Aneurin Bevan University Health Board

Wed 26 January 2022, 09:30 - 12:30

Via Microsoft Teams

Agenda

1. Opening Business/Governance Matters

1.1. Chair's Introductory Remarks

Verbal *Chair*

1.2. Apologies for Absence for Noting

Verbal *Chair*

1.3. Declarations of Interest for Noting

Verbal *Chair*

1.4. Draft Minutes of the Health Board Meeting held on 24th November 2021 for Approval

Attachment *Chair*

1.4 Draft Board Minutes 24 November 2021.pdf (13 pages)

1.5. Board Action Log for Review

Attachment *Chair*

1.5 Action Log with updates.pdf (2 pages)

1.6. Report on Sealed Documents and Chair's Actions

Attachment *Chair*

1.6 Report on Sealed Documents and Chair's Actions January 2022.pdf (15 pages)

1.7. Chair's Report

Verbal *Chair*

2. Patient Experience and Public Engagement

2.1. Report from the Aneurin Bevan Community Health Council

Attached *Chief Officer of the CHC*

2.1 Community Health Council Report for Aneurin Bevan University Health Board meeting Jan 2022.pdf (14 pages)

3. Items for Decision

3.1. Charitable Funds Annual Accounts and Annual Report 2020/21

Attachment *Chair of Charitable Funds / Interim Director of Finance, Procurement and VBHC*

- 3.1 Charitable Funds Final Accounts Cover Paper 2020-21.pdf (5 pages)
- 3.1a Appendix 1 - ABUHB Charitable Funds Accounts 2020-21 Final.pdf (20 pages)
- 3.1b Appendix 2 - ABUHB Charitable Funds Annual Report 2020-21 Final.pdf (34 pages)

3.2. Audit Wales Reports in respect of Charitable Funds

Attachment *Audit Wales*

a) Audit Plan 2021

b) Audit of Charitable Funds Financial Statements

- 3.2 a Audit Plan 2021.pdf (10 pages)
- 3.2 b Audit of Charitable Funds Accounts.pdf (28 pages)

3.3. Newport East Health and Well Being Centre Full Business Case

Attachment *Interim Director of Primary, Community Care and Mental Health*

- 3.3 a Newport FBC Cover paper.pdf (4 pages)
- 3.3 b NEHWBC FBC V4 Jan 22.pdf (48 pages)

4. Items for Discussion/Assurance

4.1. Gwent Public Service Board Wellbeing Assessment Consultation

Attachment *Director of Public Health and Strategic Partnerships*

- 4.1 a Gwent PSB Wellbeing Assessment Consultation Cover Report.pdf (1 pages)
- 4.1 b Attachment One Appendix-1-Executive-Summary-Gwent-Well-being-Assessment-7th-Dec-PSB-meeting.pdf (31 pages)

4.2. Financial Performance:

Attachment *Interim Director of Finance, Procurement and VBHC*

a) November (Month 08) 2021/22

b) 2021/22 Annual Operating Framework, Delegation of Budgets - Quarter 4 Update

- 4.2a Finance Board Report Month 8 .pdf (21 pages)
- 4.2 b Q4_budget setting update 21.22 January.pdf (18 pages)

4.3. Performance Report, November 2021

Attachment *Director of Planning, Performance, Digital and IT*

- 4.3 Performance Report January.pdf (20 pages)

4.4. Strategic Risk Report, January 2022

Attachment *Interim Chief Executive*

 4.4 Strategic Risk Report board Jan2022docx.pdf (13 pages)

4.5. Executive Team Report

Attachment *Interim Chief Executive*

 4.5 Executive Team Report January 2022 (003).pdf (10 pages)

4.6. Key Matters from Committees

Attachment *Committee Chairs*

 4.6 a Committee and Advisory Assurance Reports.v2.pdf (12 pages)
4.6 b 2022-01-11 JC (Public) Briefing.pdf (3 pages)

5. Closing Matters

Next Meeting: Wednesday 23rd March 2022 at 9.30am

6. Message to the Public

Aneurin Bevan University Health Board is committed to openness and transparency, and conducts as much of its business as possible in a session that members of the public would normally be welcome to attend and observe. However, in light of the current advice and guidance in relation to COVID-19, the Board has agreed to run meetings by electronic means as opposed to in a physical location. This unfortunately means that members of the public are unable to attend meetings in person, at this time.

The Board has taken this decision in the best interests of protecting the public, our staff and Board members.

The Board is expediting plans to enable its meetings to be made available to the public via live streaming. In the meantime, a recording of the Board's meeting will be published to the Health Board's website following the conclusion of business.

Ann Lloyd	-	Chair
Glyn Jones	-	Interim Chief Executive
Pippa Britton	-	Interim Vice Chair
Dr Sarah Aitken	-	Director of Public Health & Strategic Partnerships
Sarah Simmonds	-	Director of Workforce and OD
Dr James Calvert	-	Medical Director
Peter Carr	-	Director of Therapies and Health Science
Rhiannon Jones	-	Director of Nursing
Shelley Bosson	-	Independent Member (Community)
Katija Dew	-	Independent Member (Third Sector)
Nick Wood	-	Director of Primary Care, Community and Mental Health
Nicola Prygodzicz	-	Director of Planning, Performance Digital and IT
Rob Holcombe	-	Interim Director of Finance, Procurement and VBHC
Paul Deneen	-	Independent Member (Community)
Cllr Richard Clark	-	Independent Member (Local Government)
Louise Wright	-	Independent Member (Trade Union)
Prof Helen Sweetland	-	Independent Member (University)
Philip Robson	-	Special Adviser to the Board

In Attendance:

Richard Howells	-	Interim Board Secretary
Leanne Watkins	-	Interim Director of Operations
Dan Davies	-	Chief of Staff
Bryony Codd	-	Head of Corporate Governance
Jemma McHale	-	Aneurin Bevan Community Health Council
Kate Eden	-	WHSSC
Sian Lewis	-	WHSSC
Stuart Davies	-	WHSSC
Iolo Doull	-	WHSSC
Carole Bell	-	WHSSC
Rachel Jones	-	Specialist Speech and Language Therapist
Steve Dumont	-	Clinical Director
Rebekah White	-	Specialist Nurse
Rebecca Owen-Pursell	-	Directorate Manager

Apologies:

Keith Sutcliffe	-	Associate Independent Member (Chair of the Stakeholder Reference Group)

Aneurin Bevan University Health Board Minutes of the Public Board Meeting held on Wednesday 24th November 2021, via MS Teams

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Present:

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ABUHB 2411/01 Welcome and Introductions

The Chair welcomed members to the meeting. She explained that the meeting was being recorded and would be streamed on the Health Board's YouTube channel.

The Chair congratulated Nick Wood on his appointment as Deputy Director General/Deputy Chief Executive NHS Wales. The Chair congratulated Glyn Jones on his appointment as Interim Chief Executive and welcomed Rob Holcombe to his first meeting as Interim Director of Finance, Procurement and VBHC. It was noted that Richard Howells would return to his substantive role on 1st December and Rani Mallison would commence as Board Secretary on that date.

The Chair thanked the Executive Team for their resilience in the face of all of the recent changes and thanked those taking on extended roles.

ABUHB 2411/02 Declarations of Interest

There were no Declarations of Interest raised relating to items on the Agenda.

ABUHB 2411/03 Minutes of the previous meeting

The minutes of the meetings held on 22nd September and 13th October 2021 were agreed as a true and accurate record.

ABUHB 2411/04 Action Log and Matters Arising

It was noted that all the actions in the log were complete or in progress.

ABUHB 2411/05 Governance Matters

Richard Howells, Interim Board Secretary, presented a report on the documents where the common seal of the organisation had been used between 8th September and 8th November 2021.

The Board noted the use of the seal and ratified the Chair's Actions.

ABUHB 2411/06 Review of Committee Membership

Richard Howells, Interim Board Secretary, proposed revised Committee memberships following the appointment of the substantive Vice Chair as the Interim Chair of Cwm Taf Morgannwg Health Board, and continued Independent Member vacancies.

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The following amendments to the membership of the Litigation Group were agreed:

- Director of Nursing and Director of Therapies and Health Science to be included as members
- Head of Legal Services to be included as an attendee
- Assistant Director of Organisational Learning to be removed as an attendee as the post is no longer in place.

The Board approved the revised Committee membership.

ABUHB 2411/07 Chair's Report

The Chair provided an overview of the activities she had undertaken, outside of her routine activities, including:

- Two meetings of the Welsh NHS Chairs, discussions included:
    - Recruitment and development of Independent Members and how to better diversify membership; ○ Codes of Conduct for Independent Members; ○ COVID Public Inquiry – ensuring Health Boards acted in a similar way and the need for effective support for any staff who were required to provide evidence.
    - Urgent and Emergency Care and recovery ○ Proposal that Public Health Wales is changing in function and Local Public Health Teams will be attached to their Local Health Boards. Staff consultation is ongoing.
- Talent Management Board – discussion succession planning for Executives and Senior Managers. A report would be provided to the next meeting. **Action: A. Lloyd**
- Meetings with the Minister to discuss the consequences of COVID, recovery plans, together with the objectives for health bodies to pursue over the next 5 years.

- In addition, she is progressing the Independent Member appointments for Finance and Digital.
- Weekly meetings of the Care Action Committee with Ministers on developing solutions to the problems affecting social and domiciliary care.

The Chair thanked Pippa Britton who had agreed to act as Vice Chair for the next 6 months.

The Board noted the update on the additional activities undertaken by the Chair.

ABUHB 2411/08 Report from the Aneurin Bevan Community Health Council

Jemma McHale, Chief Officer, CHC, provided an overview of recent issues of concern and positive observations or public feedback being addressed by the Community Health Council in

relation to the planning and delivery of health services in Gwent.

It was noted that the most significant piece of work undertaken related to member visits to the Emergency Department at the Grange University Hospital in August. The CHC praised staff for their hard work in very difficult circumstances. It was acknowledged that the service was under significant pressure, and it was recognised that this was a whole system issue. The CHC appreciated the large scale communication strategy undertaken by the Health Board to increase understanding of the new model.

It was recognised that the issues raised by the CHC were national however the CHC remained concerned about flow and discharges.

It was noted that as a consequence of these visits a referral to HIW had been made which had flagged a whole system issue, including issues with social care and ambulance services.

Pippa Britton, Independent Member, noted the importance of understanding why people attended the ED at GUH. Jemma McHale confirmed that the reason/rationale for attending had been asked and a number of people were 'walk ins' as many felt it was the right place. An out of hours and 111 survey would be undertaken at the end of December which would also look at this issue.

Rhiannon Jones, Director of Nursing, confirmed that HIW had undertaken an unannounced visit to ED GUH in November. The full report was awaited; however it was confirmed that immediate assurances required had been acted upon.

In relation to the Dementia Companions, it was confirmed that coloured Zimmer frames were now in use.

Katija Dew, Independent Member, welcomed the 'How the Deaf Community Access Healthcare' report from an equality perspective and asked whether or not any patient safety/quality issues identified. Jemma McHale confirmed that this was a small snapshot of individuals however no safety issues had been identified. The key issue was access. The Health Board's response to the report had been excellent and had been shared with the British Deaf Association and focus groups.

Ann Lloyd thanked the CHC for a very valuable report.

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ABUHB 2411/09 Delegation of Revenue Budgets

Rob Holcombe, Interim Director of Finance, Procurement and VBHC explained that the Board had agreed previously that the delegation of revenue budgets would be reviewed on a quarterly basis in recognition of the uncertainty of funding and the requirement for resources during the pandemic.

It was noted that £74m of non-recurrent funding had now been confirmed by Welsh Government. £64m had been allocated to operational stability and £10m to recovery. This provided a degree of certainty for the forecast allocations.

Rob Holcombe emphasised that this was nonrecurring funding and the underlying financial position remained a deficit. There needed to be a focus on strategic change and delivering services cost effectively to deliver a more sustainable service.

Shelley Bosson, Independent Member, asked what plans were in place to ensure programmes get a 'kick start' and the accountability arrangements for the delivery of savings. Glyn Jones explained that the IMTP process would be the basis on which service priorities would be developed for the next 3 years.

It was agreed that a report would be prepared for the Audit, Finance and Risk Committee to outline the process/mechanism for holding people to account in relation to efficiencies. **Action: R. Holcombe**

Board members welcomed the quarterly approach and acknowledged the need to look at creative and innovative ways improving patient outcomes, recognising the unknown longer term impacts of COVID.

Ann Lloyd commented that it was important to gain assurance about the value for money of services in respect of the additional funding. This would be monitored by the Audit, Finance and Risk Committee.

It was agreed that a Board Briefing session would be held on the National Local Efficiency Frameworks. **Action: R. Holcombe**

The Board noted the report and approved the recommendations.

ABUHB 2411/10 Winter Plan

Nick Wood, Director of Primary, Community and Mental Health Services, presented the Winter Plan for the Health Board, an overarching plan for this winter which set out a range of actions and priorities.

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It was noted that the Health Board prepared regular plans for winter, but this year the plans would be significantly different due to:

- Responding to COVID
- Level of flu/RSV
- 5 harms of COVID and subsequent backlog in care

There was an inherent risk within the plan in relation to resources and the availability of staff to meet the needs of patients.

The Health and Care system was currently using over 1700 beds in the health care system, which was approximately 350 more than expected at this time of year The Health Board was therefore already at capacity. A key target over the next 4 weeks was to reduce the number of patients that are delayed for more than 21 days. Delays have stabilised but they now need to improve.

It was noted that a number of actions identified in the report had already been initiated.

The core aims of the plan included:

- Focusing on safety first, providing care in priority order to those with the greatest need.
- Maintaining essential services.
- Ensuring urgent care and emergency care services were available for those who needed them.
- Protecting the public through the delivery of COVID booster, flu vaccination and TTP.
- The delivery of a robust Winter Communications Plan.

A key focus would be on keeping people safe at home and in discharging individual patients as quickly as possible, subject to their medical suitability for discharge and the provision of care packages.

It was recognised that staff in the Health Board and in other parts of the Health and Social Care system were very tired. Initiatives and support mechanisms would be in place to support them through this very challenging time.

It was noted that the Regional Partnership Board Winter Plan would be shared with members. It was agreed that a letter would be sent to the RPB to ask how the plan would be approved, enacted and evaluated. **Action: N. Wood**

Paul Deneen raised concerns about the level of demand versus capacity and the number of patients in hospital who could be cared for at home; he sought reassurance that all partners had

a plan and that they were working together effectively to deliver the plan and the required outcomes.

It was noted that there were weekly winter planning meetings with partners.

Katija Dew asked if there was sufficient capacity to deliver additional GMS sessions. It was confirmed that a survey had been undertaken to establish the potential for delivering additional sessions. All practices achieving the required benchmark have been offered additional sessions. These have

started in 25 practices. Many of the sessions were provided by part time staff not by additional people.

It was noted that there had been a gradual improvement in the number of redirections from GUH but further work was required.

Sarah Simmonds, Director of Workforce and OD confirmed that a detailed winter workforce plan had been presented to the People and Culture Committee. The same recruitment challenges were evident across the UK. An all Wales workforce summit would be held the following week to discuss joint shared action to take immediately.

Phil Robson, Special Advisor to the Board, welcomed the comprehensive plan but raised concern regarding the numbers already being delayed in hospital, highlighting that the next 4 weeks would be crucial. Rhianon Jones observed that many patients has a high acuity which would lengthen their stay. In relation to Health Board commissioned domiciliary services, assurances were requested that the whole system was working together to ensure they were used.

Nick Wood confirmed that the Health Board had commissioned domiciliary care through a number of providers and this was all fully utilised.

The Board approved the Winter Plan 2021-22.

ABUHB 2411/11 Welsh Health Specialised Services Committee

Kate Eden, Chair, CHSSC and Sian Lewis, Managing Director, WHSSC, together with colleagues provided a Specialised Services update including the services commissioned and the governance structures in place to support decision making.

It was noted that the Quality Assurance Framework had been revised and replaced by a Commissioning Assurance Framework.

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An overview of the specialised services accessed by ABUHB patients was provided, noting that the predominant provider was Cardiff and Vale University NHS Trust.

Examples of access rates for different services were highlighted and it was noted that work was underway to understand the differences in these rates, in particular the dermatology/plastic surgery pathway for ABUHB.

Stuart Davies, WHSSC, provided an overview on how WHSSC had responded to COVID. A workshop had been held with the Joint Committee to agree an approach to the provision of equitable access to care across Wales and to support alternative pathways where appropriate.

Assurance had been sought from providers to ensure patients waiting do not come to harm/adverse deterioration.

An engagement process was due to commence regarding the Specialised Services Strategy, including the portfolio of services.

The Board welcomed the presentation and agreed that a Board Briefing session would be arranged to discuss issues in more detail, including:

- Continuous monitoring of the quality of services our patients received from other organisations;
- Understanding the needs of our population and how our access rates compare, to include a discussion on the current definition of 'specialist'. **Action: R. Howells**

ABUHB 2411/12 Estates Strategy

Nicola Prygodzicz, Director of Planning, Performance, Digital and IT provided an update on progress against the strategic objectives included in the Estates Strategy, approved by the Board in January 2019

Good progress had been made in a number of areas, including mental health, the energy strategy and the capital efficiencies framework.

The priorities for the next 3 to 5 years were also outlined, including the development of a comprehensive mental health estates plan, finalising work in relation to the Royal Gwent Hospital and Nevill Hall Hospital, and agile working.

The Board noted the update and supported the reframed strategic objectives. An emphasis was placed on the need to review the requirement for backlog maintenance.

It was noted that the Estates Efficiency Framework would be presented to the Audit, Finance and Risk Committee and that an update on County Hospital and St Woolos Hospital would be provided to the Strategic Planning, Partnerships and Wellbeing Group.

ABUHB 2411/13 Critical Care

The Board welcomed members of the Critical Care Team to provide a patient story which demonstrated the improvements in therapies support in ICU.

Steve Dumont, Clinical Director, provided an overview of the Critical Care Unit, which is one of the largest in Wales.

Rachel Jones, Specialist Speech and Language Therapist, explained that there had been inconsistent rehabilitation prior to 2019. In 2019, dedicated funding for therapies in ICU was provided. Rachel presented a patient story which demonstrated the impact of access to specialist staff with the right skills to support early rehabilitation and a patient's recovery.

Rachel told the story of Richard, aged 61, who was admitted to hospital with neck pains and leg and arm weakness and a subsequent admission to ICU when breathing problems started.

She provided an overview of the interventions provided by different therapists, including dietetics, physiotherapists, occupational therapy and clinical psychology and the positive impact this had on Richard. Following 30 days in ITU and 66 days in hospital overall, Richard was discharged home.

A review of his case management had been undertaken following Richard's discharge, which had highlighted the fact that Richard could have benefitted from additional sessions and also that the 'downtime' during the day which could be utilised.

Members agreed that this was a powerful story which demonstrated the complexity of problems faced by patients in ICU.

Nicola Prygodzicz, Director of Planning, Performance, Digital and IT provided an update on the provision of services for critically ill patients and outlined the key challenges and achievements over the past 18 months.

She highlighted the good progress made against national priorities and emphasised the work that had taken place in relation to patient experience, particularly the provision of patient diaries.

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The key priorities were the phased expansion of critical care

It was confirmed that feedback had been sought from families/carers via relative questionnaires.

The Board welcomed the report and Ann Lloyd commented that the team should be proud of the progress made.

ABUHB 2411/14 Annual Presentation of the Nurse Staffing Levels

Rhiannon Jones, Director of Nursing presented the annual report on the Nurse Staffing levels for all Section 25B wards. She explained that the review of paediatric nurse staffing levels had been reported to and approved by the Executive Team but was not included within the report.

She highlighted the challenges in monitoring wards when they had been constantly repurposed due to COVID and that professional judgement had had to be used in determining safe staffing levels. Acuity audits had been undertaken on a daily basis, and monitored in detail in January and June.

The Board noted the report.

ABUHB 2411/15 South East Wales – Acute Oncology Service Business Case

Nicola Prygodzicz, Director of Planning, Performance, Digital and IT, presented the Business Case to improve Acute Oncology services in South East Wales. It was noted that acute oncology managed patients diagnosed through an emergency attendance or those already on a cancer pathway with complications.

The Business Case aimed to provide better patient experience and outcomes, avoid admissions and reduce length of stay.

Non-recurrent funding was available in 2021/22 and was a priority against funding in 2022/23.

The chair commented that this was an important development to improve standards.

bed capacity and the further development of the critical care outreach service. A review was also being conducted into the provision of specialist rehabilitation services.

The Board:

- Noted the regional work to develop acute oncology services across the South East Wales region
- Supported the phase 1 investment in acute oncology services for the Health Board as a priority area of the IMTP.

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- Endorsed the direction of travel set out in the business case and supported the development of the phases 2 and 3 through the regional Acute Oncology programme.

ABUHB 2411/16 Board Assurance Framework – Mid Year Review

Richard Howells, Interim Board Secretary, outlined the progress made to date in relation to the implementation of the revised risk management strategy and Board Assurance Framework, the gaps in assurance in regard to each principal risk and a 'proof of concept' reporting template, linking the efficacy of control measures to a risk profile. It was noted that this work had been reviewed by the Finance, Audit and Risk Committee in October.

The Board noted the work undertaken and endorsed the Board Assurance Framework.

ABUHB 2411/17 Finance Report

Rob Holcombe, Interim Director of Finance, Procurement and VBHC explained that the report within the papers provided the position to the end month 6; however month 7 was now available. It was noted that the Health Board continued to forecast a breakeven position for revenue and capital.

Significant funding had been received from WG which had reduced the financial risk.

Spending patterns had remained consistent with previous months.

The level of spend, particularly in relation to variable pay agency, was reflective of the pressures and requirement to operate in a COVID compliant environment.

Funds were being used for recovery and minimal discretional reserves were being held.

It was agreed that a report would be provided to the Finance, Audit and Risk Committee about efficiencies in relation to Digital Solutions. **Action: R. Holcombe**

The Board noted the current position and forecast, together with the risks and opportunities.

ABUHB 2411/18 Performance Report

Nicola Prygodzicz, Director of Planning, Performance Digital and IT, presented the Performance Report to the end of September 2021.

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It was noted that there had been a steady increase in elective care activity. Prioritisation had been undertaken on a risk based approach based on Royal College guidelines. There was a continued focus on validation.

The numbers waiting over 36 weeks were reducing, but were still significant. There were also challenges and backlogs in access to diagnostics but this continued to decrease.

There remained significant pressures in urgent care and ambulance handovers remained an area of concern.

There continued to be high referrals to cancer services, with over 3,000 patients added to pathways in September. There had been a deterioration in the 62 day target due to delays at the start of the pathway.

CAMHS neurodevelopmental pathway had reduced to 71%, but an improvement plan in place.

The Chair requested a further discussion on the Stroke Recovery Plan at the Strategic Planning, Partnerships and Wellbeing Committee. **Action: P. Carr**

It was agreed that a note would be circulated outside of the meeting to provide further information on:

- ADHD
- Management of yellow level 4 patients, particularly in general surgery and T&O. **Action: N. Prygodzicz**

The Board noted the report.

ABUHB 2411/19 Executive Team Report

Glyn Jones, Interim Chief Executive, presented the Executive Team report, which provided information on a range of activities being undertaken by the Executive Team.

Glyn Jones highlighted the importance of engaging with staff and the public over the next few months and his priority to continue to meet with staff and listen to how they can be supported.

The Board noted the report.

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ABUHB 2411/20 Committee and Advisory Group Chair's Assurance Reports

The Board noted the Assurance Reports from the following Committees:

- Audit, Finance and Risk Committee – 7th October 2021
- Patient Safety, Quality and Outcomes Committee – 19th October. It was requested that a note be circulated to members to explain what happens if staff are not complying with safeguarding requirements. **Action S. Simmonds**

- Strategy, Planning, Partnerships and Wellbeing Group – 21st October
- People and Culture Committee – 3rd November • Charitable Funds Committee – 9th November

ABUHB 2411/21 Date of Next Meeting

The next scheduled Public Board meeting is to be held on Wednesday 26th January 2022 at 09:30.

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Aneurin Bevan University Health Board Meetings –
Wednesday 24th November 2021

ACTION SHEET

Minute Reference	Agreed Action	Lead	Progress/ Outcome
ABUHB 2411/07	**Chair's Report:** Talent Management Board – A report would be provided to the next meeting.	**A. Lloyd**	Update to be provided once further information has been received.
ABUHB 2411/09	**Delegation of Revenue Budgets:** Report to be prepared for the Audit, Finance and Risk Committee to outline the process/mechanism for holding people to account in relation to efficiencies. Board Briefing session to be held on the National Local Efficiency Frameworks.	**R. Holcombe** **R. Holcombe**	Included in the forward work programme for the AFR Committee in April 2022. Included as part of Board briefing Financial Review 8th December 21.
ABUHB 2411/10	**Winter Plan:** It was agreed that a letter would be sent to the RPB to ask how the plan would be approved, enacted and evaluated.	**N. Wood**	RPB winter plan approved and monitoring framework issued in the last quarter.
ABUHB 2411/11	**Welsh Health Specialised Services Committee:** Board Briefing session to be arranged to discuss issues in more detail	**R. Howells**	Scheduled for Board Briefing Session 23rd February 2022.

ABUHB 2411/17	**Finance Report:** Report to be provided to the Finance, Audit and Risk Committee	**R. Holcombe**	Confirmed action for Director of Planning for

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Minute Reference	Agreed Action	Lead	Progress/ Outcome
	about efficiencies in relation to Digital Solutions.		February AFR Committee meeting.
ABUHB 2411/18	**Performance Report:** Further discussion on the Stroke Recovery Plan to be held at the Strategic Planning, Partnerships and Wellbeing Group. Note would be circulated outside of the meeting to provide further information on: • ADHD • Management of yellow level 4 patients, particularly in general surgery and T&O.	**P. Carr** **N. Prygodzicz**	To be scheduled into the SSPWB Group forward workplan. These updates will be circulated to Board members via email.
ABUHB 2411/20	**Committee and Advisory Group Chair's Assurance Reports:** Note be circulated to members to explain what happens if staff are not complying with safeguarding requirements.	**S. Simmonds**	Complete. Note circulated 17.01.22

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GIG CYMRU NHS WALES | Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Wednesday 26th January 2022 Agenda Item:1.6

Aneurin Bevan University Health Board

Governance Matters:

Report of Sealed Documents and Chair's Actions

Purpose of the Report

This report is presented for compliance and assurance purposes to ensure the Health Board fulfils the requirements of its Standing Orders in respect of documents agreed under seal and also situations where Chair's Action has been used for decisions.

The Board is asked to: (please tick as appropriate)			
Approve/Ratify the Report			✓
Discuss and Provide Views			
Receive the Report for Assurance/Compliance			
Note the Report for Information Only			
Executive Sponsor: Rani Mallison, Board Secretary			
Report Author: Bryony Codd, Head of Corporate Governance			
Report Received consideration and supported by :			
Executive Team	**N/A**	**Committee of the Board [Committee Name]**	**N/A**
Date of the Report: 12th January 2022			
Supplementary Papers Attached: None			

Executive Summary

This paper presents for the Board a report on the use of Chair's Action and the Common Seal of the Health Board between the 9th November 2021 and 12th January 2022.

The Board is asked to note that there have been six (6) documents that required the use of the Health Board seal during the above period.

Chair's Action in Standing Orders requires approval by the Chair, Chief Executive and two Independent Members, with advice from the Board Secretary. This process has been undertaken virtually, with appropriate audit trails, for the period of adjusted governance and continues in the absence of the attendance of Independent Members at the office during this time. All Chair's Actions require ratification by the Board at its next meeting.

During the period between the 9th November 2021 and 12th January 2022, six (6) Chair's Actions have been agreed. This paper provides a summary of the Chair's Actions taken during this period, which are appended to this report.

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Background and Context

1. Sealed Documents

The common seal of the Health Board is primarily used to seal legal documents such as transfers of land, lease agreements and other contracts. The seal may only be affixed to a document if the Board or Committee of the Board has determined it should be sealed, or if the transaction has been approved by the Board, a Committee of the Board or under delegated authority.

2. Chair's Action

Chair's Action is defined by the Health Board's Standing Orders as:

Chair's action on urgent matters: There may, occasionally, be circumstances where decisions which would normally be made by the Board need to be taken between scheduled meetings, and it is not practicable to call a meeting of the Board. In these circumstances, the Chair and the Chief Executive, supported by the Board Secretary, may deal with the matter on behalf of the Board - after first consulting with at least two other Independent Members. The Board Secretary must ensure that any such action is formally recorded and reported to the next meeting of the Board for consideration and ratification.

3. Key Issues

3.1 Sealed Documents

Under the provisions of Standing Orders the Chair or Vice Chair and the Chief Executive or Deputy Chief Executive must seal documents on behalf of the Health Board. Six documents were sealed between the between the 9th November 2021 and 12th January 2022, as outlined below:

Date	Title
17/11/2021	Lease and Statutory Declaration GCELL building, Imperial Park, Newport.
17/11/2021	Lease in relation to Online House, Cleppa Park, Newport
26/11/2021	New lease for Walled Garden at Llanfrechfa Grange
3/12/21	Confirmation Notice NR1 for Regional Project Manager Radiotherapy Unit, Nevill Hall – Commencement of services
7/12/2021	Confirmation Notice NR2 for Regional Project manager Tredegar Health and Wellbeing Centre – Stage 4,5 and 6 Notice to call off contract agreement
9/12/2021	Confirmation Notice no. 1 for commencement of stage 3 services – ABUHB, Satellite Radiotherapy Centre at Nevill Hall Hospital

3.2 Chair's Action

All Chair's Actions undertaken between 9th November 2021 and 12th January 2022 are listed below:

Date	Title
15th November 2021	Refurbishment of Cordell House for General PAC and B6 for Sexual Health RGH
15th November 2021	Replacement Ultrasounds x 7 Maternity
1st December 2021	Funded Nursing Care Rate for 2021/22
21st December 2021	Postal Services - Whistl
21st December 2021	Additional Car Parking – 200 spaces (GUH)
21st December 2021	2021 Winter Plan for Emergency Care COVID, FLU and RSV Testing – Replenishment Stock

Assessment and Conclusion

In endorsing this report the Health Board will comply with its own Standing Orders.

Recommendation

The Board is asked to note the documents that have been sealed and to ratify the action taken by the Chair on behalf of the Board.

Supporting Assessment and Additional Information

Risk Assessment (including links to Risk Register)	Failure to report the sealing of documents to the Health Board would be in contravention of the Local Health Board's Standing Orders and Standing Financial Instructions.
Financial Assessment, including Value for Money	There are no financial implications for this report.
Quality, Safety and Patient Experience Assessment	There is no direct association to quality, safety and patient experience with this report.

Equality and Diversity Impact Assessment (including child impact assessment)	There are no equality or child impact issues associated with this report as this is a required process for the purposes of legal authentication.
Health and Care Standards	This report would contribute to the good governance elements of the Health and Care Standards.

Link to Integrated Medium Term Plan/Corporate Objectives	There is no direct link to Plan associated with this report.
The Well-being of Future Generations (Wales) Act 2015 – **5 ways of working**	**Long Term –** Not applicable to this report
	Integration –Not applicable to this report
	Involvement –Not applicable to this report
	Collaboration – Not applicable to this report
	Prevention – Not applicable to this report
Glossary of New Terms	None
Public Interest	Report to be published in public domain

Description of Request:	
To consider as Chairs Action Refurbishment of Cordell House for General PAC & B6 for Sexual Health RGH	
Financial Value	£900,000.00

Situation

Approval request in support of the need for the refurbishment of Cordell House for General PAC & B6 for Sexual Health at RGH.

The centralisation of Cordell House would future proof the service to become more efficient and modernised to meet current and future demands. It would also support the succession planning and recruitment, which in the last 2 years has been difficult to sustain.

Funding requirement

The capital funding request for 2021/22 relates to **£200k** for the refurbishment of B6 and **£200k** for a new roof and windows for Cordell House. This sum also includes an element of allocation of funds for equipment that is currently being shared with Outpatients.

A further **£500k** will be required to rectify internal infrastructure issues and refurbishment of Cordell House in 2022/23. The current PAC service does not have the required accommodation to meet service needs and support the increase in the volume of activity.

Background

In line with the Clinical Futures strategy there is a requirement to provide a modernised pre admission service which is centrally located, of sufficient size and has the ability to flex capacity in support of recovery plans.

In addition, there is also a requirement to co-locate the CPET service which is currently located in YYF and transfer of out-patient clinics from St Woolos Hospital.

Cordell Centre

The Cordell Centre is sited within the boundary of the RGH site and has access to a barrier controlled car park. Whilst there are no plans to close this building within the Health Board Estates Strategy, regardless of its future use, there is a requirement for significant capital investment to address a number of ongoing maintenance issues.

The sexual health service currently occupies the Cordell Centre and whilst the Schedule of Accommodation for the service demonstrates that it does not require all of the square footage afforded within Cordell, its current configuration is such that it is necessary to utilise all of the accommodation, albeit with considerable wastage. As such the service could utilise alternative accommodation with a smaller footprint providing it was appropriately configured and enables access to

the support services required to manage patients with HIV i.e. medical assessment, radiology and pharmacy.

In order to ensure modernisation of the PAC service by introducing an Iron infusion room the rooms required was proving difficult to fit in to the space allocated on B6.

Overall RGH Site Position

Agreed reconfiguration plans are in place for the RGH site which, in line with the Estates Strategy, utilises all of the wards to support the transfer of services from St Woolos Hospital. This currently excludes B7E&W which, given their adjacency to former maternity theatres, are being held pending discussions on their use as amber theatres/ recovery /WLI.

B6E&W

As part of the agreed service reconfiguration plans for the RGH site, B6E&W was initially identified for pre assessment clinics. As this was previously a ward area, again investment is required regardless of whether this area is used for sexual health or pre assessment.

Request:

Request for Approval to refurb Cordell for General PAC & B6 for Sexual Health at RGH.

The work is scheduled to be completed within this financial year. Funding will be via the Welsh Government Covid-19 Recovery Funding.

Benefits include:

In light of the inefficient use of space within Cordell, discussions were held with the Family and Therapy Division with regards to the possibility of switching accommodation. Following these discussions, it was agreed to pursue the switch as it afforded the following benefits:

- As patient flow can be efficiency managed on B6, there will be more efficient use of space and as a result, Sexual Health would only require one ward, leaving the other free
- Andrology services currently managed by Pathology, will be transferred to Sexual Health and will be situated on B6
- The barrier controlled car park will be used to support PAC patients with mobility issues
- CPET will be transferred from YYF to PAC
- A dedicated PAC unit will support evening and weekend clinics without requirement for additional security etc.
- Both B6 and Cordell will require significant capital investment regardless of use
- Improved efficiencies through centralised PAC service and the space to modernise
- Enabling schemes for transfer of SWH services in line with Estates Strategy

6/15

Accompanying documents:

Chairs Action PPD 1001 - SC135 Refurb

Chairs Action - PPD 1001 Refurb of Corc

Approval:

In accordance with the Delegated Limits set out within the Health Boards SFI's, the Chair is requested to approve the request.

Signatures: Chair / Vice Chair	**Date:**
	15/11/21.
Signature: Chief Executive	**Date:**
	15/11/2021
Signature: Board Secretary	**Date:**
R Howells	15/11/21
Signature: Independent member	**Date:**
Paul Deneen – approved separate email	15/11/21
Signature: Independent member	**Date:**
Pippa Britton – approved separate email.	16/11/21

---- End ----

Description of Request:

To consider as Chairs Action for 7 replacement Ultrasounds for Maternity services.

Financial Value	£600,000.00

Situation

Approval request in support of the need for the replacement of 7 Ultrasounds for Maternity services.

Background

The current equipment is close to end of life.

Request:

This request for Approval to replace equipment to ensure the service is not compromised.

Accompanying documents:

Chairs Action - PPD 807 Replacement Ul

PPD 807 - Maternity Ultrasounds x7.pdf

Approval:

In accordance with the Delegated Limits set out within the Health Boards SFI's, the Chair is requested to approve the request.

Signatures: Chair / Vice Chair	**Date:**
Signature: Chief Executive	**Date:**
Signature: Board Secretary R Howells	**Date:** 15/11/21
Signature: Independent member Approved by Paul Deneen, IM separate email	**Date:** 22/11/21
Signature: Independent member Approved by Pippa Britton, IM separate email	**Date:** 22/11/21

8/15

Description of Request:	
To consider as Chairs Action a request to approve the NHS Funded Nursing Care (FNC) rate for 2021/22.	
Financial Value	A revised NHS FNC rate of £184.32

Situation

Following consideration the Executive Team agreed on 15th November 2021 to approve the NHS funding of Registered Nursing (RN) care within care homes, where the need for nursing input has been assessed as necessary.

The FNC rate has two components:

- Funding to reflect the RN time
- Funding to reflect any continence products assessed as necessary.

Background

The rate is set annually on all Wales basis by Health Boards using an Inflationary Uplift Mechanism (IUM), with the labour component uplifted in line with the NHS Agenda for Change Pay Scale (at midpoint Band 5) and the continence funding uplifted in line with the CPI. The IUM has been approved as an appropriate mechanism by all Health Boards across Wales.

Request:

The consensus view of the Health Board heads of Long Term Care and the Head of Finance is that the labour component of the uplift be set at 3%.

This follows the spirit of the IUM as it has operated for several years and will result in:

- A 3% uplift on pay
- A 1.5% uplift for Continence Products

Accompanying documents:

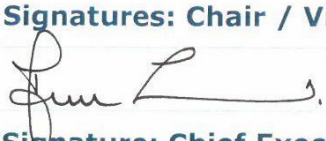
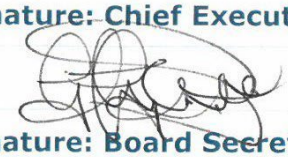
Item 3.2a Funded Nursing Care Rate f

Item 3.2a Funded Nursing Care Rate f

Approval:

In accordance with the requirement for Health Boards to set annually on inflationary uplift mechanism, the Chair is requested to approve the request in-line with urgent Chairs Action powers, as set out in Standing Orders.

9/15

Signatures: Chair / Vice Chair	Date:
	1/12/21.
Signature: Chief Executive	**Date:**
	01/12/2021
Signature: Board Secretary	**Date:**
	01/12/21.
Signature: Independent member	**Date:**
Pippa Britton Approved by separate email	1/12/21
Signature: Independent member	**Date:**
Paul Deroen Approved by separate email	1/12/21

---- End ----

10/15

Description of Request:	
To consider as Chairs Action a Request for Approval (RFA) of the contract for the offsite printing of mail.	
Financial Value	£646,800.00 subject to annual price increase and potential volume increase

Situation

Request for Approval (RFA) of the contract for the offsite sorting and delivery of mail for the period of 12 months – effective 1st October 2021 to 30th September 2022.

Background

The Health Board currently sends out in the region of 2 million pieces of mail per year in support of the patient appointment process. The largest volume of appointments are managed through the St Woolos and Nevill Hall booking centres.

The preparation of items for postage are prepared within the Health Board and franked or stamped locally and passed to the company Whistle for sorting and delivery.

A hybrid mail solution trial with PSL Print Management Ltd is being undertaken and there is a requirement to extend both contracts until 30th September 2022 with the aim to tender for one postal solution moving forward. The extension period will allow the time to analyse, decide, tender and implement.

Request:

On the basis of the foregoing it is recommended that the contract for the offsite printing of mail continues with Whistle for a period of 12 months, running alongside the hybrid mail service.

.

If the pilot scheme is deemed a success, then a mini competition will be run against the CCS framework for postal goods, service and solutions (RM6017) which will allow PSL, Whistl and Neopost to tender for the opportunity, all of which have differing and current postal contracts with the Health Board.

Accompanying documents:

RFA 819 UPDATE.pdf

Approval:

11/15

In accordance with the Delegated Limits set out within the Health Boards SFI's, the Chair is requested to approve the request.

Signatures: Chair / Vice Chair	**Date:**
	21/12/21
Signature: Chief Executive	**Date:**
	22/12/2021
Signature: Board Secretary	**Date:**
	20th December 2021
Signature: Independent member	**Date:**
Pippa Brutton - Approved separate email	22/12/21
Signature: Independent member	**Date:**
Paul Denson - Approved separate email	22/12/21

---- End ----

12/15

Description of Request:

To consider as Chairs Action a request for additional car parking spaces at the Grange University Hospital.

Financial Value	£600,000.00

Situation

Approval request in support of the need for the addition of 200 car parking spaces at the Grange University Hospital.

Background

Due to a lack of parking spaces, vehicles are parking in undesignated areas which is creating difficulties with vehicle flows and causing damage to the grounds and gardens.

Request:

This request is for Approval to provide additional car parking spaces.

The Executive Team approved the proposal at its meeting of 9th December 2021.

Accompanying documents:

PPD 1074 - GUH Additional Car Park

Chairs Action - PPD 1074 .doc

Approval:

In accordance with the Delegated Limits set out within the Health Boards SFI's, the Chair is requested to approve the request.

Signatures: Chair / Vice Chair	**Date:** 21/12/21
Signature: Chief Executive	**Date:** 22/12/2021
Signature: Board Secretary	**Date:** 20th December 2021
Signature: Independent member PIPPA Bratton- Approved separate email	**Date:** 20/12/21
Signature: Independent member Paul Deneen- APPROVED separate email	**Date:** 20/12/21

---- End ----

13/15

Description of Request:

To consider as Chairs Action the replenishment of stock for 4plex Covid replenishment kits.

Financial Value	£784800.00

Situation

Approval request for the replenishment of stock to support the Health Board's 2021 Winter Plan for Emergency Care Covid, Flu and RSV Testing.

Background

The current supply of Cepheid PCR is sufficient for 100 tests per day. Recent demand reaches this level and is anticipated to grow. The rapid PCR would apply for asymptomatic patients. Given the expectations for increased demand and its utility for managing outbreaks, the order for this test has been doubled to 200 tests per day. The risk of over-stocking is mitigated by the long shelf life of the consumables.

Request:

To support the approval of Purchase Requisition 2703701 on 30th November 2021 for the replenishment of stock for 4plex Covid replenishment kits GBR006-2020-717 ABU STA 44670.

Accompanying documents:

PDF
RFA 819 UPDATE.pdf

Approval:

In accordance with the Delegated Limits set out within the Health Boards SFI's, the Chair is requested to approve the request.

Signatures: Chair / Vice Chair **Date:** 21/12/21

Signature: Chief Executive **Date:** 22/12/2021

14/15

Signature: Board Secretary	Date:
RMall	20/12/21
Signature: Independent member	**Date:**
Pippa Britten - approved by separate email	6/12/21
Signature: Independent member	**Date:**
Paul Deegan - approved by separate email	6/12/21

---- End ----

15/15

Aneurin Bevan Community Health Council (CHC)

CHC Report

For Aneurin Bevan University Health Board Meeting

January 2022

CYNGOR IECHYD CYMUNED
COMMUNITY HEALTH COUNCIL

www.communityhealthcouncils.org.uk

Accessible formats

This report is also available in Welsh.

If you would like this publication in an alternative format and/or language, please contact us.

You can download it from our website or ask for a copy by contacting our office.

Contents

About the Community Health Councils (CHCs)

CHCs are the independent watchdog of the National Health Service (NHS) within Wales. CHCs encourage and support people to have a voice in the design and delivery of NHS services.

CHCs work with the NHS, inspection and regulatory bodies. CHCs provide an important link between those who plan and deliver NHS services, those who inspect and regulate it and those who use it.

CHCs hear from the public in many different ways. Before the coronavirus pandemic, CHCs regularly visited NHS services to hear from people while they were receiving care and treatment. CHCs also heard from people at local community events, and through community representatives and groups.

Since the coronavirus pandemic, CHCs have focused on engaging with people in different ways.

This includes surveys, apps, videoconferencing and social media to hear from people directly about their views and experiences of NHS services as well as through community groups.

There are 7 CHCs in Wales. Each one represents the "patient and public" voice in a different part of Wales.

Introduction

The purpose of this report is to inform Aneurin Bevan University Health Board of recent issues of concern and positive observations or public feedback being addressed by the Community Health Council in relation to the planning and delivery of health services in Gwent.

The CHC continues its work in respect of engaging with the population, scrutinising and offering independent challenge to the NHS, monitoring and considering routine and urgent service changes and continue to provide an independent Complaints Advocacy Service.

CHC update

1. Whole system pressures

The CHC continues to observe and receive concerns from members of public about comfort and waiting times within the Emergency Department (ED), and timely Ambulance handovers to the ED at the Grange University Hospital. Whole system issues continue to impact on patient flow pressures through the hospitals and back into community services.

The CHC recognises the significant increase in whole system pressures faced by Aneurin Bevan UHB, which reports significant staffing availability issues due to the continued impact of the pandemic. This, coupled with staffing resource issues for the Welsh Ambulance Service and Local Authority partners in Social Care services, is increasing the strain on all areas of the health and care system.

The CHC welcomes reports from the Aneurin Bevan UHB that significant work is being undertaken to address the physical capacity constraints of the Emergency and Urgent Care areas within the Grange University Hospital. The CHC supports the UHB's plans to increasing the waiting area for the Emergency Department and the development for the Same Day Emergency Care (SDEC) unit to support emergency medical and surgical presentations.

The CHC receives highly positive feedback from members of the public about experiences within the Minor Injuries Units at the Royal Gwent Hospital, Nevill Hall Hospital, Ysbyty Ystrad Fawr and Ysbyty Aneurin Bevan. We hear from people about the quick and approachable care being delivered by these teams to support good patient experiences and quick access to some urgent care needs. Whilst reporting the concern from people about the lengthy waits and lack of capacity observed at the ED in the Grange University Hospital, when people receive care and treatment, we have heard praise for the staff delivering the service under extreme pressure.

The CHC continues to support the extensive communication and engagement programme that commenced before the festive period. We understand that the Roadshow activity has paused in view of the Omnicrom variant and the high infection rates associated with this wave. The CHC will support any alternative engagement options to support consistent public messaging, updated information literature and further face-to-face opportunities (when safe to do so) to recruit staff and support public understanding about the new model of healthcare in this area.

The CHC is particularly keen to see further communication with the public regarding the building developments at the Grange University Hospital to demonstrate that the public's consistent feedback has been heard and acted upon.

2. CHC Winter Patient Experience project

The CHC launched the annual winter patient experience survey on Monday 10th January, and provided the Emergency Department and all Minor Injuries Units with large posters and information to display, to encourage people attending the share their experience feedback with the CHC directly through an online survey and/or paper survey available from reception.

As in previous years, the CHC will provide the UHB with weekly feedback regarding the most recent experiences to support the CHC's and the UHB's continuous monitoring of patient comfort and holistic experiences throughout the winter months.

Due to the ongoing transmission of the virus, no CHC member visits will take place at this time. The project will conclude at the end of March 2022 and a formal CHC report will be drafted in April 2022.

3. Outpatient Diabetes Service Report

Whilst engaging with the public from the start of the pandemic, the CHC received feedback and concerns regarding the diabetic service. We heard how people found it difficult to access support and services during the pandemic and that people were worried that the service had not resumed fully since the restrictions have begun to ease.

The CHC launched the Outpatient Diabetes Service survey in June 2021 and the survey closed in September 2021.

We heard from 20 people who provided us with feedback regarding their own patient experience with the outpatient diabetic service both before and since the pandemic began.

Some of the key feedback included:

3.1 Positive comments about staff with the Diabetic Service and people feeling treated with courtesy and that staff are polite and considerate.

3.2 Comments from people about feeling "abandoned and alone" or "felt rushed". One person told us they felt judged about the management of their child.

3.3 Some people reported that they had not received their 18-month routine checks and some felt frustrated about a lack of access to face-to-face appointments and communication from the teams about when these may be reinstated in the community.

3.4 We also heard from parents of children with diabetes, who told us they had experienced issues with accessing support for them as a family. It was reported that training for staff who would need to administer medication at their children's school was not readily available.

3.5 We also heard some suggestion from people about how the service could improve, such as a frequently asked questions page on Health Board website.

Due to an error, the CHC report submission to the UHB was delayed. A response from the UHB is due shortly.

4. CHC Virtual visits in November

With the support of the UHB's person centred care team, the CHC was able to undertake video-calling visits with people staying in hospital of the following wards during November 2021.

- Royal Gwent Hospital – Ward B3

- Nevill Hall Hospital – Wards 3/2 and 4/1
- Ysbyty Ystrad Fawr – Bedwas ward

8/14 38/322

We heard from 14 people across the four wards virtually visited and some of the key feedback included:

4.1 Overall, most people were happy with the treatment and care they received. Some mixed feedback was received from people on ward B3 at the Royal Gwent Hospital. We heard that in most cases staff were polite, respectful and even supported someone to celebrate a birthday on ward 3/2 at Nevill Hall hospital.

4.2 We heard that some people had less positive experiences with staff during the night-time and that wards could be noisy on occasions.

4.3 We heard a mix of positive and negative views about meal times; some people felt the menu choices were limited, particularly for those who have specific dietary requirements and others were happy with the meals provided and meals they had never tried at home before.

4.4 We heard that people enjoyed being on a shared ward environment as they could speak to other patients. We heard more about feelings of isolation when people were staying in single rooms and relied on staff engagement.

4.5 It is important to note that we received feedback from one person who would have preferred a female member of staff undertaking an intimate procedure.

A response from the UHB is due shortly.

5. Monthly public feedback survey

Since May 2020, the Community Health Council has been hearing from people via a generic "Care during the Coronavirus" survey, to hear about people's positive and negative experiences in all NHS care areas.

5.1 To date we have heard from 1299 people. In November and December 2021 we heard from 386 people.

5.2 Over the last 2 months, we have continued to receive very positive feedback from people about the vaccine and booster programmes in terms of organisation, access and the helpful and supportive approach of vaccination staff.

Throughout October and November, the vaccination teams supported the distribution of CHC paper surveys to younger members of the community receiving their vaccinations. We heard specifically from hundreds of young people who felt well supported with any needle phobias or vaccine anxiety. We heard that teams "went the extra mile" to comfort or reassure people who were anxious.

5.3 We have heard mixed feedback from people in relation to accessing GP services. Thematic feedback indicates continued public frustration about access to face-to-face appointments and access to Practices on the telephone as specified times.

5.4 We have received some concern about the length of waits for Orthodontic treatment and Cataracts procedure waits, the conditions for which are reportedly affecting people's quality of life.

5.5 We heard that staff at the Emergency Department at the Grange University Hospital were "kind", "lovely" and some people "couldn't ask for more", but people did refer to long waits in the unit as reported earlier in this report.

6.1 In hospital Stroke Services survey – survey launched 1st November and closes 31st January 2022. Report to be drafted February 2022

6.2 Maternity Services survey – survey launched 8th October and closes 8th February 2022. Report to be drafted February 2022

6.3 Primary Care Out of Hours/111 Services survey – to launch on 1st December and will close 28th February 2022. Report to be drafted March 2022.

6.4 Virtual visits to the Grange University Hospital – preparation and discussion with the UHB for potential Video call visits in March 2022.

6. Upcoming and ongoing CHC activities

Thanks

We thank everyone who took the time to share their views and experiences with us about their health and care services and to share their ideas.

We hope the feedback people have taken time to share influences healthcare services to recognise and value what they do well – and take action where they need to as quickly as they can to make things better.

Feedback

We'd love to hear what you think about this publication, and any suggestions about how we could have improved it, so we can use this to make our future work better.

Contact details

Aneurin Bevan Community Health Council
Raglan House
William Brown Close
Llantarnam Business Park
Cwmbran
NP44 3AB

01633 838516

Enquiries.AneurinBevanCHC@waleschc.org.uk

www.aneurinbevanchc.nhs.wales

@Bevanchc

CIC Aneurin Bevan CHC

Community Health Council

GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Wednesday 26th January 2022 Agenda Item: 3.1

Aneurin Bevan University Health Board

Charitable Funds Annual Accounts & Annual Report 2020-21

Executive Summary

This report gives an overview of the Annual Accounts and Annual Report for the year ending 31 March 2021 for Aneurin Bevan University Health Board Charitable Fund and highlights the key issues that are contained in the accounts.

The final Accounts and Annual Report for 2020/21 and Audit Wales report were presented to the Charitable Funds Committee on 11th January 2022 and were recommended to the Board for approval.

Audit Wales intend to give an unqualified audit opinion.

The Board, acting as Corporate Trustee, is asked to approve the accounts and annual report and note that they will be filed with the Charity Commission by 31 January 2022.

