of the Chief Operating Officer and Deputy Chief Executive, (C White) who was on secondment from his permanent contract at Cwm Taf Health Board until 31st March 2020, all Executive Directors are on permanent Contracts of Employment with Swansea Bay University Local Health Board. Executive Directors are required to give the Health Board three months notice and are eligible to receive three months notice from the Health Board. The policy on duration of contracts, notice period and termination periods is that set by the Welsh Government.

The only provisions for early termination are as allowed by the NHS Pension Scheme (compensation for premature retirement) regulations. In all other cases of early termination this will be as detailed in individuals' contract of employment.

6. Other information

There are no local pay bargaining initiatives within the Health Board. No payments have been made for Professional Indemnity Insurance for any Officer or Director.

7. Staff Report Section

This section of the report includes information on staff numbers, composition, sickness absence data, staff policies applied during the year, expenditure on consultancy, off-payroll engagements and exit packages.

7.1 Staff Numbers and Composition

The average number of employees by staff group for 2020/21 is set out in the table below, along with the comparison for 2019/20. The average is calculated as the whole time equivalent number of employees under contract of service at the end of each calendar month in the financial year, divided by the number of months in the financial year.

Staff Group	Permanent Staff	Agency Staff	Staff on Inward Secondment	Specialist Trainees (SLE)	Collaborative Bank	Other	Total 2020/21	Total 2019/20
Administration, Clerical & Board Members	2,158	24	14	0	0	0	**2,196**	**2,157**
Medical & Dental	1,025	41	3	73	0	43	**1,185**	**1,088**
Nursing, Midwifery registered	3,533	184	2	0	5	0	**3,724**	**3,620**
Professional, Scientific & technical staff	383	0	1	0	0	0	**384**	**360**
Additional Clinical Services	2,373	4	0	0	0	0	**2,377**	**2,322**
Allied Health Professions	788	4	1	0	0	0	**793**	**776**
Healthcare Scientists	305	5	0	0	0	0	**310**	**303**
Estates and Ancillary	1,070	33	0	0	0	0	**1,103**	**1,057**
Students	110	0	0	0	0	0	**110**	**2**
Totals	**11,746**	**295**	**21**	**73**	**5**	**43**	**12,182**	**11,685**

Staff included as Specialist Trainees (SLE) in the table above are Medical, Dental and GP Trainees employed under the Single Lead Employer Arrangement by Velindre NHS Trust but who are placed for their training within the Health Board. Prior to August 2020 these trainees were directly employed by the Health Board and as such would have been classified as permanent staff.
Staff included as Collaborative Bank staff in the table above are also directly employed by Velindre NHS Trust and provide bank nurse cover across Wales. Currently only Swansea Bay University Health Board and Cwm Taf Morgannwg Health Board are members of the Collaborative Bank Scheme.

Staff listed under the other column in the table above are temporary staff sourced through the MEDACS managed service contract. These staff are paid through the NHS payroll.

As at 31st March 2021, the Health Board has 13,499 employees, of which 8 are Executive Directors. Of these staff, 3,069 are male, including 6 Executive Directors, and 10,430 are female, including 2 female Executive Directors.

There are also 9 Independent Members, of which 5 are male and 4 are female.

7.2 Sickness Absence Data

	2020/21	2019/20
Total days lost	316,626.93	260,356.78
Short Term Sickness (27 days or less)	89,361.93	75,095.71
Long Term Sickness (28 days or more)	227,265	185,261.07
Total staff years	11,728.76	11,321.07
Average working days lost	17	14
Total staff employed in period (headcount)	13,346	12,902
Total staff employed in period with no absence (headcount)	5,517	4,771

	2020/21	2019/20
Percentage staff with no sick leave	40.40%	36.30%

7.3 Staff Policies applied during the year:

The staff policy on equality was applied during the year to address the following:

- For giving full and fair consideration to applications for employment by the Health Board made by disabled persons, having regard to their particular aptitudes and abilities.
- For continuing the employment of, and for arranging appropriate training for, employees of the Health board who have become disabled persons during the period when they were employed by the Health Board.
- Otherwise for the training, career development and promotion of disabled persons employed by the Health Board.