The Board is asked to: (please tick as appropriate)	
Approve the Report	✓
Discuss and Provide Views	
Receive the Report for Assurance/Compliance	
Note the Report for Information Only	

Executive Sponsor: Robert Holcombe, Interim Director of Finance & Procurement

Report Author: Estelle Evans, Head of Financial Services & Accounting

Report Received consideration and supported by :

Executive Team		**Charitable Funds Committee** ✓	

Date of the Report: 13th January 2022

Supplementary Papers Attached:
Appendix 1 – Annual Accounts
Appendix 2 – Annual Report

Purpose of the Report

This report provides an overview of the Annual Accounts and Annual Report for the year ending 31 March 2021 for Aneurin Bevan University Health Board Charitable Fund and highlights the key issues that are contained in the accounts.

Background and Context

1. Background

Aneurin Bevan University Health Board, as corporate trustee of its charitable funds, must file accounts for the year ended 31 March 2021 with the Charities Commission before 31 January 2022. The Accounts and Annual Report are attached and have been subject to external audit by Audit Wales. The audit process is completed, and Audit Wales intend to issue an unqualified audit opinion on the accounts following approval of the accounts by the Board as corporate trustee.

The final Accounts and Annual Report for 2020/21 were presented to the Charitable Funds Committee on 11th January 2022 and were recommended to the Board for approval.

Following completion of the draft accounts, Audit Wales identified a number of minor amendments and recommendations which are reflected in these final accounts and detailed in the attached Audit Wales report.

2. Key Issues

2.1 Annual Accounts

The final accounts are shown at Appendix 1 and the following are key points to note from the accounts for 2020/21:

Statement of Financial Activities for year ended 31 March 2021: *(Page 2 of Accounts)*

Income from Donations, Legacies and Grants has increased by £371K from the previous year to £903K due to an increase in donations & grant income. There were 8 new legacies and 8 grant payments received in the year.

Investment Income *(Note 7, Page 10 of Accounts)*

Investment income has decreased by £7K from the previous year to £181K due to a reduction in rental income and income from investments.

Expenditure *(Page 2 of Accounts and Notes 8 & 9, Page 11 of Accounts)*

Expenditure has increased by £154K. The main increase in spend relates to patient & staff education & welfare.

The net impact of income and expenditure is a reduction in funds of £70k before investment gains, compared with £133k in the previous year. *(Page 2 of Accounts)*

Gain on Investment Assets *(Page 2 of Accounts)*

During the year there has been a net gain of £671K on investments which is mainly with CCLA reflecting stock market increases on underlying investments partially offset by a small loss made on the disposal of part of the TP Price estate.

The net movement in funds for the year is therefore an increase of £601K. *(Page 2 of Accounts)*

Balance Sheet as at 31 March 2021 *(Page 3 of Accounts)*

Net assets / liabilities have increased by £601K reflecting the increase in funds during in the year. The main movement in the balance sheet mainly consists of an increase in the value of the CCLA investments. The balance sheet movements are as follows:

	£000
Investments	643
Increase in Cash Balances	109
Decrease in Debtor Balances	-45
Increase in Creditor Balances	-106
Total	**601**

The following table gives a more detailed breakdown of fixed assets investments *(Note 16, Page 13 of Accounts):*

			Realised	**Unrealised**	
	Balance		**Gains /**	**Gains /**	**Balance**
	1 Apr 2020	**Disposals**	**(Losses)**	**(Losses)**	**31 Mar 2021**
Fixed Asset Investments	**£000**	**£000**	**£000**	**£000**	**£000**
Investments					
CCLA	4,331	-	-	673	5,004
	4,331	-	-	673	5,004
Property					
13 Clytha Square	153	-	-		153
TP Price - Newport / Six Bells	48	- 28	-	- 2	18
TP Price - Strip of land Oakdale	50	-	-	-	50
	251	- 28	-	- 2	221
Other					
Painting	25	-	-	-	25
Total per Note 16 of the Accounts	**4,607**	**- 28**	**-**	**671**	**5,250**

Cash Balances *(Note 18, Page 14 of Accounts)*

Cash at 31 March 2021 totalled £238K as follows:

	£000
Nat West Current Account	216
Santander Bonus Account	21
Petty Cash	1
Total	**238**

2.2 Annual Report

The Trustees Annual Report is shown at Appendix 2 and has been subject to audit by Audit Wales in conjunction with the Annual Accounts.

2.3 Audit of Financial Statements Report

The audit of the financial statements has been undertaken by Audit Wales and their 'Audit of Financial Statements Report and Management Letter' is shown in Appendix 3. Audit Wales have indicated that they intend to give an unqualified audit opinion on the accounts.

3 Next Stages and Actions

Once the accounts and annual report are approved by the Board, signed accounts will be given to Wales Audit Office for the Auditor General for Wales to sign. They will then be filed with the Charity Commission before the deadline of 31st January 2022. The accounts and annual report will then be available on the Charity Commission website.

The Charity Annual Accounts and Annual Report will also be publicised internally via the intranet and Charitable Funds Newsletter.

Assessment and Conclusion

This report presents the Annual Accounts and Annual Report of the charity for 2020/21.

Recommendation

The Board, acting as Corporate Trustee, is asked to approve the accounts and annual report and note that they will be filed with the Charity Commission by 31 January 2022.

Supporting Assessment and Additional Information

Risk Assessment (including links to Risk Register)	*Sound reporting of the charity's financial position helps ensure good financial management of the charity and reduces financial risk. The charity's reputation would be adversely affected if the accounts audit did not carry an unqualified audit opinion.*

Financial Assessment	*The charity finances show a similar position in terms of income and expenditure and net assets to previous periods and does not present any significant risks at this time.*
Quality, Safety and Patient Experience Assessment	*The ability of the charity to support donations to the NHS in Gwent help deliver an improved patient experience.*
Equality and Diversity Impact Assessment (including child impact assessment)	*A co-ordinated approach to the use of monetary donations will ensure that all patient groups and associated wellbeing needs are fully considered and spend prioritised.*
Health and Care Standards	*No direct health and care standards matters relating to this report, however it will contribute to the good Governance elements of the standard.*
Link to Integrated Medium Term Plan/Corporate Objectives	*Indirect link in as much as some purchases made through the charity could reduce pressure on the capital and revenue financial pressures of the main Health Board.*
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	*No direct link with this report.*
Glossary of New Terms	N/A

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

The accounts for Funds Held on Trust.

FOREWORD

The Charity's accounts and annual report for the year ended 31st March 2021 have been prepared by the Corporate Trustee in accordance with the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008.

STATUTORY BACKGROUND

Aneurin Bevan University Local Health Board is the Corporate Trustee of the Funds Held on Trust under the National Health Service (Wales) Act 2006.

The Aneurin Bevan University Local Health Board and Other Related Charities registered with the Charity Commission on 7th January 2011, registration number 1098728.

Statement of Financial Activities for the year ended 31 March 2021

	Note	Unrestricted funds £000	Restricted Income funds £000	Total Funds 2020-21 £000
Incoming resources from generated funds:				
Donations, legacies and grants	4	685	218	**903**
Charitable activities	5	87	0	**87**
Investments	7	145	36	**181**
Total incoming resources		**917**	**254**	**1,171**
Expenditure on:				
Raising Funds	8	5	0	**5**
Charitable activities	9	954	282	**1,236**
Total expenditure		**959**	**282**	**1,241**
Net gains / (losses) on investments	16	526	145	**671**
Net income / (expenditure)		484	117	601
Transfers between funds	21	(7)	7	**0**
Net Movement in funds		**477**	**124**	**601**
Reconciliation of Funds				
Total Funds brought forward	22	3,836	979	**4,815**
Total Funds carried forward		**4,313**	**1,103**	**5,416**

Statement of Financial Activities for the year ended 31 March 2020

	Note	Unrestricted funds £000	Restricted Restricted Income funds £000	Total Total Funds 2019-20 £000
Incoming resources from generated funds:				
Donations, legacies and grants	4	531	1	**532**
Charitable activities	5	234	0	**234**
Investments	7	146	42	**188**
Total incoming resources		**911**	**43**	**954**
Expenditure on:				
Raising Funds	8	15	0	**15**
Charitable activities	9	761	311	**1,072**
Total expenditure		**776**	**311**	**1,087**
Net gains / (losses) on investments	16	5	(37)	**(32)**

Net income / (expenditure)		140	(305)	(165)
Transfers between funds	21			**0**
Net Movement in funds		**140**	**(305)**	**(165)**
Reconciliation of Funds				
Total Funds brought forward	22	3,696		**4,980**
1,284		**3,836**		**4,815**
Total Funds carried forward			**979**	

Balance Sheet as at 31 March 2021

	Note	Unrestricted funds £000	Restricted Income funds £000	Total 31 March 2021 £000	Total 31 March 2020 £000
Fixed assets:					
Investments	16	4,056	1,194	**5,250**	4,607
Total fixed assets		**4,056**	**1,194**	**5,250**	**4,607**
Current assets:					
Debtors	17	143	45	**188**	233
Cash and cash equivalents	18	181	57	**238**	129
Total current assets		**324**	**102**	**426**	**362**
Liabilities:					
Creditors: Amounts falling due within one year	19	67	193	**260**	154
Net current assets / (liabilities)		**257**	**(91)**	**166**	**208**
Total net assets / (liabilities)		**4,313**	**1,103**	**5,416**	**4,815**
The funds of the charity:					
Restricted income funds	22	0	1,103	**1,103**	979
Unrestricted income funds	22	4,313	0	**4,313**	3,836
Total funds		**4,313**	**1,103**	**5,416**	**4,815**

The notes on pages 5 to 17 form part of these accounts

Approved by the Trustees on 26 January 2022 and signed on its behalf by:

Signed : .....

Name ..... (Chair of Trustees)

Statement of Cash Flows for the year ending 31 March 2021

	Note	Total Funds 2020-21 £000	Total Funds 2019-20 £000
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	20	**(100)**	**(434)**
Cash flows from investing activities:			
Dividend, interest and rents from investments	7	181	188
Proceeds from the sale of investments	16	28	150
Net cash provided by (used in) investing activities		**209**	**338**
Change in cash and cash equivalents in the reporting period		**109**	**(96)**
Cash and cash equivalents at the begining of the reporting period	18	129	225
Cash and cash equivalents at the end of the reporting period	18	**238**	**129**

Note on the accounts

1 Accounting Policies

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value.

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (financial statements) have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year’s accounts.

In future years, the key risks to the Charity are a fall in income from donations or investment income but the trustees have arrangements in place to mitigate those risks (see the risk management and reserves sections of the annual report for more information).

The Charity meets the definition of a public benefit entity under FRS 102.

(b) Funds structure

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified as a restricted fund.

Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. The Charity’s restricted funds tend to result from appeals, grants and legacies for specified purposes.

Those funds which are not restricted income funds, are unrestricted income funds which are sub analysed between designated (earmarked) funds where the Trustees have set aside amounts to be used for specific purposes or which reflect the non-binding wishes of donors and unrestricted funds which are at the Trustees’ discretion, including the general fund which represents the Charity’s reserves. The major funds held in each of these categories are disclosed in note 22.

(c) Incoming resources

Income consists of donations, legacies, grants, income from charitable activities and investment income.

Donations are accounted for when received by the charity. All other income is recognised once the Charity has entitlement to the resources, it is probable (more likely than not) that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Where there are terms or conditions attached to incoming resources, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

(d) Incoming resources from legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is probable.

Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted
- The executors have established that there are sufficient assets in the estate to pay the legacy and
- All conditions attached to the legacy have been fulfilled or are within the Charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the conditions for income recognition are met.

(e) Resources expended and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

(f) Support costs

Support costs are those costs which do not relate directly to a single activity. These include staff costs, costs of administration, internal and external audit costs. Support costs have been apportioned

between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 12.

(g) Fundraising costs

The costs of generating funds are those costs attributable to generating income for the charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of the charity's objects. The costs of generating funds consists of expenses for fundraising activities.

(h) Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 9.

(i) Fixed Asset Investments

Ethical Fund Investments are stated at mid-market value as at the balance sheet date, and Property Fund investments are stated at net asset value. Investment properties are included at their open market valuation. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Quoted stocks and shares are included in the balance sheet at mid-market price, excluding dividend.

Other assets are valued on an open market basis by a professional valuer.

(j) Debtors

Debtors are amounts owed to the charity. They are measured on the basis of their recoverable amount.

(k) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due.

(l) Creditors

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to have to pay to settle the debt.

(m) Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening carrying value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening carrying value (or purchase date if later).

2. Key Judgements and Assumptions

Average fund balances are used to apportion certain balances between restricted and unrestricted funds, which is deemed to be the most appropriate methodology to use.

There are no material assumptions judged to affect the 2020/21 accounts.

As at 31st March 2021, there is no other information to show that assets/liabilities would need to be materially adjusted during 2021/22.

3. Related party transactions

The Aneurin Bevan University Local Health Board is the sole beneficiary of the charity.

The charity had significant material transactions with Aneurin Bevan University Local Health Board as follows:

	2020-21		As at 31st March 2021	
	Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
	£000	£000	£000	£000
Aneurin Bevan University Local Health Board	1,170	17	25	32

The Corporate Trustee has interests in related parties as follows:

Member	Related Organisation	Relationship with Related Party	2020-21		As at 31st March 2021	
			Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
			£000	£000	£000	£000
Glyn Jones	NHS Wales Informatics Service (Hosted by Velindre NHS Trust)	Sister is Project Manager	1	0	0	0
	Swansea Bay University Health Board	Niece is on the NHS Wales Graduate Finance Training Scheme	0	21	0	0
David Street	Caerphilly County Borough Council	Corporate Director, Social Services and Housing	0	1	0	0

The Corporate Trustee has interests in a number of related parties. All transactions with those related parties have been reviewed and there are nil transactions except for those listed above.

3. Related party transactions (continued)

In 2019-20 the charity had significant material transactions with Aneurin Bevan University Local Health Board as follows:

	2019-20		As at 31st March 2020	
	Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
	£000	£000	£000	£000
Aneurin Bevan University Local Health Board	1,091	119	4	15

The Corporate Trustee had interests in related parties as follows:

Member	Related Organisation	Relationship with Related Party	2019-20		As at 31st March 2020	
			Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
			£000	£000	£000	£000
Glyn Jones	Swansea Bay University Health Board	Niece is on the NHS Wales Graduate Finance Training Scheme	0	10	0	7
Emrys Elias	Cardiff & Vale University Health Board	Consultancy	1	17	0	15
	Velindre NHS Trust	Spouse was Interim Director of Nursing & Service Improvement until 31.08.2019 and then Deputy Director of Nursing & Service Improvement until 17.02.20	1	0	1	0
Prof Dianne Watkins	Cardiff University	Deputy Head, School of Healthcare Sciences	4	1	0	0
Frances Taylor	Monmouthshire County Council	County Councillor	3	1	3	1
David Street	Caerphilly County Borough Council	Corporate Director, Social Services and Housing	0	1	0	0

The Corporate Trustee has interests in a number of related parties. All transactions with those related parties have been reviewed and there are nil transactions except for those listed above.

4. Income from donations, legacies and grants

	Unrestricted funds £000	Restricted Income funds £000	Total 2020-21 £000	Total 2019-20 £000
Donations	685	0	**685**	450
Legacies	0	42	**42**	1
Grants	0	176	**176**	81
532	**685**	**218**	**903**	

5. Income from charitable activities

	Unrestricted funds £000	Restricted Income funds £000	Total 2020-21 £000	Total 2019-20 £000
	73	0	**73**	
Course income 172	14	0	**14**	
Other income 62				
234	**87**	**0**	**87**	

6. Role of volunteers

Volunteers have the trust and understanding of the community and are invaluable in engaging with our patients and providing support to paid professionals . The services they provide include:

- welcome services at our hospitals, directing patients and visitors
- befriending service for patients in our hospitals and nursing homes
- end of life companion support for patients in our hospitals
- operating buffet /coffee bars through volunteer organisations such as the League of Friends ● raising funds to purchase equipment across our hospitals.

Due to the pandemic and in order to comply with Government guidelines and hospital infection control measures, some of these volunteer services were suspended during the year.

In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the accounts.

7. Gross investment income

	Unrestricted	Restricted	Total 2019-20

		Income	Total 2020-21	
	funds £000	**funds £000**	**£000**	£000
Fixed asset equity and similar investments	145	36	**181**	188
Short term investments, deposits and cash on deposit	0	0	**0**	0
	145	**36**	**181**	**188**

8. Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted Income funds £000	**Total 2020-21 £000**	Total 2019-20 £000
Fundraising office	0	0	**0**	0
Fundraising events	1	0	**1**	7
Investment management	0	0	**0**	0
Support costs	4	0	**4**	8
	5	**0**	**5**	**15**

The fundraising office costs relate to the new Breast Care unit and are no longer being incurred by the Charity The investment management fee is shown as nil as this is deducted from capital held by the investment management company.

9. Analysis of charitable activity

	Grant funded activity £000	Support costs £000	**Total 2020-21 £000**	Total 2019-20 £000
Medical research	9	1	**10**	71
Purchase of new equipment	455	50	**505**	543
Building and refurbishment	16	2	**18**	39
Staff education and welfare	335	36	**371**	329
Patient education and welfare	299	33	**332**	90
	1,114	**122**	**1,236**	**1,072**

10. Analysis of grants

The majority of grants are made to the Health Board to provide for the care of NHS patients in furtherance of our charitable aims. The charity makes grants to individuals from one specific fund which is used to support nominated medical students from deprived areas. The total cost of making grants, including support costs, is disclosed on the face of the Statement of Financial Activities and the actual funds spent on each category of charitable activity is disclosed in note 9.

The trustees operate a scheme under which Fund Account Managers control how the Charity's designated funds should be spent. The day to day disbursements are in accordance with the directions set out by the trustees in the Charity's Standing Orders and Financial Instructions.

Where undesignated funds exist, the trustees do make grant awards based on applications from across the Health Board.

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2020-21

11. Movements in funding commitments

	Current liabilities	Non-current liabilities	Total 31 March 2021	Total 31 March 2,020
	£000	**£000**	**£000**	£000
Opening balance at 1 April	380	121	**501**	51
Movement in funding commitments	26	(121)	**(95)**	450
Closing balance at 31 March 2021	**406**	**0**	**406**	**501**

As described in notes 9 and 10, the charity awards a number of grants in the year. Many grants are awarded and paid out in the same financial year. However, some grants are paid over a longer period.

	Raising activities	Charitable funds	Total 2020-21	Total 2019-20	Basis
	£000	**£000**	**£000**	£000	
Governance					
External audit	0	9	**9**	9	Average fund balance
	3	58	**61**	63	Average fund balance
	3	**67**	**70**	**72**	
Finance and administration	1	55	**56**	53	Average fund balance
	1	**55**	**56**	**53**	
	4	**122**	**126**	**125**	

12. Apportionment of support costs

Support and overhead costs are allocated between fundraising activities and charitable activities. Governance costs are those support costs which relate to the strategic and day to day management of a charity.

	Unrestricted funds	Restricted Income funds	Total Funds 2020-21	Total Funds 2019-20	Total governance
	£000	**£000**	**£000**	£000	Finance and administration
Raising funds	4	0	**4**	8	**Total Finance and Administration**
Charitable activities	96	26	**122**	117	

100	**26**	**126**	**125**

13. Trustees' remuneration, benefits and expenses

Movement in fixed assets investments

	Investment Properties	Investments Listed on Stock Exchange	Cash Held in Investment Portfolio	Other Assets	Total 2020-21	Total 2019-20
	£000	**£000**	**£000**	**£000**	**£000**	£000
Market value brought forward	251	4,331	0	25	**4,607**	4,789
Add: additions to investments at cost	0	0	0	0	**0**	0
Less disposals at carrying value	(28)	0	0	0	**(28)**	(150)
Add any gain / (loss) on revaluation	(2)	673	0	0	**671**	(32)
Movement of cash held as part of the investment portfolio	0	0	0	0	**0**	0
Market value as at 31st March 2021	**221**	**5,004**	**0**	**25**	**5,250**	**4,607**

The charity does not make any payments for remuneration nor to reimburse expenses to the charity trustees for their work undertaken as trustee.

14. Analysis of staff costs

The charity has no employees. Staff services are provided to the charity by Aneurin Bevan University Local Health Board, the Corporate Trustee of the charity, which has received reimbursement of £359,974 (2019-20: £163,166) for these services.

15. Auditors remuneration

The auditors remuneration of £9,000 (2019-20: £9,000) related solely to the audit of the statutory annual report and accounts.

16. Fixed asset investments

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All investments are carried at their market value.

The investment valuation has been performed by CCLA Investment Management Limited.

The valuation of investment properties, consisting of a freehold ground rent and a small parcel of land, is based on a professional assessment of market value, by independent RICS (Royal Institute of Chartered Surveyors) qualified valuers at least every five years.

The significance of financial instruments to the ongoing financial sustainability of Aneurin Bevan University Health Board Charitable Fund is considered in the risk management section of the trustees' annual report.

The Charity receive the majority of their income in the form of donations. However, significant investments are made and are the source of the main financial risk.

Interest rate risk - the Charity is exposed to fluctuations in interest rates on the monies invested in deposits and the stock market.

Liquidity risk - the majority of expenditure is financed from donations and legacies and there are no borrowings. The Charity is not, therefore, exposed to significant liquidity risk.

17. Analysis of current debtors

Debtors under 1 year	**Total 31 March 2021**	Total 31 March 2020
	£000	£000
Accrued income	**96**	105
Trade Debtors	**81**	86
Prepayments	**11**	42
	188	**233**

18. Analysis of cash and cash equivalents

	Total 31 March 2021	Total 31 March 2020
	£000	£000
Current Accounts	**237**	128
Petty Cash	**1**	1
	238	**129**

No cash or cash equivalents or current asset investments are held in non-cash investments or outside of the UK.

19. Analysis of liabilities

	Total 31 March 2021	Total 31 March 2020
	£000	£000
Creditors under 1 year		
Trade creditors	**59**	13
Deferred Income	**200**	131
Accruals	**1**	10

All of the amounts held on interest bearing deposit are available to spend on charitable activities.

Total creditors	**260**	**154**

	Total 21	Total 2019-20 **2020-**
	£000	£000
	601	(165)
Net income / (expenditure) (per Statement of Financial Activities)	**(671)**	
Adjustment for:	**(181)**	32
(Gains) / losses on investments	**45**	(188)
Dividends, interest and rents from investments	**106**	(2)
(Increase) / decrease in debtors		(111)
Increase / (decrease) in creditors	**(100)**	
Net cash provided by (used in) operating activities		**(434)**

14/322

20. Reconciliation of net income / expenditure to net cash flow from operating activities

21. Transfer between funds

During the year 3 unrestricted funds, totalling £19k, were reclassified as restricted funds as they had been funded through grant income in the prior year.

In addition, 3 further funds totalling £12k, previously recorded as restricted funds, were reclassified as unrestricted funds. These funds had been classified as restricted funds by predecessor organisations, but on review it was determined that as there was no legal restriction on their use they should be reclassified as unrestricted funds.

22. Analysis of funds

a. Analysis of restricted fund movements

	Balance 1 April 2020	Income	Expenditure	Transfers	Gains and losses	Balance 31 March 2021
	£000	£000	£000	£000	£000	£000
Royal Gwent Childrens Ward Legacy	162	5	(34)	0	20	153
Royal Gwent Coronary Care Legacy	98	3	(3)	0	14	112
Nevill Hall Rheumatology Legacy	84	3	(2)	0	11	96
Renal Unit Legacy	72	2	(2)	0	10	82
Nevill Hall Coronary Care Legacy	69	2	(5)	0	9	75
Royal Gwent Haematology Legacy	51	2	(1)	0	6	58
Royal Gwent Breast Care Legacy	51	2	(1)	0	6	58
Chepstow General Legacy	44	1	(1)	0	6	50
Other - 58 restricted designated funds	348	234	(233)	7	63	419
	979	**254**	**(282)**	**7**	**145**	**1,103**

The material funds specified in the above note will vary from year to year dependent on the closing year end balance.
We consider that a closing fund balance of £50,000 or greater are material for disclosure in these accounts.

22. Analysis of funds (continued)

The objects of each of the restricted funds are as follows:

The Royal Gwent Hospital Children's Ward Legacy Fund was bequeathed to the charity for the benefit of the Children's Ward. A proposal for the purchase of various equipment to improve patient care and access was approved by the Charitable Funds Committee.

The Royal Gwent Hospital Coronary Care Unit Legacy Fund was bequeathed to the charity for the provision of medical facilities, towards the cost of providing equipment for the heart unit at the hospital.

The Nevill Hall Rheumatology Legacy Fund was bequeathed to the charity for the use of the Rheumatology department at the hospital.

The Renal Unit Legacy Fund was bequeathed to the charity for the purpose connected with the research and treatment of patients under haemodialysis treatment (kidney unit).

The Nevill Hall Coronary Care Legacy Fund was bequeathed to the charity for the use of the heart unit at the hospital.

The Royal Gwent Haematology Fund was bequeathed to the charity for the Haematology Unit at the Royal Gwent Hospital.

The Royal Gwent Breast Care Legacy Fund was bequeathed to the charity for the Breast Care Unit at the Royal Gwent Hospital.

The Chepstow General Legacy was bequeathed to the charity for the Chepstow Community Hospital.

The other 58 restricted funds also related to monies bequeathed to the charity for various wards and departments.

22. Analysis of funds (continued)

b. Analysis of unrestricted and material designated fund movements

	Balance 1 April 2020	Income	Expenditure	Transfers	Gains and losses	Balance 31 March 2021
	£000	£000	£000	£000	£000	£000
ABUHB Charitable Funds Committee	152	10	(4)	7	21	186
ABUHB Breast Centre	99	60	(4)	0	16	171
Royal Gwent Property, 13 Clytha Square	120	0	(3)	0	0	117
Grange Critical Care Unit	45	18	(6)	42	11	110
St Woolos Springfield Fund	94	3	(3)	0	13	107
ABUHB Post Graduate Fund	93	5	(5)	0	13	106
Nevill Hall Voluntary Body	94	2	(9)	0	9	96
ABUHB Ffrind I Mi Volunteer Service	104	3	(25)	0	13	95
Royal Gwent Casting Techniques Course	80	9	(13)	0	11	87
ABUHB Covid-19	13	352	(305)	0	25	85
Monmouth Chippenham Community Nurses	74	2	(8)	0	10	78
ABUHB C.H.A.aT Volunteer Service	60	3	(5)	6	11	75
ABUHB Robins Volunteer Service	117	3	(61)	0	14	73
Nevill Hall Oncology Rehabilitation	63	3	(2)	0	9	73
Royal Gwent Breast Care Unit	60	2	(2)	0	9	69
Royal Gwent Prostate Cancer Fund	53	3	(3)	0	7	60
ABUHB Employee Well Being Service	131	4	(88)	0	13	60
ABUHB Rheumatology	49	2	(1)	0	6	56
Ysbyty Ystrad Fawr Adult Medicine	60	2	(15)	0	8	55
Royal Gwent Property, TP Price	65	3	(18)	(1)	5	54
ABUHB The Care Project	44	28	(27)	0	6	51
Other - 352 unrestricted designated funds	2,166	400	(352)	(61)	296	2,449
	3,836	**917**	**(959)**	**(7)**	**526**	**4,313**

The trustees have delegated all unrestricted funds as designated funds to the ward or department the donations were intended for.

The material funds specified in the above note will vary from year to year dependent on the closing year end balance.

We consider that a closing fund balance of £50,000 or greater are material for disclosure in these accounts.

23. Events after the reporting period

The need to plan and respond to the Covid-19 pandemic has impacted significantly on the charity, the Health Board, wider NHS and society in the past year, and the need to respond and recover from the pandemic will continue during 2021/22 and beyond.

Our CCLA investments have increased in value to pre-pandemic levels and are expected to continue growing in the year ahead.

Statement of Trustee's Responsibilities

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustee should follow best practice and :

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee is responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee confirms that they have complied with the above requirements.

By order of the trustee

Ann Lloyd
Trustee

Robert Holcombe
Financial Trustee

Dated:

The independent auditor's report of the Auditor General for Wales to the trustee of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities for the year ended 31 March 2020 under the Charities Act 2011. These comprise the Statement of Financial activities, Balance Sheet, Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Report on other requirements

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The trustee is responsible for the other information in the annual report and accounts. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Matters on which I report by exception

I have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require me to report to you if, in my opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report;

- sufficient accounting records have not been kept;

- the financial statements are not in agreement with the accounting records and returns; or

- I have not received all of the information and explanations I require for my audit.

Responsibilities

Responsibilities of the trustee for the financial statements

As explained more fully in the statement of trustee's responsibilities set out on page 17, the trustee is responsible for preparing the financial statements in accordance with the Charities Act 2011, for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

I have been appointed as auditor under section 150 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Adrian Crompton
Auditor General for Wales
xx xxxxxx xxxx

24 Cathedral Road
Cardiff
CF11 9LJ

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

Trustee's Annual Report and Accounts 2020-2021

Registered Charity No: 1098728

Aneurin Bevan Health Charity

About Us

We receive monies given to Aneurin Bevan University Local Health Board from grateful patients, their loved ones and the wider community; thanking us for the NHS care and treatment we provide.

We are here **because of you**.

Introduction

On behalf of the corporate trustee we present the Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Annual Report together with the audited financial accounts for the year ended 31st March 2021.

Thank you

We have been truly overwhelmed by your generosity in what has been a tough year for all of us. Your donations have helped us improve the care and treatment our patients received and supported our staff to deliver exceptional healthcare.

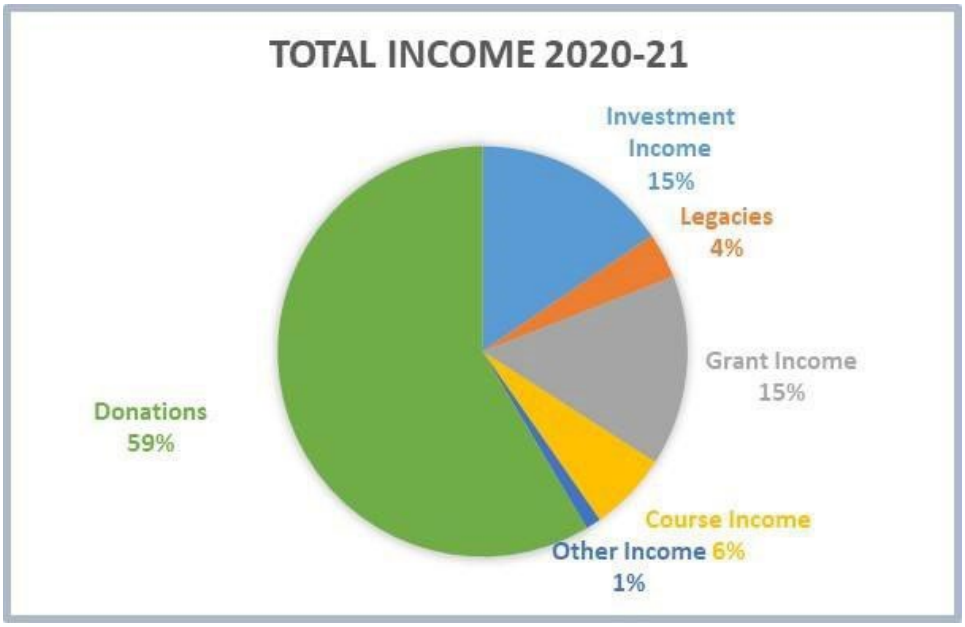
As a reminder of all that we have achieved, please see the snapshot of the year below which was only made possible ***because of you!***

Katija Dew, Chair
Charitable Funds Committee

Snapshot of 2020-21

INCOME – How we received our money

This year we received £1,171,000



Donations £685,000
The donations we received is thanks to the generosity of patients, their relatives and friends in recognition of the care and treatment received from Aneurin Bevan University Local Health Board.

This year we were overwhelmed by the amount of donations we received in response to the pandemic.

Courses and Other Income £87,000
We received £87,000 from course fees and sponsorship. These are run mainly through our Postgraduate department.

Income from Investments £181,000

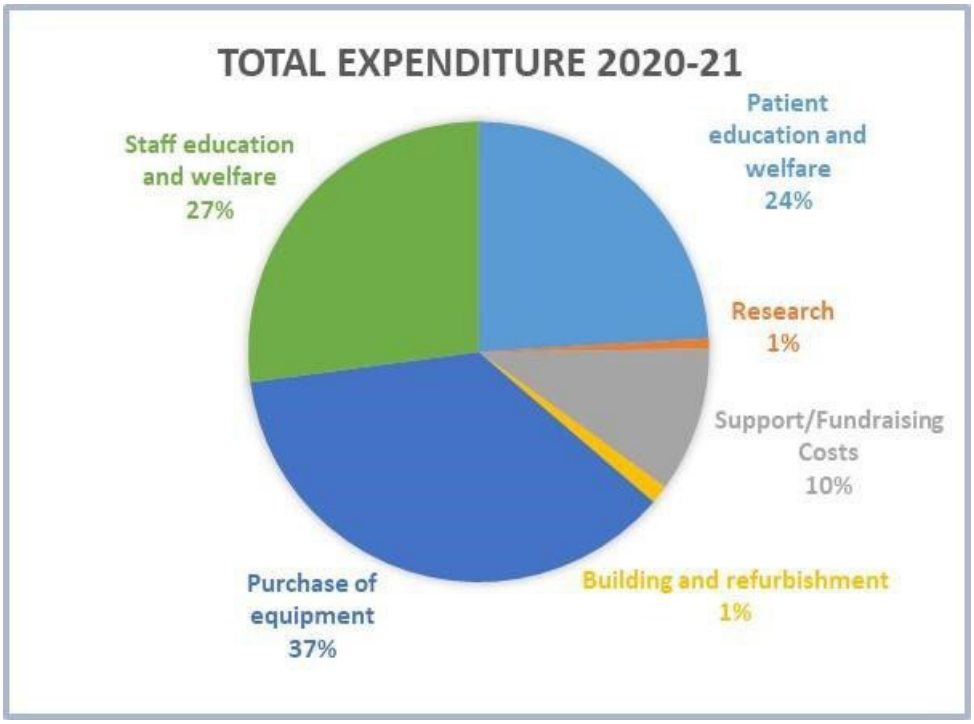
We received £181,000 from our investment portfolio.

Legacies £42,000
We received eight legacies totalling £42,000. We are extremely grateful to those individuals who have had the generosity to leave a gift to us in their will.

Grant Income £176,000
We received £176,000 from external organisations to fund specific schemes / projects. Some of this funding was received from NHS Charities Together – monies raised by Captain Sir Tom Moore.

EXPENDITURE – How we spent our money

This year we spent £1,241,000



Patient Education and Welfare £299,000

This year we used this money for several new services including:

- An analyst to co-ordinate a pilot scheme to collect and record Patient Reported Experience Measures (PREMs) to improve patient experience
- A Clinical Skills Trainer and Volunteer Co-ordinator to set up an End of Life Companion service to that trained volunteers can sit with patients who may be at risk of dying alone.
- The expansion of the Robins services, who assist patients with menu choices on the wards, mealtime support, contributing to their wellbeing and dignity, to Nevill Hall Hospital and the Grange University Hospital, providing an equitable service across our hospitals.

Building and Refurbishment £16,000

We spent this on improving the environment, improving storage and making better use of our rooms for our staff, patients and their relatives in order to make their stay more comfortable.

Research £9,000

To pay for the cost of analysing samples for a research study into the metabolic response to a rice base meal as assessed by varying substances, in obese children.

Staff Education and Welfare £335,000

A large portion of this was spent on additional support for our Employee Well-being Service.

Prior to the pandemic a bid was approved to enhance our Well-being Service with additional counsellors and the provision of a "star worker" or assistant psychologist to allow the service to develop innovative "in reach" work to help access and educate groups of staff that tend not to seek help.

With our emphasis on supporting both individuals and teams to recover, adapt and sustain themselves during the Covid-19 pandemic funds were released from our Covid funds to employ additional psychologists to provide effective and evidence based psychological support and interventions for stressed staff during what has been a time of unprecedented personal and professional challenge.

We have also continued to support training where it has been possible and purchased educational materials to develop our staff.

Support Costs £127,000

This covers the cost of the Charitable Funds Team, Corporate support and auditor fee in administering the funds.

Equipment £455,000

Because of you, we have been able to purchase numerous items of much needed equipment for various wards and departments across the Health Board.

This includes numerous tablets purchased from Covid funds to enable patients and families to maintain contact whilst there are visiting restrictions across our wards. Sadly, they have also been needed for patients and families to say goodbye where families are unable to be with them at the end of their life.

A list of key purchases follows.

Because of you .....

....we were able to provide these key purchases

- **Bladder scanners for the Paediatric department and Monmouth Community Nurses**

Bladder scanners are portable, handheld ultrasound devices which can perform quick, easy and non–invasive scans of the bladder and is painless for the patient. It can be used to help identify bladder distension, causes of urinary frequency and bladder irritability and is useful in assisting with accurate assessments of hydration status. The purchase of these additional bladder scanners has enabled the nursing staff to use them at the patient's bedside which is beneficial to both patients and staff.

- **Magic Table for Cedar Parc Ward, Ysbyty Tri Chwm**

After seeing a Magic Table purchased from charitable funds last year for Sycamore Ward at St Woolos Hospital, staff at Cedar Parc ward applied to our Charitable Funds Committee to request funding to purchase one for their own patients.

The Magic Table consists of a series of light animations that can be projected onto any table. The lights respond to hand and arm movements, allowing people to play with light, which is truly magical. The Magic Table also creates treasured moments with family members and carers. These games are all about enjoyment, wonder and are matched to older adults with Dementia current physical and cognitive needs.

- **8 Cots, Paediatrics, Grange University Hospital**

We purchased 8 new cots for the Paediatric ward at the new Grange University Hospital. The cots have door section in the side rail, integrated IV poles and features a teddy bear design.

- **Cardiopulmonary Exercise Testing (CPET) machine**

This allows a non-invasive method to assess the patients' physiological response to exercise. The utility of this test is increasingly recognised as the gold standard diagnostic modality in patients with unexplained breathlessness. It frequently yields a diagnosis in a single visit, enabling referral to therapies and rapid discharge from outpatient services and also forgoes the need for further respiratory and cardiac tests including full lung function, cross-sectional radiology, echocardiography, stress echo and coronary angiography.

Furthermore, it enables both cardiologists and respiratory physicians to diagnose patients with challenging symptoms without the need for cross-specialty referrals. Without this valuable diagnostic test, such patients are often subjected to a barrage of the aforementioned tests, multiple follow up appointments within cardiac and respiratory services and cross-specialty referrals which is an inefficient and costly use of resources and often still fails to give the patient an explanation for their symptoms.

- **3 x Clinell UV-360 Room Sanitiser**

Alongside emerging organisms such as Covid-19, healthcare associated infections pose a serious risk to patients, staff and visitors and conventional methods of cleaning are not always adequate to reduce the risk of transmission to an acceptable level. Infection prevention and control is a key area for the Health Board and UV cleaning is an innovative solution which can assist in reducing infections.

We purchased three of these ultraviolet automated room decontamination systems, one each for Nevill Hall Hospital, Royal Gwent Hospital and the Grange University Hospital.

Because of you .....

....we are able to support students to become doctors

One of our funds, the Care Fund Project, looks at innovative ways to encourage and train individuals with the potential to become qualified doctors in the hope that this leads to them becoming doctors within the Health Board locality. This is done by:

- supporting them through a programme of mentoring and financial support and
- working closely with education providers to explore any opportunities that could increase the number of doctors qualifying from our local population.

This year in partnership with the Shaw Foundation and Nevill Hall and Thrombosis and General Research Fund we supported three students at Cardiff University.

Please view their comments below:

I would just like to express how extremely grateful I am, not only for the support I have been given but that you have given up your valuable time to meet me and listen to my story. I cannot begin to explain how much all of your kind words have motivated me from the interview and given me an extra sense of confidence and determination to succeed. I am so thankful for the financial support that has been awarded to me. Not only will I now have more time to study without worrying about tuition costs, but I feel I will have more time to be a student and spend with my family. Since the meeting, I have received my results and am progressing into third year in September. I look forward to keeping in touch and updating you with my journey through medicine!

It has genuinely been a huge help through my first term as a university student. The laptop has made online learning a breeze. I have been able to

totally focus on studies with no financial stress and I have achieved lots this term. As I learn more the course becomes even more enjoyable, it is the best thing I have done and has been made all the better by the help provided.

The opportunities this will provide me with in the following academic year will help to secure my future as an aspiring Doctor and I cannot thank you enough. The cost of living and the additional expenses of a university course, such as transport, is something I had not considered in much detail before applying to Medical school. Subsequently, it has been a small burden in my first two years of study and the support from the Care Fund will alleviate this burden, allowing me to focus on my studies and not have to worry about working on the side to get by. I hope to keep you informed of my progression through University life and my Medical career.

8/34 77/322

Because of you .....

....we were able to trial Patient Reported Experience Measures

We provided an analyst for one year to co-ordinate a pilot programme, where our Person Centred Care and Partnership team tested the national Patient Reported Experience Measures (PREMs) across all hospital wards.

The Patients' perceptions of their health and experiences are key to providing excellent patient-centered care and allows clinicians to consider what needs to change and advance the patient experience and quality agenda.

Each test site allowed us to have face to face discussions with patients and families, reflect on those discussions and amend the questions we were asking before agreeing the most appropriate

reportable outcomes and digital platform.

This post significantly supported the testing and roll out of PREMs, assisting pilot site areas, preparing an analysis of results and contributing to a digital platform model going forward. The feedback is used to improve the experience of patients, relatives and staff which is critical to excellence in health care.

We are hopeful that by the end of the project we will have robust questions to allow importing onto a digital platform that will allow for 'Ward to Board' real time reporting.

....we are able to provide a radio service

A new, innovative, on-demand hospital radio service launched at Ysbyty Ystrad Fawr, to help combat loneliness, boredom and the feeling of isolation that some patients face when staying in hospital, something that has been emphasised during the Coronavirus pandemic.

9/34 78/322

YYFM can be accessed by patients at the hospital by visiting itsyyfm.com on their own device(s), or by using one of the tablets available to them. Visitors and those outside of the hospital can also access the service on their own device(s) by visiting the same website.

....we are able to provide End of Life Companions

The End of Life Companion Service, managed through the Person Centred Care Team, provides trained Volunteer Companions to sit with patients who may be at risk of dying alone.

Charitable funds have been used to pay for a Clinical Skills Trainer and a Volunteer Co-ordinator for this service.

"Guess it's time for me to say goodbye to you now"

At a time when hospital visits were restricted, one of our End of Life Companions was able to visit a gentleman in the Grange University Hospital where, as well as providing him with company she also supported him in making contact with his loved ones.

The patient was very keen to speak to his wife so the Companion offered to call her but unfortunately her hearing was not good and it was agreed by her and her husband that the son could be contacted to assist them in having a video call. Half an hour later the son had arrived at his parent's home allowing the Companion to make the connection.

The Companion was not, however, expecting this to be a 'goodbye' call. He said to his wife and son *'I guess it's time for me to say goodbye to you now"*, explaining to them both that he had decided he was not well enough to undergo the necessary surgery for his condition and therefore his time left was coming to an end. Fortunately, he was later transferred to a palliative care bed at a hospital closer to his home where his wife was then able to visit him.

The patient was hugely grateful to the Companion for making this emotional call possible because it was so important – it was what mattered to him at that moment. Our team were at hand to provide support to our volunteer.

Sharing personal stories is one of the most powerful means we have to influence, teach, and inspire each other. To collectively understand the impact of the nosocomial and wider pandemic concerns, it is helpful to bring presenting issues to life, through sharing experiences...

There are many powerful and inspiring staff stories that reflect the successes of the pandemic management and because people generally identify so closely with stories, we hope the digital stories will encourage staff to think about how they would have felt and acted in similar circumstances, encouraging reflection on their own practice and affecting positive change.

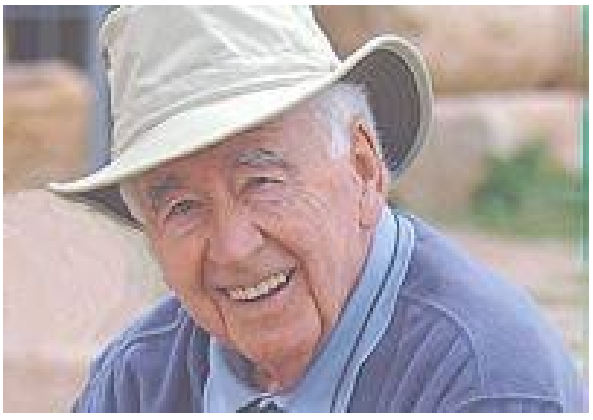
There are a number of NHS staff who have experienced the devastating effects of Covid-19. For example, some have contracted the virus and needed mechanical ventilation, some have been unable to visit relatives in hospital and some staff have lost family members, not being with them when they were dying, as visiting restrictions at that time did not allow it.

We will share a range of staff stories to convey the culture and values that unite people in a way that briefings, emails, facts and figures can't portray.

Graham's Story is the first of these. It is real, very sad and hugely impactful. Told by his daughter in law, and our colleague Claire. Graham's story offers us all a real insight into the evolution of a lived experience, both for Graham and those he has sadly left behind.

This is Graham.

At the start of the Pandemic, Graham was self-isolating with his daughter. Graham fell and was admitted to hospital. He never came home.



Graham was father, father-in-law, a brother, a cousin, grandfather, great grandfather and friend to many people. He was a retired chemist, he was an expert in his field, a lover of sport, particularly rugby and cricket and a very proud Welshman. His family meant everything to him and he was definitely the heart of his family.

Graham lived with one of his daughters and when lockdown started in early March, both of them started to self-isolate, just to keep him free from the risk of Covid. Unfortunately this didn't stop him from falling. And on the 28th March he ended up in hospital where they confirmed he had sustained a fracture.

The family were obviously anxious about him being in a hospital and kept in close touch with the ward staff making it clear they would like him to come home as soon as it was appropriate for him. It was agreed that he would hopefully be discharged later on that week and plans were made at home to keep his environment safe for him, moving furniture, moving his room around, stuff like that. His condition did not improve as quickly as we had hoped and he developed pneumonia and a few days later on the 11th of April, we had the news that we had been dreading. He tested positive for Covid.

During the period of his hospital stay, we had not been able to visit due to the visiting guidelines in place at the time. Then we had this news, and then we were afraid that we would never see him again. That fear became a reality when a few days later, on April the 15th, we were informed that he had died.

During the time of his hospital stay, the ward had kept us updated daily on his condition. Usually at times like this, as the nurse in the family I am the one who can advise, explain, reassure, but this time I was floundering. As a nurse, I know why no-one could visit and why the restrictions were so severe but as his daughter-in-law, the wife of his son, the mother of his grandchildren, I struggled with this. This generous hearted, funny, clever, loving man who had given so much to his family and friends had to be alone during his three week hospital stay and he had to be alone when he died. As a family, we were and are so very sad. Words simply can't express it.

I've reflected on how Graham would have felt whilst he was on the ward. He would have really appreciated what all the staff did for him. And he was comfortable. But he was hard of hearing and I know he would have found it hard to hear people through their PPE. He would have possibly found it all a little bit confusing too.

Graham was very proud of the fact that I was a nurse and he held the NHS in high regard. So with this in mind, I urge all staff to remember to protect every single one of us by maintaining the high standards of infection

control, PPE and social distancing, both in work and in our social lives. We weren't able to have the funeral that he deserved. So now we look forward to a moment when his family and friends can be together and remember and celebrate this very special man, Graham.

12/34 81/322

Because of you .....

....we were able to help in the response to Covid-19

We have been completely overwhelmed by all the support, donations and generosity from companies, organisations and individuals, from children to the elderly since the start of the Covid-19 pandemic.

From people sewing scrubs and making masks, to donating car seat covers, food and Easter eggs for frontline staff. We have received £578k in donations and grants, along with hundreds of photos, videos and pictures which have been sent to us by children and families who have painted rainbows, created signs, written poems and sung songs of support to boost the morale of all our staff across the Health Board, not one goes unnoticed.

We are so proud of the way our staff have responded positively to the challenges of Covid-19. The generosity of support from the public and businesses across our Health Board area has been overwhelming and we would like to express our gratitude to everyone, your support means a lot to all our staff during this challenging time.

Judith Paget CBE
Chief Executive

Thank You

We wish to thank our **wonderful staff** for their commitment and dedication every day.

We wish to thank our **communities** for supporting us in these challenging times.

We are all in this together.

#StaySafe #ProtectOurNHS

Because of you .....

....we received all these donations in kind

Grants:

As a member of NHS Charities Together, we have received £232k in grants from their Covid-19 Appeal from the £33 million raised by **Captain Sir Tom** to support our patients and staff during the pandemic. Some of this funding has been deferred to match spend in future years.

Donations:

A separate charitable fund was set up to manage the donations received, alongside a Just Giving page to allow people to donate

£346,000

money online. We also received donations of goods such as I-Pads, phones, nightwear, toiletries etc.

Expenditure: A process was determined for requests against these funds to ensure it is specifically related to Covid-19, complies with charitable funds policy and procedures and fits within the purpose of the Covid-19 Funds.

To date, £413k has been spent with commitments of £178k against the remaining donations and grants. Details of the spend is shown throughout this report.

15/34 84/322

....we were able to provide the following from Covid funds

55 "**Trees of Hope**" were placed at various sites across the Health Board for patients, staff and the public to place their messages of hope.

Childrens activity packs to occupy more of their time while visiting restrictions are in place.

1,500 **Elephant in the Room books** purchased to support children who may be bereaved

Picnic Benches placed in our hospital grounds to allow staff to have somewhere pleasant to sit and take much needed breaks outside.

60 Radios and 60 CD players to entertain patients whilst unable to receive visitors, especially where patients are in single rooms

Hearing device to attach to the hearing aids of a member of staff which acts as a microphone to enable better communication as they are no longer able to lip read due to use of masks for both patients and staff.

Ward based activities e.g. adult colouring books, games

Walkie Talkies for staff to communicate with patients.

....we were able to provide "Project Wingman"

The Project Wingman lounge was run by furloughed airline crews who have the expertise to deliver a first class experience and was open to any member of staff/volunteer wishing to enjoy refreshments in a relaxing environment.

Training Room 1 at St Cadocs was converted into a First Class lounge where staff and volunteers were encouraged to call in before or after their shift, during a break or on their days off where the airline crews were available to service them with free teas, coffees, cakes and goodies.

....we were able to provide additional switchboard support

Visiting to our hospitals has been restricted to stop the spread of Covid-19 and as a result there has been an increase in the volume of calls placed to the Health Board's switchboard by patients' relatives and friends, enquiring about the patient's health and wellbeing. In most cases this is the only way that relatives can obtain this information that they are so desperate to receive.

An additional telephone switchboard operator working at pressure times identified primarily as being what would have been normal visiting times was identified to alleviate some of these issues.

....words cannot express our thanks

We are so grateful for the ultra violet light which allowed us to move patient equipment into the Grange University Hospital timely and safely from the Royal Gwent and Nevill Hall, as the turnaround time is much quicker than other high level disinfectants. In addition to the move the machines have been utilised daily providing us with assurance of a higher level decontamination for the management of covid, reducing the risk to our patients and staff. Thank you.

Lead Infection Control Nurse

Thank You
So
Much

Fundraising and the new Breast Care Unit

Fundraising and the new Breast Care Unit

The new Breast Care Unit to be based at Ysbyty Ystrad Fawr is due to open in Winter 2022. Many of you will be aware that the Health Board launched a fundraising campaign to raise funds to improve the quality and services for breast cancer patients and provide the best possible environment for patients attending the new unit.

The fundraising target is in reach but Covid-19 restrictions have had a direct impact on our ability to fundraise as it has not been possible to hold fundraising events.

Raffles across the Health Board have been cancelled until further notice to reduce the risk of Covid-19 transmission following advice from Infection Prevention & Control.

We need your help in supporting this Appeal and there are a number of upcoming events you can get involved in, please see the information on the link below:

https://www.turnabuhbpink.org/

Opening of the Grange University Hospital

Opening of Grange University Hospital and Clinical Futures

After 16 years of planning, - The Grange University Hospital officially opened on Tuesday 17th November 2020, 4 months earlier than originally planned.

This new first class purpose built centre will revolutionise healthcare in Gwent bringing our Clinical Futures strategy to life; delivering most care close to home; creating a network of local hospitals; providing routine diagnostic and treatment services and centralising specialist and critical care services in a purpose built centre.

Our charitable funds are being amended to reflect these changes.

The Charitable Funds Team

Alison Griffiths – Charitable Funds Manager

Linda Proudman – Charitable Funds Officer

Wendy Keyte – Charitable Funds Officer

Sue Turley–Charitable Funds Officer

With visits to hospitals restricted and internal conferences cancelled, the Charitable Funds Team will continue to promote charitable funds across

the Health Board albeit in a new way of working with visits replaced by Teams calls.

Charity Governance, Audit and Finance

1. Reference and Administrative Details

Charity Name: Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

Charity Working Name: Aneurin Bevan Health Charity

Registered Charity No: 1098728

Address of Charity:
Headquarters
St Cadoc's Hospital
Lodge Road
Caerleon
Newport
NP18 3XQ

Administration of the Charitable Funds:

The accounting records and the day to day administration of the funds are undertaken by:

Charitable Funds Section
Corporate Finance Department
Aneurin Bevan University Local Health Board
Block C, Mamhilad House
Mamhilad Park Estate
Pontypool, Torfaen
South Wales NP4 0YP

Tel No: 01495 765431
E-mail: Charitable.funds.ABB@wales.nhs.uk

Professional Advisors:

Bankers:
National Westminster Bank PLC
Government Banking Parklands
De Havilland Way
Horwich
Boulton
BL6 4YU

Santander
Customer Services Centre
Bootle
Merseyside
L30 4GB

Investment Managers:	CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET
External Auditors:	The Auditor General for Wales 24 Cathedral Road Cardiff CF11 9LJ
Internal Auditors:	NHS Wales Shared Services Partnership Audit & Assurance Services 4-5 Charnwood Court Heol Billingsley Parc Nantgarw Cardiff CF15 7QZ
VAT Advisor:	Ernst & Young LLP The Paragon Counterslip Bristol BS1 6BX
Legal advice for TP Price Estate:	Jacklyn Dawson Solicitors Equity Chambers John Frost Square Newport South Wales NP20 1PW
Estate Management TP Price Estate:	NHS Wales Shared Services Partnership **for** Specialist Estate Services 3rd Floor, Companies House Crown Way Cardiff Savills 2 Kingsway Cardiff CF10 3FD
Valuations for 13 Clytha Square:	The District Valuer District Valuer Services Ty Rhodfa Ty Glas Road Llanishen

Cardiff
CF14 5GR

Valuations for Painting: Bonhams
7-8 Park Place
Cardiff
CF10 3DP

2. Structure, Governance and Management of Charitable Funds

Objects of the Charity

The objects of the charity are as follows:

> ***The trustees shall hold the trust funds upon trust to apply income and at their discretion, so far as permissible, capital, for any charitable purpose or purposes relating to the National Health Service.***

The corporate trustee is Aneurin Bevan University Local Health Board. The executive directors and independent members of the Board share the responsibility for ensuring that the health board fulfils its duties as a corporate trustee in managing charitable funds.

The chair and independent members of the Board are appointed by the Welsh Government and the executive directors are appointed by the Health Board.

Trustee Arrangements

Aneurin Bevan University Local Health Board is the corporate trustee of the Charity. The directors who served the Aneurin Bevan University Local Health Board during the year to 31st March 2021 were as follows:

Ann Lloyd CBE	Chair
Emrys Elias	Vice Chair
Philip Robson	Special Advisor to the Board
Chris Koehli	Special Advisor to the Board
Judith Paget *	Chief Executive
Glyn Jones *	Director of Finance & Performance / Deputy Chief Executive
Dr James Calvert	Medical Director (Since 04.01.21)
Rhiannon Jones	Director of Nursing
Geraint Evans	Director of Workforce and Organisational Development
Peter Carr	Director of Therapies and Health Science

Dr Sarah Aitken	Interim Medical Director (Since 30.03.20 until 17.01.21) Director of Public Health & Strategic Partnerships (Since 18.01.21)
Mererid Bowley	Interim Director of Public Health & Strategic Partnerships (Since 10.04.20 until 18.01.21)
Nicola Prygodzicz	Director of Planning, Digital & IT
Nick Wood	Director of Primary, Community and Mental Health
Claire Birchall	Director of Operations
Richard Bevan	Board Secretary (Until 30.11.20)
Richard Howells	Board Secretary (Since 01.11.20)
Katija Dew *	Independent Member (Third/Voluntary Sector)
Prof. Helen Sweetland	Independent Member (University) (Since 01.01.21)
Richard Clark	Independent Member (Local Authority)
Pippa Britton *	Independent Member (Community)
Paul Daneen	Independent Member (Community)
Shelley Bosson	Independent Member (Community)
David Jones	Independent Member (ICT) (Until 06.11.20)
Louise Wright *	Independent Member (Trade Union)
David Street	Associate Independent Member (Social Services)
Keith Sutcliffe *	Associate Independent Member (Chair of Stakeholder Group)
Louise Taylor	Associate Independent Member (Chair of Health Professionals Forum)

* Members of the Charitable Funds Committee.

Charitable Funds Committee

The Board of Aneurin Bevan University Local Health Board, as the corporate trustee, delegates its governance work to the Charitable Funds Committee which is a subcommittee of the Board. The Committee is required to:

- Control, manage and monitor the use of the fund's resources for the public benefit having regard for the guidance issued by the Charity Commission
- Provide support, guidance and encouragement for all its activities whilst managing and monitoring the receipt of all income
- Ensure that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities

- Ensure that the Investment Policy approved by the Health Board is adhered to and that performance is continually reviewed whilst being aware of ethical considerations
- Keep the Health Board fully informed on the activity, performance and risks of the charity

Membership of the Charitable Funds Committee is as follows:

Katija Dew	Independent Member (Chair)
Pippa Britton	Independent Member
Louise Wright	Independent Member
Keith Sutcliffe	Associate Independent Member
Judith Paget	Chief Executive
Glyn Jones	Director of Finance & Performance / Deputy Chief Executive

The following also attended the committee with other staff as appropriate for specific agenda items:

Mark Ross	Assistant Director of Finance, Financial Systems & Services
Estelle Evans	Head of Financial Services and Accounting
Richard Bevan	Board Secretary (Until 30.11.20)
Richard Howells	Board Secretary (Since 01.11.20)
Claire Barry	Committee Secretariat (Until 09.10.20)
Bryony Codd	Head of Corporate Governance

Independent Members are appointed to hold office for a period of up to four years in any one term. During this time a member may resign or be removed by the Board. The Chair of the Health Board keeps under review the membership of Board Committees to ensure changes are made regularly to refresh the membership of each committee and respond to circumstances when new members join the Board.

Trustee Induction and Training

As part of their induction programme, new Executive and Independent Members of Aneurin Bevan University Local Health Board are made aware of their responsibilities as Board members and as a Corporate Trustee of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities.

At each Charitable Funds Committee meeting, members are advised of any changes in legislation or other requirements relating to charities.

Public Benefit

The objects of the charity are such that all expenditure from the charity is for the benefit of the National Health Service and as such is therefore

for 'public benefit'. The Charitable Funds Committee is aware of its duties in relation to public benefit and ensures that all expenditure fulfils public benefit criteria. This is demonstrated further in this report in the Expended Resources Section of Item 7.

Management of Funds

The Director of Finance and Performance is responsible for the day-to-day management and control of the administration of charitable funds and reports to the Charitable Funds Committee. The Director of Finance has particular responsibility for ensuring that:

- The spending is in accordance with the objects and priorities agreed by the Charitable Funds Committee
- The criteria for spending charitable monies are fully met
- All accounting records are maintained
- Devolved decision making or delegated procedures are in accordance with the policies and procedures set out by the Board on behalf of the corporate trustee

Within the charity there are 430 internal funds which are delegated to authorised fund holders to approve expenditure within predefined limits. All expenditure requests exceeding £25,000 are subject to Committee approval. A further 9 funds are controlled by the Charitable Funds Committee. The Health Board has a formal procedure that sets out guidance to delegated fund managers to aid them in the process of approving appropriate expenditure from funds.

3. Strategic Objectives & Activities

Charitable Funds received by the charity are accepted, held and administered as funds held on trust in accordance with the National Health Service (Wales) Act 2006.

The principal areas in which the funds are applied for the benefit of the public are:

- The purchase of medical equipment for use by Aneurin Bevan University Local Health Board
- The provision of patient welfare activities and amenities
- The education and welfare of staff

The corporate trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objectives of each fund. The trustee respects the wishes of our generous donors to benefit patient care and advance good health and welfare of patients and staff.

The charity is constituted of 373 unrestricted and designated funds and 66 restricted funds as at 31st March 2021. Material fund details are shown in Note 22 to the accounts. The current structure of the individual funds reflects the fact that the majority of income and expenditure is focused where patients receive services. Fund managers exercise control over the funds donated to their management area.

4. Risk Management

The main risks associated with the charity relate to:

- Financial controls risk
- Investment risk

Financial Control Risk

A financial control procedure has been developed for Charitable Funds and agreed with the Charitable Funds Committee to ensure that there are sufficient management controls in place to ensure regulatory compliance and minimise risk of fraud and error. Specifically to:

- Ensure the spending is in accordance with the objects of the charity and the priorities agreed by the Charitable Funds Committee
- Ensure the criteria for spending charitable funds are fully met
- Ensure all accounting records are maintained
- Ensure devolved decision making is within specified parameters

All other Financial Control Procedures covering core financial systems within Aneurin Bevan University Local Health Board are also applied to the financial administration of the charity.

An internal audit is undertaken periodically, based on the assessment of risk, to evaluate the adequacy of procedures and controls in place and to test compliance against those procedures. Audit Reports are presented to both the Charitable Funds and Audit Committees of the Health Board and this is a key measure in mitigating control risk. The latest Internal Audit report in 2019/20 provided reasonable assurance on controls covering charitable funds. This definition of assurance generally means there is reasonable assurance that

arrangements to secure governance, risk management and internal control are suitably designed and applied effectively.

Financial reports showing the income statement and balance sheet together with analysis of significant financial changes are reported to each Charitable Funds Committee meeting. In addition the Charitable Funds Committee reviews the draft annual accounts while the Board approves the final annual accounts of the charity.

The external audit of the accounts is undertaken by the Auditor General for Wales. The accounts have this year and historically received an unqualified audit opinion.

Investment Risk

This risk is mitigated by investing in a portfolio of investments through the professional advice of investment managers. Our investment managers, CCLA, usually attend the Charitable Funds Committee annually to present and discuss investment performance and strategy but due to Covid this was not possible this year but we remain in regular contact with them.

5. Reserves Policy

The corporate trustee's strategy is to apply charitable funds within a reasonable time of receipt, unless the donation is made to an area or appeal which is saving towards a specific item over the medium to longer term, and to hold some money in reserve to act as a buffer against stock market fluctuations.

The charity currently holds a level of reserves equivalent to the value of our non-liquid assets (£246k, which is 5% of our liquid asset investments).

The corporate trustee recognises the need to regularly review the level of reserves, especially following the recent sale of land previously held for investment. Consequently, the corporate trustee aims to review the charity's activities and operations so that future reserves can be maintained at a level which will mitigate the risk of significant fluctuations in the levels of donations and investments, and provide financial stability for the charity, to ensure that its aim of being able to apply charitable funds within a reasonable time is achieved.

6. Grant Making Policy

The use of our funds is restricted by the governing document which established the charity for purposes connected with the NHS. Grants consist of:

General Funds

This consists of donations received by the charity where no particular preference as to its expenditure has been expressed by donors. The Charitable Funds Committee decides on how these funds should be spent by receiving requests from across the Health Board. The value of general funds held is £0.394m.

Designated Unrestricted Funds

These consist of donations where a particular part of the hospital or activity was nominated by the donor at the time their donation was made. Whilst their nomination is not binding on the trustee, the designated funds reflect these nominations. The value of the designated unrestricted funds are £3.919m.

Restricted Funds

These consist of legacies and grants where a legal document and signed agreement restricts the use to the terms of the bequest/agreement. The value of restricted funds held is £1.103m.

During the year the charity made grants of £1.11m representing 90% of the total charitable expenditure. In making grants the trustee requires that the activity falls within the objectives of the charity and relate to the specific purpose of the individual funds from which it is being met.

7. Review of our Finances, Achievements and Performance

The financial statements for 2020-21 are presented at the end of this report.

The net assets of the Charity as at 31st March 2021 were £5.416 million (2020 £4.815 million). Overall net assets increased by £601,000.

Incoming Resources

Incoming resources when comparing against the 2019/20 position were £217,000 higher than the previous year. Donations increased by £235,000, legacies increased by £41,000, investment income decreased by £7,000, grant income increased by £95,000 and income from charitable activities decreased by £147k.

The charity received eight legacies during the year, total value £42,000 (2019-2020 one legacy, value £1,000) and eight grant payments, total value £176,000 (2019-2020 six grant payments, value £81,000).

Expended Resources

Charity expenditure for the year totalled £1,241,000, an increase of £154,000 from the previous year. Expenditure for the year was across several categories as follows:

I. Medical Research

Total expenditure on medical research was £9,000.

II. Purchase of Equipment

Total expenditure on equipment was £455,000. This was on a range of varied equipment across the Health Board.

III. Building and Refurbishment

Total expenditure on building and refurbishment was £16,000.

IV. Patients Education and Welfare

Total expenditure on patients' welfare and amenities was £299,000. This consists of various therapies, seasonal activities, support groups and other items of expenditure to benefit patients.

V. Staff Education and Welfare

Total expenditure on staff education and welfare was £335,000. The main items consist of seminars, training course fees, textbooks, professional journals and related travelling, subsistence and accommodation expenditure.

VI. Fundraising Costs

Total expenditure on fundraising costs was £1,000. This mainly relates to events for the new Breast Care Unit at Ysbyty Ystrad Fawr which is due to be opened in Winter 2022.

VII. Support Costs

Total expenditure on support costs was £126,000. This includes the audit fee of £9,000 and costs of the charitable funds office and corporate support.

Investment Properties

Investment properties owned by the charity are the T P Price Estate £68,000 and 13, Clytha Square, Newport £153,000.

The T P Price Estate comprises a leasehold property and a small parcel of land. The charity disposed of its remaining leasehold properties through public auction in 19/20 but they did not legally transfer to the new owner until early 20/21.

13 Clytha Square, Newport is a large Victorian building in the centre of Newport which is rented to Aneurin Bevan University Local Health Board to use as offices.

Income from the investment properties was £15,000 (2019-2020 - £17,000).

Investments on the Stock Exchange

The charity's investments are managed by CCLA Investment Management Limited, with the aim of managing the funds to achieve a balance of growth and income.

The charity's investment policy does not allow managers to invest in those companies whose main business is related to the production or sale of tobacco or alcohol or those companies involved in the arms trade.

Details of the investments (including cash held as part of the investment portfolio) and investment performance for 2020-2021 are shown in the table below:

Investment Performance 2020-21

	CCLA
	£000
Balance 1 April 2020	4,331
Acquistions	0
Disposals	0
Movement of Cash	0
Realised Gains/(Loss)	0
Unrealised Gains/(Loss)	673
Balance 31 March 2021	5,004
Income	**166**
Gains/(Loss) %	**14.42%**
Returns %	**3.56%**

Other Investments

"The Domestic Chaplain", a painting donated to the charity many years ago is valued at £25,000 and is currently on loan to the National Museum of Wales, Cardiff.

8. Key Achievements

Funding

The charity supported many bids from across the organisation from its general funds and via the 430 delegated charitable fund accounts that are held across the organisation thereby significantly enhancing services for the patients and staff in the Aneurin Bevan University Local Health Board.

Coronavirus Pandemic

We received many donations to help the Health Board respond to the Coronavirus pandemic. The donations were utilised for ***staff well-being, supplies for patients, support for volunteer activity and bereavement initiatives.***

Charitable Funds Strategy

Progress on reducing reserves through increased spending continued in the year. This is largely because funding from the sales of land within the T P Price Estate has been used.

Fundraising

Our fundraising campaign to supplement a new Breast Care Centre due to be opened in Winter 2022 in Ysbyty Ystrad Fawr stalled a little during the year because of restrictions in place due to the coronavirus pandemic.

Raffles across the Health Board were stopped to prevent the spread of infection.

Investment Management

CCLA continue to provide investment management services to the charity and we continue to invest in their ethical investment fund. In March 2020 Covid-19 had a significant impact on our investments and the period since has been a mixed one for investors. Sentiment has been broadly positive, bolstered by growing confidence for a sustained economic recovery solidly based on the vaccination programme and additional government activities to support growth.

Governance Arrangements

Historically the accounts and trustees annual report have been produced on time with unqualified audit opinions and filed on time with the Charities Commission.

Risks

The Committee has used a considerable amount of its general funds which led to fewer bids being approved during the year, placing more pressure on the Health Board's internal capital programme.

9. Plans and Objectives for the Future

Income continues to be received by the charity due to the generosity of the public in recognition of the care and treatment received from the Health Board. The charity will continue to use its funds to improve patient experience.

Other objectives for the forthcoming year are to:

- Consider the effectiveness of support to staff in working with partners to obtain grants from companies, external organisations and charities for identified equipment and projects.
- Explore the objectives of the charity to ensure they remain relevant and appropriate for the Health Board.
- Ensure that all accounting or charity regulatory requirements are fully complied with.
- Continue to review funds for the redesign of service, in line with Clinical Futures Strategy.
- Review the Reserves Policy.
- The need to plan and respond to the Covid-19 pandemic has impacted significantly on the charity, the Health Board, wider NHS and society in the past year, and the need to respond and recover from the pandemic will continue during 2021/22 and beyond.

10. Events since the Year End

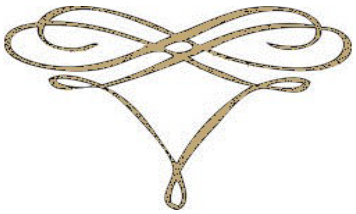
- Our investment company believes that in the period ahead we can expect economic growth to accelerate, allowing profits to rise and so providing support to equity prices. This remains their favoured sector for investment. In contrast fixed income sector values are likely to remain under pressure, with a real risk of underperformance and the potential for another fall in capital values.

- As part of the fundraising led by Captain Sir Tom Moore, NHS Charities Together (NHSCT) have allocated money for supporting Covid-19 projects across the NHS in the UK to be accessed through individual bodies' charitable funds. The ABUHB allocation is £571k (split across two separate grant criteria) and we will be submitting applications for this funding.

Approved on behalf of the Corporate Trustee

Ann Lloyd CBE
Chair
Aneurin Bevan University Local Health Board

Date:



Archwilio Cymru
Audit Wales

2021 Audit Plan – Aneurin Bevan University Local Health Board Charitable Fund

Audit year: 2020-21

Date issued: December 2021

Document reference 2768A2021-22

This document has been prepared as part of work performed in accordance with statutory functions. Further information can be found in our Statement of Responsibilities.

Audit Wales is the non-statutory collective name for the Auditor General for Wales and the Wales Audit Office, which are separate legal entities each with their own legal functions as described above. Audit Wales is not a legal entity and itself does not have any functions.

No responsibility is taken by the Auditor General, the staff of the Wales Audit Office or, where applicable, the appointed auditor in relation to any member, director, officer or other employee in their individual capacity, or to any third party.

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Contents

2021 Audit Plan

About this document

1 This document sets out the work I plan to undertake during 2021 to discharge my statutory responsibilities as your external auditor and to fulfil my obligations under the Code of Audit Practice.

Impact of COVID-19

2 The COVID-19 pandemic continues to have an unprecedented impact on the United Kingdom and the work of public sector organisations.

3 Audit Wales staff will continue to work pragmatically to deliver the audit work set out in this plan. In response to the government advice and subsequent restrictions, we will continue to work remotely until such time that it is safe to resume on-site activities. I remain committed to ensuring that the work of Audit Wales staff will not impede the vital activities that public bodies need to do to respond to on-going challenges presented by the COVID-19 pandemic.

4 This audit plan sets out the timetable for the completion of my audit work. However, given the on-going uncertainties around the impact of COVID-19, some timings may need to be revisited.

Audit of financial statements

5 I am required to issue a report on Aneurin Bevan University Local Health Board Charitable Fund's (the Charitable Fund) financial statements which includes an opinion on their 'truth and fairness'. In preparing such a report, I will:

- give an opinion on your financial statements; and
- assess whether the Trustee's Annual Report presented with the financial statements are prepared in line with guidance and consistent with the financial statements.

6 I will also report by exception on a number of matters which are set out in more detail in our Statement of Responsibilities, along with further information about our work.

7 I do not seek to obtain absolute assurance on the truth and fairness of the financial statements and related notes but adopt a concept of materiality. My aim is to identify material misstatements, that is, those that might result in a reader of the accounts being misled. The levels at which I judge such misstatements to be material will be reported to the Charitable Funds Committee prior to completion of the audit.

8 Any misstatements below a trivial level (set at 5% of materiality) I judge as not requiring consideration by those charged with governance and therefore will not report them.

9 There have been no limitations imposed on me in planning the scope of this audit.

Audit of financial statement risks

10 The following table sets out the significant risks that have been identified for the audit of your financial statements.

Exhibit 1: audit of financial statement risks

Financial audit risks	Proposed audit response
Significant risks	

The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.31-33].	The audit team will: • test the appropriateness of journal entries and other adjustments made in preparing the financial statements; • review accounting estimates for biases; and • evaluate the rationale for any significant transactions outside the normal course of business.
The COVID-19 national emergency continues and the pressures on staff resource and of remote working may impact on the preparation and audit of accounts. There is a risk that the quality of the accounts and supporting working papers may be compromised leading to an increased incidence of errors. Quality monitoring arrangements may be compromised due to timing issues and/or resource availability.	We will discuss your closedown process and quality monitoring arrangements with the accounts preparation team and monitor the accounts preparation process. We will help to identify areas where there may be gaps in arrangements.
Other areas of audit attention	
During our audit of the 2019-20 financial statements, we identified instances	We will conduct additional testing to gain assurance that income has been

Financial audit risks	Proposed audit response
where income had been incorrectly classified as: • Deferred Income, whereas it should have been recognised as income in the year; and • Donations or Course Income, whereas it should have been treated as Grant Income or Deferred income.	classified correctly in the 2020-21 financial statements.

Fee, audit team and timetable

11 My fees and planned timescales for completion of the audit are based on the following assumptions:

- the financial statements are provided to the agreed timescales, to the quality expected and have been subject to quality assurance review;
- information provided to support the financial statements is appropriate
- appropriate access to documents is provided to enable my audit team to deliver our audit in an efficient manner;
- all appropriate officials will be available during the audit; and
- you have all the necessary controls and checks in place to enable the Accounting Officer to provide all the assurances that I require in the Letter of Representation addressed to me;

Fee

12 Fee rates for 2021 are unchanged from last year. The estimated fee for 2021 is set out in **Exhibit 2** and remains consistent with your actual 2020 fee.

Exhibit 2: audit fee
This table sets out the proposed audit fee for 2021, alongside the actual audit fee for 2020.

Audit area	Proposed fee for 2021 (£)[1]	Actual fee for 2020 (£)
Audit of financial statements	9,000	9,000

[1] The fees shown in this document are exclusive of VAT, which is not charged to you.

13 Planning will be ongoing, and changes to my programme of audit work and therefore my fee, may be required if any key new risks emerge. I shall make no changes without first discussing them with the Assistant Director of Finance, Financial Systems and Services.

14 Further information on my fee scales and fee setting can be found on our website.

Audit team

15 The main members of my team, together with their contact details, are summarised in **Exhibit 3**.

Exhibit 3: my audit team

This table lists the members of the local audit team and their contact details

Name	Role	Contact number	E-mail address
Richard Harries	Engagement Lead	07789 397018	Richard.Harries@audit.wales
Tracy Veale	Audit Manager	07919 217438	Tracy.Veale@audit.wales
Neall Hollis	Audit Lead	02920 320657	Neall.Hollis@audit.wales

16 I can confirm that my team members are all independent of the Charitable Fund and your officers. In addition, we are not aware of any potential conflicts of interest that we need to bring to your attention.

Timetable

17 We will continue to undertake such remote work as is possible during the COVID-19 national emergency and may need to revise the timetable as work progresses.

Exhibit 4: timetable

This table sets out the key milestones for the planned audit outputs

Planned output	Work undertaken	Report finalised
2021 Audit Plan	November to December 2021	December 2021
Audit of financial statements work: • Audit of Financial Statements Report and Management Letter • Opinion on Financial Statements	November to December 2021	December 2021
2022 Audit Plan	To be confirmed	To be confirmed

Appendix 1

Other future developments

Future changes to UK GAAP

Following the introduction of the new UK GAAP accounting regime in 2015-16, and the replacement of the Financial Reporting Standard for Smaller Entities (FRSSE) by Section 1A of FRS 102 in 2016-17, there have been only limited changes to FRS 102 since.

More significant amendments are expected from 2022-23, reflecting recent changes in International Financial Reporting Standards, including accounting for financial instruments and leases.

Good Practice Exchange

Audit Wales' Good Practice (GPX) helps public services improve by sharing knowledge and practices that work. Events are held where knowledge can be exchanged face to face and resources shared online. This year the work has focused on COVID-19 learning. Further information on this can be found our website.

Brexit: The United Kingdom's future outside the European Union

The United Kingdom left the European Union on 31 January 2020 under the terms of the Withdrawal Agreement. Between then and 31 December 2020, the UK entered a transition period, during which it continued to participate in EU programmes and follow EU regulations. On 31 December 2020, the transition period ended, and a new relationship between the UK and EU started, on the basis of a new free trade agreement.

The new agreement means some substantial changes in the trading relationship between the UK and the EU. There will also potentially be changes in administrative areas previously covered by EU law. In the short term, the UK has incorporated EU rules into domestic law. However, it is likely than in some key areas, such as public procurement, agricultural support and state aid, the UK will seek to diverge over time. In changing these rules, there will be some important constitutional issues around the relationship between the UK Government and devolved governments.

The wider opportunities and risks for Wales' economy, society and environment will become clearer as public services move from managing the short-term risks, especially around disruption to supply chains, to adapting to a different relationship with the EU and the wider world. We are also awaiting further details on the UK Government's plans to replace EU funding schemes for regional development and rural development.

The Auditor General will continue to keep a watching brief over developments. In November 2020, he wrote to the Chair of the External Affairs and Additional Legislation Committee setting out some observations on the latest position with respect to preparations for the end of the transition period. His letter can be found here. His previous report on public bodies Brexit preparations can be found here with his follow up on progress here.

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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Archwilio Cymru
Audit Wales

Audit of Accounts Report – Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

Audit year: 2020-21

Date issued: December 2021

Document reference: 2764A2021-22

This document has been prepared as part of work performed in accordance with statutory functions.

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Contents

We intend to issue an unqualified audit report on your Accounts and there are some issues to report to you prior to their approval.

3

Audit of Accounts Report

Introduction

1 We summarise the main findings from our audit of your 2020-21 Annual Report and accounts in this report.

2 We have already discussed these issues with the Interim Assistant Director of Finance (Financial Systems & Services), the Head of Financial Services and Accounting and their team.

3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.

4 We set this level at £24,860 for this year's audit.

5 There are some areas of the accounts that may be of more importance to the reader, and we have set a lower materiality level for these, as follows:

- Related Party Transactions £1,000

6 We have now completed this year's audit.

7 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Impact of COVID-19 on this year's audit

8 The COVID-19 pandemic has had a significant impact on all aspects of our society and continues to do so. The Trustee of the Aneurin Bevan University Local Health Board Charitable Fund is required by law to prepare accounts and it is of considerable testament to the commitment of your accounts team that you have succeeded in doing so this year in the face of the challenges posed by this pandemic. We are extremely grateful to the professionalism of the team in supporting us to complete our audit in such difficult circumstances.

9 The pandemic has unsurprisingly affected our audit and we summarise in **Exhibit 1** the main impacts. Other than where we specifically make recommendations, the detail in **Exhibit 1** is provided for information purposes only to help you understand the impact of the COVID-19 pandemic on this year's audit process.

Exhibit 1 – impact of COVID-19 on this year's audit

Timetable	• We received the draft accounts and Annual Report on 18 August 2021 prior to the audit start date of 8 November 2021. • We expect to receive the final amended accounts and revised Annual Report on 4 January 2022 • We expect your audit report to be signed on 28 January 2022.
Electronic signatures	If still necessary at the time of approval and signing, we will accept electronic signatures and electronic transfer of files.
Audit evidence	As in previous years, we received the majority of audit evidence in electronic format. We have used various techniques to ensure its validity. Where we have been unable to obtain access to paper documents because of COVID-19 restrictions we have devised alternative audit methodologies to obtain sufficient audit evidence. Specifically: • the Finance Team provided audit evidence to the audit team via a secure file sharing portal; • the Finance Team were available by video conferencing for discussions, and also for the sharing of on-screen information/evidence; • Audit Wales also secured remote read-only access to the Health Board's Oracle ledger which enabled the audit team to query the ledger and hence reduce the burden on the finance team to provide this information; and • for testing of existence and ownership of fixed assets we have used a combination of access to our land registry tool and photographic evidence.

10 We will be reviewing what we have learned for our audit process from the COVID-19 pandemic and whether there are innovative practices that we might adopt in the future to enhance that process.

Proposed audit opinion

11 We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation based on that set out in **Appendix 1**.

12 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise, we issue an unqualified opinion.

13 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit.

14 Our proposed audit report is set out in **Appendix 2**.

Significant issues arising from the audit

Uncorrected misstatements

15 There are no misstatements identified in the accounts, which remain uncorrected.

Corrected misstatements

16 There were initially misstatements in the accounts that have now been corrected by management. However, we believe that these should be drawn to your attention and they are set out with explanations in **Appendix 3.**

Other significant issues arising from the audit

17 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. There were no significant issues arising in these areas this year.

18 The overall quality of the accounts and supporting working papers was again good. Whilst we received the majority of the supporting documentation during the first week of the audit, there were some areas of the accounts where responses to audit queries took longer than expected.

Recommendations

19 We have identified one new recommendation arising from this year's audit which is set out in **Appendix 4**. Management has responded to the recommendation and we will follow up progress during next year's audit and report it to you in next year's report.

20 We have followed up progress made against our prior years' audit recommendations. Our audit work this year did identify matters arising that

suggest that progress made against our prior year's audit recommendations remain ongoing. Details can be found in **Appendix 5**.

21 We intend to discuss lessons learnt and recommendations arising from our audit of the financial statements at the joint post project learning session that we will hold jointly with the Charitable Funds Finance Team in 2022.

Appendix 1

Final letter of representation

Auditor General for Wales

Wales Audit Office

24 Cathedral Road

Cardiff

CF11 9LJ

26 January 2022

Representations regarding the 2020-21 financial statements

This letter is provided in connection with your audit of the financial statements of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities for the year ended 31 March 2021 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Charities Act 2011, in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
  - additional information that you have requested from us for the purpose of the audit; and

  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- our knowledge of fraud or suspected fraud that we are aware of and that affects Aneurin Bevan University Health Board Charitable Fund and Other Related Charities and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements.
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Representations by those charged with governance, the Trustee of Aneurin Bevan University Health Board Charitable Find and Other Related Charities

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by Aneurin Bevan University Health Board on 26 January 2022.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:	Signed by:
Glyn Jones	Anne Lloyd
Chief Executive and Accountable Officer	Board Chair
Date:	Date:

Appendix 2

Proposed Audit Report

The independent auditor's report of the Auditor General for Wales to the trustee of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

Opinion on financial statements

I have audited the financial statements of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities for the year ended 31 March 2021 under the
Charities Act 2011. These comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

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

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt

on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

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

I have nothing to report in this regard.

Report on other requirements

Matters on which I report by exception

I have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require me to report to you if, in my opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report;
- sufficient accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities

Responsibilities of the trustee for the financial statements

As explained more fully in the statement of trustee's responsibilities set out on page 9, the trustee is responsible for preparing the financial statements in accordance with the

Charities Act 2011, for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

I have been appointed as auditor under section 150 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

My procedures included the following:

- Enquiring of management, including obtaining and reviewing supporting documentation relating to Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities 's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, posting of unusual journals and (add as appropriate to the audit);
- Obtaining an understanding of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities' framework of authority as well as other legal and regulatory frameworks that the Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities operates in, focusing on those laws and regulations that had a direct effect on the financial statements or

that had a fundamental effect on the operations of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities .

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

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

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

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the
Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities' controls, and the nature, timing and extent of the audit procedures performed.

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

Adrian Crompton

Auditor General for Wales

28 January 2022

24 Cathedral Road

Cardiff

CF11 9LJ

Appendix 3

Summary of Corrections Made

During our audit we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Exhibit 2: summary of corrections made

Value of correction	Nature of correction	Reason for correction

£121,000	**Note 11 – Movements in funding commitments** Decrease current liabilities 'Opening balance as at April' and increase non-current liabilities 'Opening balance as at 1 April'. Increase current liabilities 'movement in funding commitments' and decrease non-current liabilities 'Movement in funding commitments.	To ensure that the financial statements opening balances and movements in year agree to prior-year audited accounts and supporting records.
£24,000	**Note 5 – Income from Charitable Activities** **Note 17 – Analysis of current debtors** **Note 19 – Analysis of liabilities** **Statement of Financial Activities for the year ended 31 March 2021** Decrease Unrestricted Funds – Other Income (£16,000), Unrestricted Funds – Course Income (£8,000) (Note 5), decrease Trade Debtors (£16,000) (Note 17), and increase Deferred Income (£8,000) (Note 19).	To correctly classify income for which the conditions to recognise have not yet been met.

Value of correction	Nature of correction	Reason for correction
	This will also decrease the Total Funds carried forward as per the Statement of Financial Activities by £16,000.	

£16,000	**Note 4 – Income from donations, legacies, and grants** Decrease income from Grants and increase income from Donations. This amendment also impacts Note 22 – Analysis of funds.	To correctly classify income which does not meet the classification of restricted grant income.
£12,000	**Note 4 – Income from donations, legacies, and grants** Decrease income from Legacies and increase income from Donations. This amendment also impacts Note 22 – Analysis of funds.	To correctly classify income and ensure that the notes in the accounts agree to supporting documentation.
£4,000	**Note 12 – Apportionment of support costs (second table)** Increase Unrestricted Funds - Raising Funds and a decrease in the Unrestricted Funds - Charitable activities. This amendment also impacts the disclosures in Notes 8 – Analysis of expenditure on raising	To correctly classify support costs and ensure that the notes in the accounts agree to supporting documentation.

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125/322

Value of correction	Nature of correction	Reason for correction
	funds and Note 9 Charitable activity.	

£3,000	**Note 4 – Income from donations, legacies, and grants** **Note 17 – Analysis of current debtors** **Statement of Financial Activities for the year ended 31 March 2021** Decrease income from Legacies (Note 4) and decrease Accrued income (Note 17). **This will also decrease the Total Funds carried forward as per the Statement of Financial Activities by £3,000.**	To ensure that income included in the accounts is not overstated and agrees to the supporting documentation.
£2,000	**Note 16 – Fixed asset investment** **Note 9 – Analysis of charitable activity Statement of Financial Activities for the year ended 31 March 2021** Addition of a loss on disposal of Investment Property (Note 16), and a decrease in Staff education and welfare expenditure (Note 9). This amendment also requires a reclassification within the Statement of Financial Activities for the	To correctly account for the costs of selling the Investment Property as part of the sale.

Value of correction	Nature of correction	Reason for correction

	year ended 31 March 2021.	
Various	Narrative and disclosures amendments, including the following: • include prior year comparatives for Related party transactions (Note 3) • additional narrative to explain transfers between reserves (Notes 21 – Transfer between funds and Note 22 – Analysis of funds)	To ensure compliance with the requirements of the Charities SORP.

17

Appendix 4

Recommendations arising from this year's audit

We set out all the recommendations arising from our audit with management's response to them. We will follow up these next year and include any outstanding issues in next year's audit report:

Exhibit 3: matter arising 1

Matter arising 1 – Financial Controls Procedures need to be updated	
Findings	As identified in our audit, the Financial Control Procedures (FCPs) state that 'The managed investment portfolio should equate to no more than 75% of the total funds, with the remaining sum being more readily available.' The managed investment portfolio as per the financial statements is £5,004k, which equates to 92% of the £5,443k total funds. As per our discussions with the Charitable Funds team, this is due to the FCPs not being updated to reflect the changing profile of the investment portfolio. In addition, the Charitable Fund should consider having clearer procedures regarding the classification of income.
Priority	Medium
Recommendation	The FCPs should be reviewed regularly and updated as necessary
Benefits of implementing the recommendation	Regular review of the FCPs will ensure that they remain relevant to the Charitable Fund and provide officers with appropriate procedures to follow.
Accepted in full by management	Yes

Matter arising 1 – Financial Controls Procedures need to be updated	
Management response	The Charitable Funds financial control procedure is reviewed on a 3-year rolling basis and is due for review in July 2022. Going forward, additional reviews will be carried out on an annual basis to ensure that the procedure remains relevant and that no significant changes have occurred since the last review. For clarity, the income section (section 9 of the current financial control procedure) will be enhanced to include a more detailed section on the types of income received by the Charity and how the classification is determined, eg grant, donation, legacy etc. and the documentation required to be obtained/retained to verify this classification.
Implementation date	July 2022

Appendix 5

Follow up of prior years' audit recommendations

We have followed up progress made against our prior year's audit recommendations. Where these are ongoing, we will continue to follow up progress and include any outstanding issues in next year's audit report:

Exhibit 4: matter arising 1 (2019-20)

Matter arising 1 (2019-20) – review and document the procedures undertaken to account for the Charity's transactions and prepare the financial statements	
Findings	Officers undertake a variety of detailed procedures over the course of the year to account for the Charity's transactions and prepare the financial statements. During the audit we identified that these are not documented and are not applied on a consistent basis.
Priority	High

Recommendation	The procedures adopted in accounting for the Charity's transactions should be reviewed and documented to ensure that they are appropriate and applied on a consistent basis. Examples of such procedures are: • review the classification of grant income as it is all currently accounted for as Unrestricted, but has Terms and Conditions attached to its use. • review and classification of legacy income, as these are treated as Restricted, even where the monies are available for wide use, eg at a particular site. This will also include the three Restricted Funds reported on last year for which there is no documentation to support the classification as Restricted. • the method of allocating Support costs as they are allocated on different bases depending on the nature of the Fund, and the Note. In Note 12 they are allocated on the basis of the year-end Fund balance and in Note 20 on the average monthly Fund balance.

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Matter arising 1 (2019-20) – review and document the procedures undertaken to account for the Charity's transactions and prepare the financial statements

Benefits of implementing the recommendation	Reviewing and documenting the procedures adopted in accounting for the charitable funds will improve efficiency and ensure consistency.
Accepted in full by management	Yes
Management response	We will review and document our procedures to ensure consistency. We will also review the treatment of grant income and legacy income with regard to restricted or unrestricted classification. We will produce a series of Standing Operation Procedures to ensure that the accounts are produced on a consistent basis.
Implementation date	31 March 2021

Progress update	**Ongoing** As part of our audit of the financial statements 2020-21, we noted that consideration had been given to the treatment whilst there was evidence to suggest treatment of grant income and legacy income with regard to restricted or unrestricted classification. However, our testing of income did identify a mis-classification between grants and donations, a mis-classification between legacies and donations, and a number of mis-classifications of income within Note 5 – Income from Charitable Activities.
Management response	Section 9 of the Charitable Funds Financial Control Procedure will be updated to include a detailed section on the types of income received by the Charity and also the nature of the income, eg restricted, unrestricted. This will include details of how the income should be treated and the documentation required to be obtained on receipt of the income to verify the treatment within the Charitable Funds in the accounts.
Implementation date	July 2022

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Exhibit 5: matter arising 2 (2019-20)

Matter arising 2 (2019-20) – fundholders have not always provided finance officers with complete and appropriate documentation on a timely basis	
Findings	During the audit we identified that complete supporting documentation was not provided for all transactions, and requests to raise invoices were not made on a timely basis.
Priority	High
Recommendation	Fundholders should be reminded of the procedures and requirements for managing a Fund, including timely and complete provision of documentation to finance officers.
Benefits of implementing the recommendation	More efficient use of finance officers' time if all relevant documentation is provided promptly, and the opportunity of reimbursement from the donor is not lost.

Accepted in full by management	Yes
Management response	We do try to ascertain all information in relation to donations at the time of receipt, however, it may not always be possible to locate backing documents. There will be always be instances where donations are paid directly into the Charitable Funds bank account. Where this occurs, we try and locate any backing documents associated with this receipt from the fundholder. We will ensure that the backing documents are kept on file or stored electronically going forward. In relation to invoices raised, the income recovery form should be completed within three months of the service/event. The procedure will be reiterated to fundholders and compliance monitored.
Implementation date	31 March 2021

22

Matter arising 2 (2019-20) – fundholders have not always provided finance officers with complete and appropriate documentation on a timely basis

Progress update	**Ongoing** As part of our audit of the financial statements 2020-21, we noted instances where third party documentation to support donations was not available for audit. We acknowledge that obtaining third party documentation can be difficult in some cases due to the sensitive nature of the donation, however we noted instances where the chasing of third party documentation can be strengthened.
Management response	As reported previously, on receipt of the donation the team do try and ascertain any backing documentation in relation to the donation. We will evaluate the areas identified by Audit Wales to establish how we can improve on the chasing of 3rd Party documentation.
Implementation date	31 March 2022

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Exhibit 6: matter arising 3 (2019-20)

Matter arising 3 (2019-20) – the Charity has agreed to review and streamline the number of individual Funds there are, as set out in the 'Use of Funds' paper presented to the Charitable Funds Committee on 9 May 2019

Findings	This paper identified that as at 1 April 2019 there were 447 Funds, 64 were Restricted and 383 were Unrestricted; and that reducing this number would reduce the level of communication and administration required and enable the monies to be spent more effectively. As at 31 March 2020 the number of Funds had reduced to 432, of which 56 were Restricted and 376 Unrestricted.
Priority	High
Recommendation	The Charity needs to actively continue to review and streamline the number of Funds, especially now the Grange Hospital, which if not managed appropriately, has the potential to further increase the number of individual funds.
Benefits of implementing the recommendation	Streamlining the Funds will enable the Charity to achieve the identified reductions in communication and administration. As noted in the paper, if Funds with similar interests and objectives are merged, there is scope for the Funds to be used more effectively to deliver goods or services that individual Funds would not be able to achieve on their own.
Accepted in full by management	Yes
Management response	Work has already started on streamlining the number of funds in line with the opening of the Grange University Hospital. We are currently reviewing all funds held with a view to providing clarification on whether the fund can be combined by the end of March 2021.
Implementation date	31 March 2021

Matter arising 3 (2019-20) – the Charity has agreed to review and streamline the number of individual Funds there are, as set out in the 'Use of Funds' paper presented to the Charitable Funds Committee on 9 May 2019

Progress update	**Ongoing** As part of our audit of the financial statements 2020-21, we noted that there has been no reduction in the number of individual funds, with there being 67 restricted funds and 372 unrestricted (total of 439) in 2020-21compared to the total of 432 in 2019-20. We understand that work in this area will be ongoing during 2021-22.
Management response	This is an ongoing process with the number of funds continually under review in relation to streamlining the funds held by the HB. In the period January 2021 to September 2021, we have closed 38 funds, 18 of which had been merged with other funds with an additional 20 closed as the funds had been fully utilised. We have also opened a number of new funds due to the nature of the donation. We will continue to work with fund holders to merge funds of a similar nature to maximise the use of the donated income held in the funds.
Implementation date	Ongoing – initial review to be finalised by July 2022

25

Exhibit 7: matter arising 4 (2019-20)

Matter arising 4 (2019-20) – the Reserves Policy was last reviewed in May 2019 and does not explain how it provides sufficient funds for ongoing commitments	
Findings	The Reserves Policy should be reviewed annually, as set out in the Financial Control Procedure, and should specify how the Charity identifies what is required to meet its ongoing commitments. The Policy and disclosures in the Annual Report do not clearly explain this.
Priority	Medium
Recommendation	The next annual review of the Reserves Policy should include specifying how the Charity identifies the level of reserves required to meet its ongoing commitments. This will assist the Charity in reviewing its reserve levels and documenting in the Annual Report both the policy and the review, as per the requirements of the SoRP, paras 1.22 and 1.48.

Benefits of implementing the recommendation	The annual review of the Reserves Policy will improve governance and ensure that the Charity understands, reviews and discloses it Reserves Policy and the funding required to meet ongoing commitments in compliance with the SoRP.
Accepted in full by management	Yes
Management response	The Reserves Policy will be reviewed to clearly identify the level of reserves required to be held to meet the ongoing commitments of the Charity. The financial control procedure will be updated to reflect the revised reserves policy at the next review stage which is 19 July 2022.
Implementation date	30 June 2021

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Matter arising 4 (2019-20) – the Reserves Policy was last reviewed in May 2019 and does not explain how it provides sufficient funds for ongoing commitments

Progress update	**Ongoing** As part of our audit of the financial statements 2020-21, we noted that the updated Reserves Policy has been drafted but not yet finalised. We understand that work in this area will be ongoing during 2021-22.
Management response	The revised reserves policy has been drafted and a report will be presented to the January Charitable Funds Committee for review and approval. If approved, the reserves policy will be implemented for the remainder of 2021-22.
Implementation date	11 January 2022

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GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Wednesday 26th January 2022 Agenda Item: 3.3

Aneurin Bevan University Health Board

Newport East Health and Well-Being Centre Full Business Case Submission

Executive Summary			
The Full Business Case (FBC) to support the construction of a new Health and Well Being Centre in Newport East (Ringland) is attached to this report. The estimated capital cost of the new Health & Wellbeing Centre is £27.461 million.			
The Board is asked to: (please tick as appropriate)			
Approve the Report	√		
Discuss and Provide Views			
Receive the Report for Assurance/Compliance			
Note the Report for Information Only			
Executive Sponsor: Dr Sarah Aitken, Director of Public Health & Strategic Partnerships/Interim Director of Primary Care, Community & Mental Health Services			
Report Author: Andrew Walker			
Report Received consideration and supported by:			
Executive Team	√	**Committee of the Board [Committee Name]**	
Date of the Report:			
Supplementary Papers Attached: Full Business Case minus Appendices			

Purpose of the Report
The purpose of this report is to request Health Board approval of the FBC so that it can be formally submitted to Welsh Government for full and final approval. Approval of the FBC will allow construction to commence.

Background and Context
The purpose of the FBC is to confirm the case for change and a preferred option to develop Health and Well-being services in Newport East. It also confirms the procurement strategy and the capital cost "not to be exceeded" that has been agreed with the Supply Chain Partner.

The planned facility will include a range of clinical services provided by Aneurin Bevan Health Board, General Practitioner, Community Pharmacist, Community Dental and General Dental Practice services together with Social Care and Third Sector provision.

It will replace Ringland Health Centre, Park Surgery, Alway Clinic and a large proportion of Clytha Clinic.

The proposals for this development have been discussed for a number of years in the context of the obvious health and wellbeing needs of the local population, service sustainability issues and the very poor condition of existing infrastructure. The project was subsequently included in Welsh Government's Primary Care "Pipeline" and approval was given in early 2021 to proceed with the preparation of a FBC.

Investment Objective 1	To support the co-location and further collaboration of Ringland Medical Practice and Park Surgery
Investment Objective 2	To support the increased provision and improved integration of Health and Well Being Services within Newport East NCN
Investment Objective 3	To address the significant estate infrastructure issues that exist at the Newport East NCN
Investment Objective 4	To support the effective use of clinical and non-clinical resources that way forward is the construction of a new facility on the site of the existin are delivered within Newport Eas

The Investment Objectives for the project are set out below:

Ringland Health Centre and adjoining land owned by Newport City Council. This will allow the new building to be physically linked to the existing recently upgraded Neighbourhood Hub.

The total capital cost of the proposed development is £27.461 million.

The total additional revenue costs related to the actual capital development is £0.272m excluding an emerging cost pressure of £286k relating to the GDS contract value which needs to increase in tandem with a projected increase in activity. Whilst this has been included for completeness in the FBC it should be noted that this cost pressure exists now and is not directly related to the proposed new building itself.

To cover the £0.271m increase (£0.557m including additional GDS requirement) in recurrent revenue expenditure, approval for additional budget funding will be required as follows:

- Primary Care and Community Services - £0.274m
- Estates and Facilities - £0.244m
- ICT and other - £0.038m

The net additional costs with the new building will need to be accommodated within the Divisional revenue plans from 2024 linked to the IMTP process.

Milestone	Date
Submission of FBC to WG	December 2021
WG Approval	March 2022
Start on Site Enabling Works	April 2022
Start on Site Main Construction	September 2022
Construction Completion	August 2024

Key project milestones are as follows:

It should be noted that WG approval will be subject to receipt of full planning permission from Newport City Council which is expected in February 2022.

Assessment and Conclusion

As noted above the FBC requests capital funding from Welsh Government in the sum of £27.461 million. Ordinarily the FBC would be submitted via the Executive Team to the Health Board before it is submitted to Welsh Government. On this occasion, as there was not a meeting of the Health Board in December, and so as to not delay the project, it was agreed that Welsh Government would commence the scrutiny of the FBC after Executive Team approval whilst awaiting full Board approval in January 2022.

It should be noted that the Outline Business Case was approved by the Board in September 2020 and Welsh Government in March 2021. Little has changed since approval of the Outline Business Case, the FBC confirms the procurement strategy and the associated "cost not to be exceeded".

Recommendation

The Health Board is asked to APPROVE the FBC for submission to Welsh Government.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	The FBC includes an assessment of all risks, service, revenue and capital.

Financial Assessment, including Value for Money	The FBC includes a Financial and Economic Appraisal with reference to the approved OBC
Quality, Safety and Patient Experience Assessment	The FBC includes four Investment Objectives and a range of associated Benefits the majority of which are targeted at improving quality, safety and the patient experience
Equality and Diversity Impact Assessment (including child impact assessment)	WG have not requested this, but a health impact assessment was undertaken as part of the OBC
Health and Care Standards	The FBC had been prepared in the context of the relevant Health Care Standards

Link to Integrated Medium Term Plan/Corporate Objectives	The development is identified in the IMTP and in the associated capital programme
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	**Long Term –** This project will significantly influence the longer term delivery and sustainability of health services in Newport
	Integration – The project has been planned and designed as a fully integrated Health and Well Being Centre
	Involvement – There has been extensive engagement with other public sector bodies, staff, users and the wider public.
	Collaboration – The project has been planned and designed with the Local Authority, Third Sector and Health Board staff
	Prevention – One of the key aims of the Health and Well Being model is to facilitate, via integrated working, the prevention of ill health
Glossary of New Terms	FBC – Full Business Case, this is the final document in the planning process leading to the approval of capital monies from Welsh Govt.
Public Interest	There is local, public and political interest in this project. There has been extensive engagement

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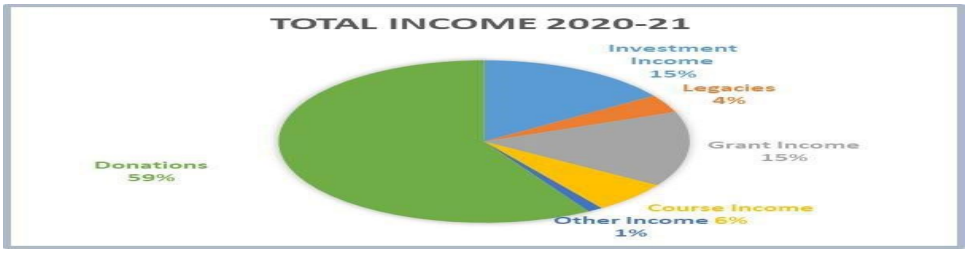

DEVELOPMENT OF HEALTH AND WELL-BEING SERVICES IN NEWPORT EAST

FULL BUSINESS CASE

Contents

Appendices: *(not included with this version)*

NB – All capital related information is included in the supporting Estates Annex

FULL BUSINESS CASE - EXECUTIVE SUMMARY

1.0 Background

1.1 The purpose of this Full Business Case (FBC) is to confirm the case for change and the preferred option to develop Health and Well-being services in Newport East.

1.2 The preferred way forward involves the construction of new Health and Well- Being Centre on the site of the existing Ringland Health Centre utilising additional land owned by Newport City Council.