7.4 Expenditure on Consultancy

As disclosed in Note 3.3 of the Health Board's Accounts, the Health Board incurred expenditure of £0.368m on Consultancy Services in 2020/21, (£0.349m in 2019-20). Expenditure on Consultancy Services is incurred when outside expertise is required by the Health Board to support the Health Board in managing its services and functions on a day to day basis. Such examples include:

- Management Consultancy to support performance improvement schemes such as the major trauma network and outpatients modernisation schemes.
- Management Consultancy to support the Health Board with staffing and other operational management issues.
- External advice and support to the Health Board in implementing staff development and training programmes.

7.5 Off-payroll Engagements

Table 1: For all off-payroll engagements as of 31 March 2021, for more than £245 per day and that last for longer than six months

Number of existing engagements as of 31 March 2021	0
Of which...	

Number that have existed for less than one year at time of reporting.	0
Number that have existed for between one and two years at time of reporting.	0
Number that have existed for between two and three years at time of reporting.	0
Number that have existed for between three and four years at time of reporting.	0
Number that have existed for four or more years at time of reporting.	0

Table 2: For all new off-payroll engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021, for more than £245 per day and that last for longer than six months

Number of new engagements, or those that reached six months in duration, between 1 April 2020 and 31 March 2021	0
Number of these engagements which were assessed as caught by IR35	0
Number of these engagements which were assessed as not caught by IR35	0
Number of these engagements that were engaged directly (via PSC contracted to department) and are on the departmental payroll;	0
Number of these engagements that were reassessed for consistency/assurance purposes during the year whom assurance has been requested but not received;	0
Number that saw a change to IR35 status following the consistency review.	0

Table 3: For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2020 and 31 March 2021

Number of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year.	0
Details of the exceptional circumstances that led to each of these engagements.	Not Applicable
Details of the length of time each of these exceptional engagements lasted	Not Applicable
Total number of individuals both on and off-payroll that have been deemed "board members and/or senior officials with significant financial responsibility", during the financial year. This figure includes engagements which are ON PAYROLL as well as those off-payroll.	0

There were 0 off payroll engagements in place at the start of the 2020/21 financial year. There have been no new off payroll engagements during the year.

7.6 Exit packages

The figures disclosed relate to exit packages agreed in the year. The actual date of departure might be in a subsequent period, and the expense in relation to the departure costs may have been accrued in a previous period. The data here is therefore presented on a different basis to other staff costs and expenditure noted in the Health Board's Annual Accounts.

	2020-21				2019-20
Staff Numbers **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**
less than £10,000	0	0	0	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	1
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**1**
Exit Packages Costs **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	0	0	0	0
£10,000 to £25,000	0	0	0	0	0
£25,000 to £50,000	0	0	0	0	0
£50,000 to £100,000	0	0	0	0	73,922
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0

	2020-21				2019-20
more than £200,000	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**73,922**

The exit package disclosed above for 2019/20 was paid in April 2020 and related to a payment made to the former Director of Finance who left the Health Board on 29th February 2020. The package comprised payments in lieu of notice, for untaken annual leave and an ex-gratia payment on termination.

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.

£0 exit costs were paid in 2020-21, the year of departure (2019-20, £73,922).

Long Term Expenditure Trends

Long Term Expenditure Trends

The Swansea Bay University Local Health Board was established on 1st April 2019 under statutory instrument 2019 No.349 (W.83), the Local Health Boards (Area Change) (Wales) (Miscellaneous Amendment) Order 2019.

This statutory instrument transferred the principal local government area of Bridgend from Abertawe Bro Morgannwg University Local Health Board to Cwm Taf University Local Health Board in addition confirmed that Abertawe Bro Morgannwg University Local Health Board would be renamed as Swansea Bay University Local Health Board.

Swansea Bay University Local Health Board is responsible for the provision of healthcare services for the populations falling under the local government areas of Swansea and Neath Port Talbot.

The health board's predecessor organisation Abertawe Bro Morgannwg University Health Board was established on 1st October 2009 following the merger of the former Abertawe Bro Morgannwg University NHS Trust, Swansea Local Health Board, Neath Port Talbot Local Health Board and Bridgend Local Health Board, providing services to the local government areas of Swansea, Neath Port Talbot and Bridgend.

The expenditure reported in this report for the 2019/20 and 2020/21 financial years relates to Swansea Bay University Health Board whilst expenditure in previous years relates to the former Abertawe Bro Morgannwg University Health Board and this must be borne in mind when making comparisons of expenditure between years. To help understand the reduction in expenditure between years it is important to note that the baseline resource allocation to the Swansea Bay University Health Board is 28% lower than the baseline allocation for the former Abertawe Bro Morgannwg University Local Health Board.

The 2020/21 financial year provided an unprecedented challenge for the health board due to the COVID-19 pandemic. In recognition of the challenges faced and the increased costs incurred during the pandemic, the health board received specific additional COVID-19 revenue funding of £148.887m and additional capital funding of £8.549m. The increased costs associated with the pandemic manifest themselves in the long term expenditure trends in 2020/21 as outlined later in this section

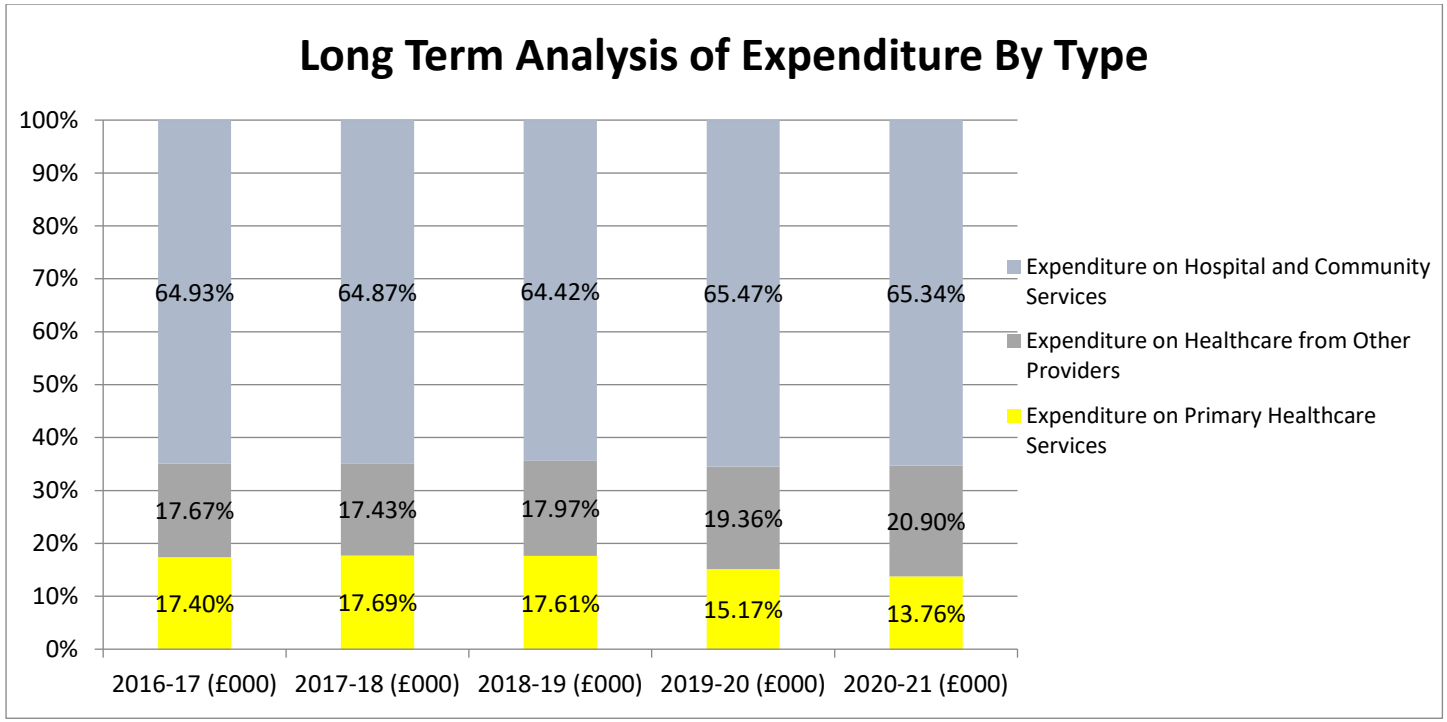
The movements in expenditure for the financial years 2016/17 to 2020/21 are documented below by the main expenditure headings of:

- Expenditure on Primary Healthcare Services

- Expenditure on Healthcare from Other Providers
- Expenditure on Hospital and Community Services

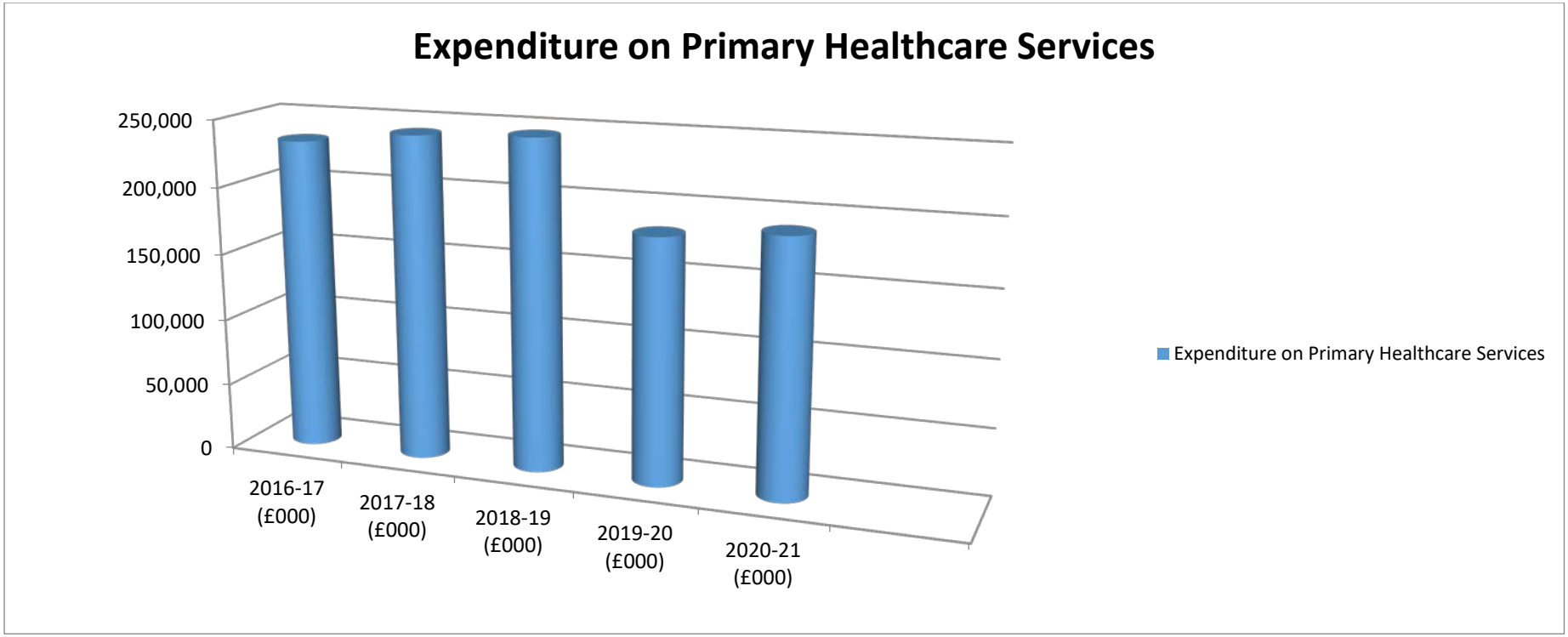
As demonstrated in the table below whilst there have been movements in each of these headings over the last 5 years, an analysis of the expenditure shows that the mix of expenditure has been broadly consistent year until the change of health board on 1st April 2019 when there was a reduction of 2.44% in the expenditure share of Primary Healthcare Services as a percentage of the health board's total expenditure, with increases of 1.39% for Healthcare from Other Providers and 1.05% for Hospital and Community Health Services. The impact of COVID in 2020/21 has seen a further reduction of 1.41% in expenditure on Primary Health Care Services and an increase of 1.54% in expenditure on Healthcare from other providers.