1.3 The estimated capital cost of the new Health & Wellbeing Centre is £27.461million.

1.4 The project has been developed in the context of the ***Wellbeing of Future Generations Act 2015*** which requires the Health Board to apply the following five ways of working to its decision making:

Long Term Thinking– This project will significantly influence the longer term delivery and sustainability of health services in Newport East
Integration – The project has been planned and designed as a fully integrated Health and Well Being Centre
Involvement – There has been extensive engagement with other public sector bodies, staff, users and the wider public.
Collaboration – The project has been planned and designed with the Local Authority, Third Sector and Health Board staff
Prevention – One of the key aims of the Health and Well Being model is to facilitate, via integrated working, the prevention of ill health

2.0 The Strategic Case

Part A – Strategic Context

2.1 The project has been developed in the context of clear National Policy and Strategy relevant to the development of Health and Well-Being services and more particularly to the ongoing development of Primary, Community, Social and out-of- hospital care.

2.2 ***'A Healthier Wales'*** sets out a long term, future vision of a whole system approach to health and social care which is focussed on health and wellbeing and on preventing illness. The ambition is for the continued development of a seamless, integrated system of health and social care, predicated on a place based approach to service delivery, to improve service sustainability, quality and safety and to improve population wellbeing. The delivery of a seamless system of health, care and wellbeing will continue to be

through the framework to direct resources and service redesign across the following four tiers:

2.3 ***The Social Services and Wellbeing (Wales) Act*** and ***Wellbeing of Future Generations (Wales) Act 2015*** provide an enabling legislative framework which requires the Health Board and partners to work collaboratively in an integrated way across the whole system, involving the public in developing long term solutions to prevent avoidable illness and provide sustainable services in the future.

2.4 The Health Board's approved ***Integrated Medium Term Plan*** for the next three years is a statement of the Health Boards' ambition, working with partners, to improve the health and wellbeing of the population through services delivered closer to home.

2.5 Through the ***Clinical Futures Level 1*** programme of service transformation and the Gwent Area Plan, the Health Board will build on the foundations already in place to drive forward system change at pace in primary and community care, CAMHS and hospital discharge.

2.6 The five ***Public Service Boards*** across Gwent have each agreed a Wellbeing Plan, all of which reflect, where relevant, aspects of the Health Board's individual Wellbeing Objectives. The Health Board members of the five Public Service Boards (PSBs) are taking an active role in leading PSB programmes of work to give children the best start in life, to promote good child and adolescent mental wellbeing, to enable people to live healthy lives to prevent avoidable disease and to enable people to age well.

2.7 The ***Gwent Regional Partnership Board*** has secured additional funding provided by the 'A Healthier Wales: National Transformation Fund' to fund the Gwent RPB transformation programme. With this funding, the Health Board is working in partnership with social services, housing and third sector partners across Gwent to deliver a transformational improvement programme which will start to build the sustainable foundations required to achieve a system shift to a seamless system of care and wellbeing, with more care provided closer to home.

2.8 The Health Board is implementing the new model of Primary Care with increasing pace consistent with the national ***Strategic Programme for Primary Care***. The new model of Primary Care will further develop the "Hub" model. Typically, these "Hubs" will contain the following services:

- Independent contractors
- Integrated
- Service Team
- Social Care Services
- Direct-access therapies and patient education groups
- Care Navigation
- More consultations through the Common Ailments Scheme as an alternative to a GP appointment

- Increased routine dental access

2.9 The "Hub" model is being further developed to include **"Specialist and Enhanced Services"**, therefore shifting demand from secondary care to primary care and place based care, is also progressing.

Part B – The Case for Change

2.10 The agreed Investment Objectives for this project are as follows:

Investment Objective 1	To support the co-location and further collaboration of Ringland Medical Practice and Park Surgery
Investment Objective 2	To support the increased provision and improved integration of Health and Well Being Services within Newport East NCN
Investment Objective 3	To address the significant estate infrastructure issues that exist within the Newport East NCN
Investment Objective 4	To support the effective use of clinical and non-clinical resources that are delivered within Newport East NCN

3.0 Economic Case

3.1 As with the Strategic Case factors contributing to the Economic Case have also not changed since submission of the OBC.

3.2 A full Economic Appraisal was undertaken in the OBC the overall results of which are shown in the table below:

Evaluation Results	Option 1- Business as Usual	Option 2 - "Do Minimum"	Option 3 - New Build
GEM Economic Appraisal	1	2	3
Non-Financial Benefits Appraisal	3	2	1
Revenue Risk Appraisal	3	1	1
Overall Rank	**3**	**1**	**1**

3.3 Option 3 is still the preferred option by virtue of the fact that is the only option that meets the investment objectives of the project. Option 1 does nothing to address existing service deficiencies in the Newport East area and Option 2 does nothing to integrate services and to provide a broader / expanded range of local health care provision.

3.4 The Financial Case in section 5.0 is based on the capital costs and revenue costs of Option 3.

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4.0 The Commercial Case

4.1 The Commercial Case sets out the overall approach the Health Board has taken to ensure there is a competitive market for the supply of services.

4.2 The procurement route involves the construction of a purpose built HWBC on the Ringland Health Centre site, funded through centrally funded public sector capital, utilising The Designed for Life: Building for Wales 4 Regional Framework (D4L:BfW4). This method of capital procurement implements the Welsh Government's construction policy to ensure the scheme complies with best practice models of procurement based on long-term strategic partnerships.

4.3 In accordance with the requirements of this Framework and the business case process a "cost not to be exceeded" has been agreed with the Supply Chain Partner, Kier Construction, for the construction of the proposed new HWBC.

5.0 The Financial Case

5.1 This sets out the financial impact of the investment proposal from a capital and revenue perspective and assesses overall affordability.

Capital Costs

5.2 The preferred option is Option 3, the construction of a new HWBC on the Ringland Health Centre site utilising adjacent land that will be purchased from Newport City Council.

5.3 The updated capital costs are highlighted in the table below and these are compared with the OBC approved costs updated for inflation:

	FBC Option 3 - New Build HWBC £000	**OBC Approved Option 3 (updated for inflation) £000**
Works Cost	18,446	15,367
Fees	2,301	2,453
Non-Works	1,270	2,434
Equipment	542	423
Contingency	602	2,068
Total Option Costs	**23,161**	**22,745**
VAT	4,632	4,549
VAT Recovery on fees	(332)	(105)
Total Capital Cost	**27,461**	**27,189**

5.4 In the table above, the approved OBC sum has been uplifted for inflation. The FBC "cost not to be exceeded" is 1% (£272k) higher than this uplifted OBC sum due to a number of factors. These include the design changes to the building following Planning consultation, the inflation allowance being higher due to the nature of a Fixed Price contract, upgraded M&E elements compared to OBC, and the programme prolongation

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and increased construction costs as a result of the enabling works package not being approved at OBC stage.

Revenue Costs

5.5 The table below summarises the revenue costs associated with the preferred option compared to the existing ABUHB costs and the estimated costs of "Doing Nothing", excluding depreciation and impairment:

FBC Financial Case	Current Expenditure Incurred	"Do nothing" option	Public Sector Capital Build of Integrated GMS, Health and Wellbeing Centre
GMS Non Pay Practice Costs		**Option 1**	**Option 3**
	£'000	**£'000**	**£'000**
Rent	25	25	0
Rates	19	19	21
Other Non-pay (, maintenance, utilities, security, cleaning)	45	45	41
Total GMS Costs	**89**	**89**	**62**
Other H&WC Running Costs			
Workforce **(Non-GMS)**	0	0	58
GDS additional contract costs	0	286	286
CDS additional chair costs	0	0	35
Rates	22	22	99
Overhead running cost (excluding rates)	65	65	254
Total of Other Running Costs	**87**	**373**	**732**
Total Costs (Non Pay GMS Cost & Other H&WC Running Costs)	**176**	**462**	**794**
Income from Independent Contractors (rates, maintenance, cleaning, utilities)	8	8	53
Rent from Independent Contractors	0	0	16
Total Income	**8**	**8**	**69**
Net Cost to the ABUHB	**168**	**454**	**725**

5.6 The revenue costs presented are based on 2020/21 price levels and have been derived from a detailed analysis undertaken on:

- Clinical and service models
- Workforce requirements
- Estate and Non-pay implications
- Independent Contractor status and anticipated income from lease rentals and service charges

5.7 They assume that:

- Four existing health care facilities in Newport will close i.e. Ringland Health Centre, Park Surgery practice, Alway Clinic and Clytha Clinic
- Income will be received for General Dental services to cover rent, rates, utilities and maintenance
- The practices will not merge in the foreseeable future.
- Income will be received from GMS services to cover rates, utilities and maintenance.
- The above includes an emerging cost pressure of £286k relating to the GDS contract value which needs to increase in tandem with a projected increase in activity. Whilst this has been included for completeness it should be noted that this cost pressure exists now and is not directly related to the proposed new building itself.
- An Operational Manager will be appointed to manage the new facility employed by ABUHB

5.8 To cover the £0.271m increase (£0.557m including additional GDS requirement) in recurrent revenue expenditure, approval for additional budget funding will be required as follows:

- Primary Care and Community Services - £0.274m (including £0.286m relating to GDS)
- Estates and Facilities - £0.244m
- ICT and other - £0.038m

5.9 The net additional costs with the new building will need to be accommodated within the Divisional revenue plans from 2024 linked to the IMTP process.

5.10 The benefits realisation plan will be analysed and used in order to facilitate non-cash releasing benefits and provide efficiencies using a value-based healthcare approach where possible to mitigate the costs indicated above.

6.0 **The Management Case**

6.1 The HWBC project is being managed in accordance with the requirements of the All Wales Designed for Life: Building for Wales Framework, the NHS capital investment manual and PRINCE 2 methodology. The HWBC project has a dedicated Project Team that reports to the Primary Care and Community Estates Programme Board which in turn reports to the Health Boards Strategic Capital and Estates Work stream.

6.2 Key Project Roles have included the following:

- Senior Responsible Owner – Nick Wood Executive Director of Primary, Community and Mental Health Services
- Project Director – Andrew Walker Strategic Capital and Estates Programme Director
- Service / Clinical Lead – Dr Graeme Yule NCN Lead

6.3 The high level project plan is set out in the following table:

Milestone	**Date**
Submission of FBC to WG	January 2022
WG Approval	March 2022
Start on Site Enabling Works	April 2022
Start on Site Main Construction	September 2022
Construction Completion	August 2024

1.0 INTRODUCTION

Purpose of Business Case

1.1 The purpose of this Full Business Case (FBC) is to:

- Confirm that the case for change and the preferred option as set out in the approved Outline Business Case (OBC) are still relevant and that no significant changes have occurred since OBC approval.
- Confirm that no significant changes have been necessary to the Economic Case
- Confirm that a "cost not to be exceeded" has been agreed with the Supply Chain Partner in the sum of £27.461 million.
- Confirm that the preferred option involves the construction of new Health and Well-Being Centre on the site of the existing Ringland Health Centre.

Structure of Document

1.2 This FBC has been prepared using the agreed standards and format for Business Cases, as set out in:

- HM Treasury Guide to Developing the Project Business Case 2018
- NHS Wales Infrastructure Planning Guidance (2015)
- HM Treasury, the Green Book: Appraisal and Evaluation in Central Government: Treasury Guidance (2003).
- Public Sector Business Cases using the Five Case Model: A Toolkit Guidance and Templates (2007)

1.3 The approved format is the 5 Case Model, which comprises of the following key components:

- The **Strategic Case** which sets out the Strategic Context and the Case for Change, together with the supporting investment objectives for the Scheme.
- The **Economic Case** which demonstrates that ABUHB has selected a *preferred way forward,* following evaluation of a number of alternative solutions, which best meets the existing and future needs of the Service and is likely to optimise Value for Money (VFM).
- The **Commercial Case** which outlines the potential procurement strategy.
- The **Financial Case** which addresses the capital and revenue implications and the issue of affordability.
- The **Management Case** which demonstrates that the scheme is achievable and can be successfully delivered in accordance with accepted best practice.

2.0 THE STRATEGIC CASE

The Strategic Context and the associated Case for Change has not changed since submission and approval of the Outline Business Case and is summarised below for completeness.

PART A - THE STRATEGIC CONTEXT

2.1 Organisational Overview

2.1.1 Aneurin Bevan University Health Board was established in October 2009 and achieved 'University' status in December 2013.

2.1.2 We serve an estimated population of over 639,000, approximately 21% of the total Welsh population. Approximately 30 per cent of the population live in the Caerphilly local authority area and 25 per cent live in the Newport local authority area.

2.1.3 With a budget of **£1.281 billion** we deliver healthcare services to people in Blaenau Gwent, Caerphilly, Monmouthshire, Newport, and Torfaen and also provide some services to the people of South Powys.

2.1.4 The Health Board covers diverse geographical areas and had to take account of a mix of rural, urban and valley communities. The valleys experience high levels of social deprivation, including low incomes, poor housing stock and high unemployment.

2.1.5 The Health Board employs 11,252 staff (October 18) and is the largest employer in Gwent. The staff group has remained relatively unchanged in the last year. The largest staff group are Nursing & Midwifery at 30% of the total workforce followed by additional Clinical services at 20%.

Services

2.1.6 The Health Board provides a comprehensive range of acute hospital based, Community based, Mental Health and Primary Care services via a large and complex estate consisting of the following:

- 4 Acute Hospitals – Grange University Hospital, Royal Gwent, Nevill Hall, Ysbyty Ystrad Fawr
- 5 Community Hospitals - County, Ysbyty Aneurin Bevan, St Woolos, Chepstow and Monnow Vale
- 4 Mental Health Hospitals - St Cadoc's, Llanfrechfa, Maindiff Court, Ysbyty'r Tri Chwm
- 8 Locality based Mental Health Units and 1 Residential Unit on LGH site, 4 unoccupied units across Gwent.

- 30 Locality based Community clinics

2.1.7 In-patient acute and community beds across the above sites total 1,551 broken down as follows:

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	RGH	NHH	YYF	SWH	YAB	County	Chepstow	M. Vale
In-patient beds	695	401	164	100	94	48	32	19

2.1.8 The University Health Board contracts with independent practitioners in respect of primary care services which are delivered by General Practitioners,
Opticians, Pharmacists and Dentists. Outside of normal practice hours the University Health Board has responsibility for and provides an Out of Hours Primary Care Service.

2.1.9 There are 281 WTE General Practitioners and Salaried GPs providing general medical services from 72 General Practices. Supporting these are 194.8 WTE practice nurses, 156.8 health care support workers 689.7 WTE administrative staff, including practice managers, receptionists, secretaries and IT officers. Around 375 General Dental Practitioners provide general dental services from 79 practices. There are 131 Community Pharmacies and 69 Optometry premises across the University Health Board. The distribution of these services is set out below:

Locality	General Practice	Community Pharmacies	Dental	Optometry	CRTs	DNs	Specialist
Blaenau Gwent	11	16	10	11	1	Work across all areas	Complex Care Team, Palliative Care Team
Caerphilly	21	44	23	20	1		
Monmouthshire	12	18	13	14	1		
Newport	17	32	18	15	1		
Torfaen	11	21	15	9	1		

Total	72	131	79	69	5	29	

2.1.10 A wide and growing range of community based services are increasingly being delivered in patient's homes, through community hospitals, health centres and clinics. There are a number of smaller community hospitals, integrated health and social care centres, and health centres providing important clinical services to our residents closer to home.

2.1.11 The University Health Board also provides comprehensive Mental Health and Learning Disabilities services in both hospital and community settings to the population of Gwent and South Powys

Population Projections

2.1.12 Projections indicate that if current trends continue, the number of persons aged 65 and over resident in the UHB area will increase by almost 60% by 2033. The proportion aged 75 and over is projected to increase from around 7% to 10% at local authority level to around 11% to 19% over this period, the sharpest increases being in Monmouthshire and Torfaen. At local authority level, the percentage aged 85 and over

is projected to double from between 2% and 3% to between 5% and 8% by 2033, with the exception of Monmouthshire where a sharper increase is projected with the proportion set to treble in size.

2.1.13 The increase in the number of older people is likely to be associated with a rise in long-term conditions whose prevalence is strongly age-related, such as circulatory and respiratory diseases and cancers. Meeting the needs of these individuals will be a key challenge for the University Health Board. In the current economic climate, the relative (and absolute) increase in economically dependent and, in some cases, care-dependent populations will pose particular challenges to communities.

2.2 Alignment to Existing Policies and Strategies

2.2.1 The project has been developed in the context of clear National Policy and Strategy relevant to the development of Health and Well-Being services and more particularly to the ongoing development of Primary, Community, Social and out-of- hospital care.

2.2.2 ***'A Healthier Wales'*** sets out a long term, future vision of a whole system approach to health and social care which is focussed on health and wellbeing and on preventing illness. The ambition is for the continued development of a seamless, integrated system of health and social care, predicated on a place based approach to service delivery, to improve service sustainability, quality and safety and to improve population wellbeing. The delivery of a seamless system of health, care and wellbeing will continue to be through the framework to direct resources and service redesign across the following four tiers:

2.2.3 ***The Social Services and Wellbeing (Wales) Act*** and ***Wellbeing of Future Generations (Wales) Act 2015*** provide an enabling legislative framework which requires the Health Board and partners to work collaboratively in an integrated way across the whole system, involving the public in developing long term solutions to prevent avoidable illness and provide sustainable services in the future. The ***Wellbeing of Future Generations (Wales) Act*** established 7 National goals as illustrated below:

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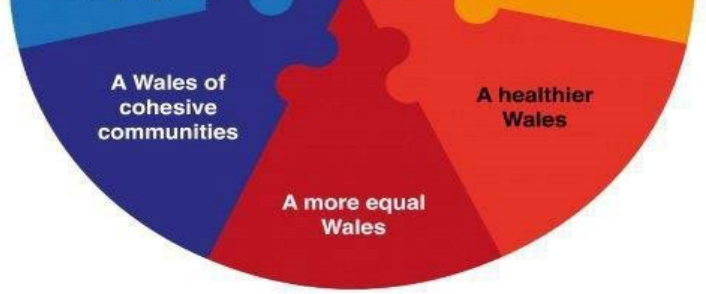
Figure 1 WoFGA 7 Goals



2.2.4 The Health Board's approved ***Integrated Medium Term Plan*** for the next three years is a statement of the Health Boards' ambition, working with partners, to improve the health and wellbeing of the population through services delivered closer to home.

2.2.5 Through the ***Clinical Futures Level 1*** programme of service transformation and the Gwent Area Plan, the Health Board will build on the foundations already in place to drive forward system change at pace in primary and community care, CAMHS and hospital discharge.

2.2.6 The five ***Public Service Boards*** across Gwent have each agreed a Wellbeing Plan, all of which reflect, where relevant, aspects of the Health Board's individual Wellbeing Objectives. The Health Board members of the five Public Service Boards (PSBs) are taking an active role in leading PSB programmes of work to give children the best start in life, to promote good child and adolescent mental wellbeing, to enable people to live healthy lives to prevent avoidable disease and to enable people to age well.

2.2.7 The ***Gwent Regional Partnership Board*** has secured additional funding provided by the 'A Healthier Wales: National Transformation Fund' to fund the Gwent RPB transformation programme. With this funding, the Health Board is working in partnership with social services, housing and third sector partners across Gwent to deliver a transformational improvement programme which will start to build the sustainable foundations required to achieve a system shift to a seamless system of care and wellbeing, with more care provided closer to home.

2.2.8 The Health Board is implementing the new model of Primary Care with increasing pace consistent with the national ***Strategic Programme for Primary Care***. The new model of Primary Care will further develop the "Hub" model. Typically, these "Hubs" will contain the following services:

- Independent contractors

- Integrated Service Team
- Social Care Services
- Direct-access therapies and patient education groups
- Care Navigation
- More consultations through the Common Ailments Scheme as an alternative to a GP appointment
- Increased routine dental access

2.2.9 The "Hub" model is being further developed to include **"Specialist and Enhanced Services"**, therefore shifting demand from secondary care to primary care and place based care, is also progressing.

2.3 Health Board Estate Strategy

2.3.1 The Estate Strategy was approved by the Health Board in January 2019. Due to the large and complex nature of the Health Board estate**,** the Estate Strategy was developed under the following service headings:

- Acute Hospital Services
- Community Hospital Services
- Mental Health Hospital based Services
- Primary and Community Care Services
- Leased / non-clinical Services

2.3.2 The following is an overview of key financial and six facet information for the Primary / Community based owned estate and Community based Mental Health services:

- **Property Asset Value - £26 million *(Existing use NBV)***
- **Total floor area of - 20,275 m2**
- **Total Operating cost - £1.28 million per annum**
- **Cost per metre - £63 (Carter Median £331)**
- **High/Significant Backlog - £1.220 million**
- **Underused Estate - 26.29% (m2)**
- **Empty Estate - 6.19% (m2)**
- **Maintenance Costs £42,500 (£2.10 per m2)**
- **Energy Consumption 6.8 million kWh**

2.3.3 The above data relating to the owned estate includes 26 Locality cased clinics, 8 Locality based Mental Health Units and 5 Residential Units. Whilst the above data relates to the Health Board owned estate our understanding of the condition, utilisation, etc.,

of the GP owned estate has since been improved via the completion of a Six-Facet Estate review.

2.3.4 Leased accommodation includes recently completed Primary Care Resource Centres in Brynmawr, Blaenavon and Rhymney.

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2.3.5 In the context of the clear policy and strategic direction outlined above in section 2.1 and 2.2 and the Six Facet Survey information, the Estate Strategy concluded that the following two Strategic Objectives should be taken forward for the Primary/Community and Community based Mental Health estate:

Strategic Objective 13 - Review location, content, condition and utilisation of existing Primary Care, Community Care and Mental Health Community based facilities in each NCN area in the context of other ABUHB/Public Sector facilities and the above clinical strategy.

Strategic Objective 14 - Following the above review to produce a costed and prioritised plan for the creation of the proposed "Hubs" and other proposed service changes utilising the existing estate as far as is possible.

2.3.6 The above Strategic Objectives have been met by the Primary care Division and the construction of a new HWBC in Newport East is identified as a priority within the completed Primary Care Estates Strategy.

Part B – The Case for Change

2.3.7 The agreed Investment Objectives for this project are as follows:

Investment Objective 1	To support the co-location and further collaboration of Ringland Medical Practice and Park Surgery
Investment Objective 2	To support the increased provision and improved integration of Health and Well Being Services within Newport East NCN
Investment Objective 3	To address the significant estate infrastructure issues that exist at the Newport East NCN
Investment Objective 4	To support the effective use of clinical and non-clinical resources that are delivered within Newport East NCN

2.4 Existing Arrangements

Current GMS Services

2.5.1 General Medical Services for a population of approximately 15,142 patients are currently being provided by two well established General Practitioner Practices within Newport East, Ringland Health Centre and Park Surgery.

Park Surgery

2.5.2 The surgery is a two storey house, which is situated in Chepstow Rd Newport. The building is owned by the existing GP Partner. The building consists of rooms occupied by the GPs, Practice Nurses and attached community staff such as midwifes, mental health counsellors etc. Third Sector also currently work collaboratively with the Practice i.e. Citizens Advice Bureau.

2.5.3 The surgery has 3.2 FTE General Practitioners currently providing services to a practice list size of 6,674. There is 0.2 WTE Therapist, 1.4 WTE Practice Nurse and one Health Care Support Worker supporting the provision of General Medical Services.

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2.5.4 Park Surgery Staffing and Whole Time Equivalents (WTE) are listed below:

Position	Number of Staff	WTE	Vacancy
GPs	3	3.2	0
ANP	0	0	0
Therapist	1	0.2	0
Practice Nurse	2	1.4	0
HCA/Phlebotomist	1	0.2	0
Practice Manager	1	1	0
Administration Staff	7	4.6	0
Total Number and WTE	15	10.6	0

2.5.5 The Surgery is not currently a Training Practice, but has applied to the Academic Fellows Scheme and it is an aspiration of the Practice for the future to become a full Training Practice.

Existing Condition of Park Surgery

2.5.6 A Six Facet Survey has been undertaken in March 2018 with the following key information identified:

- Total Backlog cost – 174,639.00
- Functional stability – B
- Space Utilization - F
- Quality Audit – B
- Statutory Compliance – D

Ringland Health Centre

2.5.7 Ringland Health Centre was officially opened in April 1972. The building is a single storey with the community services operating from existing GP clinical accommodation, owned by the Health Board.

2.5.8 Ringland Health Centre is a six partner GP practice serving 8,468 patients.

2.5.9 Ringland Health Centre staffing and Whole Time Equivalents (WTE) is shown in the table below:

Position	Number of Staff	WTE	Vacancy
GPs	10	2.75	0
ANP	1	0.6	0
Pharmacist	1	0.5	0
Practice Nurses	3	1.7	0
Health Care Assistant	2	1.3	0

Practice Manager	3	1.3	0
Administration Staff	8	5.4	0
Total Number and WTE staff	28	13.55	0

Existing condition of Ringland Health Centre

2.5.10 A Six Facet Survey was undertaken in 2018 with the following information identified:

- Total Backlog - £530,782.00
- Functional Suitability – Grade B
- Space Utilisation – F
- Quality Audit – C
- Statutory Compliance – C

Other AB Provided and Independent Contractor Services

Community Pharmacy

2.5.11 There is currently 2 independent Pharmacies providing services to Ringland Health Centre (Lloyds Pharmacy, Ringland Centre) and Park Surgery (Giles Pharmacy, Chepstow Road). The Pharmacies provides a full range of essential, advanced and enhanced services which include Medicine Use Reviews (MURs), Discharge Medicine Reviews (DMRs), Out of Hours Pharmacy Rota, Common Ailment Service (Choose Pharmacy), Emergency Medicines Supply, Waste Reduction Service, Out of Hours on call Palliative Care, , Supervised Methadone Consumption, Medication Administration (Chart/MDS and Pivotell), Needle exchange, Smoking Cessation Level 2 and 3, Emergency Hormonal Contraception (EHC) and Seasonal Flu Vaccination. The Pharmacy also provides a home delivery service and blister packs of medication for patients.

Community Dental Service

2.5.12 Current service provision for the Community Dental Service is delivered from the existing Ringland Health Centre. The service operates every week day, patients are allocated to the service through the Dental Helpline.

'Other' Hospital Services

2.5.13 Services currently being delivered from the existing GP Surgeries include Podiatry, Sexual Health, Speech & Language Therapy, Midwifery, Flying Start, Health Visitors, and Substance Misuse. Clinics are held on a sessional basis and provided on scheduled days throughout the week.

2.6 Service Needs

Local Service Context

2.6.1 This section focuses on the specific issues that need to be addressed within Newport East NCN for the Health Board to offer quality, sustainable and efficient Health and Well Being Services.

Increasing Demand

2.6.2 Over recent years Primary Care has faced considerable pressures with an increasingly elderly population, rising numbers of people suffering dementia, long-term health conditions and chronic pain. There are also challenging social issues which impact on health and well-being through substance misuse, depression and social exclusion resulting in loneliness and isolation. Poverty is associated with earlier onset of ill health, higher rates of co-morbidity and reduced life expectancy. The result is increased

demand for GP and community services and consequential decreased access to Primary Care, particularly in areas of socio economic deprivation

2.6.3 This increasing demand is more difficult to meet because of the acute recruitment difficulties being experienced, particularly for GP services – this is a national problem, but within the ABUHB there are specific difficulties in Newport East.

Sustainability of GMS Services

2.6.4 General practice is facing unprecedented and well publicised pressures due to various factors, including GP recruitment and retention difficulties, workload, ageing patient population and increasing complexity of the caseload. These factors are causing vulnerability which puts practices at risk of closure and significant service reduction.

2.6.5 This has been further exacerbated by the COVID-19 pandemic. Staff working within primary care have responded to this crisis. New ways of working have been adopted rapidly in line with national policy and social restrictions; frequent changes to onward referral processes have been adhered to; and professionals have persevered without normal access to supporting and specialist services which have been suspended or become equally overwhelmed.

2.6.6 General Practice is reporting unprecedented demand, anecdotally, it is reported that there is an increase in demand of approximately 20%, as are other parts of the healthcare system, and we need to support and facilitate service delivery to ensure safe and effective care continues to be provided to patients.

2.6.7 There are further challenges, with the increased rates of COVID-19 in the community, many services are experiencing an increase in staff needing to isolate for either testing positive or being identified as a contact. This is placing a further strain on the workforce, who are already feeling exhausted from their continued efforts during the pandemic and their concerted contribution to the delivery of the COVID-19 vaccination programme (approx. 226,000).

2.6.8 There is work ongoing in relation to the restart and recovery programme, which will enable the Health Board to support the backlog of care and maintain core service delivery, but this will be a phased approach over a sustained period. Practices have adopted a blended approach to patient consultations, offering both face to face and remote consultations, as appropriate. The number of face to face appointments is steadily increasing, however there are challenges with this, especially in relation to managing social distancing and throughput of patients.

2.6.9 As part of the GMS Contract negotiations for 2016-17 an agreement was made to develop a framework for assessing the sustainability of GP practices due to the impact of a number of external factors which may impinge on the sustainability of a contracted GP practice.

2.6.10 The GP Sustainability Framework was issued by Welsh Government to assist Health Boards to identify practices at risk of having to reduce service provision and/or to give notice to terminate their GMS Contract and offer targeted support. Practices are able to apply for support from the Health Board to stabilise service provision.

2.6.11 In light of identified sustainability challenges, particularly around workforce and existing estate, there is a risk that one or both practices in the Newport East area could seek support via the Sustainability Framework and/or serve notice on their GMS contract. There is a significant risk to the practices, patients and Health Board. The Sustainability Framework enables practices to submit an application to the Health Board seeking support. If agreed this can be in the form of resources or financial support. Both practices could potentially seek this assistance, and the current offer of support available is financial support.

2.6.12 Where a contract resignation is received, the Health Board would implement the Vacant Practice Process to consider the future options in that instance. Given the location and population need, there would be an expectation to secure alternative GMS provision. However, as previous recruitment campaigns have demonstrated, this is likely to prove difficult. This is exacerbated given the current poor condition of GMS premises.

2.6.13 A potential worst case scenario would be the need for one or both practices to become directly managed. The Health Board has experience of this in four other areas of Gwent each of which have pose significant recruitment and associated financial challenges. This also impacts on the ability to provide adequate service provision and care to patients, potentially offering a much reduced service, i.e. limited enhanced services.

Implementation of the Health and Wellbeing Model

2.6.14 One factor that is increasingly accepted as crucial to GMS sustainability is working at larger scale, which can often provide the security of working as part of a larger team and therefore increased resilience. Also due to the GP workforce issues, this provides the opportunity for larger practices to consider a wider skill mix of staff in GP surgeries that enables patients to be seen by the most appropriate health care professional for their needs, including advanced practice nurses, pharmacists and health care support workers. Neither of the existing practices is large enough on its own to embrace this model fully, even without a full merger, there will be a need to work collaboratively to ensure longer term sustainability.

2.6.15 Within the ABUHB the new model is already being adopted, with the establishment of multi-disciplinary teams and MDT processes, care navigation and place based integrated teams. Where suitable estate is available these models are developing successfully. The Board is also planning for practices to work at scale, with more sharing of staff and premises, incentives for mergers and planning facilities which promotes this way of working. This cannot be achieved in Newport East due the limited space available in existing premises.

2.6.16 In the face of GP recruitment and availability of locum problems there will need to be multi-disciplinary team development to meet the current and future demand. Appropriate space is required for these expanded teams and to allow for training that

orientates staff into primary care service provision. In addition, improved premises are required to enable the wider teams to work with the practices, aiming to intervene early to meet patient needs and prevent the deterioration in health and well-being which too often results in avoidable hospital admissions. Key to this will be the social care input and connection to the integrated well-being networks which will help widen the practice response beyond a purely medical one.

2.6.17 The proposed new model will support the transition and continuity of patient care upon impending General Practitioner retirements, ensuring the long term sustainability of new service models and provision of a General Practitioner and Nurse training facility. The Practices, whether they merge or not, will use the opportunity of the Hub model to develop further service delivery by enhancing their areas of special interest. They will also develop their patient and education groups emphasising the importance of health and well-being which is currently unable to be catered for from the existing premises. The practices will continue to provide core General Medical Services to their patients, in line with the Quality Assurance and Improvement Framework and also in line with the new Access Standards as issued in March 2019.

2.6.18 The Clinical Futures model and other models within Wales are is designed to support the introduction of 'Care Closer to Home' by providing a broader range of services within the community. These services will avoid unnecessary hospital admissions and support early discharge after a hospital stay. This approach reflects international models that are successfully delivering more person centered, cost effective care.

2.6.19 In 2014, the Welsh Government published its Primary Care Plan for Wales up to 2018. This document outlined a new approach to meeting Primary Care demands with a focus on clusters of GP practices working together and the provision of place-based working with the wider primary care/community teams coalescing around these places – this included social care and the 3rd sector. After the publication of this plan there was additional Primary Care monies allocated to learn from new ways of working, including multi-disciplinary working in GP practices, working at larger scale with practices merging or working together and introducing some form of sign-posting or navigation or triage.

2.6.20 Initial pilots and pacesetter projects were extensively evaluated and from this emerged a new Primary Care model for Wales. This model has further been substantiated in the 2018 Welsh Government strategy "A Healthier Wales" which re-enforces the prudent multi-disciplinary practice model, the need to work at scale and with some form of sign-posting. This strategy also prioritises place based integrated

teams and the strategy is firmly a Health and Social Care plan, directing integrated working and a more social model of Primary Care.

2.6.21 In line with 'Care Closer to Home' and Living Independently in the 21st Century strategies, the service model proposes to co-locate Health and Social Care networks within shared accommodation. This will build on the current existing model of co-located Neighbourhood Care Network (NCN) West and East teams and will be further enhanced with the extension of the model through the additionality of representation from third sector and community focussed partners including a relocation of services currently provided from Ringland Health Centre & Park Surgery. The service will provide an opportunity to embed and develop innovation amongst partners, supporting Newport East citizens throughout their health and social care pathways. This will provide an

opportunity for collaborative working across both statutory and community wellbeing support services including:

- District Nursing / Community Nursing
- Community Resource Team (CRT) including reablement and therapy service • Early year's provision including health visiting and flying start
- Social Care including statutory Adult and Children support.
- Wellbeing support including Community Connectors and various Social prescribing models of support – non medical support to promote health and wellbeing.

2.6.22 By ensuring the colocation of key teams, communication will be improved for the benefit of patients and their families, ensuring that district nursing, GP's and other professionals will be able to plan with patients avoiding handoffs and referrals to improve experience and outcomes

2.6.23 Some examples of Wellbeing provision that could and should be available at the Hub facility includes, but not exclusively:

- Diabetic Eye Screening Wales
- AAA Screening
- Unpaid / Family Carers Support
- Gwent Drug and Alcohol Service (GDAS) and similar third sector programmes
- Podiatry Services
- Mental Health and Counselling support from both Primary Care and our third sector consortium arrangements (Mind / Hafal/ Mindfulness Support etc.)
- Supporting People and Housing solutions
- Families First programmes
- Specialist Third Sector providers i.e. Dementia Support / Carers Support/ Hospice and Palliative care services
- Welfare and Benefit support – Job Centre / Department of Work and Pension/ Citizens Advice
- Social Care private providers including Domiciliary Care Agencies working in the Newport area.
- Domestic Abuse / VAWDASV services and promotion
- Newport Live - including Adult Education/ Healthy Living and Gentle Exercise support.

2.6.24 The Hub will also be a key link to the development of Community Based support to promote wellbeing, promote ageing well activities, reduce social isolation and promote non-medical solutions to promote independence and reduce dependency on traditional models of health and social care. Through partnership working across Health, Social Services and the third sector the facility will exploit the opportunities through utilising the WCCIS (national health and social care database). It will also enable citizens and staff to explore opportunities for enhanced information technology solutions both in terms of accessing and signposting services, digital inclusion projects and promoting assistive technology / telecare solutions.

2.6.25 Central to the development and at the 'heart' of the Hub is an opportunity to develop the potential for a community café facility which ideally will be provided via a social or community enterprise and will focus on:

- Health and wellbeing – giving people access to simple but healthy food at affordable prices. The Café will aim to help locals to change their eating habits and help them to realise that healthy food can be appetising.
- Togetherness – bringing people together in an atmosphere that helps promote friendship and community spirit.
- Acceptance – a place free from judgment where everyone is welcome and treated with equal respect.
- Safety – a place where young and old feel safe in a welcoming environment.
- Creativity – a positive and vibrant space that celebrates creativity and inspires new ideas.
- Empowerment – the Café is a catalyst for positive action, a place where people are encouraged to develop their unique abilities and make positive life choices in order to develop self-esteem and confidence, and to build life skills.

2.6.26 There is a unique opportunity in Ringland to link health and well-being services provision with the Ringland Neighbourhood Hub which is the first of a network of four multi-agency facility across the city developed by Newport City Council (NCC). NCC have been working in partnership with PLACEmaking to transform the existing community centre and library into a state-of-the-art building which has dramatically improved flow and use of the available space. Care navigation and active signposting from primary care will provide routes into employment, financial, housing and family support services. It will also act as a gateway to social prescribing through adult learning, creative arts, social activities and gardening projects. The facility will support families, young people and adults to learn new skills, improve their health and well- being, find employment and develop the confidence to achieve their goals and transform their lives. GPs and other health and social care professionals will be able to directly access non-clinical solutions to health issues that are often caused by people's social, financial or personal circumstances. This will help to 'de-medicalise' some conditions that are currently treated pharmacologically and will address people's needs in a more holistic way.

General Dental Services

2.6.27 In July 2018 Welsh Government published '*A Healthier Wales: our Plan for Health and Social Care – the oral health and dental services response'*. The Health Board aims to:

- Improve population health, oral health and well-being through a greater focus on prevention;
- Improve access, experience and quality of dental care for individuals and families;
- Enrich the well-being, capability and engagement of the dental workforce; and;
- Increase the value achieved from funding of dental services and programmes through improvement, innovation, use of best practice, and eliminating waste.

2.6.28 *Taking Oral Health Improvement and Dental Services Forward in Wales* was published by the Welsh Government in March 2017. The GDS reform programme will allow dental teams and patients to:

- Understand the oral health risks and needs of individual patients and the whole 'practice population'
- Improve on delivery of evidenced-based prevention and treatment where indicated through the GDS
- Support implementation of dental recall periods based on oral health risk and needs assessment
- Facilitate development and implementation of dental care pathways/patient journeys that outlines principles and stages involved in achieving agreed oral health outcomes for patients
- Evaluate and understand the changes in key activities, outcome and quality indicators to inform development of new dental contracts
- Encourage increased skill-mix use in the GDS in Wales (Prudent Dental Care)
- Understand the changes that are required to improve on inequity in dental care use and lack of dental access for people who have high dental need
- Encourage clinical teams to develop a culture of continuous Quality Improvement to ensure enhanced patient Quality and Safety in Primary Dental Care
- Encourage establishing partnerships with other primary and social care services to improve patient care and outcome.

2.6.29 There is insufficient capacity within existing premises to expand service provision. By including dental service provision within the proposed HWBC, the above services will be able to be provided and additional new NHS patients will be able to access NHS dental services. The Health Board has made a provision within the dental contract for additional units of dental activity to be awarded in order to provide an increase in dental service. The practice has already joined the GDS Reform Programme, all new and existing patients will undergo a needs assessment, known as the ACORN (Assessment of Clinical Oral Risk and Needs) assessment, which will determine a patients oral health risk and need for any preventative treatment i.e. fluoride varnish application. This will enable the practice to deliver the dental health care that is needed, which will include advice, education and treatment, where necessary. This area is considered "high need" and access to high street dentistry remains a challenge. The additional investment will support delivery of care and increase access.

2.6.30 'The oral health and dental services response to The Healthier Wales: Our Plan for Health and Social Care' stipulates that 'the current ambition…is to keep children decay-free by age of 5.' The practice is already part of the child referral pathway – this allows the Designed to Smile team to refer children to the practice from Health Visiting Teams, Flying Start Teams and other child organisations. It is anticipated that the provision of dental services within the Health and Well-being Centre will further enhance this, through partnership working with other service providers.

2.6.31 The most recent 'Dental Epidemiological Survey of 12 year olds 2016-17' highlights that the dental caries in 12 year olds in the Newport area is ranked 8 across the 22 boroughs in Wales.

The table below highlights the variance:

Local Health Board	Unitary Authority	D_3MFT	$\%D_3MFT$	Mean D_3MFT of those with caries experience	D_3T	$\%D_3T>0$	Mean D_3T of those with caries experience
Abertawe Bro Morgannwg	Bridgend	0.47	25.1	1.86	0.15	8.6	0.58
Abertawe Bro Morgannwg	Neath & Port Talbot	0.70	36.2	1.93	0.23	11.2	0.64
Abertawe Bro Morgannwg	Swansea	0.52	25.8	2.01	0.19	11.2	0.72
Aneurin Bevan	Blaenau Gwent	1.10	51.0	2.15	0.80	43.1	1.58
Aneurin Bevan	Caerphilly	0.95	39.6	2.39	0.60	29.1	1.50
Aneurin Bevan	Monmouthshire	0.50	25.9	1.93	0.24	12.9	0.93
Aneurin Bevan	Newport	0.63	29.8	2.11	0.27	15.9	0.91
Aneurin Bevan	Torfaen	0.94	49.2	1.92	0.61	33.6	1.23
Betsi Cadwaladr	Anglesey	0.84	41.5	2.02	0.39	23.6	0.94
Betsi Cadwaladr	Conwy	0.52	24.3	2.13	0.21	11.4	0.87
Betsi Cadwaladr	Denbighshire	0.71	36.0	1.97	0.39	23.8	1.09
Betsi Cadwaladr	Flintshire	0.60	27.3	2.21	0.20	11.3	0.75
Betsi Cadwaladr	Gwynedd	0.63	34.3	1.83	0.31	20.8	0.90
Betsi Cadwaladr	Wrexham	0.70	29.6	2.35	0.42	20.0	1.43
Cardiff and Vale	Cardiff	0.41	21.6	1.88	0.15	8.7	0.71
Cardiff and Vale	Vale of Glamorgan	0.32	17.3	1.83	0.12	5.9	0.70
Cwm Taf	Merthyr Tydfil	0.72	36.4	1.98	0.25	15.5	0.68
Cwm Taf	Rhondda Cynon Taf	0.66	30.1	2.18	0.22	13.1	0.73
Hywel Dda	Carmarthenshire	0.45	22.4	2.03	0.22	11.3	0.97
Hywel Dda	Ceredigion	0.49	28.3	1.74	0.23	17.5	0.82
Hywel Dda	Pembrokeshire	0.63	26.3	2.38	0.29	13.4	1.11
Powys	Powys	0.41	23.4	1.74	0.20	13.9	0.84
	Abertawe Bro Morgannwg	0.56	28.9	1.94	0.19	10.5	0.66
	Aneurin Bevan	0.79	36.8	2.16	0.46	24.3	1.25
	Betsi Cadwaladr	0.65	31.3	2.08	0.31	17.8	0.99
	Cardiff and Vale	0.38	20.4	1.87	0.14	7.9	0.71
	Cwm Taf	0.67	31.3	2.13	0.23	13.6	0.72
	Hywel Dda	0.52	24.7	2.09	0.24	13.1	0.99
	Powys	0.41	23.4	1.74	0.20	13.9	0.84
	WALES	**0.61**	**29.6**	**2.05**	**0.28**	**15.5**	**0.94**

2.6.32 Supporting Ringland Dental Practice to expand to provide additional dental services, will enable the Health Board to work collaboratively with the practices to help develop and deliver clinical pathways/services to address factors such as this.

2.6.33 General Dental Practices are also embracing new ways of working as a result of the COVID-19 pandemic, again with a particular focus on remote consultations/ pre-appointments where clinically appropriate. Appropriate IT and telephony infrastructure will need to be in place to support this.

2.6.34 It is recognized that there will be a backlog of care within dentistry. Dental practices have been asked to focus on those who need urgent treatment or where treatment that has been delayed, introducing routine dental checks where capacity allows. The infection prevention control measures in place have significantly reduced the numbers of patients practices are able to treat. At this time, it is important that those most in need of dental care receive it ahead of those who are not currently experiencing any problems.

Audiology Services

2.6.35 The Primary Care Audiology Service have successfully run a project from Brynmawr Resource Centre whereby patients from Newport East needing secondary care Audiology services are currently travel to Royal Gwent Hospital in Newport for hearing aid fittings, ongoing management and maintenance of their hearing aids.

2.6.36 The project allows patients with hearing tinnitus or balance problems to self-refer directly into Audiology without seeing their GP first. Evaluation and analysis of the project indicate the freeing up of GP time with onward referrals where necessary therefore increasing patient satisfaction improving outcomes with patients receiving care closer to home. Future provision for this service needs to be found in Newport East.

Workforce Context

2.6.37 As already referred to above workforce sustainability is an increasing problem within Wales. The current configuration of services is not at all conducive to future prospects of retention and recruitment.

2.6.38 The Health Board, in line with 'A Healthier Wales', plans for primary care to focus on providing a more integrated service for the wider community and these proposals would be attractive to ensuring recruitment of General Practitioners. This "Hub" model will enable more integrated working between primary care and community services which will ensure more robust integrated care. These services could be provided from purpose built premises, with no requirement to make personal investment, thus potentially attracting younger General Practitioners to the area.

2.6.39 Currently neither premise or practice list size are conducive to implementing the Transformation Model or Place Based Care both of which align to the Clinical Futures strategy and Care Closer to Home. This Model supports core GPs with larger multi-disciplinary teams of extended roles such as Advanced Nurse Practitioners, Pharmacists, Physiotherapist, Paramedics, Mental Health Practitioners and Occupational Therapists. These extended roles help to bridge the gap where there are GP shortages and ease pressure on existing GP resources ensuring that they are free to see the most complex of cases. This Model would also be supported by Care Navigation where the practice staff are trained to signpost patients to the most appropriate healthcare professional to meet their needs.

The Capacity of the Primary Care Estate

2.6.40 The current primary care estate is unable to support the new model of care through integrated ways of working, with the registered population of Newport East NCN currently accessing family and therapy services, mental health and community dental services across a number of locations including St Woolos Hospital, St Cadocs Hospital and Clytha Clinic. All these facilities are located on the other side of the river which bisects the city and require a number of changes to be accessed by public transport.

2.6.41 The impact of estate and premises cannot be underestimated in terms of implementing this new model. Newport East NCN is in an area with populations experiencing social deprivation and ill health. The new model of working is particularly necessary in these areas, but the following constraints need to be resolved:

- If practices are to work together and provide for multi-disciplinary practice teams they need the space to be able to do so. Both GP premises are particularly poor with no room for expansion and in need of replacement.

- The Health and Social care model is particularly needed in these areas with communities experiencing a combination of health and social care problems and with a need to build community resilience. Around the country the development of Health and Well-Being hubs have successfully helped to bring services together and provide a focus for community activity. This facilitates better sign-posting, provides community space as well as room for the wider community teams in addition to a more multi-disciplinary practice team. Current facilities in the Newport East NCN cannot absorb additional services and activities.

2.6.42 The current Primary Care estate is made up of relatively physically sound buildings that have reached their physical capacity. They are therefore unable to accommodate any additional enhanced or extended primary and community services that could be introduced.

2.6.43 There is therefore limited scope for service development or expansion, both due to the physical constraints of the current premises, but also due to the lack of larger facilities from which to deliver high volume services. As noted above the current model is based around GP-delivered services, rather than a more flexible and forward-looking model of multi-service delivery that facilitates a range of services being delivered from the same accommodation.

2.6.44 The existing Ringland Health Centre building is outdated and not fit for purpose; Particular areas of the building, such as the nursing bays, do not protect patient confidentiality. The existing infrastructure will be too costly to reconfigure in order to bring it to a standard which is suitable to deliver services for the 21st Century. There is significant backlog maintenance costs required to bring both premises up to current day standards.

2.6.45 The following summaries the constraints currently experienced by both practices:

Clinical Rooms

- No capacity within General Practitioner and Nurse consulting rooms
- Sharing of rooms
- No space for training, therefore unable to become a training practice at present
- Non availability of consulting rooms for General Practitioners
- Consulting rooms doubling up for different uses
- Consulting room are not Disability Discrimination Act compliant
- Current layout restrictive with small room sizes
- General Practitioners s have no means of escape from room with violent patients
- Minimal number of Treatment Rooms

Non Clinical

- Car parking facilities are limited
- No appropriate space for clinical waste
- Waiting rooms are restrictive in all buildings
- No appropriate area for quarantine and no appropriate route of exit

- Layouts are not conductive to either patient or staff confidentiality
- There is no baby changing facility
- Administration space is currently very limited
- No capacity to provide health promotion
- Ambulance access is inappropriate, patient has to be taking on stretcher out through the main waiting area
- Restrictive car parks with restrictive access for ambulances
- Staff facilities are limited with no secure staff facilities
- Lift only in one building

2.6.46 The information provided within this Case for Change demonstrates that the creation of a Health and Well-being Hub within Newport East NCN is a priority for the following reasons:

- The existing GMS services in Ringland Health Centre & Park Surgery are not sustainable in their current form.
- There is a risk of GMS contract resignation and the consequential service and financial risk of having to establish a Managed Practice / Practices.
- The existing facilities in Ringland Health Centre & Park Surgery are not sustainable in their current form.
- The constraints of the existing buildings do not allow for additional General Medical Services, GDS, Pharmacy, Community and Health and Well-Being Services to be expanded to meet the growing needs of the population, and in line with national and local strategies.

3.0 ECONOMIC CASE

As with the Strategic Case factors contributing to the Economic Case have also not changed significantly since submission of the Outline Business Case. What follows therefore is a summary of the previous Economic Case and Economic Appraisal with relevant changes highlighted.

NON FINANCIAL OPTION APPRAISAL

3.1 Introduction

3.1.2 In accordance with the Capital Investment Manual and requirements of HM Treasury's Green Book (*A Guide to Investment Appraisal in the Public Sector*), the OBC considered a wide range of options to form a long list and then a short list which was appraised in more detail.

3.2 Appraisal Process

3.2.1 In line with the requirements of the Five Case Model the following framework of strategic options (or potential solutions) were developed for initial assessment. It encompassed the five "categories of choice" recommended within the Five Case Model:

- Scope of service
- Estate solutions
- Service delivery
- Implementation/phasing ▪ Funding

3.2.2 The evaluation was undertaken, and a simple scoring mechanism used to record how well each option met the investment objectives and satisfied the critical success factors (CSFs).

- x - the option did not meet the investment objectives or the CSF's
- ✓- the option did meet the investment objectives and satisfy the CSF's
- ? - the option partially met the investment objectives and CSF's but had an element of uncertainty

3.2.3 A summary of the resulting long list, inclusions, exclusions and possible options is outlined in the following table:

Options	Finding
1.0 Scoping Options	
SO1 – **Business as Usual**, General Medical Services and other Health and Well Being services in the Newport East area would continue to be provided as now. SO2 - Existing General Medical services in Newport East are merged into one practice but not co-located	**Discounted -** Does not satisfy any of the investment objectives or critical success factors, but is ***retained as a benchmark for cost comparison against other shortlisted options.***
SO3 - Existing General ~~Medical Services in~~ Newport East are co-located	**Discounted** - This option does not meet all of the investment objectives or critical success factors. It offers some opportunity to improve the existing GP services but does little to improve the overall quality, sustainability and resilience of GMS and HWB services. Does nothing to improve integration. **Possible** - This option does not meet all of the investment objectives or critical success factors but does offer some opportunity to improve the existing estate, improve the overall quality of services, and address GMS sustainability. GMS and HWB services would however not be integrated. WG capital is unlikely to be available therefore requiring 3PD support and associated revenue funding. **Possible -** This option meets the investment objectives and critical success factors. It offers significant opportunities for the integration, development and improvement of GMS and HWB services within Newport East.
~~SO4 - Develop Integrated~~ General Medical and Health and Well-being services	
2.0 Estate Options	
~~ES1 - Do Minimum,~~ Refurbishment of existing practice / health centre facilities.	**Discounted** - This option does not meet all of the ~~investment objectives or critical success factors~~. It ~~offers some opportunity to improve the existing~~ estate but does little to improve the quality, sustainability and resilience of GMS and HWB services. ***This option is discounted but is retained as a benchmark for cost comparison against other shortlisted options.*** **Possible** - This option does not meet all of the investment objectives or critical success factors but does offer some opportunity to improve the existing estate and improve the overall quality, sustainability and resilience of GMS services. GMS and HWB services would however not be integrated. WG capital is unlikely to be available therefore requiring 3PD support and associated revenue funding **Possible** -
ES2 - New build on Ringland Health Centre site. GMS services only.	
ES3 - New build on the Ringland Health Centre site, integrated GMS	

This option meets the investment objectives and critical success factors. It offers **Options** and HWB services

F2 - Private Sector Capital - Lease by ABUHB

	Finding
ES4 – New build on an alternative non-NHS site in Newport East	significant opportunities for the integration, development and improvement of GMS and HWB services within Newport East and retains some of the existing building. **Discounted -** This option meets the investment objectives and critical success factors. It could offer significant opportunities for the integration, development and improvement of GMS and HWB services within Newport East and could provide a functional building. The availability of suitable additional land is however very questionable given the many attempts to address this over several recent years. There is also little to suggest that an alternative site would provide a better solution than the existing Ringland site which is adjacent to the Newport County Council Community Hub.
3.0 Service Delivery Options SD1 - All services managed by ABUHB	**Discounted** - This option is unlikely to be desirable and will not be practically achievable. **Possible** - This option is consistent with the investment objectives and critical success factors.
SD2 - Mix of ABUHB and Independent Contractor / GMS services	**Discounted -** This option does not meet many of the investment objectives or critical success factors and would not be supported by Welsh Government
SD3 - All services externally managed	**Possible** - This option meets the majority of the investment objectives and critical success factors.
4.0 Implementation Options IO1 - Single Phase	**Discounted -** This option meets some of the investment objectives and critical success factors although it might not create the most efficient solution, could take longer to deliver all the benefits, may not align with programme milestones and may cost more.
IO2 - Phased development/ occupation	**Possible** - This is likely to present the most cost-effective solution.
5.0 Funding Options F1 - Public Sector Capital	**Possible -** This could present a solution in the absence of public sector capital but would put added pressure on revenue budgets
	34

3.3 Short-listed Options

3.3.1 The possible' options identified above have been carried forward into the short list for further appraisal and evaluation. All the options that were discounted as impracticable have been excluded at this stage.