	2016/17 £000	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Primary Healthcare Services	232,790	242,052	245,546	181,823	189,358
Healthcare from Other Providers	236,363	238,469	250,518	232,061	287,515
Hospital & Community Services	868,757	887,423	898,238	784,902	898,889



3.1 Expenditure on Primary Healthcare Services

Expenditure on Primary Healthcare Services comprises expenditure on the Primary Care contracts for General Medical Services, Pharmaceutical Services, General Dental Services, General Ophthalmic Services, Prescribed Drugs and Appliances and other Primary Health Care Expenditure.



In 2016/17 there was a reduction in expenditure to £233m which was due to £3.501m of rates rebates (relating to 2016/17 and previous years) in respect of GP premises following successful ratings appeals.

In 2017/18 expenditure increased to £242m with the main increases being in General Medical Services of £5.7m relating to increases in the costs of enhanced services, the costs of GP Out of Hours Services and the uplift in the GMS contract. There were also increases in dental services expenditure linked to an increase in the General Dental Services Contract and in training costs for Foundation Trainees, and in primary care prescribing due to cost increases for a number of drugs due to stock shortages. Expenditure in 2017/18 was also net of a further £2.996m of rates rebates in respect of GP premises.

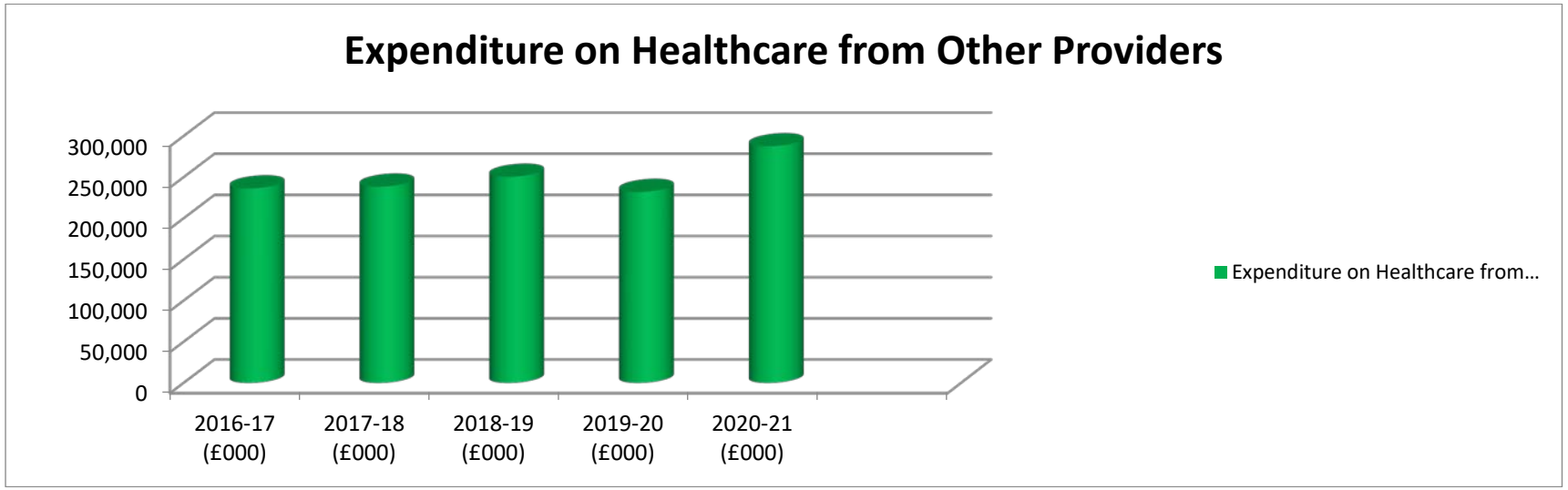
For 2018/19 expenditure on Primary Health Care Services increased to £246m. The increase was due to General Medical Services of £8.4m relating primarily to the uplift in the GMS contract, increased costs of enhanced services and the fact that expenditure was

not reduced by ratings appeals as in 2016/17 and 2017/18. There was also an increase of £1.6m in dental services expenditure linked to an increase in the General Dental Services Contract. These increases were offset by a reduction of £4.5m in the costs of prescribed drugs and appliances.

For 2019/20 expenditure reduced to £181.823m, a reduction of 26% which is broadly in line with the reduction in the allocation of the new Swansea Bay University Health Board as compared to the former Abertawe Bro Morgannwg University Health Board. The reduction was consistent across all areas of primary care expenditure.

In 2020/21 expenditure increased to £189m, with increases in the global sum uplift for General Medical Services of 3%, in professional fee payments to Pharmacists and a £5m increase in primary care prescribing costs. These increases were partly offset by a reduction in General Dental Services due to reduced Dental Contract payments during the COVID pandemic.

3.2 Expenditure on Healthcare from Other Providers



Expenditure on healthcare from other providers comprises expenditure with other NHS organisations, Local Authorities, Voluntary Organisations, private providers and for NHS funded nursing and continuing healthcare. Expenditure in this area had been increasing until 2018/19, the last 3 years of the Abertawe Bro Morgannwg University Health Board, increasing from £236m to £250m, reducing

to £232m for the new Swansea Bay University Health Board. The impact of COVID and the increased payments to local authorities in respect of the setup of the Field Hospitals, Test Trace and Protect Facilities and the Mass Vaccination Centres saw this expenditure increase significantly to £287m in 2020/21.

Expenditure increases in Healthcare from Other Providers in 2016/17 was primarily in four areas. There was an increase in expenditure with WHSSC relating to developments in areas such as organ donation and neonatal services, increases in NHS funded nursing care and continuing healthcare costs as a result of increases in the weekly rates payable and in the number of NHS funded nursing care packages, increased expenditure with local authorities via the Intermediate Care Fund (ICF) as part of the Western Bay programme funded by Welsh Government and increased payments to private providers for outsourcing of activity.

The 2017/18 financial year saw an increase in Funded Nursing Care as a result of the Supreme Court ruling on what constitutes nursing care in the care home environment with the increase in cost of £3.444m covering backdated payments to 2014 being funded by Welsh Government. Offsetting the increased expenditure in this area was a reduction in expenditure with private providers due to reduced outsourcing of activity.

In 2018/19 the health board continued to see increases in continuing healthcare costs as well as further increases in expenditure with local authorities via the Intermediate Care Fund (ICF) as part of the Western Bay programme funded by Welsh Government. In order to reduce the number of long waiting patients and to meet its Referral to Treatment (RTT) targets, the health board increased its use of private providers by outsourcing patient treatment activity. This increased expenditure in this area in year by £4m. There was also an increase in expenditure with WHSSC linked to service developments and activity growth in the specialised treatment services commissioned by WHSSC.