3.3.2 On the basis of this analysis, the recommended short list for further appraisal within the OBC was as follows:

Service Options	Estate Solution	Service Delivery	Implementation	Funding
Option 1 Business as Usual - Upgrade of General Medical Services and existing premises	ABUHB / Phased Independent Contractors Capital	Public Sector other than Health and Well Being services in the Newport East would continue as now		
Option 2 Do minimum - General Private Medical Services co-located and Health and Well Being services in the Newport East area	New Build and GMS Capital/ leased	ABUHB only Independent Contractors	/ Single Phase continue as now	Public Sector
Option 3 - Develop Integrated General Medical and Health and Well-being services	New Build on the Ringland	ABUHB / Independent Contractors	Single Phase Capital site	Public Sector

3.4 Qualitative Benefits Appraisal of the Shortlisted Options

3.4.1 The short-list was then appraised using the Benefit Criteria which were agreed and weighted for use in appraising the options.

3.4.2 The ranking and weighting exercise was carried out by a large group of diverse stakeholders as part of the Option Appraisal workshop held in December 2018.

3.4.3 The outcome of that workshop is shown below:

CSFs		Option 1		Option 2		Option 3	
	W	S	T	S	T	S	T
Strategic Fit	10	9	90	10	100	16	160
Acceptability	20	6	120	10	200	17	340
Sustainability	30	7	210	8	240	17	510
Efficiency	25	9	225	9	225	15	375
Achievability	15	15	225	13	195	15	225
Totals	100	31	645	37	765	65	1385

Ranking			**3**		**2**		**1**

3.4.4 As indicated in the table above Option 3 ranks higher than the other options and is the preferred option from a non-financial / qualitative perspective.

3.4.5 As there has not been significant changes since the OBC process there has been no need to revisit the non-financial appraisal in this FBC.

3.5 Economic Appraisal of Shortlisted Options

3.5.1 A full Economic Appraisal was undertaken in the OBC, the overall results of which are shown in the table below:

Evaluation Results	Option 1- Business as Usual	Option 2 - "Do Minimum"	Option 3 - New Build
GEM Economic Appraisal	1	2	3
Non-Financial Benefits Appraisal	3	2	1
Revenue Risk Appraisal	3	1	1
Overall Rank	**3**	**1**	**1**

3.5.2. Option 3 was and still is the preferred option by virtue of the fact that it is the only option that meets the investment objectives of the project. Option 1 does nothing to address existing service deficiencies in the Newport East area and Option 2 does nothing to integrate services and to provide a broader / expanded range of local health care provision.

3.5.3 Additional GDS contract expenditure of £286k annually has been included within the updated financial case to support additional dental treatments. As this requirement is common to all options, it does not change the GEM outcome.

3.5.4 **Option 3 was and still is the preferred option**. The Financial Case in section 5.0 is based on the capital costs and revenue costs of Option 3.

Capital Costs

3.5.5 The FBC Supply Chain Partner (SCP), Kier Construction, have used the schedules of accommodation to develop the functional content, high level design and associated risk issues for each short-listed option. The following points should be noted:

- **Option 1 -** Has been developed from the Estates annual returns quantifying backlog maintenance requirements for the Health Board relating to the existing GP facilities and Health Board premises. The capital costs represent the backlog works required to bring the existing facilities up to the necessary standard.

- **Option 2** – Capital costs are included for land purchase and associated enabling works. The new building is proposed to be built via a Third Party Developer. In line with IFRS16 treatment of leases, the annual rental payments have been included up-front within the initial capital costs in the GEM.
- **Option 3** - Capital costs are based a detailed stage 4 design, receipt and review of work packages and receipt of a "cost not to be exceeded" from the SCP. They include for the demolition of the existing Ringland Health Centre, temporary re-provision, a replacement MUGA owned by NCC and land acquisition

3.5.6 The total capital costs, excluding sunk costs, for all options are shown in the table below with full details contained in the FBC forms in the Estates Annex:

	Option 1 - "Do Minimum"- Upgrade Existing Premises **£000**	Option 2 – New Build 3PD (land and enabling costs only) **£000**	Option 3 – New Build **£000**
Works Cost	877	2,386	18,446
Fees	154	526	483
Non-Works	642	1,214	929
Equipment	0	0	542
Contingency	167	424	602
Sub total	**1,840**	**4,550**	**21,002**
VAT*	189	884	3,957
Other – Capitalised Lease Costs	0	5,941	0
Total	**2,029**	**11,375**	**24,959**

* VAT has been applied at the rate of 20% to all cost components. It is assumed that VAT recovery will be applicable to all professional fees, and to the element of SCP fees relating to the area occupied by ABUHB (and excluding the leased-out areas) which is 53.5% of the total building area. Further detailed advice on the VAT reclaim will be sought in the context of potentially complex calculations consequent upon the inclusion of independent contractors and eventual lease agreements. This will be sought imminently following agreement of the Target Cost.

Capital Disposals

3.5.7 Alway Clinic and Clytha Clinic will be disposed of as a consequence of this development. The current net book value of Alway Clinic is circa £285k, and Clytha £201k. Up to date market valuations for both properties will be obtained from the District Valuer within three months of the expected sale date in 2024.

Revenue Costs

3.5.8 The revenue costs presented are derived from a detailed analysis undertaken on:

- Estate and Non-pay implications

- Independent Contractor Income
- Workforce requirements

3.5.9 The assessed annual revenue cost to the UK public sector for each option is outlined in the table below. A detailed analysis of the revenue costs of each option is also included in ***Appendix 1***:

Economic Case	Option 1 Business as usual	Option 2 "Do Minimum"	Option 3 New Build – Yr 5 Recurrent
Year 5 Recurrent Costs	**£000**	**£000**	**£000**
GMS Non Pay Practice Costs			
Rent (*capitalised for option2)	25	0 *	0
Rates	19	71	21
Other Non-pay (maintenance, utilities, security, cleaning)	39	137	35
Total GMS Costs	**83**	**208**	**56**
Other H&WC Running Costs			
Workforce **(Non-GMS)**	0	0	58
GDS Additional contract costs	286	286	286
Rates	22	22	99
Overhead running cost (excluding rates)	60	1	252
Total of Other Running Costs	**368**	**309**	**695**
Total Costs (Non Pay GMS Cost & Other H&WC Running Costs)	**451**	**766**	**751**
Income from Independent Contractors (rates, maintenance, cleaning, utilities)	8	93	53
Rent from Independent Contractors	0	0	16
Total Income	**8**	**93**	**69**
Net Cost to the ABUHB	**443**	**424**	**682**

Incremental Revenue Position

3.5.10 The recurring effect of the incremental costs of each option is illustrated in the Table below:

3.5.11 Option 1 identifies the current baseline cost of £443k, following the necessary exclusion of VAT. All other option costs noted above exclude VAT for the purposes of the Economic Case. This baseline position assumes that the provision of GDS is a priority for the Health Board, and will result in a cost pressure to the organisation regardless of the preferred option.

Incremental Revenue Position

3.5.12 The recurring effect of the incremental costs of each option against baseline is illustrated in the Table below:

Year 5 Recurrent	Option 1 - "Do Minimum"	Option2 – New Build 3PD	Option 3 - New Build
	£000	£000	£000
GMS Non Pay Practice Costs			
Rent	0	(25)	(25)
Rates	0	52	2
Other Non-pay maintenance, utilities, security, cleaning)	0	98	(4)
Total GMS Costs	**0**	**125**	**(27)**
Other H&WC Running Costs			
Workforce **(Non-GMS)**	0	0	58
GDS Additional contract costs	0	0	0
Rates	0	0	77
Overhead running cost (excluding rates)	0	(59)	192
Total of Other Running Costs	**0**	**(59)**	**327**
Total Costs (Non Pay GMS Cost & Other H&WC Running Costs)	**0**	**66**	**300**
Income from Independent Contractors (rates, maintenance, cleaning, utilities)	0	85	45
Rent from Independent Contractors	0	0	16
Total Income	**0**	**85**	**61**
Net Cost to the ABUHB	**0**	**(19)**	**239**

3.5.13 Individual elements of this analysis are described in more detail below and in ***Appendix 1***:

- **Workforce** – The only direct Workforce implications relate to the planned appointment of a Centre Manager in Option 3 and staff to support additional CDS activity.
- **Other Non-Pay costs / Utilities/ Maintenance / Rates** - Costs have been included based on existing costs of similar properties and the calculated floor area of the proposed new build and new build / refurb options.
- **Income –** This includes an assessment of the rent received now and that will be received from Independent Contractors in the new building. The latter is based on DV assessed market rates. It is also assumed that Independent Contractors will pay for rates and utility costs based on floor area utilised.

Overall Conclusion of the Economic Appraisal

3.5.14 As stated in 3.5.1 although a full Economic Appraisal has not been redone as part of the FBC the overall conclusion reached at OBC stage is still valid, i.e. Option 3 is favoured from the Non-financial perspective and Option 3 is the favoured option overall.

3.5.15 The Financial Case in section 5.0 is therefore based on the capital and revenue costs of Option 3

4.0 COMMERCIAL CASE

4.1 Introduction

4.1.1 As required by the Five Case Model template this section of the Full Business Case (FBC) explains the proposed Deal in respect of the preferred option outlined in the Economic Case.

4.2 Required Services

4.2.1 This FBC states a requirement for the delivery of a Health and Well Being Centre on the site of Ringland Health Centre, under the NEC3 Engineering & Construction (ECC) Form of Contract and Designed for Life: Building for Wales Framework.

4.2.2 Schedules of Accommodation and Operational Policies are available to support the functional content, based on Health Building Notes. A full copy of the final Schedule of Accommodation is included in the Estates Annex.

4.3 Proposed Charging Mechanisms

4.3.1 For the HWBC development there will be no ongoing service provision and therefore no recurring charges by the SCP following completion of the hospital buildings.

4.4 Risk Transfer

4.4.1 The general principle is that risks should be passed to "the party best able to manage them", subject to value for money (VFM). The UHB has carefully considered those risks best placed with the Supply Chain Partner (SCP) and those it will bear itself. This has been achieved at FBC stage through series of structured risk workshops and regular risk register review meetings, involving the UHB, SCP, Project Manager and Cost Advisor. Further information on the proposed Risk Management Strategy for the project, together with the quantified risk registers for the preferred option, is included in the Estates Annex.

4.4.2 Under the Designed for Life: Building for Wales Framework, which is described at length in the following section of the Procurement Strategy, the NEC3 Engineering & Construction (ECC) Form of Contract is used. The Engineering & Construction Contract is a "collaborative" contract that requires each project to include a Risk Register with risk allocated to the party best able to deal with it. The early involvement of the Supply Chain Partners means that they are fully briefed about risks in the project and accept ownership of risks than would normally be the case under a more traditional form of contract.

4.4.3 The table below shows how the project risks have been apportioned under a predominately Public Capital Funded procurement. The total assessed "Risk" cost at FBC stage is currently £601,988 plus VAT for the preferred option. This is split UHB £183,730 and SCP £418,258.

Risk	ABHB	SCP	Shared
Design			Y

Site availability	Y		
Planning	Y		
Risk	**ABHB**	**SCP**	**Shared**
Approval and Funding	Y		
Construction		Y	
Technical Commissioning		Y	
Operational Commissioning	Y		
Operating risk	Y		
Revenue risk	Y		
Technological and Obsolescence	Y		
Legislative Change	Y		

4.5 Contract Length

4.5.1 A stage 4, 5 & 6 Programme has been prepared by the SCP in full consultation with the Project Manager and UHB. The Programme fully complies with the requirements of the NEC3 ECC contract and the Designed for Life Framework. The Accepted Programme as required by the contract contains a detailed and comprehensive Programme of activities and the Completion Date is clearly identified.

4.5.2 Throughout Stages 5 & 6 the Accepted Programme will continue to be issued by the SCP to the Project Manager on a monthly basis for acceptance, including a mark-up of actual progressed achieved in the month and a strategy for recovering any lost time, in order to effectively monitor progress as work proceeds and robustly manage the project programme to ensure timely delivery of the project.

4.6 Proposed Key Contractual Clauses

4.6.1 The contract will be in accordance with the All Wales Designed for Life 4 Building for Wales Framework. The contract will be the NEC 3 Form of Contract. The conditions of contract are the core clauses and the clauses for main option C: Target Contract and Secondary Options – X1, X2, X4, X5, X7, X15, X16, X18, Y(UK) and Z of the NEC Engineering and Construction Contract (June 2005), with amendments dated September 201. The additional Z clauses comprise the standard Deigned for life: Building for Wales Framework amendments.

- This contract is based on the following key principals:
- Clarity – The Contract is written in plain language
- The Risk Register is a key project and contract management tool
- Foresight and Early Warning Notifications • A Target Cost and Cost not to be exceeded.
- Timely two-way communication
- Compensation Events
- Monthly Accepted Programme is sued as a key project and contract management tool

4.6.2 Key external professional roles appointed on behalf of the Employer include, direct client appointments for the Project Manager and Supervisor. A Cost Advisor has also been appointed to support the Project Manager and Health Board.

4.7 Personnel Implications (including TUPE)

4.7.1 TUPE (*Transfer of Undertaking Protection of Employment*) does not apply to this investment as there is no change to the employing organisation. However, there will be significant implications for a range of staff in terms of a change in location of employment. This will be managed using the UHB's Management of Change Policy.

4.8 Procurement Strategy

4.8.1 The HWBC development falls within the terms of the new All Wales Designed for Life 4 Building for Wales Framework.

4.8.2 The Health Board had appointed External Project managers and External Cost Advisers.

4.8.3 A Target Price has been agreed with the SCP and this is included in this FBC submission. Whilst approval of the FBC is awaited all necessary contractual documentation will be drawn up in readiness for a speedy exchange of contracts and start on site.

4.8.4 A Value for Money Report has been prepared by the Cost Advisor which is attached at Appendix 2. This describes the work packages procurement and evaluation process that has been undertaken to arrive at the Target Cost.

4.8.4 The Health Board is also in the process of procuring the appointment of a Supervisor, in order to perform the required duties in the NEC3/ECC Contract.

4.9 Pain /Gain Share

4.9.1 The All Wales Designed for Life 4 Building for Wales Framework defines the Pain / Gain Share arrangements.

4.9.2 From Stage 4 onwards (Construction and Project Closure), the Gain Share will be limited to the first 5% of any savings between the total of the Prices and the Price for Work Done to Date arising during Stages 4, 5 and 6 and will be equally apportioned 50:50% between the Health Board and the SCP. Savings over this amount (i.e. less than 95% of the) will accrue 100% to the Health Board. To summarise:

The *Contractor's* share percentages and the *share ranges* are:

Share Range	***Contractor's* Share Percentage**
Less than 95%	Nil
From 95% to 100%	50%
Greater than 100%	100%

5.0 THE FINANCIAL CASE

5.1 Introduction

5.1.1 The purpose of this section is to set out the indicative financial implications of the preferred option (as set out in the Economic Case) and proposed deal (as described in the Commercial Case).

5.2 Capital Costs

5.2.1 The preferred option is Option 3 the construction of a new HWBC on the site of the existing Ringland Health Centre utilising land purchased from Newport City Council. The estimated outturn costs for the preferred option is £27.461 million, the detail of which is set out below:

	FBC Option 3 - New Build HWBC £m
Works Cost	18.446
Fees	2.301
Non-Works	1.270
Equipment	0.542
Contingency	0.602
Total Option Costs	**23.161**
VAT	4.632
VAT Recovery on fees	(0.332)
Total Capital Cost	**27.461**

5.2.2 A more detailed breakdown of the capital cost calculations is contained within the FB Forms in the Estates Annex. The costs shown exclude optimism bias which was calculated in line with HM Treasury Guidance for the Economic Case only.

5.2.4 The above costs include a package of enabling works consisting of the provision of a temporary Health Centre, demolition of the existing Ringland Health Centre and the re-provision of a Multi-Use Games Area (MUGA). The current MUGA is owned by Newport City Council and will need to be replaced as part of the development. The cost of its replacement, i.e. £514k, is included in the total capital sum being requested.

5.2.5 The detailed cash flows for the preferred option is contained with the FB forms in the estates annex and is summarised below:

Prior years	**2021/22**	**2022/23**	**2023/24**	**2024/25**	**2025/26**
£1.615m	£0.886m	£9.078m	£11.575m	£4.291m	£0.016m

5.2.6 The FBC assumes all capital costs and inflation will be funded by Welsh Government in each of the years as per the above, in accordance with current Welsh Government policy.

5.2.7 The following key assumptions have been made in the capital case:

- Capital costs are reported at BCIS Pub Sec Index Level 269, Location factor 1
- Costs included for Fees are based on typical rates assuming the scheme is procured through the Designed for Life: Building for Wales procurement programme

- Non-Works Costs are based on estimated capital costs that will be incurred in developing the scheme through to Operational Completion and include Planning Fees, IT infrastructure, Artworks and Commissioning costs
- A Contingency allowance of £0.602 million plus VAT has been included based on a quantified Risk Register. The Risk Register is included in the Estate Annex
- VAT has been applied at the rate of 20% to all cost components. It is assumed that VAT recovery will be applicable to all professional fees, and to the element of SCP fees relating to the area occupied by ABUHB (and excluding the leased- out areas) which is 53.5% of the total building area. Further detailed advice on the VAT reclaim will be sought in the context of potentially complex calculations consequent upon the inclusion of independent contractors and eventual lease agreements. This will be sought imminently following agreement of the Target Cost.
- The total cost shown above includes sunk costs incurred in previous years, including £206k relating to the enabling works at Alway Health Centre. These costs have currently been funded via the Health Board's Discretionary Capital Programme, pending approval of this FBC, so will form part of the remaining funding request for this project. The HB would be seeking reimbursement for these costs into the DCP in 2022/23.

5.3 Revenue Costs

5.3.1 The table below summarises the revenue costs associated with the preferred option compared to the existing ABUHB costs incurred at Ringland Health Centre and Park GP Surgery, and the costs associated with the "Do Nothing" option, excluding depreciation and impairment. In order to reflect the full cost to the Health Board, VAT is included in the Financial Case, having been excluded (as prescribed) in the Economic Case. This results in a necessary variation in the figures for the preferred option between cases:

FBC Financial Case	Current Expenditure Incurred	"Do nothing" option	Public Sector Capital Build Integrated Health and Wellbeing Centre
GMS Non Pay Practice Costs		**Option 1**	**Option 3**
	£'000	**£'000**	**£'000**
Rent	25	25	0
Rates	19	19	21
Other Non-pay (, maintenance, utilities, security, cleaning)	45	45	41
Total GMS Costs	**89**	**89**	**62**
Other H&WC Running Costs			
Workforce **(Non-GMS)**	0	0	58
GDS additional contract costs	0	286	286
CDS additional chair costs	0	0	35

Rates	22	22	99
Overhead running cost (excluding rates)	65	65	254
Total of Other Running Costs	**87**	**373**	**732**
Total Costs (Non Pay GMS Cost & Other H&WC Running Costs)	**176**	**462**	**794**
Income from Independent Contractors (rates, maintenance, cleaning, utilities)	8	8	53
Rent from Independent Contractors	0	0	16
Total Income	**8**	**8**	**69**
Net Cost to the ABUHB	**168**	**454**	**725**

5.3.2 The revenue costs presented, ***which are detailed in Appendix 1***, are based on 2020/21 price levels and have been derived from a detailed analysis undertaken on:

- Clinical and service models
- Workforce requirements
- Estate and Non-pay implications
- Independent Contractor status and anticipated income from lease rentals and service charges

5.3.3 They assume that:

- Four existing health care facilities in Newport will close i.e. Ringland Health Centre, Park Surgery practice, Alway Clinic and Clytha Clinic
- Income will be received for General Dental services to cover rent, rates, utilities and maintenance
- The practices will not merge in the foreseeable future.
- Income will be received from GMS services to cover rates, utilities and maintenance.
- The above includes an emerging cost pressure of £286k relating to the GDS contract value which needs to increase in tandem with a projected increase in activity. Whilst this has been included for completeness it should be noted that this cost pressure exists now and is not directly related to the proposed new building itself.
- An Operational Manager will be appointed to manage the new facility employed by ABUHB

Affordability

5.3.4 To cover the £0.271m increase (£0.557m including additional GDS requirement) in recurrent revenue expenditure, approval for additional budget funding will be required as follows:

- Primary Care and Community Services - £0.274m (including £0.286m relating to GDS)
- Estates and Facilities - £0.244m
- ICT and other - £0.038m

The GDS funding is required to meet increased dental activity for the local population which at present has poor oral health indicators and would be in line with our aim of improving dental access to these communities. It is proposed that would be funded by the Primary Care and Community Services Division through the IMTP process.

The net additional costs with the new building will need to be accommodated within the Divisional revenue plans from 2024 linked to the IMTP process.

The benefits realisation plan will be analysed and used in order to facilitate non-cash releasing benefits and provide efficiencies using a value-based healthcare approach where possible to mitigate the costs indicated above.

Depreciation and Impairment

5.3.5 A profiled summary of the depreciation and impairment costs associated with the preferred option are set out in the table below:

Preferred Option Depreciation and Impairment

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 recurring
Option 3	£000	£000	£000	£000	£000	£000
Depreciation - DEL Buildings	0	0	0	0	139	277
Depreciation - DEL Equipment & IT	0	0	0	0	60	120
Accelerated Depreciation	77	56	0	0	0	0
Impairment - AME	0	0	0	0	13,446	0
Total Costs	**77**	**56**	**0**	**0**	**13,645**	**397**

5.3.6 Impairment on the HWBC has been calculated based on advice from the District Valuer. The asset value post impairment has been depreciated over the estimates of useful economic life provided by the District Valuer.

5.3.7 The FBC assumes all impairment and depreciation will be funded by WG in each of the years as per the above, in accordance with current WG policy. ***Appendix 3*** provides the Depreciation and Impairment calculations.

5.4 Impact on the Organisation's Operating Cost Statement and Balance Sheet

5.4.1 This section examines the impact of the proposed investment on the Health Board's accounts. It should be noted that the following summarised extracts from the Statement of Comprehensive Net Expenditure (SOCNE) and Statement of Financial Position (SOFP) only model the impact of the capital and revenue changes of the proposed investment outlined in the tables below. It does not reflect the overall forecast position of the Health Board.

Impact on the Organisations Statement of Comprehensive Net Expenditure (SOCNE)

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26 recurring
Option 3	£000	£000	£000	£000	£000	£000
Revenue Cost Impact	0	0	0	0		239
Depreciation - DEL Buildings	0	0	0	0	139	277
Depreciation - DEL Equipment & IT	0	0	0	0	60	120
Accelerated Depreciation	77	56	0	0	0	0
Impairment - AME	0	0	0	0	13,446	0
Total Costs	**77**	**56**	**0**	**0**	**13,645**	**636**

Impact on the Organisations Statement of Financial Position (SoFP)

	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Option 3	£000	£000	£000	£000	£000	£000
Non-Current Assets b/f:						
Buildings	133	56	0	0	0	12,894
Equipment & IT	0	0	0	0	36	922
Assets Under Construction	672	1,472	2,358	11,436	23,011	0
Non-Current Assets Additions:						
Equipment & IT	0	0	0	36	886	0
Assets Under Construction / Buildings	800	886	9,078	11,575	3,528	16
Total Additions	800	886	9,078	11,611	4,414	16
Non-Current Assets Impairment:						
Assets Under Construction / Buildings					(13,446)	
Total Impairments	0	0	0	0	(13,446)	0

Non-Current Assets Depreciation:						
Buildings					(139)	(277)
Equipment & IT					(60)	(120)
Accelerated Depreciation	(77)	(56)	0	0	0	0
Total Depreciation	(77)	(56)	0	0	(199)	(397)
Closing NBV Impact on SoFP	**1,528**	**2,358**	**11,436**	**23,047**	**13,816**	**13,435**

5.4.2 As shown in the extracts above, all assets will be shown on the Health Board's balance sheet. Whilst the HWBC is being built it will be shown as a non-depreciating

asset under construction. The asset will be valued on completion and recorded on the balance sheet at that value in accordance with the Health Board's accounting policies.

6.0 THE MANAGEMENT CASE

6.1 Introduction

6.1.1 This section sets out information on the Health and Well-Being Centre (HWBC) Project Management arrangements.

6.2 Project Management Arrangements

6.2.1 The HWBC project is being managed in accordance with the requirements of the All Wales Designed for Life: Building for Wales Framework, the NHS capital investment manual and PRINCE 2 methodology. The HWBC project has a dedicated Project Team that reports to the Primary Care and Community Estates Programme Board which in turn reports to the Health Boards Strategic Capital and Estates Work stream.

6.3 Project Roles and Responsibilities

Senior Responsible Owner – Sarah Aitken Executive Director of Primary, Community and Mental Health Services and Public Health

6.3.1 The Senior Responsible Owner (SRO) is responsible for ensuring that the Project's objectives are delivered on time and within the desired cost and quality constraints. The SRO oversees the effectiveness of the Project Management Team ensuring that the Project Management structure is appropriate to ensure the project objectives are delivered and that the benefits are realised.

Project Director – Andrew Walker Strategic Capital and Estates Programme Director

6.3.2 Is accountable to the Director of Planning and has specific responsibility for the project management structures and organisation of the project, including appropriate controls and monitoring mechanisms. The Project Director is ultimately responsible for the Risk Register but delegate's day to day management to identified risk leads. The Project Director is supported by an External Project Manager for the day to day planning and design phases of the project as well the technical, procurement and construction phases.

Service / Clinical Lead – Dr Graeme Yule NCN Lead

6.3.3 Is accountable for the effective co-ordination of clinical and user professional input to the project both from the perspective of the service / clinical provision and the internal allocation and utilisation of space within the HWBC.

Internal clinical and technical support

6.3.4 Other key project team members include internal ABUHB Primary Care, Community Care and Therapy representatives, Local Authority representatives and input from finance, personnel, estates, information and procurement.

External Scrutiny

6.3.5 The project will be subject to internal audit via NWSSP-Audit Assurance (Specialist Services) who provide the Health Board with internal capital audit services.

Project Plan

6.3.6 The Estates Annex includes the detailed construction programme. The table below highlights the key project milestones:

Milestone	Date
Submission of FBC to WG	January 2022
WG Approval	March 2022
Start on Site Enabling Works	April 2022
Start on Site Main Construction	September 2022
Construction Completion	August 2024

6.4 Use of Specialist Advisors

6.4.1 The following are the main external specialist advisors that have been commissioned to support the project:

Project Manager (External) – Mace Management Services - The External Project Manager has been appointed from the All Wales Designed for Life: Building for Wales Framework. In summary, this role encompasses a project management role of the technical aspects of the business case process and subsequent design, procurement, construction and project closure stages under the NEC3 Form of Contract.

Cost Adviser services – Gleeds - The External Cost Advisor has also been appointed from the Design for Life, Building for Wales Framework, and will oversee the financial management of the capital expenditure. They will monitor project costs, implement rigorous verification of all costs presented by the SCP, and deliver a project which is affordable and provides value for money.

6.5 Change Management

6.5.1 The overall approach to Change Management and the management of that process will be overseen by the Director of Workforce and Organisational Development who chairs the Clinical Futures Workforce and Organisational Development Group, a sub-group of the Clinical Futures Programme Board.

6.5.2 The Health Board has an identified Organisation Development Strategy which focuses on the transformational change necessary to deliver the whole system redesign for the Clinical Futures Strategy. This work is underpinned by an organisational employee engagement strategy.

6.6 Arrangements for Benefits Realisation

6.6.1 ***A Benefits Realisation Plan is attached at Appendix 4***. It is important that the benefits claimed in the Economic Case are reviewed during the post project evaluation to assess whether they have been realised.

6.6.2 The identified benefits will need to be tracked and monitored in order to ensure that they are successfully achieved and thus reported to the Clinical Future Programme Board.

6.7 Arrangements for Risk Management

6.7.1 The overall arrangements for the management of risk is undertaken at Project Board. Issues with the highest risk scores are routinely discussed at the Project Board.

6.7.2 The HWBC project risk management process has run alongside the project planning process including a number of risk workshops involving key personnel from the Health Board, the Supply Chain Partner, the Project Manager and the Cost Advisor.

6.7.3 The current project risk register for the HWBC is found in the attached Estates Annex.

6.8 Arrangements for Contract Management

6.8.1 This FBC states a requirement for the delivery of a Health and Well Being Centre in Newport East on the site of the existing Ringland Health Centre, under the NEC3 Engineering & Construction (ECC) Form of Contract and Designed for Life: Building for Wales Framework.

6.8.2 The Commercial Case sets out in detail the overall approach and arrangements for the management of the contract.

6.9 Arrangements for Post Project Evaluation

6.9.1 A Post Project Evaluation (PPE) incorporates the Project Evaluation Review (PER) and the Post Implementation Review (PIR). The Post Project Evaluation plan for both these elements will be developed and will be undertaken after the operational commissioning of the new HSDU.

Post Evaluation Review (PER)

6.9.2 The purpose of the PER is to improve project appraisal at all stages of the project from preparation of the business case through to the design, management and implementation of the scheme and will be timed for 6 months following the commissioning of the HWBC.

6.10 OGC Gateway Review Arrangements

6.10.1 A Gateway Review was undertaken in October 2021 and the project was rated as "Amber - Green". The recommendations of that review have all been addressed in the context of the preparation of the final FBC and ongoing Project Governance arrangements. The Gateway Review report is attached at ***Appendix 5.***

Aneurin Bevan University Health Board

GWENT PUBLIC SERVICE BOARD WELLBEING ASSESSMENT CONSULTATION

Executive Summary

The Well-being of Future Generations Act places a duty on Public Services Boards (PSBs) to produce a local assessment of well-being every five years. The five separate PSBs in the Gwent region began work to undertake the assessment and engagement process in collaboration in January 2021. They agreed to produce a single Assessment for the whole of Gwent, with local assessments for each local authority area.

In a similar way to the production of the last Well-being Assessments in 2017, data is being collected from a range of sources, including from Data Cymru, experts and the communities themselves, to get a fuller picture of what well-being looks like in the area. Officers from the PSB member organisations met regularly to agree how to produce the Assessment and have been building on the learning from the last round of Assessments to ensure that the statutory deadline for production is met. Workstreams have also been established to consider the data analysis and presentation element, the Assessment document, and how best to engage with communities and experts on the findings.

Further detail is available on the Gwent PSB's website:
http://www.gwentpsb.org/well-being-plan/well-being-assessment/

The next well-being assessment is due to be published by 5th May 2022. The assessment will then be used to develop the Gwent Well-being plan by May 2023.

The Board is asked to:	
Approve the Report	
Discuss and Provide Views	✓
Receive the Report for Assurance/Compliance	
Note the Report for Information Only	

Executive Sponsor: Dr Sarah Aitken, Executive Director of Public Health & Strategic Partnerships

Report Author: Gwent Public Service Board

Supplementary Papers Attached:

- Appendix A: Draft Gwent Well-being Assessment, Executive Summary

The full Draft Gwent Well-being Assessment is available at the following link: Draft-Gwent-Well-being-Assessment-Dec-2021.pdf (gwentpsb.org)

Recommendation

The Board is invited to consider and comment on the Draft Well-being Assessment by 31st January 2022.

Gwent Public Services Board

Executive summary (DRAFT)

Gwent Well-being Assessment

Document reference: G01

Contents

1. Introduction

The draft Gwent well-being assessment tells us about all aspects of well-being across Gwent and looks at how it is most likely to develop in the future based on challenges such as social and economic differences, an ageing population, health inequality, educational attainment gaps, and climate change. How we collectively respond to these long-term challenges will impact on well-being both now and for future generations.

The assessment covers five very different local authority areas and includes rural countryside areas, urban centres, and valley communities. Each area has its own distinct strengths and challenges related to its social, economic, environmental and cultural experiences.

To help us understand and explain the differences in our communities, local assessments have also been produced telling us about factors influencing the well-being of the people that live and work there. This means that, as well as collaborating on issues that affect the whole region, we will need to think locally

about how to provide bespoke solutions and interventions for some of our communities.

We put much effort in considering well-being in a joined-up way, have collaborated widely in producing this assessment, and have involved people that live and work in our communities.

There are parts of our communities where the data is telling us that well-being is good:

Gwent has a diverse economy that is well placed to contribute to the industries of the future, including contributing towards the transition to a zero carbon wales, providing decent jobs for future generations.

Gwent's rich culture and heritage plays an important role in supporting people's well-being, from bringing people together, helping to combat loneliness and providing opportunities to learn new skills, to supporting healthy lifestyles and enjoyment of the environment. Gwent is also well placed to contribute towards the creative economy sector and to contribute to the future prosperity of the region.

Our communities are strong with many people feeling connected to their neighbourhoods and proud of their surroundings. During Covid-19 lockdown we have seen our communities come together to support the most vulnerable their friends, family, neighbours.

Gwent's distinct and iconic natural environment is a **significant resource providing a rich, biodiverse habitat for plants, mammals and invertebrates. It includes the Gwent Levels, the Wye Valley Area of Outstanding Natural Beauty and part of the Brecon** Beacons National Park, all attracting many visitors to Gwent.

The well-being assessment also highlights the inequality that exists in our communities, that has the potential to impact on all aspects of well-being both at a personal and community level. There are also a range of challenges that could potentially widen these inequalities in the future and impact negatively on well-being.

People who live in more deprived communities have fewer years of life that are free from ill health and are more likely to have shorter lives. This is evidenced by the gap in healthy life expectancy across Gwent.

Additionally, children from deprived households achieve poorer school results; limiting their opportunities and increasing the risk that poverty will be passed from one generation to the next.

We also know that some people in our communities are experiencing in-work poverty. and that the amount of disposable income a household has will impact on their ability to afford food, transport, energy and to be digitally connected – especially as costs increase.

The assessment is telling us that house ownership is unaffordable for many low-income households, and house prices are rising, which is putting pressure on our social housing stock. Future Gwent will also need more housing stock that meets the needs of an aging population and changing family structures and is resilient to a changing climate.

Some of the data is also telling us that interventions are treating the symptoms rather than the cause, for example food banks and free school meals are indicators of the inequalities that exist in our communities. We want future generations to get decent work, earning enough money to buy the things they need, to live in warm homes to make healthy life choices. We will all need to work together to prevent problems from occurring or worsening.

Gwent is abundant in natural resources, but not all our natural resources are in a good condition and we know that biodiversity is in decline. Improving the condition and resilience of our natural resources means that we will be better able to address challenges such as climate change, poverty and inequality, as well as contribute to the economy by providing jobs in the industries of the future such as renewables, energy efficiency and decarbonisation and supporting good health.

Many of the unsustainable approaches that are putting pressure on our natural resources are also causing the climate to change.

We need Gwent's natural resources to be resilient to the impacts of a changing climate including more extreme weather events.

There will also be challenges associated with transitioning to a low carbon future, and we will need to consider the whole energy system – heat, power and transport. Whilst projections of milder winters associated with a changing climate may help to reduce fuel poverty, we know that much of our housing stock has poor thermal efficiency and will be challenging to retrofit.

This assessment has been done during a time of global pandemic. Covid-19 has impacted on the economy and social interactions and has put our healthcare system under pressure. Lockdowns and furlough have led people to home school, stop using public transport, or even to lose their jobs. Businesses have been closed or

working at limited capacity while others were able to move online, many were not and so had to close.

Covid-19 has seen more services moving online, although this brings various benefits, we also understand that there is a risk of people being left behind by this shift, so we will be mindful of this when looking at future service delivery.

The long-term impacts of Covid-19 are not yet fully understood, and these along with challenges such as climate change, and leaving the European Union, have the potential to further widen inequalities and affect how well-being develops in the future.

For some of the challenges Gwent is facing, public services already have collective and individual programmes of work already in place. In the next phase of planning for well-being, we will need to determine if our approaches are still the right ones, if we need to be doing more of some things and less of others and how we can best work together. Covid-19 has already seen public bodies working at pace and across boundaries to tackle problems and the new Gwent Public Services Board will use these approaches, positively building on what has gone before to improve the long-term well-being of people living in Gwent.

2. About Gwent

Area The total area of Gwent is 158,500 hectares – approximately 7.6% of the total area of Wales.

Population The estimated population of Gwent is 594,164, approximately 19% of the total population for Wales[1]

Population density The population density of Gwent is **3.75** persons per hectare. The population density is 1.52 people per hectare in Wales.

Dwellings The dwelling count in Gwent is **275,882** approximately **18.2%** of the total number of dwellings in Wales[2].

General

For the purposes of assessing well-being, Gwent has been broken down into 22 local community areas.

Blaenau-Gwent	Caerphilly	Monmouthshire	Newport	Torfaen
Ebbw Fawr	Upper Rhymney	Usk & Raglan	City Centre	Cwmbran
North Ebbw Fach	Valley	Monmouth	North West	Pontypool
South Ebbw Fach	Mid Valleys West	Severnside	South West	Blaenavon
Sirhowy	Caerphilly Basin	Abergavenny	North East	
	Mid Valleys East	Chepstow & Lower Wye	East	
	Lower Islwyn			

Figure 1: Map showing the 5 Gwent local authorities.

Overall population	The overall population in Gwent is projected to **increase** by **6.2 %** between 2019 and 2043, roughly similar to the Welsh average (5.2%). For Gwent this would mean **36,987** extra people[3].
Aged 16-64	The number of people aged 16-64 living in Gwent is projected to slightly **rise** by **0.7%** by 2043, similar to the Welsh average (-0.5%). For Gwent this would mean **2,367** extra people in this age range[4].
Aged 65 and over	The number of people aged 65 and over living in Gwent is projected to **increase** by **31.2%** between 2019 and 2043, roughly similar to the Welsh average (29%). For Gwent this could mean an extra **37,263** people in this age range[5].
Aged 85 and over	The number of people aged 85 and over living in Gwent is projected to **increase** by **74%** between 2019 and 2043, slightly higher to the Welsh average (69.5%). For Gwent this could mean an extra **10,615** people in this age range[6].

Understanding how the population might change in the future can help us think about key well-being challenges and opportunities such as an aging population.

The number of older people in Gwent is expected to rise in the next 20 years.

There are many benefits from people living longer including the positive contribution they can make to family and the wider community. We want our older people to be as healthy as possible for as long as possible.

An aging population could mean higher demand for social care and health services in the future. An aging population will require housing that meets their needs.

3. Social Well-being

The assessment highlights the inequalities that exist in our communities around health, housing and education and that these are often interconnected; housing quality can impact on health and poor health can impact on educational performance and people's ability to find or sustain employment.

Children and young people need to have the best start in life is clear and we know that much of the inequality and poor life circumstances experienced in our communities is preventable or its impact can be reduced.

We also know that the most disadvantaged in our communities are more likely to experience some of the negative impacts of a changing climate –whilst milder winters will help to reduce fuel poverty, we know that much of our housing stock is harder and more expensive to heat in cold weather or cool in hot weather.

Increased rainfall also increases the risk of flooding. People who are more disadvantaged are less likely to have insurance, making it harder for them to repair their homes.

3.1 Deprivation

WIMD is currentlymade up of eight separ te domains (or types) of deprivation. Each domain is compiled fr m a range of different indicators[7]. The domains included in WIMD 2019 are:

- **Income**
- **Education**
- **Community Safety**
- **Employment**
- **Access to Services**
- **Physical Environment**
- **Health**
- **Housing**

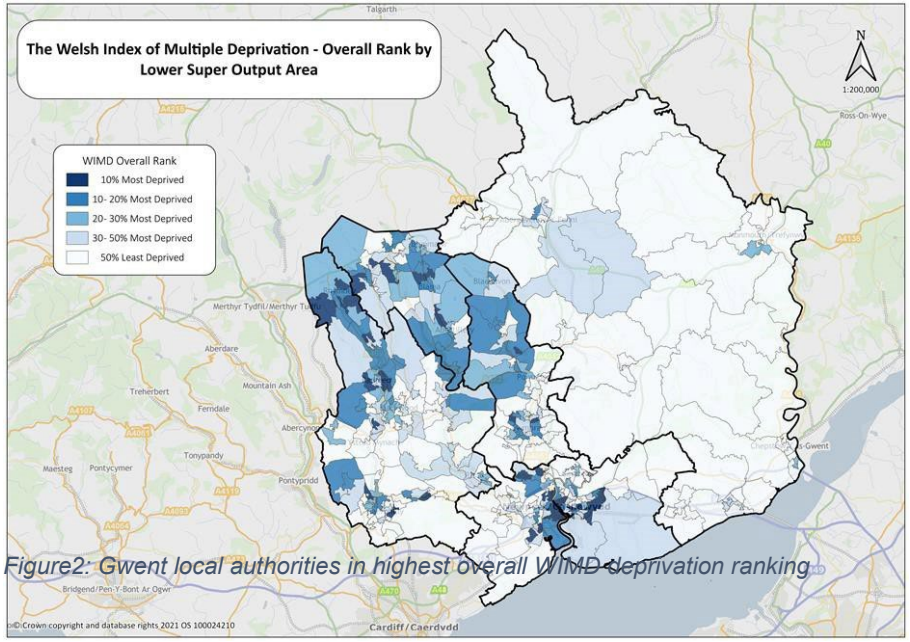


Figure2: Gwent local authorities in highest overall WIMD deprivation ranking

WIMD identifies areas with the highest concentrations of several different types of deprivation. The index provides evidence about the most deprived areas of Wales and ranks all small areas in Wales from 1 (most deprived) to 1,909 (least deprived).

The thematic map shows more overall deprivation in the valley communities as well as surrounding the town and city centres. Alongside these areas of deprivation are areas of significantly less deprivation, which make the differences starker.

Overall deprivation

The number of LSOAs in the top 20% most deprived overall in Wales per local authority[8].

Area	Number	%			
Blaenau Gwent	21	**45**	Caerphilly	26	24
Monmouthshire	1	**2**	Newport	33	
35					
Torfaen		19	32		

27% of the Lower Super Output Areas in Gwent are within the top 20% most overall deprived in Wales. Blaenau Gwent has the highest proportion in Gwent (45%) and Monmouthshire has the lowest (2%). St. James 3 in Caerphilly is the most deprived LSOA in Gwent and is ranked 3rd most deprived in Wales.

3.2 Housing

A home is a vital part of people's lives – it affects their health, their quality of life and the opportunities available to them. Decent homes are essential for well-being along with being able to afford to heat their homes, especially during the cold winter months.

Housing is also central to our communities and it drives the demand for local services, shops and facilities and can attract investment. Without a settled home people may have difficulties accessing employment, education, training and health services.

All development, including housing, has an impact on the environment and needs to progress in a way that is sensitive to local areas, limits energy consumption and embraces a sustainable approach to planning and design.

The WIMD housing domain is constructed of indicators which include people in over-crowded households, likelihood of poor-quality housing, likelihood of housing containing serious hazards and likelihood of housing being in disrepair[9].

The thematic map shows the most housing deprivation is clustered around Newport city centre which has 12 LSOAs in the top 10% deprived in Wales, with the highest being Victoria 3 (10th most deprived in Wales). Elsewhere the pattern of housing deprivation across Gwent looks quite spread out, but noticeable in much of Monmouthshire where other categories of deprivation are generally low. This might be due to people being asset rich and income poor.

This may also be due to a lack of suitable housing to move or downsize to.

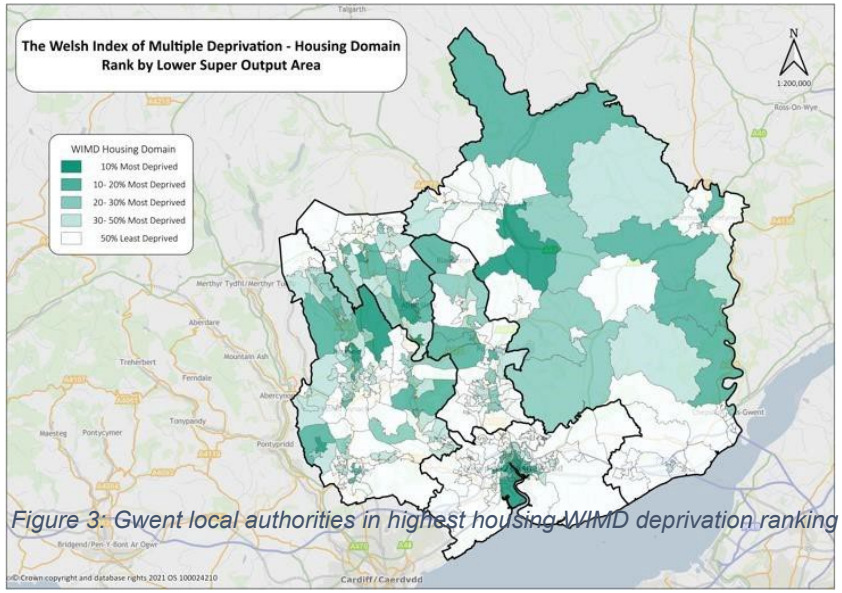


Figure 3: Gwent local authorities in highest housing WIMD deprivation ranking

Blaenau Gwent has the highest proportion of most deprived (28%) in Gwent and Monmouthshire has the lowest (11%). Victoria 3 in Newport is the most deprived LSOA in Gwent and is ranked 10th most deprived in Wales.

For many low-income households, purchasing a house is unaffordable. Single applicants would have to spend 7.6 times their salary in Monmouthshire and 3.8 times in Blaenau Gwent.

Average cost of property

The average cost of a property across Gwent during 2020 [11].

Area	Average sold price
Blaenau Gwent	£109,498
Caerphilly	£159,854
Monmouthshire	£312,219
Newport	£211,593
Torfaen	£180,052

Average annual gross pay

Average annual pay across Gwent during 2020[12].

Area	Average annual pay gross	House price to income ratio
Blaenau Gwent	£28,531	3.8
Caerphilly	£31,550	5.1
Monmouthshire	£41,285	7.6
Newport	£32,187	6.6
Torfaen	£33,405	5.4

Given house prices, having enough social housing is increasingly important, especially for low-income households.

The latest Wales Government data shows the following amounts of affordable housing that was constructed in 2019-20, and the numbers planned for 2020-21.[13]

Additional affordable housing	2019-20 Delivered	2020-21 Planned
Caerphilly	126	86
Blaenau Gwent	12	138
Torfaen	141	74
Monmouthshire	113	165
Newport	239	232

Figure 5: Table showing Additional affordable housing by area[14]

Low-income households can spend a disproportionate amount of their income on heating their homes. People living in poorly insulated and/or poorly heated homes may also have high energy costs. We know that there are high levels of fuel poverty in many areas across Gwent, something that is being exacerbated by rising energy costs, and in particular the large increases that have been seen in 2021.

Figure 5: Households in Fuel Poverty by local authority, 2018[15]

The UK climate risk assessment identifies risks to health and well-being from high temperatures. It also highlights that the level of risk to current and future homes in Wales is unknown[16].

Climate change is also expected to increase the frequency, severity and extent of flooding[17]. Flooding events can significantly impact homes, businesses, key infrastructure and whole communities. **59%** of properties (home and businesses) in flood warning areas in Gwent are signed up to NRW's flood warning service[18]. This service provides warning messages by phone, email or text message to properties at risk of flooding.

The number of single person households is predicted to rise by over 30% in the next 20 years impacting on the need for housing. Despite this, there is likely to be less suitable land available for development as flood plains and other lower lying land becomes increasingly prone to flooding.[19]

Future Gwent needs housing that is resilient to a changing climate. We will also need more housing stock that is suitable for an aging population and changing household structures.

Although much of our housing stock has poor thermal efficiency and will be challenging to retrofit, there will also economic opportunities related to decarbonising the region's housing.

A recent study carried out for Gwent identified that wind has the potential to generate sufficient electricity to power over 300,000 homes and that ground mounted solar could potentially generate enough electricity to power the equivalent of over 4 million homes[20].

3.3 Health

Poor health can impact the people in our communities – their educational attainment, family life, and ability to access and sustain decent employment. We also know that housing, education, employment, income, community safety and environmental factors can all impact people's mental and physical health.

The WIMD health domain is constructed from indicators which include GP-recorded chronic conditions, limiting long-term illness (LLTI), premature death, GP-recorded mental health, cancer incidence and low birthweight babies[21].

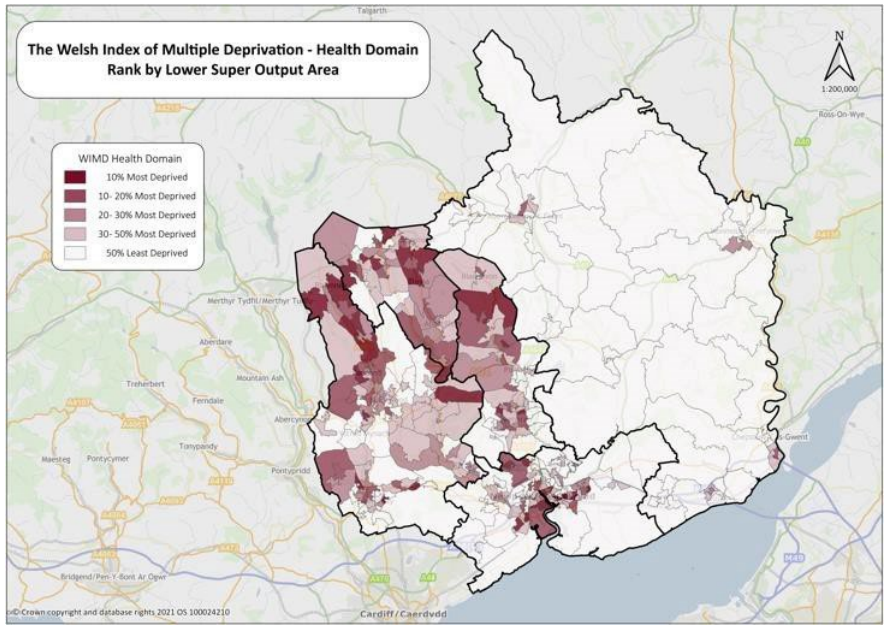


Figure 4: Gwent local authorities in highest health WIMD deprivation ranking

The thematic map shows that **significant health inequalities** exist in Gwent and there are pockets of communities across Gwent that health deprivation is in the top 10% most deprived. These are cluster mainly in Newport, Torfaen, Caerphilly and Blaeau Gwent.

Health deprivation

The number of LSOAs in the top 20% most deprived for health in Wales per local authority[22].

Area	Number	%
Blaenau Gwent	17	**36**
Caerphilly	27	25
Monmouthshire	2	**4**
Newport	25	26
Torfaen	18	30

Blaenau Gwent has the highest proportion of LSOAs that are most deprived for health (36%) in Gwent and Monmouthshire has the lowest (4%). St. James 3 in Caerphilly is the most deprived LSOA in Gwent and is ranked 7th most deprived in Wales[23].