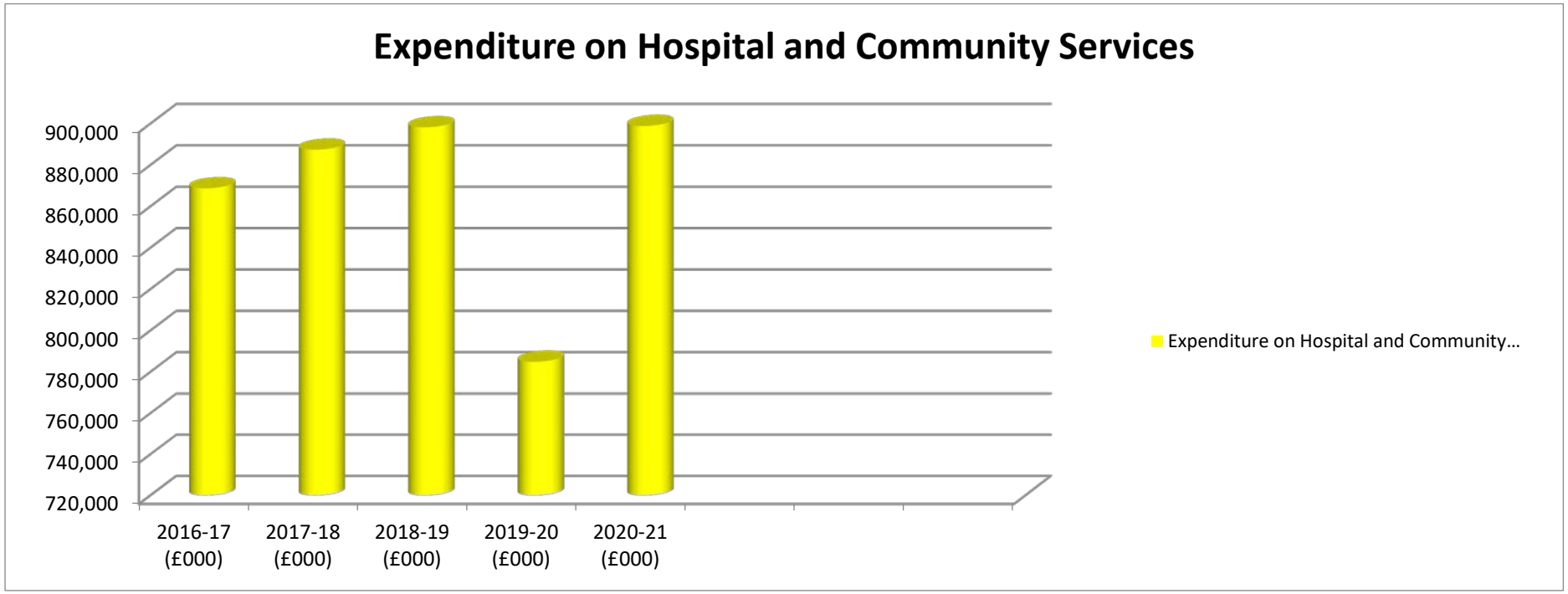
In 2019/20 expenditure incurred reduced by 7.4% as a result of the health board change. A significant factor in the 2019/20 expenditure was the almost doubling of expenditure with other NHS Wales bodies from £21.9m in 2018/19 to £42m in 2019/20. This was due to the clinical service level agreements put in place for services at Neath Port Talbot Hospital with Cwm Taf Morgannwg University Health Board as a significant number of services at the hospital are provided by clinical staff based in Bridgend who transferred to Cwm Taf Morgannwg Health Board as part of the Bridgend boundary change on 1st April 2019. Expenditure with the majority of external healthcare providers reduced in year as a result of the health board change with the exception of local authorities and voluntary organisations due to the Intermediate Care Fund (ICF).