Blaenau Gwent has the highest proportion of residents with limiting long-term illness (27.7 per 100 population) compared to Wales (22.7). However, local authority level statistics can mask localised pockets of higher concern with the highest LSOA in Gwent being St. James 3 in Caerphilly with a rate of 40.7, nearly doubling the Wales rate.

Blaenau Gwent is also the local authority with the highest premature death rate (before age 75) across Gwent, being 467.1 per 100,000

population, compared to Wales (382.4). Again, when looking at smaller geographies, the highest LSOA is Pillgwenlly 4 in Newport with a rate of 1006.0, more than doubling the Wales rate.

Healthy life expectancy data shows a level of health inequality throughout our communities. On a Gwent wide basis, this ranges from the lowest in Blaenau Gwent, being 55.9 years for males and 57.0 years for females, to the highest in Monmouthshire, being 66.4 years for males and 66.1 years for females[24]. This is a gap of 10.5 years for males and 9.1 years for females – again showing the inequality that exists across Gwent.

We don't yet know what the long-term impact of the pandemic will be on health. Build Back Fairer: the COVID-19 Marmot Review published in December 2020 looked at socio-economic and health inequalities in England and highlights that the inequalities that exist in communities contributed to the high and unequal death toll from COVID-19 in England. The report also identifies that some health inequalities have been exacerbated by the pandemic and that investment in public health will need to be increased to mitigate the impact of the pandemic on health and on health inequalities and their wider determinants. The report concludes that much that can be done to improve the quality of people's lives with the right long-term policies, that health inequalities can be reduced[25].

3.4 Community safety

Housing deprivation	Number of LSOAs in the top 20% most deprived for housing in Wales per local authority[10].

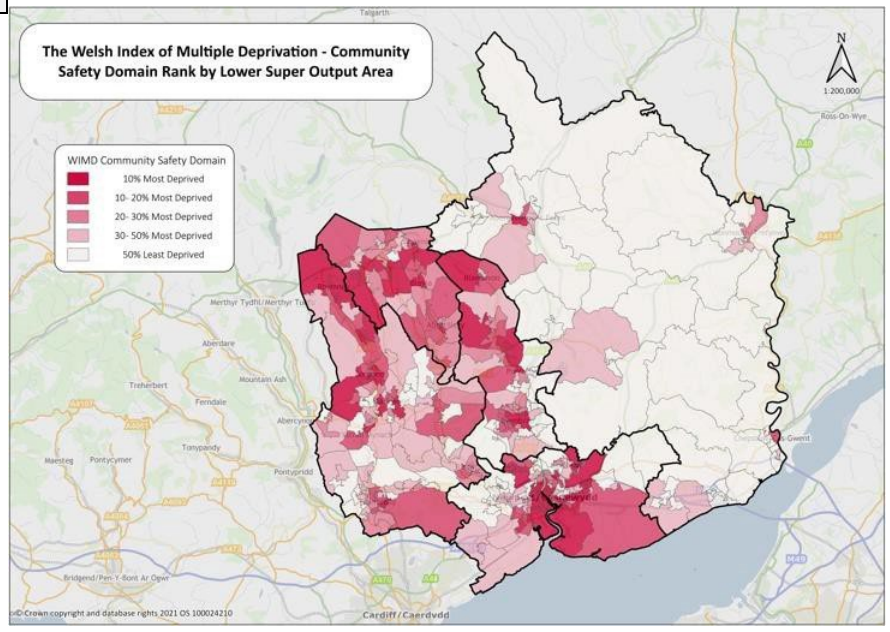
Area	Number	%
Blaenau Gwent	13	**28**
Caerphilly	14	13
Monmouthshire	6	**11**
Newport	24	25
Torfaen	8	13

	All Households	No. of Households in fuel poverty	% of households in fuel poverty
Caerphilly	77,000	7,000	9%
Blaenau Gwent	31,000	3,000	11%
Torfaen	40,000	3,000	8%
Monmouthshire	39,000	4,000	10%
Newport	63,000	6,000	9%

Community safety, how much crime, disorder and anti-social behaviour affect us and our communities, is an important issue for us all. It's not just about solving crimes, but also about looking at what can be done to prevent these activities happening altogether.

The WIMD community safety domain is constructed from indicators which include criminal damage, violent crime, anti-social behaviour, burglary, theft and fire incidences[26].

Figure 5: Gwent local authorities in highest community safety WIMD deprivation ranking

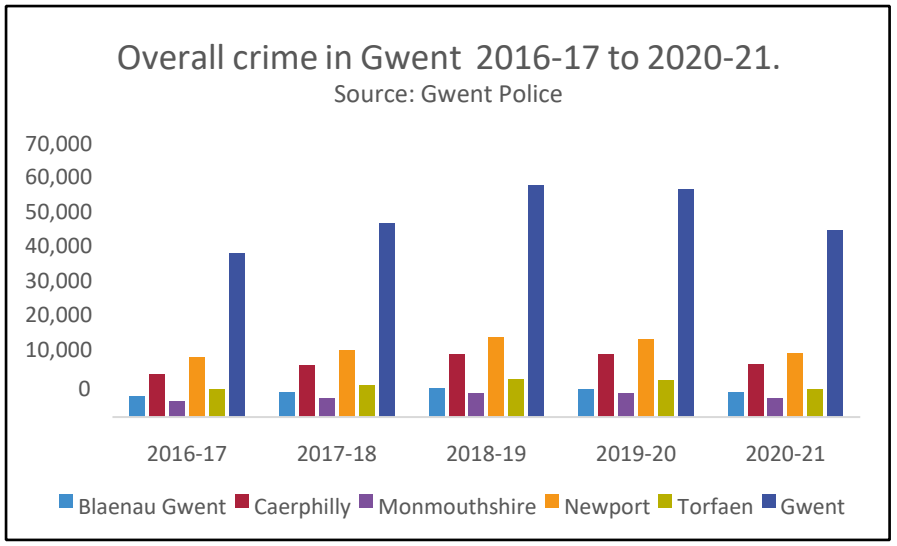


Community safety deprivation The number of LSOAs in the top 20% most deprived for community safety in Wales per local authority[27].

Area	Number	%
Blaenau Gwent	25	**53**
Caerphilly	33	30
Monmouthshire	3	**5**
Newport	45	47
Torfaen	23	38

Blaenau Gwent has the highest proportion of LSOA in the top 20% most deprived for community safety (53%) and Monmouthshire has the lowest (5%). Stow Hill 3 LSOA in Newport is the 2nd most deprived in the whole of Wales in terms of community safety, with the highest factors being criminal damage (7.64 per 100 people), anti-social behaviour (16.68 per 100 people) and theft (3.7 per 100 people).

Overall crime levels in Gwent, and each of the constituent local authorities, increased between 2016 and 2019, before decreasing in the following two years (2019-20 and 2020-21)[28] which may in part be due to the restrictions in place as a result of the Coronavirus pandemic.


Overall crime in Gwent 2016-17 to 2020-21.
Source: Gwent Police
70,000
60,000
50,000
40,000
30,000
20,000
10,000
0
2016-17
2017-18
2018-19
2019-20
2020-21
Blaenau Gwent
Caerphilly
Monmouthshire
Newport
Torfaen
Gwent

3.5 Education

A good education can play a key role in enabling young people to take full advantage of the opportunities available to them and to achieve their potential.

The WIMD education domain is constructed of indicators which include the average point score for foundation phase, key stage 2 and key stage 4, absenteeism, key stage 4 leavers entering higher education and adults aged 25-64 with no qualifications[29].

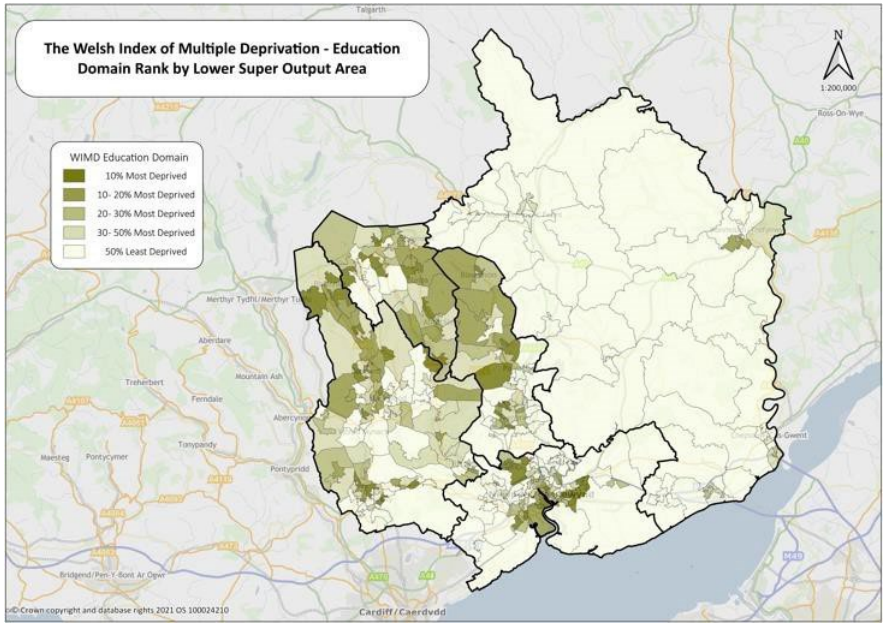


Figure 6: Gwent local authorities in highest education WIMD deprivation ranking

The thematic map shows that there are noticeable variations in attainment and qualification levels between areas in Gwent. Similarly, there are differences in attainment between less and more disadvantaged groups of children.

Education deprivation	The number of LSOAs in the top 20% most deprived for education in Wales per local authority[30].		
	Blaenau Gwent	18	**38**

Caerphilly	31	28
Monmouthshire	1	**2**
Newport	28	29
Torfaen	17	28

Blaenau Gwent has the highest proportion of LSOAs that are in the top 20% most deprived for education (38%) and Monmouthshire has the lowest (2%). Ringland 4 LSOA in Newport is the 6th most deprived in Wales with key stage 4 average point score of 80 for core subjects being the highest factor. Rogerstone 1 LSOA in Newport is the least deprived with a score of 145[31].

There are families living in Gwent who are finding it hard to pay for the basics of life. Access to a good meal can improve health and support learning.

Free school meals	**24.8%** of pupils of compulsory school age in Gwent are eligible for free school meals[32].

3.6 Transport

Good transport links are critical to the local economy, enabling the goods, services, and raw materials that we all rely on to be available where and when we need them. Being able to move around easily plays an important role in people's everyday lives, getting children to school, people to work as well as connecting friends and family.

Free School Meal (FSM) data tells us that there are an increasing number of pupils eligible for FSM in all areas of Gwent.

School can be the first opportunity for young people to learn the skills to get on well with people from different backgrounds and to be active citizens.

Ethnicity	**11.8%** pupils aged 5 or over in Gwent are from an ethnic minority background[33].

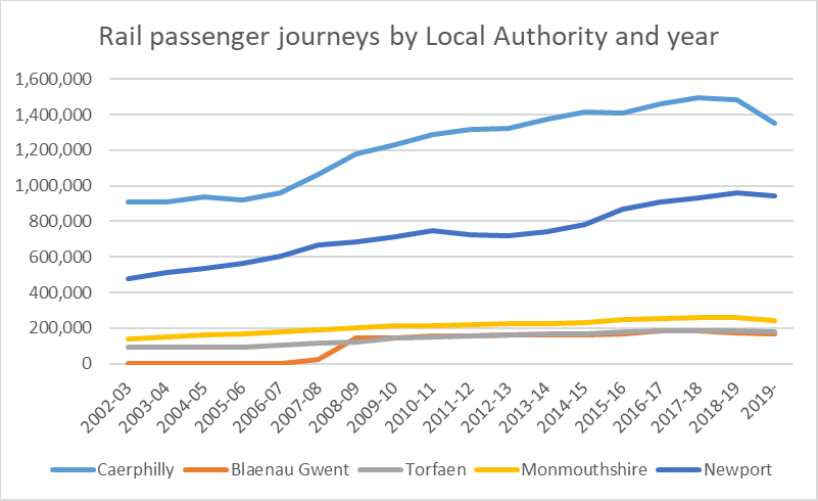
Coronavirus has had a disruptive effect on education. School attendance has been affected and led to periods of remote learning for pupils. We don't yet know what the long-term impact on learning will be.

We need to make sure that young people are well prepared for the employment sectors of the future. There are also certain everyday things that will always be needed and so will need skilled people able to work in them.

It also enables people to access the countryside for recreation, to visit historic and cultural attractions, and to access sports and leisure facilities, helping people to stay healthy and active. This ability to travel is very important for reducing loneliness and isolation.

We know that active travel like walking, cycling and scooting can improve people's health and help an ageing population stay healthier for longer, as well as reducing pollution. However, the rural nature of parts of Gwent can make this difficult. New technology like electric bikes may make active travel viable to more people in the future.

Access to public transport varies greatly across Gwent. Caerphilly is well served with train stations into Cardiff and Newport has a main station, whereas there are fewer connections in Monmouthshire, Blaenau Gwent and Torfaen, which is reflected in the number of rail journeys taken[34]. Public transport costs are also increasing more rapidly than inflation, meaning that it is becoming more expensive. However, the alternative of car ownership is not affordable for many people.



Good transport links are critical to the local economy, enabling the goods, services, and raw materials that we all rely on to be available where and when we need them. Being able to move around easily plays an important role in people's everyday lives, getting children to school, people to work as well as connecting friends and family. It also enables people to access the countryside for recreation, to visit historic and cultural attractions, and to access sports and leisure facilities, helping people to stay healthy and active.

We know that active travel can help support an aging population stay healthier for longer and that access to and affordability of transport is an issue for parts of our communities.

It is hoped that plans for the South Wales Metro and work being carried out by Cardiff Capital Region will make public transport

faster, more frequent and joined up, and provide a better alternative to the car.

In most areas of Gwent, traffic levels have increased, especially in Monmouthshire and Newport, and this has an impact on air quality across Gwent, with several Air Quality Management Areas as a result of traffic pollution along busy roads and motorways. Many of our current transport modes are having a negative impact on our environment and people's health, changing our climate, increasing pollution and we will need to look at different ways of meeting our travel needs, such as active travel and electric and hydrogen vehicles.

When looking at how easy it is to travel to places, the WIMD data shows that 39% of Monmouthshire LSOAs are in the top 20% for access to services in Wales, compared with only 5% for Torfaen and Caerphilly. This means that it takes much longer for people living in rural areas in Monmouthshire to travel to services such as doctors, shops or leisure centres using public transport.

Because Gwent is close to urban centres such as Cardiff, Swansea and Bristol, as well as Hereford, Gloucester and the Midlands, there are large numbers of people who commute outside the county where they live. More people commute into Newport, whereas more people commute out of Blaenau Gwent, Caerphilly and Torfaen.

Access to services deprivation The number of LSOAs in the top 20% most deprived for access to services in Wales per local authority[35].

Area	Number	%
Blaenau Gwent	8	17
Caerphilly	5	**5**
Monmouthshire	22	**39**
Newport	8	8
Torfaen	3	**5**

The Covid 19 lockdown meant that many people worked from home and commuting has reduced. This has had environmental benefits, so in future organisations may consider saving money on office space by allowing more home working. For this to be effective, it will be important for there to be adequate digital infrastructure across the region. It will also be important for local authorities to use the planning system to make sure that services and employment sites are based locally, to reduce the need for long journeys.

In addition, we have seen how extreme weather events have disrupted our transport systems and so future approaches will need to be resilient to a changing climate.

3 Economic well-being

Having decent, well paid and regular work gives people enough money to do the things they enjoy. However, many people are on low pay and don't always work enough hours to meet their basic needs, leading to in-work poverty.

Although overall rates of unemployment and workless households have reduced since 2011, there are still high levels of income and employment deprivation and this coupled with an increasing cost of living is impacting on the well-being of some people in our communities.

The WIMD income domain is constructed from people living in income deprivation.

Blaenau Gwent has the highest proportion of LSOAs that are in the top 20% for income deprivation (36%) and Monmouthshire has the lowest (4%). St. James 3 LSOA in Caerphilly is the 8th most deprived in Wales with 47% of people in receipt of income-related benefits and tax credits.

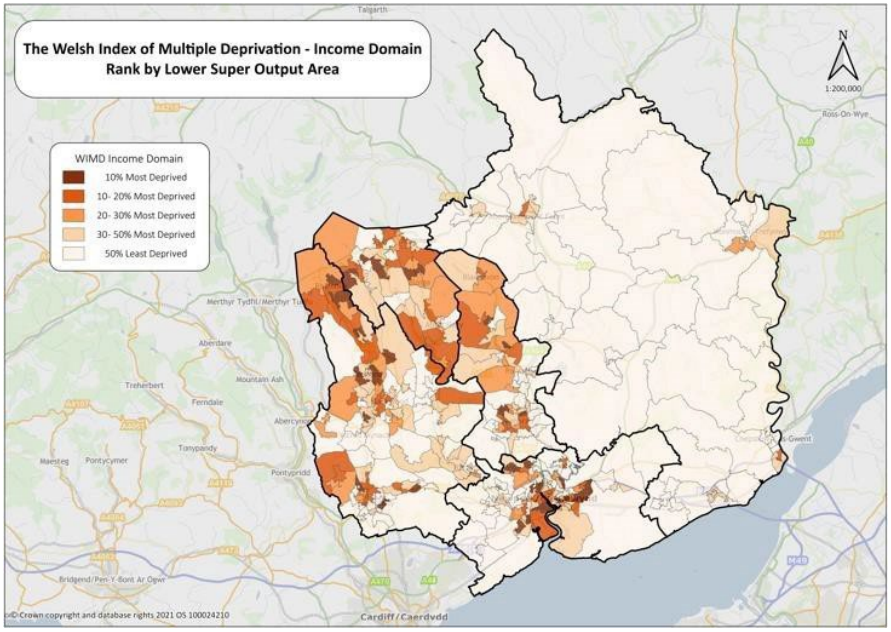


Figure 7: Gwent local authorities in highest income WIMD deprivation ranking

Income The number of LSOAs in the top 20% most deprived **deprivation** for income in Wales per local authority[36].

Blaenau Gwent	17	**36**
Caerphilly	27	25

Monmouthshire	2	**4**
Newport	31	33
Torfaen	14	23

The WIMD employment domain is constructed from working-age people with employment deprivation.

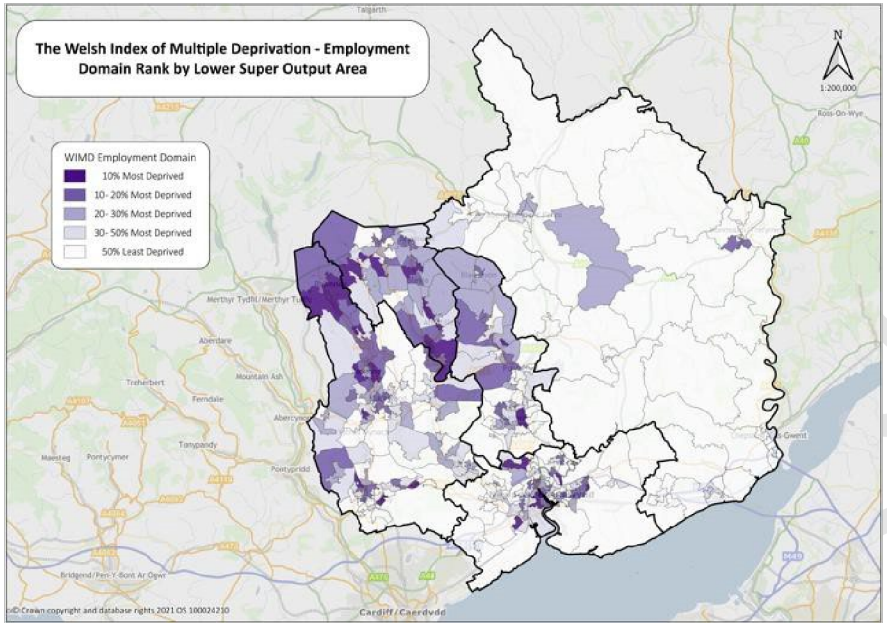


Figure 8: Gwent local authorities in highest employment WIMD deprivation ranking

Blaenau Gwent has the highest proportion of LSOA that are in the top 20% for employment deprivation (49%) and Monmouthshire has the lowest (2%). St. James 3 LSOA in Caerphilly is the 4th most deprived in Wales with 34% of working-age people in receipt of employment-related benefits.

Employment deprivation The number of LSOAs in the top 20% most deprived for employment in Wales per local authority[37].

Blaenau Gwent	23	**49**
Caerphilly	32	29
Monmouthshire	1	**2**
Newport	24	25
Torfaen	13	22

Cost and availability of **childcare** can be a barrier to working parents being able to work.

Childcare sufficiency assessments tell us that:

- The **cost** of childcare is a **barrier** for many families across Gwent
- **More flexible** opening times/wrap-around childcare arrangements are needed to assist parents on irregular shift patterns.
- Both these factors are contributing to **increased** economic inactivity.

Each local authority area has its own economic strengths that contribute to Gwent's diverse economy.

We don't yet know the long-term impact of pandemic on the economy. We do know that Covid-19 resulted in many jobs being furloughed jobs and reduction in tourism and retail activity.

Industry of employment

The largest industries of employment in Gwent are manufacturing (15%), health (14.8%) and retail (10.1%), education (7.4%), accommodation and food services (7.2%), agriculture, forestry and fisheries (6.8%), and business administration and support services (6.6%) [38].

The Cardiff City Region has identified priority sectors that will be important for the region's economy over the next 10-20 years, and these will be important to future Gwent's prosperity.

Gwent is in a good position to take advantage of the emerging sectors that will play an important part in future economic prosperity.

We need to make sure that people living in Gwent have the right skills to support the industries of the future.

Future Gwent will also need to be resilient to the changing climate including extreme weather events, and to shocks in global markets. Developing local supply chains and local energy production will help with this, and has the potential provide local, decent employment including for those who may find it difficult to find suitable work currently.

The UK Climate Risk Assessment identifies risks to business sites from flooding and risks associated with the loss of coastal locations and infrastructure[39]. Water scarcity, and reduced employee productivity due to high temperatures and infrastructure disruption have also been identified as risks[40]. Water shortages could be problematic for those businesses that are reliant on this resource for production processes – such as the food sector.

More local energy generation and more efficient processes would give protection from rises to wholesale energy costs.

5. Environmental well-being

As well as several sites of national and international significance, Gwent is made up of a number of distinctive landscape areas, all of which contribute to the iconic natural environment.

Natural resources are our life-support systems, so it is vitally important that they are in good condition.

Alongside providing for our essential needs including food, clean water, fuel, aggregate and timber, there are less obvious ways natural resources contribute to well-being, including by helping to regulate carbon by locking it away, providing flood protection by managing water in the landscape and supporting our capacity to adapt to climate change

Covid-19 has also reminded many of us of the health benefits of having access to good quality and accessible greenspace close to home. Many jobs and training opportunities are also linked to the environment. 6.8% of Gwent's employment base is agriculture, forestry and fisheries.

The assessment tells us that the health of the natural world in Gwent is under threat. Stocks of natural resources are being used unsustainably and resilience is declining in line with global trends.

Biodiversity loss	An assessment in 2020, looking at the condition of species and habitat at key sites in Gwent found that for approximately 45% of the features on these sites (compared to a national figure of 49%), an estimated 29% are 'favourable' and around 71% 'unfavourable'. This information suggests that our habitats and species are under increasing pressure across the region[41].

The Assessment provides more in-depth analysis into the status of Gwent's broad habitats. Condition assessments show **native woodlands** in Gwent to be 'unfavourable', **Grassland** connectivity and condition to be poor and the condition of our **Mountain, Moor, and Heathland** to be less than favorable. The majority of our **rivers** are poor or moderate status and the health of our best rivers towards the East of the county are registering significant failure rates for phosphorus levels with Salmon stocks in decline. Similarly, the Severn **Estuaries** special status is also under threat with predicted extreme impacts of climate change likely for our coastal habitats. managed natural resources.

Flood Risk

In Gwent, 14,014 residential properties are at risk of tidal flooding. 12,539 residential properties are at risk of fluvial (river) flooding. 22,382 residential properties are at risk of surface water flooding[42]

nperatures in Wales are expected to rise and more Gwent, like many other places in Wales is likely to experience an increase in rainfall, river flow and intensity of extreme weather events. This is projected to lead to an increase in the likelihood of flooding of infrastructure, businesses, and homes. It will not be possible to prevent all flooding; there is therefore a need to use a range of approaches to not only reduce the risk where possible, but to adapt our communities and infrastructure to be prepared for severe weather events and rising sea levels.

Species loss

The recently published Gwent State of Nature Report (GSoN) has analysed up to 120,000 species records to provide more detailed information on the fate of our species in Gwent. The lowland and upland farmland bird indicators show declines of 45% and 30% respectively, largely in accordance with UK and Welsh patterns of decline.

Competing demands on land are causing habitat loss and fragmentation. We are always going to need land for housing, and employment purposes, but we need to get better at making decisions which ensure that our future generations are both free from environmental risks and able to benefit from sustainably

Climate change, lack of management, over-use, invasive species, extreme heatwave events causing impacts on people's health and well-being are likely to become more prevalent as a result. Iconic pollution, landscape crime and antisocial behaviour are also threatening Gwent's natural resources.

Climate Change	The Intergovernmental Panel on Climate Change (IPCC) report (2018) indicates that global warming in excess of 1.5°C above pre-industrial levels will undermine life-support systems for humanity. It is predicted that if the world warms by 2°C, one in twenty of all species will be threatened with extinction

landscapes and cultural heritage assets could also be more vulnerable to wildfire exposure in future.

There is a major challenge to reduce agriculture's negative impact on the environment while simultaneously maintaining food production for a growing population. Leaving the European Union could have a significant future impact on land management in Gwent and while trade deals and policy creation is being looked at nationally, more can be done to reduce the impact of future changes at the local level such as increasing local food supply chains and networks. Future climate projections indicate that drought risk will have a significant impact on the quality of agricultural land and our ability to produce food in the future.

Food	Farmed land represents 65% of the area of Gwent[43]. There were an estimated 2,084 active farms in 2018, covering 105,199ha[44], giving an average farm size of 50ha. Grassland accounts for 78% of this, and arable and horticulture is just 13%. There are also 6,654ha of woodland within farms

Ecological footprint refers to the amount of productive land and sea that is required to support all the resources we use in our daily lives. If the rest of the world lived as we do in Wales then we would need 3.3 planets to support us all[45]. The numbers are similar for Gwent.

We need to get to one planet living so that we don't use the resources that future generations will need to support themselves. To do this we will need to look at our food, energy and transport systems - many our current approaches are also causing the climate to change.

Consumption patterns are also having a negative impact on the global environment and we need to use resources efficiently and proportionately. Reducing and reusing waste is one way to reduce our consumption of resources and provide positive benefits to people and nature.

Gwent recorded recycling rates at or above the Welsh average figure in 2019. However, we will need to move to a circular economy model, where waste is prevented from being generated in the first place and things are used for as long as possible, if we are to achieve zero waste and one planet living.

Ecological footprint

Ecological footprint per person (global hectares)

Blaenau Gwent	3.1
Caerphilly	3.1
Monmouthshire	**3.4**
Newport	3.2
Torfaen	3.1

by local authority[46].

How we travel is having a negative impact on our environment and people's health, changing our climate, increasing pollution and we will need to look at different ways of meeting our travel needs.

Air quality

In Gwent there are **2** Air Quality Management Areas in Caerphilly, **2** in Monmouthshire and **11** in Newport, all declared because of nitrogen dioxide levels as a result of traffic pollution along busy roads and motorways[47].

Housing makes a significant contribution to emissions, specifically in relation to the requirement to heat space and water using fossil fuels

Achieving the energy system transformation alone would create new jobs and livelihoods for the people of Gwent. Meeting decarbonisation targets can also lead to improvements in the quality of life for communities which suffer from the adverse impacts of poor air quality.

We need to get to one planet living so that we don't use the resources that future generations will need to support themselves.

To do this we will need to look at our **food**, **energy** and **transport** systems – many of our current approaches are also causing the climate to change. We need to explore new approaches which promote the health and prosperity of nature rather than putting pressure on our natural world. By protecting and enhancing Gwent's natural resources in this way we will leave a positive legacy for future generations.

6 Cultural Well-being

Gwent has a rich and diverse cultural heritage incorporating highlights such as the Blaenavon World Heritage Site, Abergavenny Food Festival and a section of Wales' famous coastal path. It is home to Roman forts, castles and stately homes and a Ryder Cup golf course.

Cultural interests can bring people of different ages together. We know that the inequalities that exist in some of our communities can make it hard for people to get involved in cultural activities with affordability and access particular problems.

Apart from Newport, which is the most multi-cultural of the local authority areas, the region has little ethnic diversity. This lack of ethnic diversity could make it more difficult for people to understand each other's cultures and beliefs, as there are far fewer opportunities to interact with people from diverse backgrounds.

Welsh Speakers	The percentage of people aged 3+ across Gwent that can speak Welsh continues to be below the Welsh average in all five local authorities[48].

The economic contribution of tourism in Gwent reduced considerably during 2020 to £297m (70% decrease on 2019), whilst the total number of FTE jobs supported by direct tourism spend reduced by 52% on 2019[49].

The creative economy, has been identified by Cardiff Capital Region, as having an role to play in the prosperity of the regional economy going forward [50] and has the potential to increase the economic contribution provided by the cultural sector, however, this is likely to take several years.

Gwent needs to make sure that it has the right skills and employment base to benefit from potential opportunities related to the creative economy sector, there may also be opportunities for business diversification or new start-ups.

Volunteering can be an opportunity to meet new people and an opportunity to learn new skills.

An aging population in Gwent may mean that there are more people able to support their communities through volunteering.

Increasing the number of Welsh speakers across the region will also positively contribute to people's sense of place and well-being.

Covid-19 restrictions have had a significant impact on the sports, cultural and tourist sectors and the people who work in them.

The highest levels of volunteering in Gwent are in Monmouthshire and the lowest in Bleanau-Gwent. Volunteering rates may be linked to available time and financial freedom to volunteer.

Volunteering % of people who volunteer by local authority[51].

	2016	**2019**
Blaenau Gwent	23.17	18.68
Caerphilly	23.19	23.65
Monmouthshire	**36.10**	**32.34**
Newport	26.52	24.40
Torfaen	28.86	23.16

Gwent's iconic natural environment is an important part of the cultural and tourism offer. The UK Climate Risk assessment identifies risks to the natural environment and heritage from extreme weather and wildfire events[52]. This could impact on the distinct local landscape and heritage assets and their ability to contribute to our shared cultural history and to the cultural economy.

There may also be future economic opportunities related to tourism and outdoor sports and leisure activity due to warmer temperatures associated with a changing climate.

[1] ONS mid-2019 population estimates

[2] Gwent Authorities dwelling data. GeoPlace 2021

[3] Local authority 2018-based population projections, Welsh Government

[4] Local authority 2018-based population projections, Welsh Government

[5] Local authority 2018-based population projections, Welsh Government

[6] Local authority 2018-based population projections, Welsh Government

[7] Welsh Index of Multiple Deprivation (WIMD) 2019. Results report. Welsh Government.

[8] WIMD 2019, Welsh Government

[9] Welsh Index of Multiple Deprivation (WIMD) 2019. Results report. Welsh Government. [10] WIMD 2019, Welsh Government [11] Land Registry. 2020.

[12] Average survey of hours and earnings (ASHE), ONS, 2020

[13] https://statswales.gov.wales/Catalogue/Housing/Affordable-Housing/Provision/additionalaffordablehousingprovision-by-location-year

[14] https://statswales.gov.wales/Catalogue/Housing/Affordable-Housing/Provision/additionalaffordablehousingprovision-by-location-year

[15] Welsh Housing Conditions Survey (WHCS) 2017-18: Local area Fuel Poverty estimates modelling and results summary https://gov.wales/local-area-fuel- poverty-estimates-april-2017-march-2018

[16] UK Climate Change Risk Assessment 2017: Evidence Report. Summary for Wales.

[17] UK Climate Change Risk Assessment 2017, Synthesis report: priorities for the next five years. Committee on Climate Change.

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[21] Welsh Index of Multiple Deprivation (WIMD) 2019. Results report. Welsh Government.

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[28] Safer Gwent Strategic Assessment. Gwent Police.

[29] Welsh Index of Multiple Deprivation (WIMD) 2019. Results report. Welsh Government.

[30] WIMD 2019, Welsh Government

[31] WIMD 2019, Welsh Government

[32] PLASC 2020/21, https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Pupil-Level-Annual-School-Census/Provision-of-Meals-and-Milk/pupilsaged5to15eligibleforfreeschoolmeals-by-localauthorityregion-year

[33] PLASC 2020/21, https://statswales.gov.wales/Catalogue/Education-and-Skills/Schools-and-Teachers/Schools-Census/Pupil-Level-Annual-School-Census/Ethnicity-National-Identity-and-Language/pupilsaged5andiover-by-localauthorityregion-ethnicity [34] https://statswales.gov.wales/Catalogue/Transport/rail/rail-transport/railpassengerjourneys-by-localauthority-year [35] WIMD 2019, Welsh Government.

[36] WIMD 2019, Welsh Government.

[37] WIMD 2019, Welsh Government.

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[38] Employment by industry type, aged 16-64, 2019. Nomis Business Register & Employment Survey.

[39] UK Climate Change Risk Assessment 2017: Evidence Report. Summary for Wales.

[40] UK Climate Change Risk Assessment 2017: Evidence Report. Summary for Wales.

[41] Protected Sites Baseline Assessment in 2020, NRW

[42] Note: These values should not be combined to give a total as some properties will be at risk from more than 1 flood source

[43] Statistics for Wales & Welsh Government (2019), Agricultural Small Area Statistics (2002-2018), Welsh Government Accessed here: https://gov.wales/agricultural-small-area-statistics-2002-2018 [44] Statistics for Wales & Welsh Government (2019), Agricultural Small Area Statistics (2002-2018), Welsh Government Accessed here: https://gov.wales/agricultural-small-area-statistics-2002-2018

[45] Ecological and Carbon Footprints of Wales - Update to 2011, Stockholm Environment Institute and GHD, July 2015

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[48] Census 2011

[49] GTS (UK) Ltd STEAM data, November 2021 [50] Cardiff Capital Region Industrial and Economic Plan

[51] National Survey for Wales

[52] UK Climate Change Risk Assessment 2017: Evidence Report. Summary for Wales.

GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Wednesday 26th January 2022 Agenda Item:4.2a

Aneurin Bevan University Health Board

Finance Board Report – November (Month 08) 2021/22

Executive Summary

This report sets out the financial performance of Aneurin Bevan University Health Board, for November 2021.

The 2021/22 financial performance is measured by comparing the expenditure with the budgets as delegated in the Budget Delegation papers agreed at the March, July and September 2021 Board meetings, this will be updated further for quarter 4. The Health Board has statutory financial duties and other financial targets which must be met. The table below summarises these and the Health Board's performance against them.

Nov-21
Performance against key financial targets 2021/22
+Adverse / () Favourable

Target	Unit	Current Month	Year to Date	Trend	Year-end Forecast
Revenue financial target To secure that the HB's expenditure does not exceed the aggregate of it's funding in each financial year. *This confirms the YTD and forecast variance.*	£'000	(21)	(20)		**0**
Capital financial target To ensure net Capital Spend does not exceed the Capital Resource Limit. *This confirms the curent month and YTD expenditure levels along with the % this is of total forecast spend.*	£'000 £48,557	4,502 9.3%	21,274 43.8%		**0**
Public Sector Payment Policy To pay a minimum of **95%** of all non NHS creditors within 30 days of receipt of goods / invoice (by Number)	%	94.4%	95.3%		**>95%**

Performance against requirements 20/21		**18/19**	**19/20**	**20/21**	**3 Year Aggregate**
Ensure the aggregate of the HB's expenditure does not exceed the aggregate of its funding in a 3 year period - Revenue	✓	**(235)**	**(32)**	**(245)**	**(512)**
Ensure the aggregate of the HB's expenditure does not exceed the aggregate of its funding in a 3 year period - Capital	✓	**(41)**	**(28)**	**(13)**	**(82)**
Prepare & Submit a Medium Term Plan that is signed off by Welsh Ministers	✓				

Underlying Financial Position (Brought Forward ULP)	**18/19**	**19/20**	**20/21**	**21/22**
This represents the recurrent expenditure commitments and the recurrent income assumptions that underpin the financial position of the HB moving into future years.	**£19.763m Deficit**	**£11.405m Deficit**	**£16.261m Deficit**	**£20.914m Deficit**

Note: The Health Board is in it's 3rd year of the approved IMTP, the HB has submitted a refreshed Annual Plan for 21/22 in place of a revised 3 year IMTP, as directed by WG.

Key points to note for month 8 and year to date position include:

- A year-to-date underspend of £0.02m against delegated budgets,
- Income - includes anticipated and confirmed Covid-19 funding,
- Pay Spend – has increased by c.£2m (excluding bonus payments adjustment in October), primarily due to medical and nursing agency costs,

- ~~Non-Pay Spend (excluding capital adjustments) - has increased by £2m, due to additional~~ funded WHSSC spend well as increased costs for non-cash limited optometrist expenditure and ICF payments,
- Savings – expected achievement remains on plan & at the same levels as previously reported.

Significant issues for the Health Board's forecast financial plan include:

- There remains a small risk with regards to finalising the income assumptions for Covid-19 with Welsh Government,
- Improving and achieving the level of savings and efficiency programmes on a recurrent basis to support long term financial sustainability, and
- Ensuring that service and workforce solutions, in response to the challenging demands being faced, are achieved in the most cost-effective way.

At Month 8, the forecast revenue and capital positions are break-even for the 2021/22 financial year.

The latest financial assessment of income levels, service and workforce costed plans is that the Health Board should be able to deliver these plans within anticipated available funding.

The underlying financial deficit (£20.9m) will need to be addressed to support financial sustainability and recurrent balance in future years.

The Board is asked to: (please tick as appropriate)	
Approve the Report	
Discuss and Provide Views	
Receive the Report for Assurance/Compliance √ Note the Report for Information Only	

Executive Sponsor: Rob Holcombe – Interim Director of Finance, Procurement & VBHC

Report Author: Suzanne Jones – Interim Assistant Director of Finance

Report Received consideration and supported by: Executive Team Committee of the Board			

Date of the Report: 6th January 2022

Supplementary Papers Attached:

1. Glossary
2. Appendices

Purpose of the Report

This report sets out the following:

- The financial performance at the end of November 2021 and forecast for 2021/22 – against the statutory revenue and capital resource limits,

- The revenue reserve position on the 30th of November 2021,
- The Health Board's underlying financial position,
- The Health Board's cash position and compliance with the public sector payment policy,
- A financial assessment of the risks and opportunities which may impact on delivering the financial forecast for 2021/22, and
- A 2022/23 Allocation letter update.

Assessment & Conclusion

- **Revenue Performance**

  The month 8 position is reported as £0.02m underspend with a forecast year-end out-turn break-even position. A summary of the financial performance is provided in the following table.

Summary Reported position - November 2021 (M08)	Full Year Budget £000s	YTD Reported Variance £000s	Prior month reported variance £000s	Movement from prior month £000s
Operational Divisions:-				
Primary Care and Community	272,895	(1,274)	(1,445)	170
Prescribing	106,494	1,274	1,445	(170)
Community CHC & FNC	66,602	(137)	38	(176)
Mental Health	111,071	124	308	(184)
Director of Primary Community and Mental Health	565	(59)	(54)	(6)
Total Primary Care, Community and Mental Health	**557,627**	**(72)**	**293**	**(365)**
Scheduled Care	236,852	888	616	272
Medicine	120,443	537	375	162
Urgent Care	40,517	1,196	588	608
Family & Therapies	119,288	(78)	(88)	11
Estates and Facilities	82,832	(100)	27	(127)
Director of Operations	6,456	826	367	459
Total Director of Operations	**606,389**	**3,270**	**1,884**	**1,386**
Total Operational Divisions	**1,164,015**	**3,198**	**2,177**	**1,021**
Corporate Divisions	122,659	(2,264)	(1,430)	(834)
Specialist Services	172,128	(2,563)	(2,238)	(325)
External Contracts	77,096	1,796	1,557	239
Capital Charges	30,971	(187)	(0)	(187)
Total Delegated Position	**1,566,869**	**(20)**	**66**	**(86)**
Total Reserves	13,021	0	(66)	66
Total Income	(1,579,890)	0	0	0
Total Reported Position	**0**	**(20)**	**0**	**(21)**

Financial impact of service and workforce pressures

- During November 2021, pay expenditure increased due to additional agency costs within the medical and nursing staff groups. Non-pay expenditure increased due to additional WHSSC developments as well as non-cash limited and ICF costs.
- Whilst the number of Covid-19 positive patients in hospital is significantly lower than the levels being cared for during the 1st and 2nd waves of the pandemic, there has been an increase in the number of patients being treated for and recovering from Covid-19 in September, October and November. ICU patient numbers relating to Covid-19 have slightly increased in November leading to additional temporary staffing costs. All services still need to operate in a Covid-19 safe environment leading to a workforce and financial pressure.
- Unlike the previous waves of the pandemic, demand for emergency and urgent care across all services – including primary care, mental health and acute/community hospitals – has increased significantly and in many cases is above the levels seen pre-pandemic. Winter plans have been approved which are designed to mitigate further operational pressures across all areas of the UHB.
- Delays in patient discharges are adding to the flow challenges being experienced resulting in greater bed demand and workforce and financial pressures.

As a result, additional costs are being incurred due to the following:

- Additional workforce capacity to support the significant pressure on the Emergency Department and other urgent care services,

- Workforce costs for covering increased sickness absence and self-isolation periods,
- Maintaining 'green' patient pathways to minimise infection,
- Additional hospital bed capacity to ensure the safe and timely flow of patients,
- Increased acuity of patients presenting and demand for enhanced care, and
- Commissioning step-down capacity to support patients in their discharge back home or to a longer-term care home placement.

To mitigate, key areas of focus for the Health Board are:

- System level working to expedite patients to the most appropriate care setting,
- Enhancing same day emergency care and flow,
- Securing additional capacity,
- Increasing Nurse staffing levels,
- Other actions to underpin the operational management and leadership to support clinical teams, and
- Prioritising utilisation of workforce.

Workforce

Workforce costs (allowing for the wage award) have maintained a consistent average level of spend of c.£57m for months 1-8 of 2021/22.

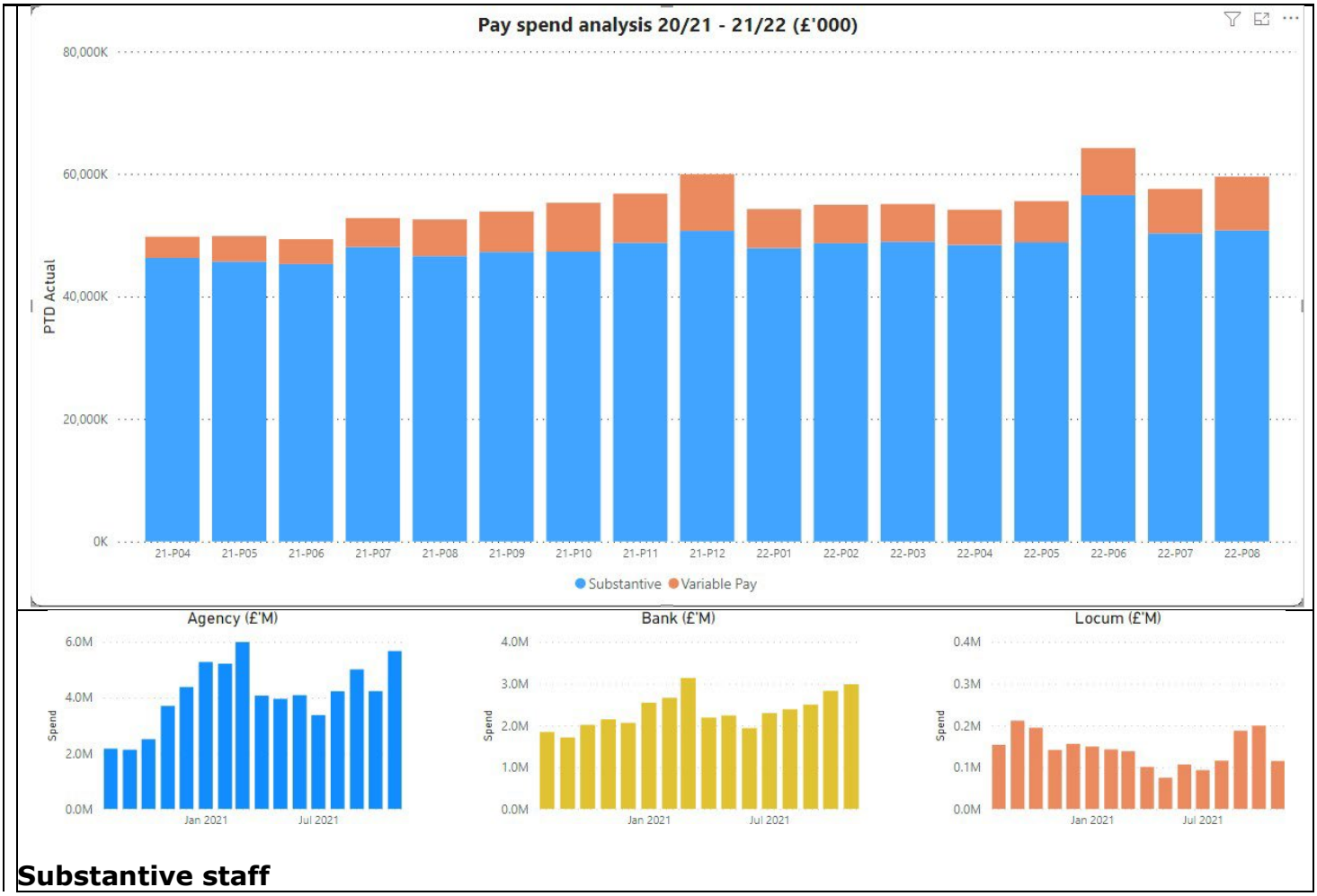
Substantive staffing costs have remained at a similar level other than the costs for overtime allowance adjustments for holiday pay for April to September 2021 being made in month 8. Bank costs have increased by £0.16m (5.6%) and agency costs have significantly increased by £1.44m (34.1%) compared to month 7. Part of this in month movement is due to the part-removal of older (over 12 months) nursing shift cost estimates in month 7.

It is also noted that there are specific increases in medical and registered nurse agency costs.

It is expected that the expenditure run-rates for agency staffing will remain and potentially increase for the remainder of the financial year to deliver agreed recovery, winter and Covid-19 plans. The re-introduction of flexible rewards cost and the increase in specialist nursing rates of pay have increased costs in month 8 and will likely continue throughout the rest of the financial year. There is still a continued and significant reliance on the use of agency and bank staff.

Workforce expenditure is shown below differentiating between substantive and variable pay[1]:

[1] *To enable useful comparisons and trends all references to 20/21 pay expenditure exclude the month 12 expenditure for: Covid-19 annual leave provision (£17m), Covid-19 bonus payments (£14.7m), and Additional employer pension contributions (6.3%/£25m).*



Substantive staff

Substantive pay was £50.79m in November – an increase of £0.47m compared to October. Substantive pay is relatively stable with the exception of the holiday pay overtime additional cost paid in November. The payment relates to the period April – September 2021 and therefore there will be a further payment made for the remainder of the 21/22 financial year in March 2021.

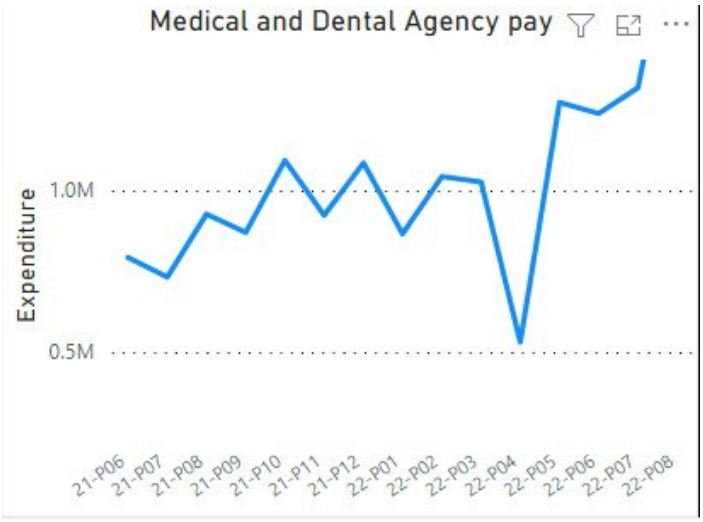
Variable pay
Variable pay (agency, bank and locum) was £8.78m in November – an increase of £1.52m compared to October.

The Executive Team have agreed the block booking of registered nurse (RN) agency and over recruitment of health care support workers (HCSW) to ensure safety of service provision.

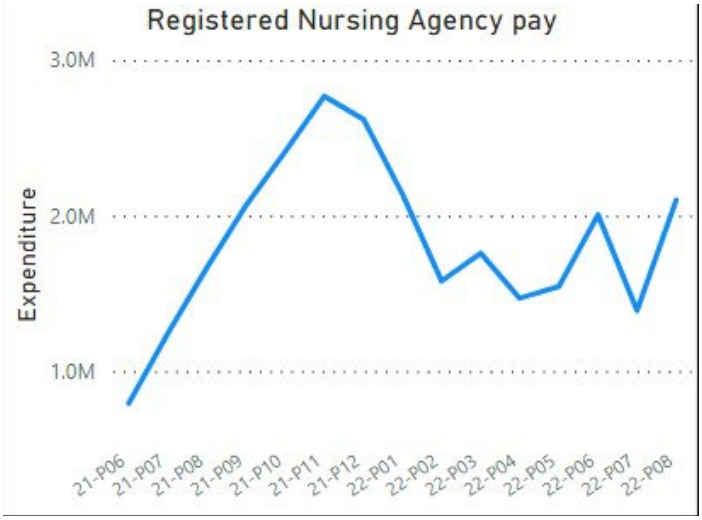
It should be noted that the number of unfilled registered nursing shifts remains at a high level throughout the UHB. If all of these shifts were filled through variable pay the cost impact would be significant.

Bank staff
Total bank spend in November was £3.0m - an increase of £0.2m compared with October 2021, mainly due to additional registered nurse bank use. Areas where bank usage is increasing are ICU and GUH ED due to on-going Covid-19 additional support requirements.

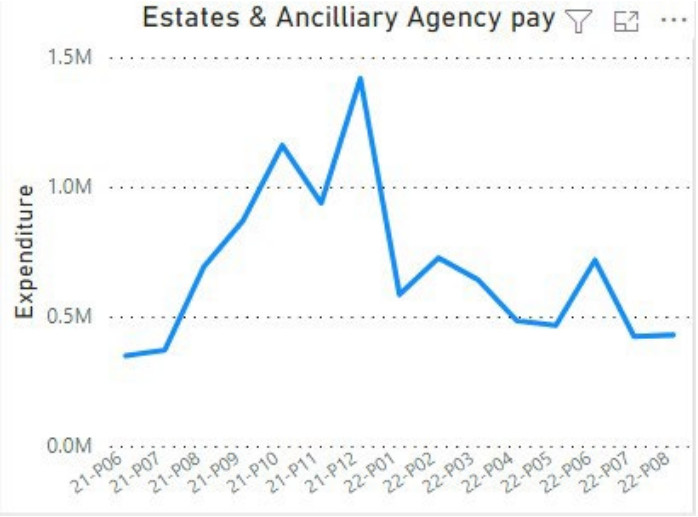
Agency
Total agency spend in November was £5.7m – an increase of £1.44m compared to October. The review of older shifts booked but not worked resulted in an increased movement for month 8. It should be noted however that November costs are the highest for any month in the 21/22 financial year.



- Increase in month £0.6m due to ○ £56k Medicine – Pressures continue in COTE and YYF medical staffing backfilling a number of staff who are now non-patient facing and numerous vacancies.
  - ○ £165k in Ophthalmology, £133k in Pathology (cover of vacancies).
  - ○ Continued pressures in other Scheduled Care e.g. T&O. ○ Frailty increase for vacancies and winter pressures (£79k).
  - ○ Continued expenditure in Mental Health services covering vacancies.
- Medical agency spend is averaging c.£1.2m per month.



- In-month spend of £2.1m, an increase of £0.7m from October. This is primarily due to a release of accruals of shifts over 12 months in October.
- Reasons for use of registered nurse agency include:
  - Additional service demand including opening additional hospital beds,
  - Enhanced care and increased acuity of patients,
  - Increased sickness, and ○ Vacancies.
- Registered Nursing agency spend is averaging c.£1.7m per month.