In 2020/21 expenditure increased by 23.9% to £287m and is largely related to COVID, most significantly with Local Authorities. Expenditure with the City & County of Swansea and Neath Port Talbot County Council relating to the Bay Field Hospital (£29.1m),

Llandarcy Field Hospital (£3.9m) and Community Testing (£3.9m) was incurred. Continuing Healthcare expenditure saw additional expenditure with care homes as a result of the COVID-19 pandemic over and above that normally paid to cover voids (beds that could not be filled due to COVID restrictions.) with funding provided from Welsh Government to support these payments. These increases were offset by a reduction in expenditure with private providers due to the inability to outsource activity to private providers during the COVID pandemic.

3.3 Expenditure on Hospital and Community Health Services

This area of expenditure saw the biggest increases over the period that the former Abertawe Bro Morgannwg Health Board was in existence, although expenditure in this area reduced in 2019/20 following the Bridgend boundary change. The impact of the COVID pandemic in 2020/21 had a massive impact on expenditure in this area resulting in the 2020/21 expenditure being the highest of the 5 years reported.



In 2016/17 the largest increase in expenditure on hospital and community services was in staff costs of £34.5m due to an increase in employers national insurance and pension contributions, pay awards and an increase in staff numbers of 353 between 2015/16 and 2016/17. There were also significant increases in drugs costs due to new drug regimes particularly in respect of Hepatitis C and cancer treatments, increased costs in other clinical supplies and consumables plus increased recruitment costs associated with costs of overseas nurse recruitment.

In 2017/18 the increase in expenditure on hospital and community services related to three main areas. The largest increase of £8.343m was in asset impairments as a result of the 5 yearly revaluation of the NHS estate by the District Valuer. There was also an increase of £5.1m in staff costs as a result of the pay award, living wage allowance and introduction of the apprenticeship levy, although the health board was successful in delivering £7.5m of staff cost savings through service redesign and reductions in variable pay such as agency staff costs. The third increase in costs related to clinical supplies and services of £3.248m with increases in the costs of medical and surgical consumables.

The increase in expenditure in 2018/19 was primarily driven by increases in staff costs of £29.9m. The major component of this increase was the pay award for NHS staff which increased staff costs by £20m. Agency staff costs increased by £5m during the year primarily in the areas of Nursing and Medical Staff whilst the health board also invested in additional staff as a result of the introduction of the Nurse Staffing Act, to support the delivery of services through the winter period and in critical care areas. The increase in staff costs was offset by a reduction of £13.7m in asset impairments, with the 2017/18 figure being impacted upon by the 5 yearly revaluation of the NHS estate by the District Valuer. During 2018/19 the health board maintained strong financial control of its non-staff expenditure with no significant increases in costs as a result of the ongoing work being undertaken under the recovery and sustainability programme.

In 2019/20 expenditure reduced to £784.902m representing a reduction of 12.6% (£113.3m) reflecting the change from Abertawe Bro Morgannwg University Health Board to Swansea Bay University Health Board. Staff expenditure reduced by £90.2m (13.7%) with non- staff costs reducing by £23.1m (9.6%). Included within staff costs are increases of £23.584m in respect of the 6.3% increase in employer pension contributions and £8.8m in respect of the 2019/20 pay award. Non staff costs reduced in all areas apart from an increase of £3.262m in asset impairments, £2.468m in losses, special payments and irrecoverable debts and £1.181m in amortisation charges in respect of intangible fixed assets.

In 2020/21 expenditure increased by 14.5% to £899m. Most significantly, staff costs increased by £80m. Of this it is estimated that £67m is related to the COVID pandemic with expenditure increases in additional hours and bank staff costs (£27m), agency staff

costs (£4.3m), additional temporary staff (£2.7m) and costs for medical and dental and nursing students (£4.8m). The increase also includes £13.28m relating to untaken annual leave and an estimated £14.4m in respect of the £500 bonus payment (£735 gross) per staff member announced by the Welsh Health Minister and funded by Welsh Government. Non staff costs increased in areas such as Personal Protective Equipment (PPE), clinical consumables, mass vaccination centre running costs including security and maintenance costs and cleaning materials due to the enhanced cleaning regimes required throughout the pandemic.

Financial Statements and Notes 2020-21