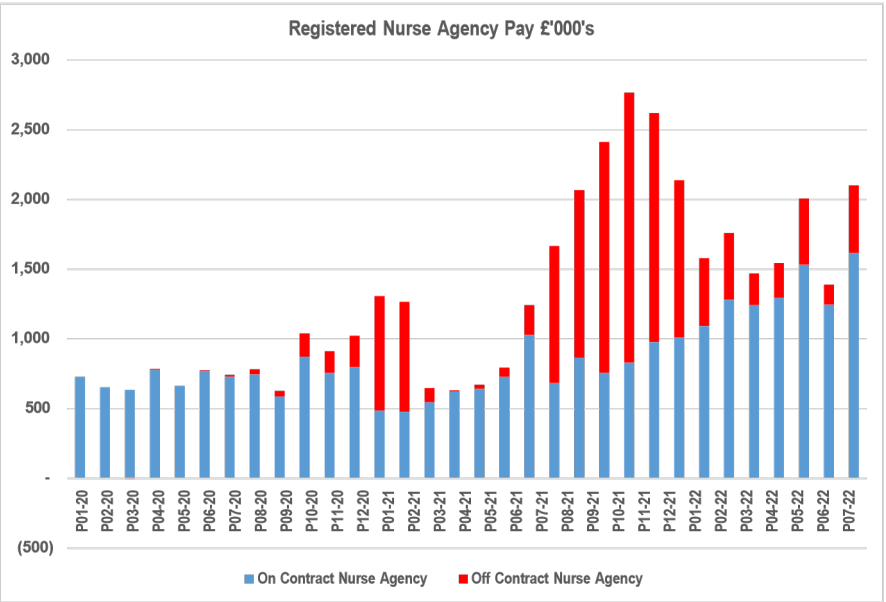
- In month spend of £0.4m on Estates & Ancillary, which is broadly equivalent to month 7. This is primarily within GUH and related to Covid.
- Reasons for use of agency include:
  - Meeting enhanced cleaning standards, ○ Enhanced care and increased acuity of patients,
  - Increased sickness, ○ Vacancies,
  - Recruitment difficulties, and
  - Supporting the Mass Vaccination Programme.
- Estates and Ancillary agency spend is averaging c.£0.6m per month.

Registered Nurse Agency

Registered nurse agency spend totalled £18.1m in 2020/21 and £10.2m in 2019/20.

If spend continues at the current rate, the Health Board will spend £21m on nurse agency in 2021/22, a 16% increase from 2020/21.

The use of "off-contract" agency – not via a supplier on an approved procurement framework – usually incurs higher rates of pay.



The Health Board spent £0.48m on 'off' contract RN agency in November compared to £0.14m in October. The main reasons for its usage are:

- Enhanced care,
- Additional capacity,
- Nursing vacancies,
- Patient safety,
- Covid-19 responses, and
- Increased sickness and cover for staff in isolation.

A Registered Nurse Agency Reduction Plan was approved by the Executive Team in May 2021, there is considerable pressure on this plan because of the on-going service and workforce pressures.

Medical locum staff

Total locum spend in November was £115k, a decrease compared with October 2021 of £84k, of this decrease £82k was in Scheduled Care (Pathology and Anaesthetics) relating to adjustments in shifts worked.

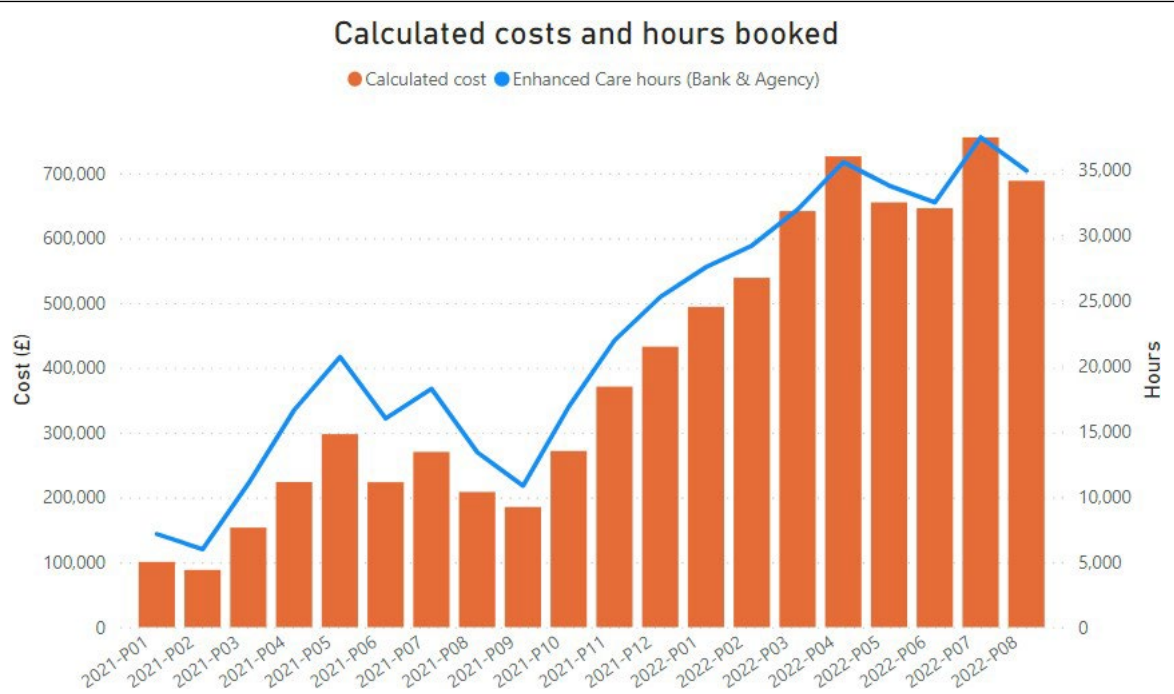
Enhanced Care

Enhanced Care, also known as 'specialling', can include a spectrum of interventions ranging from the provision of assistance to help a patient mobilise, through to one-to-one patient monitoring. Enhanced care is designed to ensure a patient centred safe approach for patients with additional care needs whilst also managing any associated impact on established staffing levels.

An initial review of the financial impact of 'enhanced care' – including the use of bank and agency staff – has identified the following use of nursing staff:

	2020/21	**2021/22**	**Increase**
Average number of hours used per month	15,305	32,840	115%
Increase in average cost per month compared to prior year			**£0.4m**
Estimated increase in the calculated annual cost based on current trend			**£4.9m**

The following graph highlights the increase in hours attributed to enhanced care for the period April 2020 (P01-2021) to November 2021 (P08-2022) using bank and agency registered nurse and health care support workers.



Non-Pay

Non-Pay spend (excluding capital) increased by £2m in November compared to October due to additional WHSSC costs for specialised CAMHS placements and Advanced Therapeutics Medicinal Products (ATMP drugs) as well as EASC developments. There were also significant increases for non-cash limited optometrist expenditure (no variance impact) and due to the profile of ICF payments.

Other areas of increase to note are:

- CHC Mental Health – there has been a net increase of 2 patients in MH and 4 LD patients in month with high cost packages. The newer packages increase the overall average cost per package compared to the previous financial year.
- CHC Adult / Complex Care - 638 active CHC and D2A placements, with an increase coming from patients converted from FNC to CHC, which is an increase of 6 placements compared to October. This is mainly due to the 'Step Closer to Home' pathway which had 5 additional (23 total) placements in November, a cost of £0.54m is included in the forecast spend.
- For FNC - currently 852 active placements, which is an increase of 2 from October.
- Primary Care medicines - the full year forecast is an over-spend of £0.9m (after £7.30m Covid funding). The year to date growth on items is 1.92% and the forecast is based on continued growth of 1.5%. In addition there has been an increase in NCSO concessions and an increase across a wide range of non- Cat M drugs.

Service Pressures & Activity Performance

<u>Bed Capacity</u>

Additional medical beds have been opened as part of responding to the system pressures described previously. Additional capacity beds in Medicine were 139 in November as described in the table below:

No. of Additional Beds						
Site	**Ward**	**Aug-21**	**Sep-21**	**Oct-21**	**Nov-21**	**Description**
RGH	B3 Winter Ward	28	28	28	28	28 Additional Capacity
	C5E	4	4	0	0	28 (flexed up from 24)
NHH	3rd Floor	4	4	10	10	28 (flexed up from 24)
	4th Floor	4	4	11	7	28 (flexed up from 24)
GUH	C4	8	12	16	16	8 Covid beds in 2 wings for the month of October.
	A4			2	2	Using Ringfenced beds
YYF	Risca	30	30	30	30	30 Covid Ward (funded ward)
	Bargoed		30	30	15	30 Covid Ward (funded ward)
	Oakdale			15	0	50% Covid Ward (funded ward)
	Rhymney				14	Supporting 50% of SC ward (post-covid patients)
RGH AMU	D1W		15	15	17	15 Beds 2 additional RN 24/7
Total		**78**	**127**	**157**	**139**	

described as follows:-

:hat ward D1W is due to be open only until 31st December.

:ontinued use of surge beds throughout the Community hospitals

No. of Additional Beds				
Site	**Ward**	**Sep-21**	**Oct-21**	**Nov-21**
STW	Ruperra	12	20	20
YAB	Tyleri	10	15	15
T otal		**22**	**35**	**35**

planned than

pre-Covid-19 levels.

<u>atments and outpatients</u>

:ivity has significantly reduced as part of the Health Board's C
me routine elective services have resumed, elective activity is st

in General

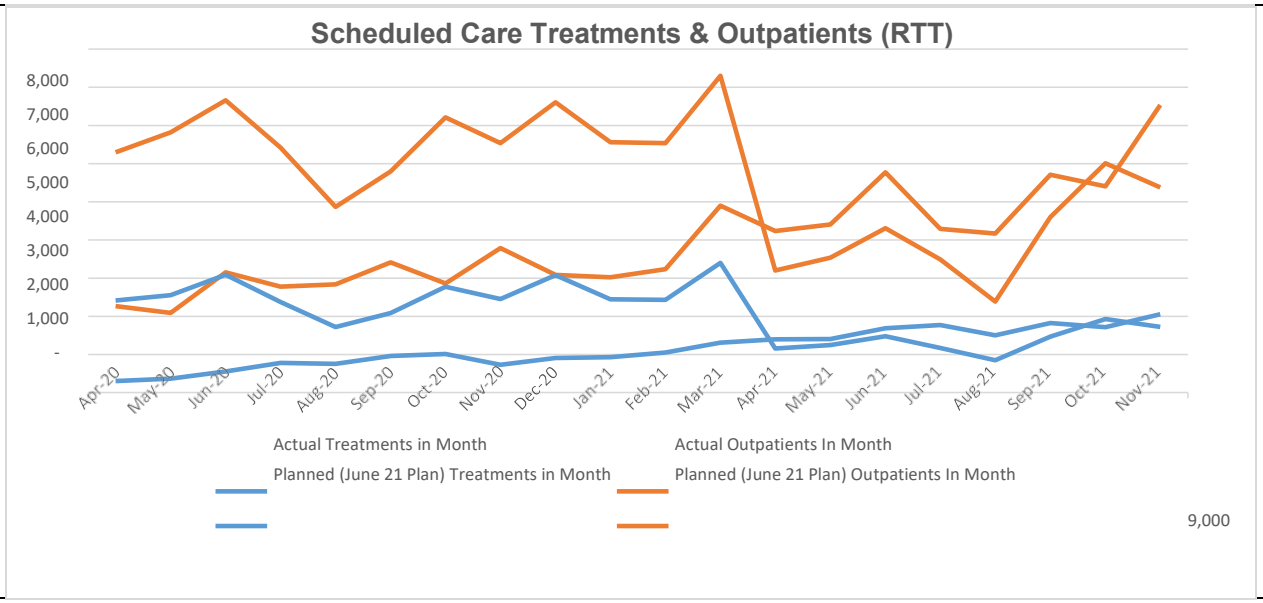
ective activity for new outpatients has increased in Nover
ecovery plans. There were increases in all specialities particular
ohthalmology (+416) and Dermatology (+402). New outpatient
intments in month again due to the General Surgery, Ophthalm

Dermatology specialities.

so higher in all areas compared to last month. Key movements i
-73), General Surgery (+58) and Dermatology (+48). The
livered through core time with a slight increase in WLI and a sm

(+87)

in backfill sessions.


Scheduled Care Treatments & Outpatients (RTT)
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
-
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
Oct-20
Nov-20
Dec-20
Jan-21
Feb-21
Mar-21
Apr-21
May-21
Jun-21
Jul-21
Aug-21
Sep-21
Oct-21
Nov-21
Actual Treatments in Month
Planned (June 21 Plan) Treatments in Month
Actual Outpatients In Month
Planned (June 21 Plan) Outpatients In Month
9,000

lective Treatments for November '21 were 2,054 with year-to-date treatments of 1

- Outpatient appointments for November '21 were 7,532 with year-to-date activity of 4
-

e Outpatient Activity

e Outpatient activity for November '21 were 1,440 attendances with year-to-date of this is presented by specialty below:

November 21	Assumed monthly activity	Actual activity	Variance	V
Gastroente	4,080	1,922	- 2,158	
Cardiology	4,424	2,036	- 2,388	
Respiratory (inc Sleep)	4,848	2,103	- 2,745	
Neuro	2,072	1,860	- 212	
Endocrino	1,936	1,263	- 673	
Geriatric Medicine	1,848	1,562	- 286	
	19,208	**10,746**	**- 8,462**	

o date underperformance of 44% is presented.

started on e Diagnostics (Endoscopy) Activity

e endoscopy activity for November '21 was 1,281 procedures with year-to-date o activit
s 897 cases less than planned for the year to date. Endoscopy insourcing plans th C y
emain significant staffing constraints at RGH, there have been

ns where the service have only been able to run 1 Theatre. The expectation remains
ease in future months.

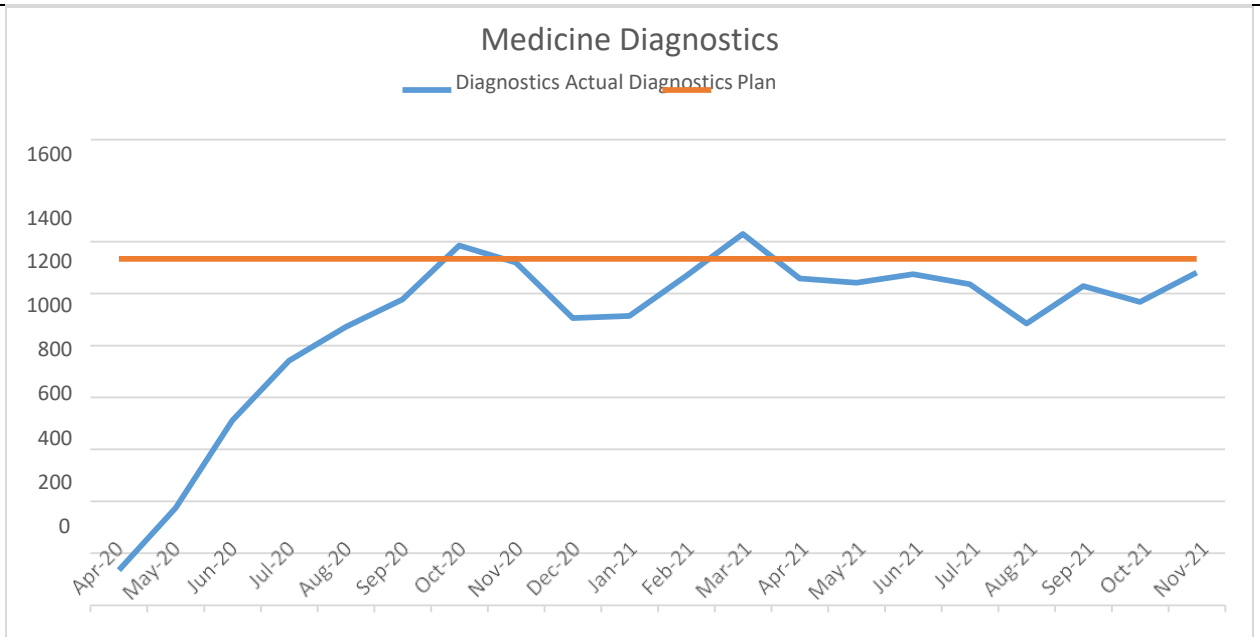
alth Board has commissioned St Joseph's Hospital to support further endoscopy deliv
ted £1.3m for an additional 14 sessions per week, via an insourcing provider, reduce

ivity undertaken since April '20 is shown below;

activit
y

to

14/21


Medicine Diagnostics
Diagnostics Actual Diagnostics Plan
1600
1400
1200
1000
800
600
400
200
0
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
Oct-20
Nov-20
Dec-20
Jan-21
Feb-21
Mar-21
Apr-21
May-21
Jun-21
Jul-21
Aug-21
Sep-21
Oct-21
Nov-21

Service Recovery Plans 2021/22

The Health Board received recovery funding allocations as part of recovering the backlogs in routine elective services because of the Covid-19 pandemic. The Health Board has assessed the forecast spend associated with recovery bids as £24m and funding has been adjusted with WG to deliver these schemes. The plans are achieving their goals to date but they are expected to increase substantially and performance will be closely monitored.

There remains c.£0.1m for any further schemes. The Divisional summary of these delegations are shown below:-

Recovery funding delegated - Division	£'000
Scheduled Care	11,258
Families & Therapies	2,035
Mental Health	1,840
Primary Care	3,185
Medicine	2,154
Estates & Facilities	131
CHC	502
Corp	151
Outsourcing	2,200
Sub-total	**23,456**
Reserves	103
Total	**23,559**

There may be potential slippage on these schemes. As a result further recovery plan options are being developed and considered. There may be a recurrent requirement for some of these proposals which will need to be considered alongside other IMTP priorities.

Covid-19 – Revenue Financial Assessment

Covid-19 reporting can be broken down into the following categories.

- Covid-19 costs: £166.62m
- WG Funding: £175.2m (as at Month 8)

The Health Board is assuming funding of £175.2m for Covid-19 service responses and Covid-19 recovery for the 2021/22 financial year.
Of the £175.2m;

- £155.8m has been received, and,
- £19.3m is anticipated (as at month 8).

Confirmed and received funding has been a mixture of reimbursement for actual costs and forecast costs and formula shares.

Of the £19.3m anticipated allocation, the vast majority relates to national priorities (e.g. MVP, TTP, PPE, CHC social care packages) which is low risk as the funding for actual costs is confirmed. There is an element (c.£2.3m) which relates to local covid responses (Urgent, Emergency Care and Extended Flu jabs) and represents limited financial risk in delivering the Health Board's service and workforce plans within available funding.

At this stage the Health Board is including expenditure for the whole year for all areas of Covid-19. This is in line with the guidance provided by Welsh Government finance colleagues.

The table below summarises the funding assumed, delegated, and held in reserve relating to Covid-19.

Covid-19 Specific Allocations - As at November 2021	£m
Initial Recovery Plan Covid19	17.00
Covid19 response April-September 2021	32.02
Testing (inc Community Testing) Qtr 1	1.63
Tracing Qtr 1	3.47
PPE Qtr 1	1.04
Mass COVID-19 Vaccination QTR 1	1.98
Mass COVID-19 Vaccination QTR 1	1.58
Tracing - Q2 (M1-6 less June funding)	3.00
Covid 19 Mass Vaccination costs Q2	2.20
Covid 19 Mass Vaccination costs Q2	0.09
Covid 19 Impact on b/f underlying position	8.57
Covid 19 Cleaning standards Q1 + Q2	0.95
Covid 19 Testing Q2	2.03
Covid 19 Adferiad Programme	0.94
Covid 19 response funding Oct 21 to Mar 22	56.58
Covid 19 support - Tranche 2 Revenue Recovery	6.56
Covid 19 - PPE Q2	1.50
Covid 19 - Additional Flu programme yrs 7-11	0.78
Community Infrastructure Programme (UEC-C19)	0.18
Additional Covid Response funding	7.38
C19-Adult Social Care Package	2.01
C19 Support for Comm Health Checks	0.19
C19 Cluster funding	0.38
C19 Recovery - Healthchecks Learning Disability	0.11
Mental Capacity Act (MCA) Funding-Gwent Consortium-C19 recovery-DoLS	0.17
Recovery of balance of NHS Bonus accrual	(1.44)

Covid Funding Delegated v Held in Reserves @ Month 08	Period covered	Delegated as at Month 8
Covid Funding Delegated		
Testing	M1-09	5,761
Tracing	M1-12	13,548
Mass Vaccs	M1-09	7,869
Cleaning Standards	M1-6	1,407
PPE	M1-6	3,891
CHC Provider payments	M1-06	3,125
Recovery funding (tranche 1 & 2)	M1-12	21,457
Urgent Primary Care Centre Pathfinder	M1-12	1,982
Adferiad Programme	M1-12	942
Covid response funding	M1-12	32,640
Covid response / Stability funding M6	M1-12	70,332
Additional Flu Programme	M7-12	784
Support for PACU	M7-12	528
Other community schemes	M7-12	368
Recovery of balance of NHS Bonus Accrual	M7-12	(1,440)
Total Covid funding delegated		**163,195**
Retained in reserves		
Testing (Anticipated)		3,275
Mass Vaccs (Anticipated)		2,231
Cleaning Standards (Anticipated)		698
PPE (Anticipated)		1,626
CHC Provider payments Q3 & Q4 (Anticipated)		0
Recovery funding (Received)		478
Covid response / Stability funding (including CHCv D2A & SCtH) / Cluster funding (Anticipated)		2,133
Covid element of 21-22 Pay award (Anticipated)		884

Anticipated - Testing (inc Community Testing)	5.37
Anticipated - Tracing	7.07
Anticipated - Mass COVID-19 Vaccination	4.25
Anticipated - Cleaning Standards	1.16
Anticipated - PPE	2.98
Anticipated - Urgent & Emergency Care	1.98
Anticipated - Extended Flu	0.35
Anticipated - CHC NHS Commissioned Packages Qtr 3&4 (remaining)	1.12
Total Covid-19 Allocations	**175.18**
Of which Anticipated Covid-19 Allocations	**19.29**

Cluster funding and LD Healthchecks		491
Total Covid funding held in reserves		**11,816**
Total reported Covid funding		**175,011**

- **Revenue Reserves**

Health Board reserves are held by the Board, until such time as they agree their use or delegate this responsibility to the Chief Executive as Accountable Officer. Some funding allocations are held in reserves, where their use is directed by Welsh Government or funding is allocated for a specific purpose.

The following reserves, relating to WG Funding, were approved for delegation by the CEO;

£4.3m Winter/Tranche 2 recovery funding	£471k Tranche 2 recovery funding
£105k Digital Medical Records	(£0.528m) recovery of PACU funding
£340k Covid Stability – Estates & Facilities	£1.1m Covid Planned Care recovery funding
£51k WAST improvements in MH Emergency Calls	£704k Medical training posts
£492k ATMP allocation	£50k Outpatient Transformation
£152k EASC Control Room solution	£173k EASC ARRP
£59k EASC ESMCP (Project Team)	£49k Flu Vaccine Primary Care Health Workers
£584k Overtime on Holiday Pay	£700k National Specialist CAMHS
£60k Covid Testing	£1.1m Covid Care Home payments
£6k Sign-live trial	

The Health Board has received the majority of Covid monies with an additional £8.2m anticipated mainly for National priorities held in reserves and the balance of recovery monies which will be delegated once plans are approved by the Executive Team.

- **Underlying Financial Position (ULP)**

As at month 8 the underlying financial position is a **deficit of £20.9m**.

This is based on the current assessment of available recurrent funding and the recurrent financial impact of existing service and workforce commitments. **It excludes areas that are regarded as "choices" as well as any potential recurrent impact of Covid-19 decisions.**

The Health Board's Annual Plan identifies a number of key priorities where the application of Value-Based Health Care principles – improving patient outcomes along with better use of resources – should result in delivering greater service, workforce and financial sustainability whilst improving the health of the population. The actions being taken to improve financial sustainability are integral to this approach.

On the 21st December '21 the Health Board received the 2022/23 Allocation letter which includes a discretionary funding uplift of 2.8% (a separate briefing has been issued to the Board).

This funding provides the Health Board with some certainty in helping to address its underlying financial position and prioritising commitments as part of the 2022/23 IMTP.

The 2022/23 financial plan will need to be aligned with the IMTP service and workforce plans, including both recurrent and non-recurrent challenges and choices that the UHB need to consider.

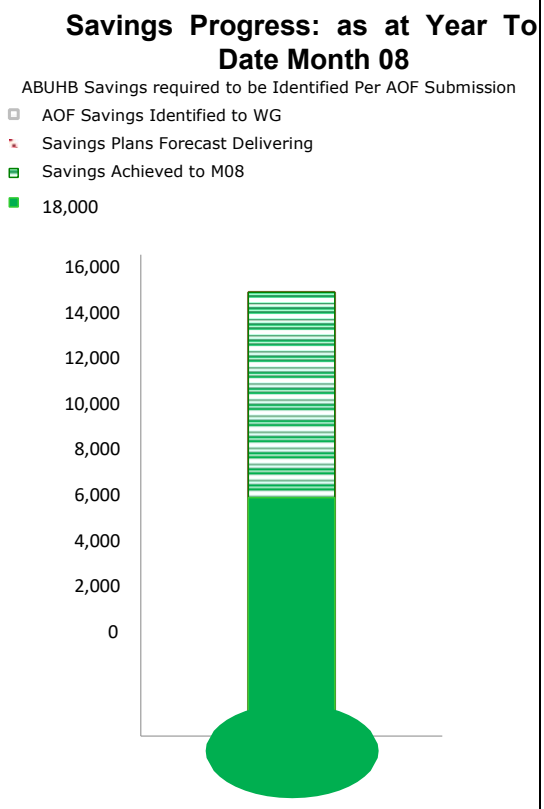
Further recurrent savings schemes for 2022/23 are currently being developed as part of the IMTP financial plan but are considered at this point to be required to manage future cost pressures

rather than beneficially impact on the underlying position, this position will be reviewed along with further intelligence on the IMTP process and WG allocation uplifts.

Savings delivery

As part of the Annual Plan submitted by the Board to Welsh Government (June 2021), the financial plan for 2021/22 identified a savings requirement of £16.6m for 2021/22. Recurrent full year effect of savings are identified as £13.6m.

Actual savings delivered to November '21 amounted to £8.9m, which is ahead of the plan profile.
The following tables present the progress against the full year target.



Month 08 Savings Plans

Green Savings schemes	Forecast	Non Recurrent	Recurrent	Full year effect of Recurring savings
CHC and Funded Nursing Care	3,514	500	3,014	3,331
Commissioned Services	126	4	122	122
Medicines Management (Primary and Secondary Care)	2,490	69	2,422	2,834
Pay	5,330	943	4,387	6,993
Non Pay	5,136	4,338	798	305
Total	16,596	5,853	10,743	13,586

Month 03 Savings Plans

Total savings plans remain in line with the AOF agreed earlier in the financial year, however, recurrent schemes have slipped and have been replaced with non-recurring schemes, this has particularly impacted Pay savings plans. At this stage the full year recurring impact has remained unchanged, however, this movement from recurrent to non-recurrent does put the underlying savings position at risk of non-achievement.

To deliver greater levels of savings and to achieve better use of resources, which improves health outcomes – and doesn't adversely impact on safety and quality – a greater focus is required on savings and efficiency improvement related to:

- Eliminating unwarranted clinical variation - e.g. in the use of medicines where there have been some savings, medical devices and consumables,

- Transformational service change – e.g. savings and efficiency improvement resulting from changes in service models which reduce use of hospital beds (admission, timely discharge, reduce length of hospital stay), reduce the requirement for workforce (particularly agency / locum), reduce spend on clinical interventions which have no positive effect on health outcomes.

The Health Board can no longer just rely on transactional efficiency savings and future plans also need to focus on shifting resources to improve health outcomes, support reinvestment and deliver recurrent savings. This will require transformational change in the way the Health Board delivers services so that it is more effective for patients and more financially sustainable.

Opportunities exist within the Annual Plan priorities agreed by the Health Board, including the following areas:

- MSK pathway redesign,
- Eye Care integration,
- Outpatients' transformation, and
- Digital solutions as an enabler to service change and financial improvement.

These programmes have been affected by unprecedented systems pressures over the last 18 months but given the likely challenging funding settlements in future years, progress in delivering some of these changes is required to improve the underlying financial position in 2022/23 and onwards.

Risks & Opportunities

There remain significant risks and opportunities to managing the financial position during 2021/22, which include:

- Responding to the ongoing impact of Covid-19 – both direct and indirect consequences of the pandemic,
- Responding to any specific Covid-19 impacts e.g. new variants, outbreaks,
- Workforce absence / self-isolation, availability of staff for priority areas,
- Risks associated with anticipating the remaining Covid-19 funding,
- Addressing backlogs in waiting times for some services, due to the Covid-19 pandemic – restart and recovery,
- Continued and potential increasing use of additional capacity,
- Addressing any surge in Covid-19,
- Maximising the opportunity to change services resulting in improved health outcomes for the population, and,
- Addressing the underlying financial deficit, through reducing costs and increasing recurrent savings.

Capital

The approved Capital Resource Limit as at Month 8 totals £47.17m. In addition, the Health Board has confirmed asset disposals generating further funding of £1.4m.

The Capital Resource Limit has been agreed with Welsh Government in month and is now fixed. The Health Board is now required to manage any subsequent variations from the fixed resource

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23/21

limits via brokerage within the Discretionary Capital Programme. The overall forecast outturn is breakeven.

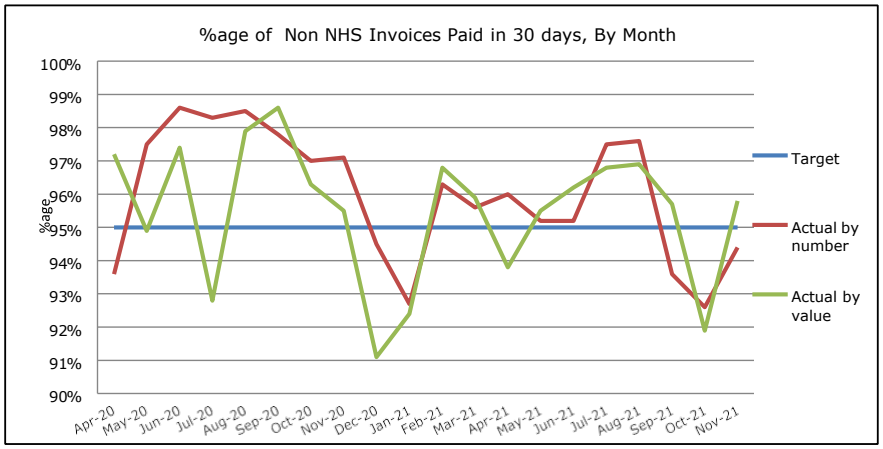
The forecast outturn for the HSDU scheme is now anticipated to be an overspend of £0.7m. As additional funding cannot be secured from Welsh Government for the scheme, the overspend will be met from the Discretionary Capital Programme. Practical completion on the scheme has been delayed due to issues that have arisen during the commissioning testing of the facility.
The Full Business Case for Newport East Health and Well-being Centre is now complete and is planned to be taken to Board for approval in January 2022. The Full Business Case for the Unified Breast Unit at YYF is awaiting final approval from Welsh Government.
All divisions submitted updated end of year priority schemes during the month. These priorities have been used to allocate the remaining discretionary funding and to respond to Welsh Government's request for a prioritised list of End of Year slippage schemes.

Cash

The cash balance on the 30th of November is £2.94m, which is below the advisory figure set by Welsh Government of £6m.

PSPP

The Health Board has achieved the target to pay 95% of the number of non-NHS creditors within 30 days of delivery of goods on a cumulative basis. In month the target was below the required 95% although an improvement on previous months. We are continuing to work with those departments where invoices are being processed outside of the 30 day payment terms.



2022/23 Allocation Letter

The Ministerial letter to Chairs formally issued the 2022/23 revenue allocations to Health Boards, and was received by the Health Board on the 21st December 2021. The allocation reflects the Minister for Health and Social Services decisions about the distribution of resources to Health Boards. The revenue allocation letter identifies the funding available for the Aneurin Bevan Health Board's 2022/23 Financial Plan.

The 2022/23 baseline funding has increased by **£96.7m** compared to the 2021/22 baseline. A detailed breakdown of the increase is shown in the Appendix. The 'true' net uplift to the Health Board i.e. excluding committed and directed funding, is **£67.1m** as follows:

Net funding uplift	22/23 funding £
Core uplift 22/23	28,779,000
Planned and Unscheduled Care Sustainability	32,023,410
Value based Recovery	2,877,900
Mental Health Core uplift 22/23	3,785,000
Top sliced funding	
NHS Wales Shared Services	(21,739)
Paramedic banding (to ring fenced)	(299,000)
111 service (to directed)	(50,000)
Total Top sliced	**(370,739)**
TOTAL	**67,094,571**

Key points to note:

- Health Board once aw the made.
- :ated based on actuals during 2022/23.
- awards in 2022/23 will be held centrally (in ful the availability of national Covid responses, specifically; mass va nonfinancial years. rovision of PPE will be held centrally and
- allocations demic on the provision of Health Board servic will d to be met from the initial funding allocatior ng such as that received in previous

ces (GMS) and General Dental Services (GDS 22 recurrent levels at this stage. A supplemer agreements have been confirmed.

Recommendation

The Board is asked to note:

- The financial performance at the end of November 2021 and forecast for 2021/22 – against the statutory revenue and capital resource limits,
- The revenue reserve position on the 30th of November 2021,
- The Health Board's underlying financial position,
- The Health Board's cash position and compliance with the public sector payment policy,
- A financial assessment of the risks and opportunities which may impact on delivering the financial forecast for 2021/22, and ➢ A 2022/23 Allocation letter update.
- Appendices:

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Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	Risks of achieving the Health Board's statutory financial duties and other financial targets are detailed within this paper.
Financial Assessment, including Value for Money	This paper provides details of the year to date and forecast financial position of the Health Board for the 2021/22 financial year.
Quality, Safety and Patient Experience Assessment	This paper links to AQF target 9 – to operate within available resources and maintain financial balance. This paper provides a financial assessment of the Health Board's delivery of its AOF/IMTP priorities and opportunities to improve efficiency and effectiveness.
Equality and Diversity Impact Assessment (including child impact assessment)	The Assessment forms part of the AOF service plan.
Health and Care Standards	This paper links to Standard for Health services One – Governance and Assurance.
Link to Integrated Medium Term Plan/Corporate Objectives	This paper provides details of the financial position that supports the Health Board's 3 year plan. The Health Board has a statutory requirement to achieve financial balance over a rolling 3 year period.

The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	**Long Term –** Long-term financial linked to IMTP completion **Integration –** Regional partnership and integration with other NHS Wales organisations **Involvement –** use of environmental fund and specific investment as well as on-going links with services for engagement **Collaboration** – collaboration with external partners **Prevention** – long-term strategy in order to provide investment and savings through preventative measures across the UHB The Health Board Financial Plan has been developed based on the approved AOF/IMTP, which includes an assessment of how the plan complies with the Act.
Glossary of New Terms	See Below
Public Interest	Circulated to board members and available as a public document.

Glossary

A		
A&C – Administration & Clerical	A&E – Accident & Emergency	A4C - Agenda for Change
AME – (WG) Annually Managed Expenditure	AQF – Annual Quality Framework	AWCP – All Wales Capital Programme
AP – Accounts Payable	AOF – Annual Operating Framework	ATMP – Advanced Therapeutic Medicinal Products
B		
B/F – Brought Forward	BH – Bank Holiday	
C		
C&V – Cardiff and Vale	CAMHS – Child & Adolescent Mental Health Services	CCG – Clinical Commissioning Group
C/F – Carried Forward	CHC – Continuing Health Care	Commissioned Services – Services purchased external to ABUHB both within and outside Wales
COTE – Care of the Elderly	CRL – Capital Resource Limit	Category M – category of drugs
CEO – Chief Executive Officer		
D		
DHR – Digital Health Record	DNA – Did Not Attend	DOSA – Day of Surgery Admission
D2A – Discharge to Assess	DoLS - Deprivation of Liberty Safeguards	DoH – Department of Health
E		
EASC – Emergency Ambulance Services Committee	EDCIMS – Emergency Department Clinical Information Management System	eLGH – Enhanced Local general Hospital
ENT – Ear, Nose and Throat specialty	EoY – End of Year	ETTF – Enabling Through Technology Fund
F		
F&T – Family & Therapies (Division)	FBC – Full Business Case	FNC – Funded Nursing Care
G		

GMS – General Medical Services	GP – General Practitioner	GWICES – Gwent Wide Integrated Community Equipment Service
GUH – Grange University Hospital	GIRFT – Getting it Right First Time	
H		
HCHS – Health Care & Hospital Services	HCSW – Health Care Support Worker	HIV – Human Immunodeficiency Virus
HSDU – Hospital Sterilisation and Disinfection Unit	H&WBC – Health and Well-Being Centre	
I	IMTP – Integrated Medium Term Plan	INNU – Interventions not normally undertaken
IPTR – Individual Patient Treatment Referral	I&E – Income & Expenditure	ICF – Integrated Care Fund
L		
LoS – Length of Stay	LTA – Long Term Agreement	LD – Learning Disabilities
M		
MH **–** Mental Health	MSK - Musculoskeletal	Med – Medicine (Division)
MCA – Mental Capacity Act		
N		
NCN – Neighbourhood Care Network	NCSO – No Cheaper Stock Obtainable	NICE – National Institute for Clinical Excellence
NHH – Neville Hall Hospital	NWSSP – NHS Wales Shared Services Partnership	
O		
ODTC – Optometric Diagnostic and Treatment Centre		
P		
PAR – Prescribing Audit Report	PCN – Primary Care Networks (Primary Care Division)	PER – Prescribing Incentive Scheme

PICU – Psychiatric Intensive Care Unit	PrEP – Pre-exposure prophylaxis	PSNC –Pharmaceutical Services Negotiating Committee
PSPP – Public Sector Payment Policy	PCR – Patient Charges Revenue	PPE – Personal Protective Equipment
R		
RGH – Royal Gwent Hospital	RN – Registered Nursing	RRL – Revenue Resource Limit

RTT – Referral to Treatment	RPB – Regional Partnership Board	
S		
SCCC – Specialist Critical Care Centre	SCH – Scheduled Care Division	SCP – Service Change Plan (reference IMTP)
SLF – Straight Line Forecast	SpR – Specialist Registrar	
T		
TCS – Transforming Cancer Services (Velindre programme)	T&O – Trauma & Orthopaedics	
U		
UHB / HB – University Health Board / Health Board	USC – Unscheduled Care (Division)	UC – Urgent Care (Division)
ULP – Underlying Financial Position		
V		
VCCC – Velindre Cancer Care Centre		
W		
WET AMD – Wet age-related macular degeneration	WG – Welsh Government	WHC – Welsh Health Circular
WHSSC – Welsh Health Specialised Services Committee	WLI – Waiting List Initiative	WLIMS – Welsh Laboratory Information Management System
WRP – Welsh Risk Pool		
Y		
YAB – Ysbyty Aneurin Bevan	YTD – Year to date	YYF – Ysbyty Ystrad Fawr

GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Wednesday 26th January 2022 Agenda Item:4.2b

Aneurin Bevan University Health Board

2021/22 Annual Operating Framework
Delegation of Revenue Budgets - Quarter 4 Update

Executive Summary

This paper sets out and updates the revenue funding allocations available to the Health Board for 2021/22 to be used to delegate budgets, including:

- Confirmed funding allocations,
- Anticipated allocations, supported by Welsh Government guidance or policy letters, and
- Anticipated Covid-19 allocations aligned to Welsh Government and Finance Delivery Unit financial planning principles, where there remains a risk around securing this funding.

The assumed income level (£1.6bn) is used to support allocation principles and the proposed approach to delegating funding for the 2021/22 financial year within total available resources, including a quarterly approach to setting and reviewing the delegation of budgets, recognising that a flexible and practical approach to financial planning and delivery is required.

The Board is recommended to:

- Confirm the proposed delegation for quarter 4 budget arrangements, and
- Note the minimal on-going risk associated with the Covid-19 anticipated funding.

The Board is asked to: (please tick as appropriate)	
Approve the Report	√
Discuss and Provide Views	
Receive the Report for Assurance/Compliance	
Note the Report for Decision	

Executive Sponsor: Rob Holcombe, Interim Director of Finance & Procurement

Report Author: Suzanne Jones, Interim Assistant Director of Finance

Report Received consideration and supported by:

Executive Team		**Committee of the Board**	

Date of the Report: 6th January 2022

Supplementary Papers Attached:
Appendix 1 - Statutory Financial Duties
Appendix 2 – Detailed Budget Delegation Proposal Appendix 3 – Glossary

Purpose of the Report

Prior to the beginning of the financial year the Health Board set a revenue budget in accordance with its Standing Financial Instructions (SFIs), allocating resources based on delivering the priorities within the 2021/22 Annual Plan.

As we continue to move through the Covid-19 pandemic and recovery, service and workforce plans continue to be flexed to meet service demands – hence spending plans are being adjusted – and the delivery of savings required is, in part, dependent on the service changes planned as part of delivering the Annual Plan priorities.

This report provides an update for the quarter 4 position noting the significant allocations confirmed and received alongside proposed delegations.

Due to the risks and uncertainties facing ABUHB for 2021/22, the Board has agreed to review revenue budgets – and associated funding and spend plans – on a regular basis.

This paper outlines to the Board the current anticipated funding / income position and the updated budget setting arrangements at November 2021, establishing:

- Revenue budgets to be delegated for the 2021/22 financial year quarter 4, and
- Those budgets to be held in reserve – both in terms of anticipated income at risk, planned commitments and any contingency (uncommitted reserve).

Background and Context

1.0 Financial Governance

The Health Board is required to set budgets, prior to the start of the financial year, and these should be in accordance with the aims and objectives of the Integrated Medium Term Plan for 2021/22 and the Annual Operating Framework (AOF). Specifically, this means preparing and setting budgets within available funds and delegating them in line with the Health Board's Standing Financial Instructions (SFIs) and financial policy on budgetary control.

The Health Board's approach to producing a financial plan for 21/22 financial year has been to take a pragmatic approach – in what is a complex and uncertain environment – by incrementally producing a financial plan comprising three component parts:

1. Core plan – based on "normal" service/workforce baseline, cost and savings assumptions and aligned to core funding,
2. Covid-19 response plan – incrementally adjusted to reflect reasonable spend plans and align with available Covid-19 funding allocations, and
3. Covid-19 recovery plan – develop recovery plans and secure funding incrementally as appropriate service and workforce solutions become available.

As at month 8 the Health Board is expecting funding for Covid-19 of £175.2m of which £155.9m has been received and £19.3m is anticipated.

Contact Tracing programme funding has been confirmed for financial year 2021/22 at £13.5m for the Health Board and its local authority partners based on revised estimates.

Type	Covid-19 Specific Allocations - As at November 2021	£m
HCHS	Initial Recovery Plan Covid19	17.00
HCHS	Covid19 response April-September 2021	32.02
HCHS	Testing (inc Community Testing) Qtr 1	1.63
HCHS	Tracing Qtr 1	3.47
HCHS	PPE Qtr 1	1.04
HCHS	Mass COVID-19 Vaccination QTR 1	1.98
GMS	Mass COVID-19 Vaccination QTR 1	1.58
HCHS	Tracing - Q2 (M1-6 less June funding)	3.00
HCHS	Covid 19 Mass Vaccination costs Q2	2.20
GMS	Covid 19 Mass Vaccination costs Q2	0.09
HCHS	Covid 19 Impact on b/f underlying position	8.57
HCHS	Covid 19 Cleaning standards Q1 + Q2	0.95
HCHS	Covid 19 Testing Q2	2.03
HCHS	Covid 19 Adferiad Programme	0.94
HCHS	Covid 19 response funding Oct 21 to Mar 22	56.58
HCHS	Covid 19 support - Tranche 2 Revenue Recovery	6.56
HCHS	Covid 19 - PPE Q2	1.50
HCHS	Covid 19 - Additional Flu programme yrs 7-11	0.78
HCHS	Community Infrastructure Programme (UEC-C19)	0.18
HCHS	Additional Covid Response funding	7.38
HCHS	C19-Adult Social Care Package	2.01
HCHS	C19 Support for Comm Health Checks	0.19
HCHS	C19 Cluster funding	0.38
HCHS	C19 Recovery - Healthchecks Learning Disability	0.11
HCHS	Mental Capacity Act (MCA) Funding-Gwent Consortium-C19 recovery-DoLS	0.17
HCHS	Recovery of balance of NHS Bonus accrual	(1.44)
HCHS	Anticipated - Testing (inc Community Testing)	5.37
HCHS	Anticipated - Tracing	7.07
HCHS	Anticipated - Mass COVID-19 Vaccination	4.25
HCHS	Anticipated - Cleaning Standards	1.16
HCHS	Anticipated - PPE	2.98
HCHS	Anticipated - Urgent & Emergency Care	1.98
HCHS	Anticipated - Extended Flu	0.35
HCHS	Anticipated - CHC NHS Commissioned Packages Qtr 3&4 (remaining)	1.12
	Total Covid-19 Allocations	**175.2**
	Of which Anticipated Covid-19 Allocations	**19.3**

This paper proposes the delegation of the remaining National Priorities anticipated allocations for the remainder of 21/22. WG have confirmed there may be further funding available for Mass vaccination but the expectation is that all other areas are managed within the current forecast, per the Accountable officer letter.

2.0 Budget setting principles

The following resource allocation principles will be applied in allocating the 2021/22 available resources:

1. Resources should be allocated based on robust and sustainable service, workforce and financial plans; they should also optimise health outcomes for patients, in line with the principles in 'A Healthier Wales',
2. Investment, or additional resources, will be considered where:
   - There is evidence of impact on (improving) health outcomes, and
   - Efficient and effective use of existing resources can be demonstrated.
3. Disinvestment, or reduction in resources, will focus on areas where efficiency and effectiveness can be improved and where there is no evidence of health outcomes being adversely impacted.
4. The Board should consider establishing an appropriate contingency reserve, taking into account the level of financial risk within the Annual Plan / IMTP.

In addition to these principles the Socio-economic duty, which came into effect from 1st April 2021, requires public bodies when making strategic decisions to consider how those decisions might help reduce the inequalities associated with socio-economic disadvantage.

Some additional principles have been applied for 2021/22 in line with agreements made by the Board;

- Increased Board governance with the setting of quarterly budgets, because of the uncertainty of the impact of Covid-19, the lack of clarity on funding available for 2021/22 and savings delivery.

- Increased financial control where only funding that is certain for Covid-19 is delegated

- Wherever possible available funding will be delegated to fund agreed spending plans. Available funding includes funding assumptions where the area of spend has been confirmed by Welsh Government (e.g. mass vaccination) but the level of funding is still to be finalised.

- Funding allocations will be delegated as soon as possible from available reserves, subject to clear implementation plans being agreed. e.g. Recovery plans

3.0 Allocations & Income

Based on the above principles and assumptions, this paper sets out the level of revenue funding available for 2021/22 as at November 2021 (Month 8). It also takes account of the nature of some of the funding allocations, including directions from Welsh Government in the use of specific funding allocations. Table A outlines the total allocations and net expected income for 2021/22 as of 30th November 2021, totalling £1.6bn.

Table A – 2021/22 Allocations and Income

Funding - as at 30th November 2021	£'000s
Confirmed Allocations	1,510,504
Anticipated Allocations	46,904
Other 'Central' Income	22,482
Total	**1,579,890**

Anticipated allocations include items which are:

- Typically funded every year (albeit non-recurrently),
- considered likely (low risk), and
- have agreement from Welsh Government.

Whilst not all Health Board allocations have been confirmed, based on the overall Welsh Government budget and advice to the Health Board from Welsh Government, the Finance Delivery Unit (FDU) and reflecting the Accountable officer letter, it is considered reasonable to assume funding to cover ABUHB covid-19 costs for the remainder of the year of £19.3m. This mainly relates to National Priorities, the funding for which are considered low risk. Increased costs in year cover the need to operate health board services in a 'covid safe and compliant' manner, regardless of the number of Covid-19 positive and Covid-19 recovering patients in hospital.

Table B sets out the remaining anticipated revenue funding allocations assumed as part of setting budgets this year. **It is important to note the significant level of non-recurrent funding that has both been confirmed and is being sought this year to support spending plans.** Of the £46.9m anticipated allocations; £19.3m relate to Covid-19 and £7.5M to technical adjustments for capital i.e. depreciation.

Table B – Anticipated allocations

5/322

WG Revenue Resource Limit : Anticipated Allocations (November)			
Funding Type	Description	Value £'000	Recurrent / Non Recurrent
HCHS	(Provider) Substance Misuse & increase	2,853	R
HCHS	(Provider) SPR's	51	R
HCHS	(Provider) Clinical Excellence Awards (CDA's)	55	R
HCHS	Technology Enabled Care National Programme (ETTF)	1,045	R
HCHS	Informatics - Virtual Consultations	2,783	R
HCHS	National Nursing Lead Community & Primary Care	90	NR
HCHS	DDRB Pay Award 2019-20 GP Trainees	22	R
HCHS	Clinical Consultant Services Mr S Wood Planned Care	18	R
HCHS	Substance misuse uplift 21-22	139	R
HCHS	Transformation Programme 21-22	6,478	NR
HCHS	Capital-DEL Strategic Depn	17,796	NR
HCHS	Capital-DEL Accelerated Depn	570	NR
HCHS	Capital-DEL Bline Shortfall Depn	1,378	NR
HCHS	Capital-AME Impairment	(12,654)	NR
HCHS	Capital-AME Donated Assets Depn	406	NR
HCHS	Covid: PPE 21-22	2,978	NR
HCHS	Covid: Mass Vaccination	4,253	NR
HCHS	Covid: Contact Tracing	7,074	NR
HCHS	Covid: Testing	5,373	NR
GMS	GMS Refresh	1,603	R
HCHS	Covid: Cleaning Standards	1,158	NR
HCHS	Covid: Increase in Covid stability funding	351	NR
HCHS	RPB - Wales Community Care Information System (WCCIS)	418	NR
HCHS	Capital-AME Donated Assets Receipts	(250)	NR
HCHS	Strategic Programme for Primary Care-Acceleration of Cluster working	200	NR
HCHS	Urgent Primary Care Centre Pathfinder 21-22	1,982	NR
HCHS	Transformation Scaling funding (D2RA)	1,137	NR
HCHS	Covid: CHC payments to care providers Q3 and Q4	1,119	NR
HCHS	Transformation funding-Increase for Gwent Seamless system	300	NR
HCHS	RPB Winter plan funding	1,846	NR
HCHS	Flu vaccine Frontline PC Health workers	49	NR
HCHS	WHSSC - National Specialist CAMHS improvements	700	R
HCHS	Overtime on annual leave Apr21-Sep21	584	NR
HCHS	Funding Allocation Adjustment Local Recovery Schemes	(3,520)	NR
HCHS	Funding Allocation Adjustment National Recovery Schemes	(950)	NR
HCHS	Funding Allocation Adjustment PACU	(530)	NR
	Total Anticipated: Per Ledger	**46,904**	

Other Central income relates to the services that the Health Board provides through a range of contracts and healthcare agreements, including WHSSC and HEIW.

As per previous iterations, the resource allocation proposals only consider those funding allocations which have been confirmed by Welsh Government or where it is reasonable to anticipate funding allocations. Should further resources be made available, then these

will be delegated in line with the budget setting principles agreed by the Board and the priorities set out in the Annual Plan / IMTP, described in section 2.0 above.

Via the Accountable Officer letter process, the Health Board has confirmed the funding level required to cover the forecast spend for 21/22.

4.0 Value, Efficiency & Savings assumptions

In 2020/21 the Board approved an IMTP which set a recurrent savings requirement of £33m, to deliver financial balance. This recognised the increased financial commitments made around the GUH/e-LGH network as well as addressing the underlying financial position.

The impact of the Covid-19 pandemic has resulted in attention being largely redirected to managing the response to the pandemic. At this stage, cash releasing savings for 2021/22 have been assessed as circa £16.6m, with further cost avoidance opportunities being used to mitigate some expenditure estimates. The recurrent savings level is £13.5m. However, **this leaves the Health Board with an underlying financial deficit of £20.9m which will worsen if service developments are implemented without a funding source or savings to offset the costs.**

The uncertainty around the level and timing of recurrent savings also underlines the importance of reviewing and setting revenue budgets on a quarterly basis.

The Health Board can no longer just rely on transactional efficiency savings and future plans also need to focus on shifting resources to improve health outcomes, support reinvestment and deliver recurrent savings. This will require transformational change in the way the Health board delivers services so that it is more effective for patients and more financially sustainable.

A proposed **'Savings Delivery Programme'** approach was presented to the Audit Committee in April 2021. This includes governance and reporting arrangements focussing on making best use of resources, including:

- Value based and efficiency driven improvement,
- Transactional efficiency – reducing costs of existing services/products,
- Variation – eliminating (unwarranted) variation in services, and
- Service change/transformation – improving outcomes by doing things differently and making better use of resources.

The Health Board will focus on opportunities highlighted in the Efficiency Opportunities Compendium tool - a shared resource for Health Board budget holders and managers to use - which includes benchmarking and other business intelligence across the range of services provided. Intelligence is collated from several sources, including CHKS benchmarking data, FDU Efficiency Framework and good practice from the National Value & Efficiency Board. A requirement that is carried through in the 22/23 Financial Plan.

Areas of focus in the Health Board plan will develop the following value and efficiency opportunities for additional recurrent savings:

- MSK and Eye care pathways (IMTP 2020/21)
- Outpatient transformation
- Heart Failure and Diabetes pathways

- Reducing unnecessary admissions to hospital
- DOSA , Day case rates and appropriate lengths of stay in hospital,
- Value based procurement
- Lymphoedema care
- Care aims model implementation
- Agile working,
- Estates rationalisation, and
- Digital enabled savings.

Deliverable savings (£16.6m) have been identified mainly within CHC, medicines, workforce (e.g. significant agency reduction) and Facilities Management Division. Therefore, there are significant further savings opportunities which will be required to deliver financial balance on an ongoing basis. **The Health Board IMTP for 2022/23 should identify how these will be progressed.**

5.0 Allocating resources – assumptions and risks

In line with the Board's resource allocation principles, the budget delegation for 2021/22 quarter four update includes the following uplifts actioned for:

£492k Advanced therapy Medicinal Product (ATMP)	£51k EASC WAST Improvements Mental Health Emergency calls – EASC Allocation
£13k Outpatient Transformation: Follow-up waiting lists	£37k Outpatient Transformation: Q3 Comms and Targets
£152k EASC Control Room solution 21-22	£173k EASC ARRP funding
£59k EASC ESMCP Resources (Project Team)	Flu Vaccine Frontline Primary Care Health workers £49k
£700k National Specialist CAMHS 21-22, £1.4m 22-23 onwards	£584k Overtime on Holiday pay
£60k Covid Testing	£1.1m Covid Care Home payments
£105k Digital Medical Records	£6k Sign-Live trial Dec-Mar 22
£340k Covid Stability funding Estates & Facilities	£1.1m C19 Planned Care recovery funding
£471.1k Recovery funding bids approved	£4,301.8k Winter funding from Reserves
£1m Reclassify LTA Access Funding **Annual Plan Investments** (Performance improvement / Service change)	ent decisions that are unfunded and will nee

be considered should any funding become available, e.g. GUH operational posts approved. These recurrent commitments are contributing to the underlying deficit and will require further savings to be identified if funding is not available.

Local priorities

The level of allocation funding for 2021/22 needs to consider existing and emerging priorities. Where proposals are considered high priorities and require additional funding, resource plans and business cases will be required to demonstrate the case for further investment. These will need to be assessed against the resource allocation principles, the application of the socio-economic duty and the priorities within the 2021/22 Annual Plan.

2021/22 Underlying financial position

The budgets set for 2021/22 included additional funding for areas with underlying deficits and required savings to be achieved to balance the financial plan. The Health Board underlying deficit reported to Welsh Government is c**£20.9m.** This is reflected in the Board Finance report and Monthly Monitoring Returns. This is at risk if recurrent and full year effect of savings plans are not achieved.

The Health Board has made service delivery decisions based on the current circumstances and needs of the population. In particular decisions have been implemented to enable a Covid-19 safe environment for patients and staff and to meet the increasing demands of the population. At this stage the financial impact of these decisions are funded non-recurrently; however, the recurrent impact of these decisions needs to be determined to inform the 2022/23 IMTP and the underlying financial position of the Health Board.

2022/23 Allocation Letter - Key points

For 2022/23 the Health Board has received the baseline allocations from Welsh Government. The allocation reflects the Minister for Health and Social Services decisions about the distribution of resources to Health Boards. The revenue allocation letter identifies the funding available for the Aneurin Bevan Health Board's 2022/23 IMTP Financial Plan.

The 2022/23 baseline funding has increased by **£96.7m** compared to the 2021/22 baseline. A detailed breakdown of the increase is shown in the Appendix. The 'true' net uplift to the Health Board i.e. excluding committed and directed funding, is **£67.1m** as follows:

Net funding uplift	22/23 funding £
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Planned and Unscheduled Care Sustainability	32,023,410
Value based Recovery	2,877,900
Mental Health Core uplift 22/23	3,785,000
Top sliced funding	
NHS Wales Shared Services	(21,739)
Paramedic banding (to ring fenced)	(299,000)
111 service (to directed)	(50,000)
Total Top sliced	**(370,739)**
TOTAL	**67,094,571**

The financial planning implications of the 2022/23 Allocation Letter is being developed through the IMTP planning process, including management of existing commitments as a priority.

The Health Board has supported recurrent developments either through previous IMTP priorities or through necessity to deliver safe services to patients. These decisions should be considered when determining any impact this funding may have on the underlying position and will be determined as part of the Health Board's IMTP funding principles and strategic prioritisation process.

Risks & Opportunities

- Uncertainty related to the ongoing Covid-19 pandemic and the service, workforce and financial implications:
- Delivery of identified cash releasing savings plans and improvement in the underlying financial position of the organisation.
- Uncertainty exists with cost pressures as part of 'normal operational business' but in these exceptional times with new variants the risk is exacerbated & will need to be managed. These and other local priorities will need to be managed within the total budget available to the Health Board.
- Delivery of further recurrent cost avoidance savings and productivity improvements.
- Implementation of the wider Clinical Futures programme within available resources.
- Managing cost growth in line with or below assumed levels, whilst ensuring delivery of key priorities.
- The Health Boards assumption that the primary care contract uplifts will be fully funded.
- IFRS16 - it is assumed that implementation of IFRS16 (lease accounting) in NHS Wales will go live from April 2022, a neutral cost impact is currently assumed pending finalisation of WG policy.
- NHS Pension Scheme Regulations - It is assumed that any increase in employers' pension contributions will be met from additional government funding, including discount rate changes and medical staff specific incentives,
- Holiday pay (voluntary overtime) - this legal challenge has concluded, and backdated payments have been in August 2021; this is funded by WG. However, payments were made in November 2021 and will be again in May 2022 for the financial year 2021/22. WG funding is expected, therefore, impact of this has not been included within this plan.
- Annual Leave Provisions – exceptionally agreed for 2020/21, they are sufficient for actual costs incurred during 2021/22 and 2022/23.
- Bed availability and the ability to staff the beds safely
- Further negotiations on Pay and T&C's – assumed funded by WG.

Covid-19 response

The Health Board has assessed the likely cost of the response and estimates this to be £175m, inclusive of the Covid-19 National Priorities (e.g. TTP, mass vaccination, PPE). Of this a total of £164m has been delegated for 2021/22, with £11m held in reserve largely for national priorities that are funded quarterly by WG. There is £8.6m funding greater than the identified Covid-19 costs due to the non recurrent funding for the unachieved savings from 20/21, these offsets an overspend in non-covid19 areas of spend.

This paper proposes the delegation of the remaining Covid-19 funding held in reserves as there is now minimal risk to receiving this funding as WG have advised costs will be funded.

6.0 Reserves

In line with the Health Board's resource allocation principles, Health Board reserves are held by the Board, which as Accountable Officer the CEO can delegate. Some items held in reserves are a 'holding' point as the use is either directed by Welsh Government, confirmed by Welsh Government or generated from internal funding found to cover a

specific commitment. The following reserve commitments, in Table D, are held by the Board.

Table D – Reserve Commitments November 2021/22

7769-ALLOCATIONS TO BE DELEGATED

Confirmed or Anticipated	R / NR	Description	21/22	Reason for retaining in reserves / notes
Confirmed	NR	National Director of planned care (balance of funding)	90,417	Anticipated allocation reduced in M3 as confirmation received of post ending in Aug 21. Funding Apr-Aug delegated. Full year allocation of £155k received in M4 with the balance retained in reserves until information received from WG
Confirmed	NR	New Medical Training posts 2017 to 2021 cohorts	13,956	Total funding £717k. Query on the remaining balance to pick up with WG for resolution in month 9
Confirmed	NR	Dementia Action Plan - Gwent RPB Advocacy Project	445,080	In reserves due to timing of letter. Confirmed Gwent RPB funding and will be delegated in month 9. Not in Division forcast for M8
Confirmed	R	Dementia Action Plan - Gwent RPB	0	Allocation letter received on a recurrent basis (anticipated NR). Recurring element to be delegated in month 9 if approved
Confirmed	R	Microprocessor controlled prosthetic knees	131,250	In reserves due to timing of letter. With PM for confirmation
Confirmed	R	Optometric Advisor posts Nov-Mar22	5,500	In reserves due to timing of letter. Confirmed with Primary Care and will delegate in month 9. Not in Division forcast for M8
Confirmed	NR	C19 Cluster funding	377,000	In reserves due to timing of letter. With Kay/Chris to determine where funding will sit. For delegating in month 9. Not in Division forcast for M8
Confirmed	NR	C19 Recovery - Healthchecks Learning Disability	114,000	In reserves due to timing of letter. Confirmed MH&LD funding and will be delegated in month 9. Not in Division forcast for M8
Anticipated	R	Same Day Emergency Care (SDEC)	0	
Anticipated	NR	Sustainability funding 22/23	0	
Confirmed	NR	COVID - 21-22 Recovery funding (Tranche 2)	102,737	
Confirmed	NR	COVID - Underlying deficit funding	1,337,192	Balance of funding
Confirmed	NR	Covid: Pay award 21-22	884,000	
Anticipated	NR	COVID - Extended Flu	351,000	
Anticipated	NR	COVID - Cleaning Standards	698,000	M6-Revised forecast £2,105k (from £3,373k) with £947k confirmed. M1-6 delegated £1,407k, with balance of £698k in reserves
Anticipated	NR	COVID - Testing	3,275,000	M8-Increase in forecast of £447k, to a revised total of £9,036k. Delegated £5,761k with balance of £3,275k in reserve (confirmed allocations: £3,663k)
Anticipated	NR	COVID - MassVaccs	2,231,496	M7-Revised forecast £10.1m. Delegated £7,869k (£6,360k DPH, £1,509k GMS) with balance of £2,231 in reserve. (confirmed allocations: £5,847k)
Anticipated	NR	COVID - PPE	1,625,516	M7-Increase in forecast £250k to a revised total of £5,517k. Delegated £3,891k, with balance of £1.626k in reserve. Confirmed allocations £2,539k based on Q1 and Q2 spend
		Confirmed Allocations to be apportioned	**11,682,144**	
			-	

7788-COMMITMENTS TO BE DELEGATED

Description	21/22	Reason for retaining in reserves / notes
Environmental Fund 21/22	1,000,000	Repurposed from LTA Access funding for 21/22 only
21/22 Wage Award Commitment	324,505	Remaining balance of wage award funding/provision. Includes Revenue to Capital transfer for M8 £156k.
Total Commitments	**1,324,505**	
	-	

7565-CONTINGENCY

Description	21/22	Reason for retaining in reserves / notes
Contingency (general)	14,277	To fund Exec decisions, balance. Other decisions remain unfunded.
Confirmed Allocations to be apportioned	**14,277**	
	-	
Totals	**13,020,926**	

7.0 Contingency

The Health Board annually considers the level of contingency (or uncommitted reserves) to support the organisation as part of delegating budgets. Evidence indicates that a contingency of between 2% and 5% would be desirable.

The level of financial risk, including savings required, to deliver financial balance during 2021/22 is significant and greater than it has been previously. However, there is £14k contingency available. Given the level of risks involved in the Annual Plan and budget setting, in particular the exclusion of proposed developments, it is recommended that any uncommitted reserves or contingency is prioritised to meet previous commitments agreed by the Board, for which recurrent funding or savings have yet to be secured.

8.0 Proposed Budget Delegation

Based on the principles and rationale, set out in this paper, including reserve commitments and contingency, the following budgets have been updated and are proposed as at Month 8 (November 2021) of the 2021/22 financial year:

Table E – Proposed Delegated Budgets

Divisional Table below with the detailed table in the Appendix 2.

Delegated Budget as at 30th November 2021. Includes Non Recurrent Funding.	Annual Budget 21/22 As At 30th November 21	Proposed Annual Budget 21/22 Qtr 4 (Subject to change)
Operational Divisions:-		
Primary Care and Community	379,389	383,008
Community CHC & FNC	66,602	66,766
Mental Health	111,071	111,149
Director of Primary Community and Mental Health	565	565
Total Primary Care, Community and Mental Health	**557,627**	**561,488**
Scheduled Care	236,852	238,515
Urgent Care	40,517	40,595
Medicine	120,443	120,442
Family & Therapies	119,288	119,080
Estates and Facilities	82,832	83,610
Director of Operations	6,456	6,456
Total Director of Operations	**606,389**	**608,699**
Corporate / Exec budgets:-		-
Finance & Performance	5,440	5,480
Workforce & OD	6,912	7,068
Nurse Director	6,861	6,861
Chief Executive and non officer members	35,207	35,652
ABCi	713	713
Planning & Digital/ICT	30,985	31,891
Therapies Director	6,009	7,392
Board Secretary	839	839
Public Health Director	25,230	26,641
Medical Director	4,462	4,462
Total Corporate Divisions	**122,659**	**127,000**
Specialist Services		-
WHSSC	139,412	138,974
EASC	32,716	32,716
Total Specialist Services	**172,128**	**171,690**
External Contracts		-
External Commissioning - LTAs'	71,797	71,752
External Commissioning - Access Plans'	5,300	5,300
Total External Contracts	**77,096**	**77,051**
Capital Charges	30,971	30,971
Total Capital Charges	**30,971**	**30,971**
Total Delegated Position	**1,566,869**	**1,576,899**
Reserves	**13,021**	**5,085**
Total Health Board Budget	**1,579,890**	**1,581,984**
Income	**(1,579,890)**	**(1,581,984)**
Total Delegated Budget Position	**-**	**(0)**

to be delegated in quarter 4 excluded from th
need

for further information

- al fund £1m – to delegate based on approved
- targets, spend,
- Scheme up to £0.12m – to delegate based o
- against

g – fund approved bids and action clawbacks
- rlying Deficit Funding & Pay Award – to be de
-

l budget may also be impacted
by;
een divisions, and
usted Allocations and other income.

Recommendation

13/322

This paper sets out the principles and proposed approach to delegating funding post month 8 (November 2021) for the 2021/22 financial year within total available resources (£1.6bn), including a quarterly approach to setting and reviewing the delegation of budgets, recognising that a flexible and practical approach to financial planning and delivery continues to be required.

The Board is recommended to:

- Confirm the proposed delegation for quarter 4 budget arrangements, and
- Note the minimal on-going risk associated with the Covid-19 anticipated funding.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	The risks to achievement of the Health Board's statutory financial duties are identified in this paper, of particular risks are the level of recurrent savings required to manage within allocated resources & the impact of Covid-19.
Financial Assessment, including Value for Money	This paper provides details of the proposed budget delegation for 2021/22 financial year, based on agreed principles and the Health Board's Annual plan.
Quality, Safety and Patient Experience Assessment	This paper links to AQF target 9 – to operate within available resources and maintain financial balance.

Equality and Diversity Impact Assessment (including child impact assessment)	The delegation of budgets is based on the AOF priorities agreed by the Board. On the basis that relevant impact assessments have been undertaken in agreeing these priorities, then further assessments have not been considered necessary.
Health and Care Standards	This paper links to Standard for Health Services One – Governance & Assurance
Link to Integrated Medium Term Plan/Corporate Objectives	This paper provides details of the budgetary framework and delegation proposal which supports and the Health Board's Annual plan for 2021/22, including allocation of resources to support agreed priorities.
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	**Long Term –** refresh of the IMTP 3 year plan into the 2021/22 Annual plan. **Integration** – investment plan recognises Clinical Futures and wider Partnership arrangements and internal & external pathway system integration. **Involvement** – Board and Executive team have considered wider priorities. **Collaboration** – Board approved IMTP includes reference to partners and wider stakeholder initiatives and joint working initiatives. **Prevention** – Prevention initiatives are part of budget plans as a priority.
Glossary of New Terms	Provided
Public Interest	Written for the public domain

15/322

Appendix 1

23/18

Statutory Financial Duties

1. Expenditure should not exceed aggregate funding over a period of 3 financial years, and
2. Prepare a plan (in line with point 1) which improves the health of the population and is approved by Welsh Government Ministers.

Ref: NHS (Wales) Act 2014

Extract from the LHB's Standing Financial Instructions (SFIs)

"Prior to the start of the financial year, the Director of Finance will…prepare and submit budgets for approval and delegation by the Board. Such budgets will:

1. *Be in accordance with the aims and objectives set out in the Integrated Medium Term Plan and medium term financial plan…,*
2. *Accord with Commissioning, Activity, Service, Quality, Performance, Capital and Workforce Plans, and*
3. *Be prepared within the limits of available funds."*

16/322

25/18

Appendix 2

		Known Adjustments For Month 9				Proposed Budget Delegation of Covid-19 Quarter 4 Funding						
Delegated Budget as at 30th November 2021. Includes Non Recurrent Funding.	**Annual Budget 21/22 As At 30th November 21**	**Confirmed /Directed Allocations**	**Anticipated Allocations**	**Reserves (ovetime on annual leave /**	**Recovery Clawback**	**Covid - 19 Cleaning Standards**	**Covid - 19 Mass vaccination**	**Covid - 19 Testing**	**Covid - 19 Extended Flu**	**Covid - 19 Cluster Funding**	**Covid - 19 PPE**	**Proposed Annual Budget 21/22 Qtr 4 (Subject to change)**
Operational Divisions:-												
Primary Care and Community	379,389	2,208			(436)		820	166	351	377	134	383,008
Community CHC & FNC	66,602		139								25	66,766
Mental Health	111,071	114			(67)						31	111,149
Director of Primary Community and Mental Health	565											565
Total Primary Care, Community and Mental Health	**557,627**	**2,322**	**139**	**-**	**(503)**	**-**	**820**	**166**	**351**	**377**	**190**	**561,488**
Scheduled Care	236,852				(323)			1,726			260	238,515
Urgent Care	40,517										78	40,595
Medicine	120,443				(143)						142	120,442
Family & Therapies	119,288				(291)						83	119,080
Estates and Facilities	82,832					698					80	83,610
Director of Operations	6,456											6,456
Total Director of Operations	**606,389**	**-**	**-**	**-**	**(756)**	**698**	**-**	**1,726**	**-**	**-**	**643**	**608,699**
Corporate / Exec budgets:-												-
Finance & Performance	5,440			40								5,480
Workforce & OD	6,912			156								7,068
Nurse Director	6,861											6,861
Chief Executive and non officer members	35,207	445										35,652
ABCi	713											713
Planning & Digital/ICT	30,985		114								792	31,891
Therapies Director	6,009							1,383				7,392
Board Secretary	839											839
Public Health Director	25,230						1,411					26,641
Medical Director	4,462											4,462
Total Corporate Divisions	**122,659**	**445**	**114**	**196**	**-**	**-**	**1,411**	**1,383**	**-**	**-**	**792**	**127,000**
Specialist Services												-
WHSSC	139,412	262	(700)									138,974
EASC	32,716											32,716
Total Specialist Services	**172,128**	**262**	**(700)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**171,690**
External Contracts												-
External Commissioning - LTAs'	71,797			(45)								71,752
External Commissioning - Access Plans'	5,300											5,300
Total External Contracts	**77,096**	**-**	**-**	**(45)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**77,051**
Capital Charges	30,971											30,971
Total Capital Charges	**30,971**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**30,971**
Total Delegated Position	**1,566,869**	**3,029**	**(447)**	**151**	**(1,259)**	**698**	**2,231**	**3,275**	**351**	**377**	**1,625**	**1,576,899**
Reserves	**13,021**	**(586)**	**(114)**	**61**	**1,259**	**(698)**	**(2,231)**	**(3,275)**	**(351)**	**(377)**	**(1,625)**	**5,085**
Total Health Board Budget	**1,579,890**	**2,443**	**(561)**	**212**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,581,984**
Income	**(1,579,890)**	**(2,443)**	**561**	**(212)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(1,581,984)**
Total Delegated Budget Position	**-**											**(0)**

Appendix 3

Glossary

IMTP	Integrated Medium Term Plan
SFI's	Standing Financial Instructions
EASC	Emergency Ambulance Services Committee
WHSSC	Welsh Health Specialised Services Committee
GMS	General Medical Services
FYE	Full Year Effect
FDU	Finance Delivery Unit
GDS	General Dental Services
GUH	Grange University Hospital
CF	Clinical Futures
LD	Learning Disabilities
LTA	Long Term Agreement (contracts between NHS bodies)
ICF	Intermediate Care Fund
RAG	Red / Amber / Green Savings Rating
WG	Welsh Government
PIP	Health Board's Pre Investment Panel
CHC	Continuing Health Care
FNC	Funded Nursing Care
RTT	Referral to Treatment
WCCIS	Welsh Community Care Information System
NICE	National Institute for Clinical Excellence
AWMSG	All Wales Medicines Strategy Group
RPB	Regional Partnership Board
SLC	Speech, Language Communication
CAMHS	Children & Adolescent Mental Health Services
NCN	Neighbourhood Care Network
AOF	Annual Operating Framework
RGH	Royal Gwent Hospital
YYF	Ysbyty Ystrad Fawr
DOSA	Day Of Surgery Admission
COTE	Care of the Elderly

GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Wednesday 26th January 2022 Agenda Item: 4.3

Aneurin Bevan University Health Board

Performance Report

Executive Summary

The Board is asked to: (please tick as appropriate)			
Approve the Report			
Discuss and Provide Views	✓		
Receive the Report for Assurance/Compliance	✓		
Note the Report for Information Only			
Executive Sponsor: Nicola Prygodzicz**,** Director of Planning, Digital and IT and interim Performance			
Report Author: Lloyd Bishop, Assistant Director of Performance and Information Sue Shepherd, Head of Corporate Performance and Compliance			
Report Received consideration and supported by :			
Executive Team		**Committee of the Board [Committee Name]**	**Public Board**
Date of the Report: 11th January 2022			
Supplementary Papers Attached: Dashboard attached and supplementary graphs			

Purpose of the Report
This report provides a high level overview of activity and performance at the end of November 2021, with a focus on delivery against key national targets included in the performance dashboard. The report focuses on the areas of RTT, Diagnostics, Unscheduled care access, Cancer, Stroke care and Mental Health.
Report Narrative

our
reduced

Background and context

The Health Board continues to manage the COVID-19 pandemic, increasing demand ac
urgent care system, increased pressure on primary care services, high walk-in deman
emergency departments, significant pressures in social care and high levels of sickness
workforce. This is in the context of the restart of many routine services despite continued
for elective surgery overall when compared to pre-COVID-19 activity levels during the sa
period.

ndemic
still

It is recommended that the performance reported for November 2021 is not compared as
like' to previous months/year's performance and should be viewed as a snapshot as to how
are managing at present in the context of the continued system response to the and res
recovery. The accompanying dashboard reflects performance for key services being d
through the COVID-19 pandemic.

Elective care

The Health Board continues to closely monitor the implementation of the prioritisation framework. Elective activity undertaken is defined by the clinical prioritisation of the patient, rather than a time based approach, this enables timely care for the most urgent patients and clinically led decision making. This will have an impact on RTT waits in some services

The services have embraced new ways of working due to COVID-19, especially within outpatient services, where the focus has been on virtual clinics and reviews and office based decisions. New outpatient activity increased in November to the highest level since January 2021. However, face to face attendances have been more evident over virtual activity as services are still dealing with the backlog of long wait referrals received before and during the pandemic and are having to ensure the most appropriate use of virtual attendances. The challenge for the services is to ensure that there is sufficient accommodation across the Health Board to undertake these clinics and to ensure that the clinic capacity is used for face to face attendances only and for all virtual activity to be undertaken in non-clinic settings.

The Outpatients Improvement Programme continues to build on the new ways of working and modernisation which was established through necessity after surge 1 of the pandemic. This includes

the outpatient improvement measures outlined by the National Planned Care Programme Board, with key targets regarding risk-management of long waiting follow-up patients.

The requirements around social distancing that have been in place have had an impact on the physical capacity of clinics and the relatively small numbers of patients that can be seen.

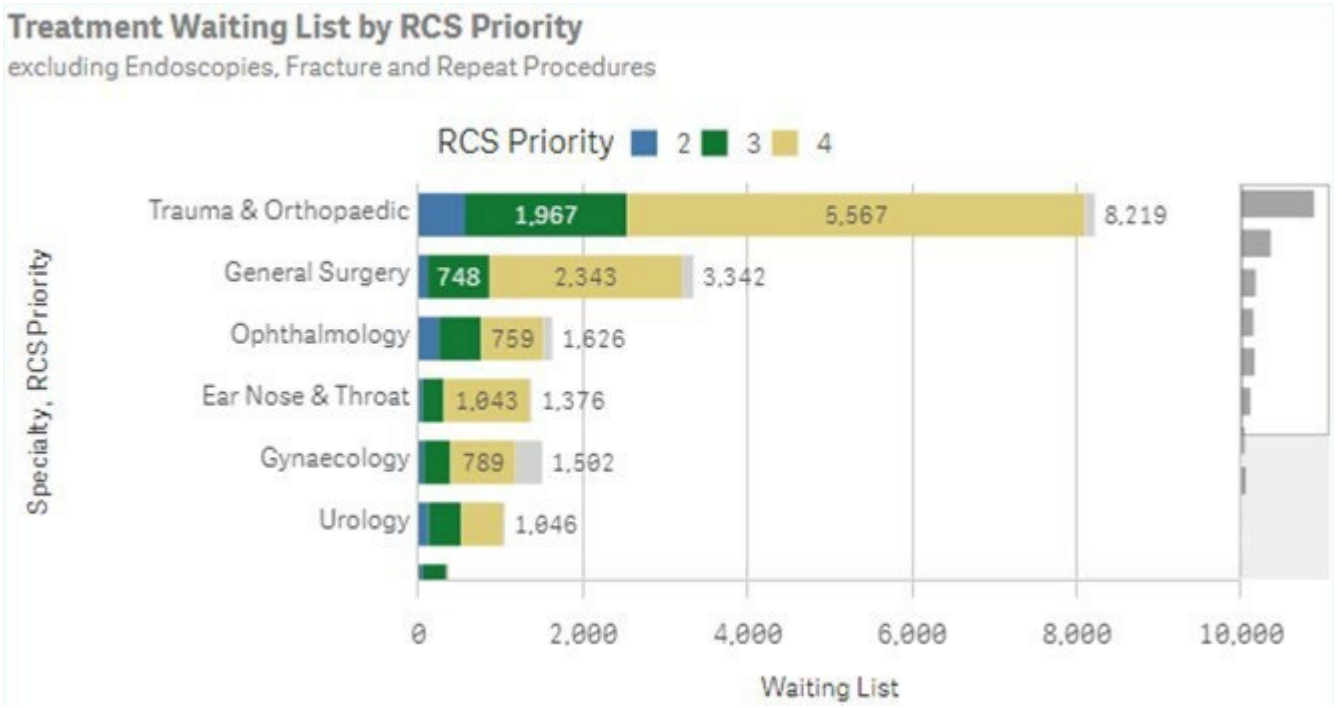
The outpatient programme focuses on driving improvement and change. The key to 'outpatient' sustainability is the ability to modernise its delivery through for example, maximising non- face to face consultations via telephone, video, group consultations, attend anywhere, virtual consultations or assessments and advice only. Embedding new processes such as See on Symptom (SoS) and Patient Initiated Follow-ups (PIFU), streamlining pathways and use of technology. The current focus is on the 52+ week new Outpatient waiting list clinical assessment process which will establish whether long waiting patients still require their appointment along with a clinical assessment. There is a robust process in place which has been underpinned by Welsh Government and which ensures that the patient and referrer are notified if a patient has indicated that they wish to be removed from the waiting list. Some of the initiatives include reviewing where future services can be delivered, a communication strategy to keep in touch with patients who are on Health Board waiting lists, exploring new ways of working through technology and use of alternate staff groups whilst ensuring that there are close working links between Primary, Community and Secondary Care. The benefits of the programme will be an outpatient service that is designed around the needs of the patient, that access to services is timely and that patients are fully engaged in their treatment, promoting a culture of self-help.

Operational divisions and support teams have worked collaboratively to restart services wherever possible, embracing new ways of working to maximise capacity and treat those at greatest risk. The Elective treatment plans are evolving with capacity gradually improving as the requirement for Theatre staff to support both wards and Critical Care diminishes. In addition, the Scheduled Care Division has introduced a number of measures to support the management of a "green" pathway within the Health Board across hospital sites. These measures will protect some treatment capacity as the Omicron wave of COVID-19 provides significant challenges for the next couple of months.

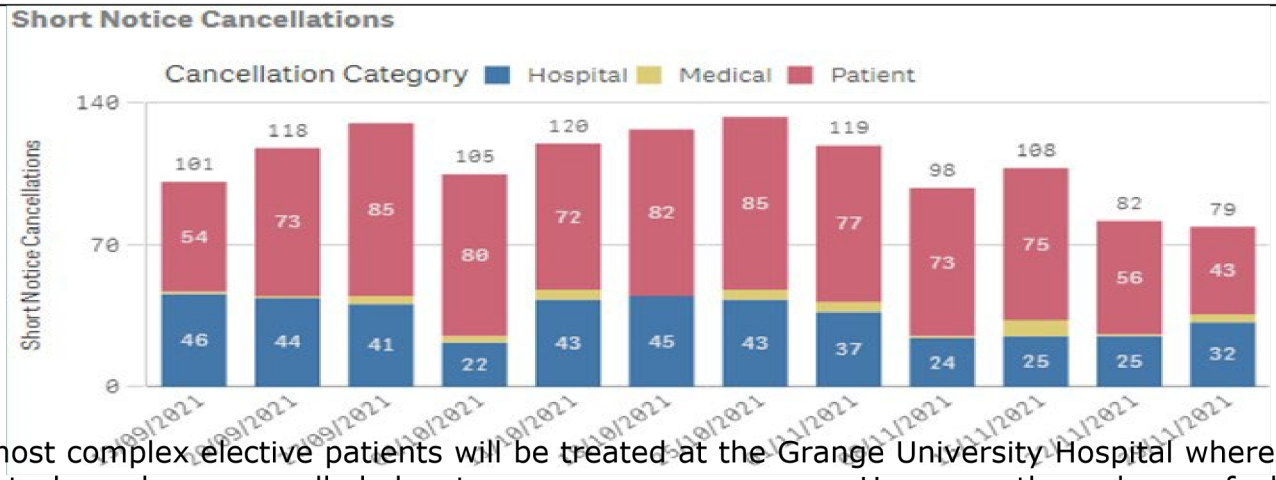
Elective inpatient admissions have been increasing but remain at a lower level than pre-COVID- 19. November 2021 saw the highest level of elective activity since February 2020 and was approximately 80% compared to a typical month prior to the pandemic starting. The Royal College

of Surgeons (RCS) introduced guidance on how and what pathways should be prioritised. Changes to incorporate the agreed RCS risk prioritisation on the national Welsh Patient Administration System (WPAS) has enabled services to apply a risk code of P2, P3 or P4 to those patientswaiting for treatment on an inpatient or daycase waiting list with P2 being the highest risk.

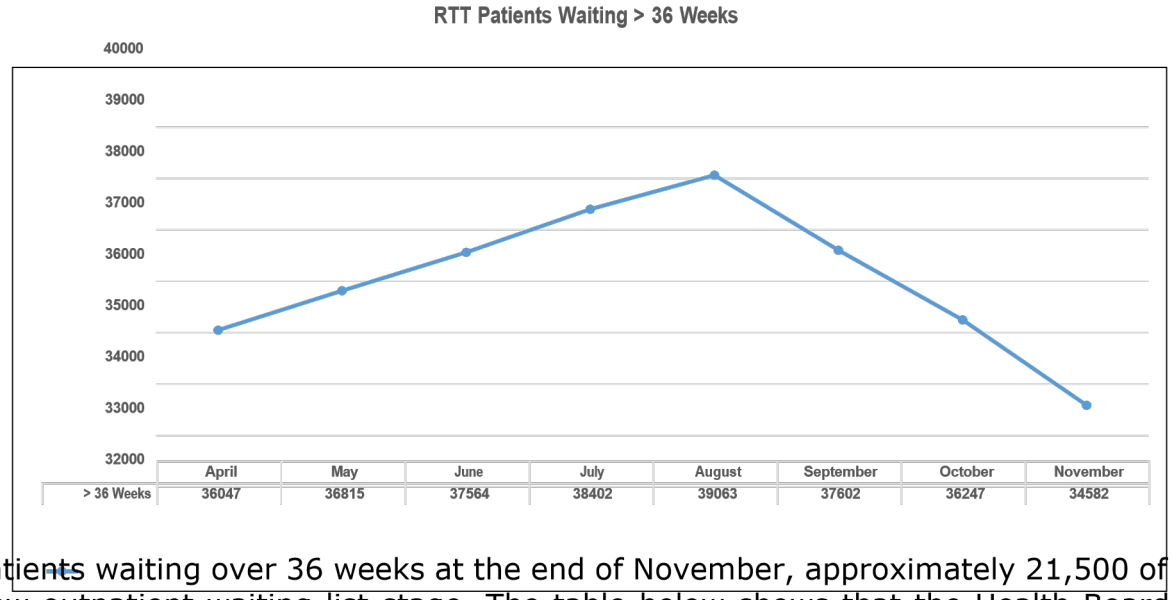
Capacity is planned and focuses on treating those patients where they have been prioritised most at risk from harm. As part of the risk stratification process, patients must be re- assessed when they reach the priority target date. Current overall compliance of a risk priority applied to the inpatient and daycase waiting lists is 94% with 13% being prioritised as P2. The graphs below show the waiting list for each specialty with a priority level and the number o f P2 priorities that are within each specialty.



P2 patients are prioritised for admission, there are however significant number of patients who decline the offer of treatment due to the pandemic and prefer to remain on the waiting list. The breakdown of cancellations is shown below with patient cancellations making up the majority of cancellations each week. The actual numbers of cancellations each week are less than pre-pandemic levels which were approximately 160 per week, but as a rate compared to a ctivity, the numbers are similar. The number of short notice cancellations attributed to Covid- 19 issues is minimal compared with the overall numbers.



The most complex elective patients will be treated at the Grange University Hospital where some patients have been cancelled due to emergency pressures. However, the volume of elective patients waiting beyond 36 weeks has decreased in November with 34,582 compared with 36,247 in October 21. This decrease is the third successive month that the Health Board has seen the number of patients waiting over 36 weeks decrease, the chart below illustrates the decrease which is as a result of the Health Board incrementally increasing the number of patients it treats each month:



Of the patients waiting over 36 weeks at the end of November, approximately 21,500 of those are at the new outpatient waiting list stage. The table below shows that the Health Board currently has 110,900 open pathways at the end of November with 77,590 at the new outpatient waiting list stage. There are also 24,556 patients waiting over 52 weeks with 14,530 of those at the new outpatient waiting list stage.

Week Bands	1 Outpatient WL	2 Diagnostic	2 Therapy	3 Follow Up	4 Daycase WL	4 Inpatient WL	RTT Open Pathway
0 to 25 Weeks	46520	2612	154	3457	7972	2190	62905
26 to 35 Weeks	9414	725	51	743	1812	668	13413
36 to 51 Weeks	7126	400	34	244	1508	714	10026
Over 52Weeks	14530	758	115	591	4902	3660	24556
Total	**77590**	**4495**	**354**	**5035**	**16194**	**7232**	**110900**

A continued increase of routine elective services may not be possible with the Omicron variant of COVID-19 circulating widely, decisions on which if any services are to be cancelled or reduced will be taken in the coming weeks.

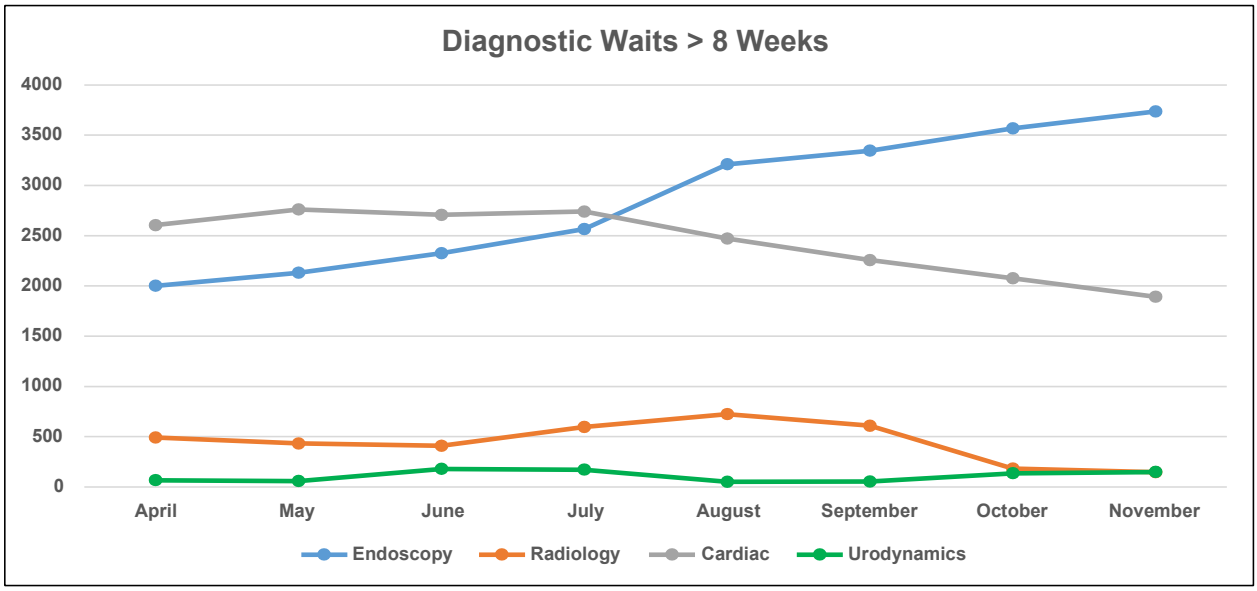
The impact of social isolation, and social distancing and PPE requirements results in fewer patients being treated in a theatre session or outpatient clinic. This will continue to impact on waiting times for patients.

The Health Board continues to commission elective treatments and outpatients with St. Joseph's Hospital and ophthalmology treatments with Care UK. Opportunities continue to be explored with St Josephs and Care UK for additional capacity, along with other outsourcing / insourcing opportunities.

Diagnostic access

Services are gradually increasing capacity for all patients, however, the backlog in patients needing to be seen and consequently requiring diagnostics is putting pressure on the services. However, the over 8 week position decreased slightly in November 2021, with 5,979 waiting over 8 weeks compared with 6,015 in October.

The chart below illustrates the trend in the 8 week diagnostic waiting times since April, Endoscopy is the main area of concern and plans to address the backlog are being developed by the division.



The following areas are noted as high risk in this month's report:

- The increase in the number of colorectal cancer referrals has increased the wait for more routine diagnostics. The FIT10 test was rolled out with a new pathway for lower GI USC and clinically assessed urgent referrals as part of demand management. The service continues to insource additional capacity to reduce the current 8-week backlog but further pressures with availability of staff is affecting delivery through core theatres.

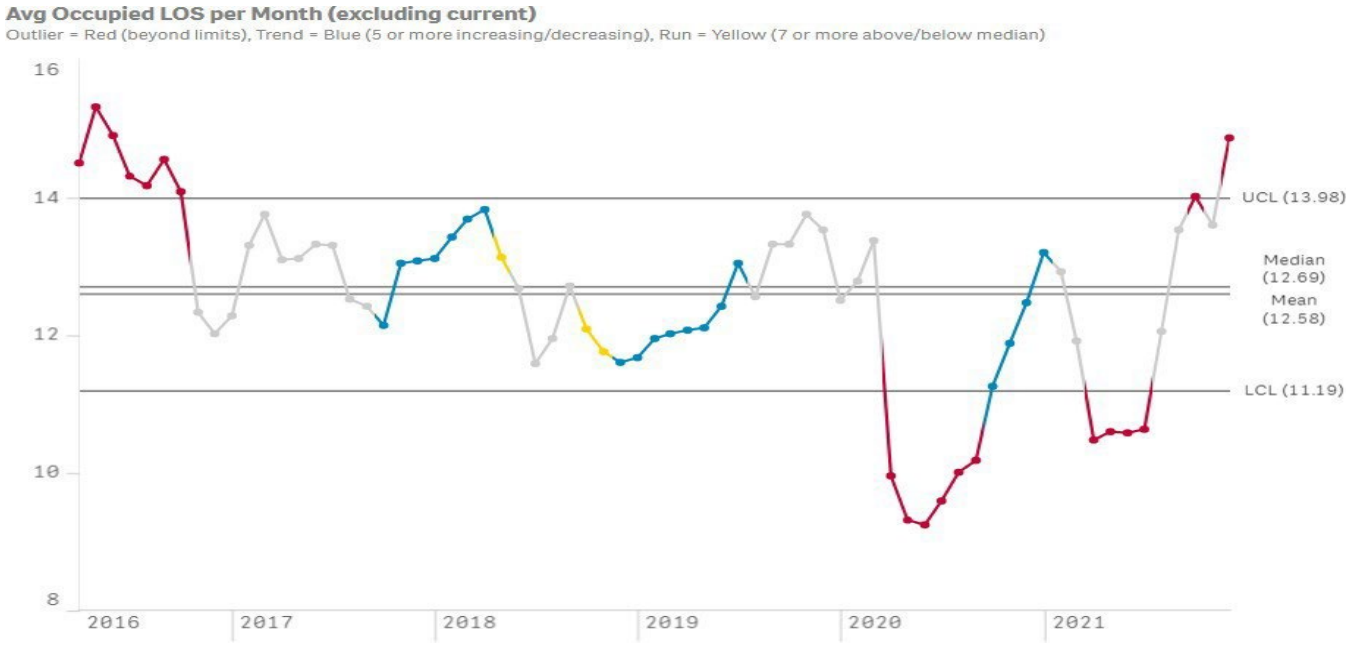
- Cardiology diagnostics have also been a concern as numbers over 8 weeks particularly for Echocardiograms have increased month on month. The service has now procured an insourcing company to deliver additional echo capacity, and this will start in December.

- Radiology diagnostics continue to recover well, with a few areas of exception. The main backlog is in MSK ultrasound and a recruitment process is underway to recruit locum MSK sonographers to provide additional capacity to reduce the backlog. There have been some issues with delays in the reporting of radiology activity which the service is closely monitoring. Radiology has been carrying 7 vacancies and whilst there has been some progress with the recruitment of one radiologist and a long term locum post, there is still a workforce gap.

Unscheduled Care access

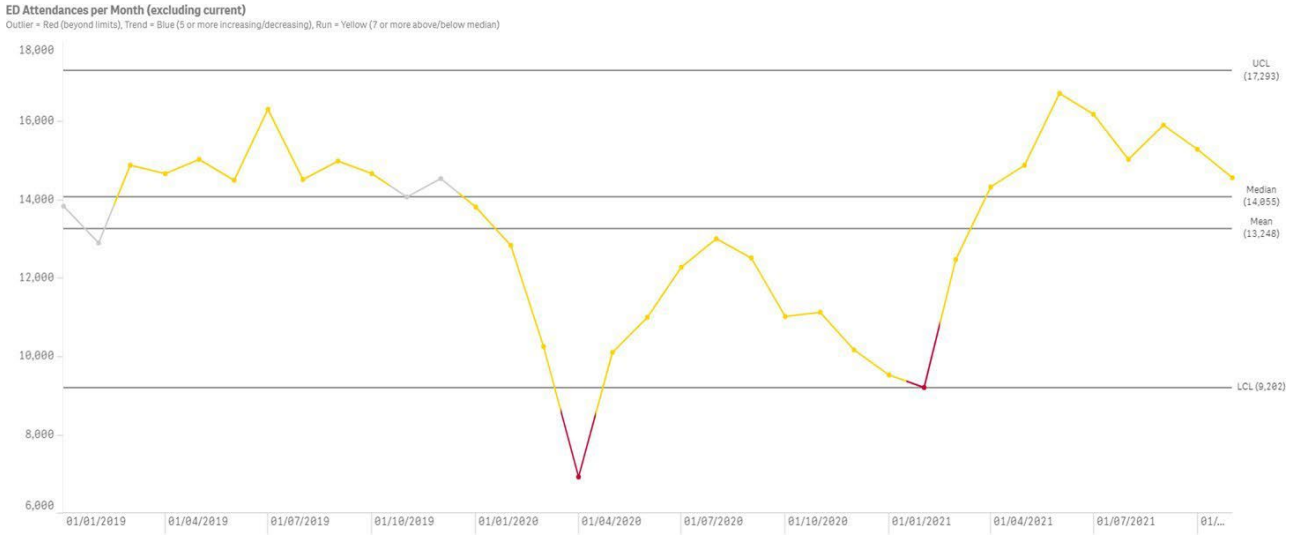
The urgent care system continues be under significant pressure both nationally, regionally and locally. This is in the context of significant workforce challenges, increasing demand for urgent primary care, increased ambulance call demand, increasing self-presenters at Emergency Departments and minor injury units, increased acuity linked to post lockdown impact, increased bed occupancy for emergency care and high levels of delayed discharges linked to significant social care workforce challenges. All of this is also in the context of increasing presentations of COVID- 19 and the need to maintain appropriate streaming of patients and increasing levels of elective work as part of the recovery programme.

This pressure on the urgent care system has resulted in patients staying in hospital for longer. Currently the average length of stay for patients admitted as an emergency is at its highest point since June 2016. The chart below illustrates the monthly average length of stay for patients admitted as an emergency:



• ***Emergency Demand***

Attendance at the Health Board's Emergency Departments (ED) had been increasing since the start of February 2021, with just over 14,500 attendances in November 2021, higher than pre-pandemic monthly figures. The graph below provides an overview of the overall monthly ED attendances across the Health Board since April 2019. Attendances are expected to follow the typical seasonal trends in the coming months.



The Grange University Hospital continues to see a higher rate of patients being admitted than is the case for other emergency departments. The typical rate is 21% compared to 25% at the Grange University Hospital. This higher admission rate reflects the higher acuity of patients attending The Grange University Hospital Emergency Department which consequently results in more patients staying longer than 12 and 24 hours.

The ambulance handovers over 60 minutes has increased compared with previous months. In November 2021, 797 patients waited over 60 minutes compared to the October position, where 693 were reported.

Proactive steps have been taken to deliver improvement plans to support timely ambulance crew handovers. The following measures / actions are been implemented to support our ability to achieve the above:

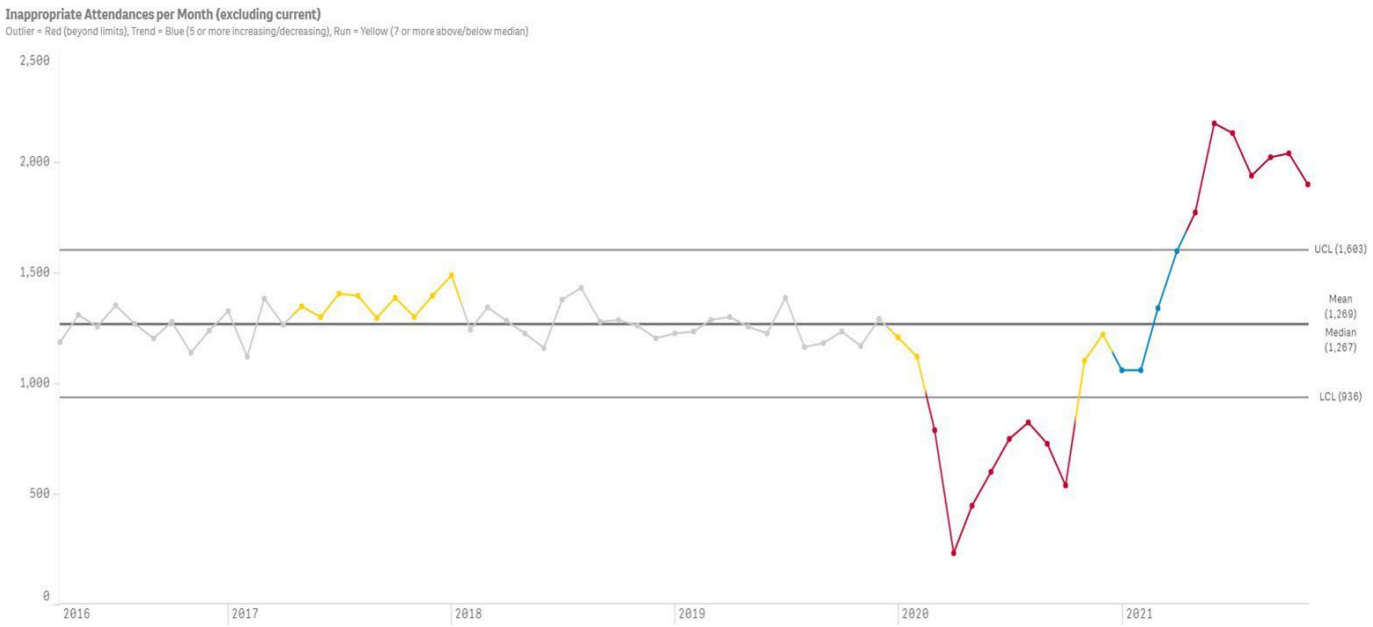
- Cross site and Divisional Safety Huddles to ensure that there is a focus on and plans for patients who are delaying moves.
- Pre-empting to definite and/or potential discharges will then be instigated when crews are delayed for 2 hours (with no plans).
- A continued our focus on delivering 3 – 5 moves per hour across the First Floor of the Grange University Hospital, these moves will be tracked and recorded at every site meeting.
- Patients must not be held on an ambulance for tests / investigations with a view to discharge. The patient will be brought in to the department, undergo their tests and then will be accommodated to either the Transfer Lounge or Fox Pod whilst they await their transport home.
- Proactive use of Launchpad. At cross-site meetings, Launchpad (Stack) numbers (Community demand) will be identified to support a forward plan, potentially pre-empting moves to accommodate the in-coming demand. The COM and NIC will aim to create plans to clear 6 x trolley spaces by 16.00hrs for late afternoon surge.
- Zero tolerance for 60 minute crew delays at eLGHs

4 and 12 Hour Performance

The 4 hour compliance target improved in November with performance at 72.7% compared with 66.9% for October 2021.

The performance measures are taken across all of the ED and Minor Injuries Units in the Health Board and it is performance at the Grange University Hospital that has been the most challenging. Performance against the number of 12 hour breaches has improved with 1404 waiting over 12 hours in November compared with 1720 in October 21.

Performance at all other sites in relation to the 4 hour wait are consistently in the high ninety percent. There are a number of factors that impact on the flow of patients within the Grange University Hospital (GUH) and therefore, on the performance. The type of patients attending at the Grange ED department are those with more serious conditions. Consequently, these patients tend to flow through the system at a much slower pace, depending on the number and type of diagnostics required and working within Covid-19 guidelines. Given the clinical condition of patients, they are more likely to be admitted to the GUH or may require step down to e-LGH sites. However, as already referred to above, there may be a number of patients attending who could be seen more appropriately in other health settings. The graph below illustrates that the number of patients attending the Health Boards Emergency Departments (including MIU's) each month who are deemed as inappropriate. This number has increased significantly from the typical monthly median of 1250 prior to April 2021 to approximately 2000 each month since April 2021.



Other factors that can delay patients in ED are the turnaround times for Covid-19 testing, bed capacity and conveyance of patients to other sites. However, the level of focus will provide assurance that the Health Board is fully committed to ensuring the delivery of safe and effective urgent and emergency care services.

The community health and social care system is under intense pressure with a significant gap in the availability of domiciliary care provision and rehabilitation placements.

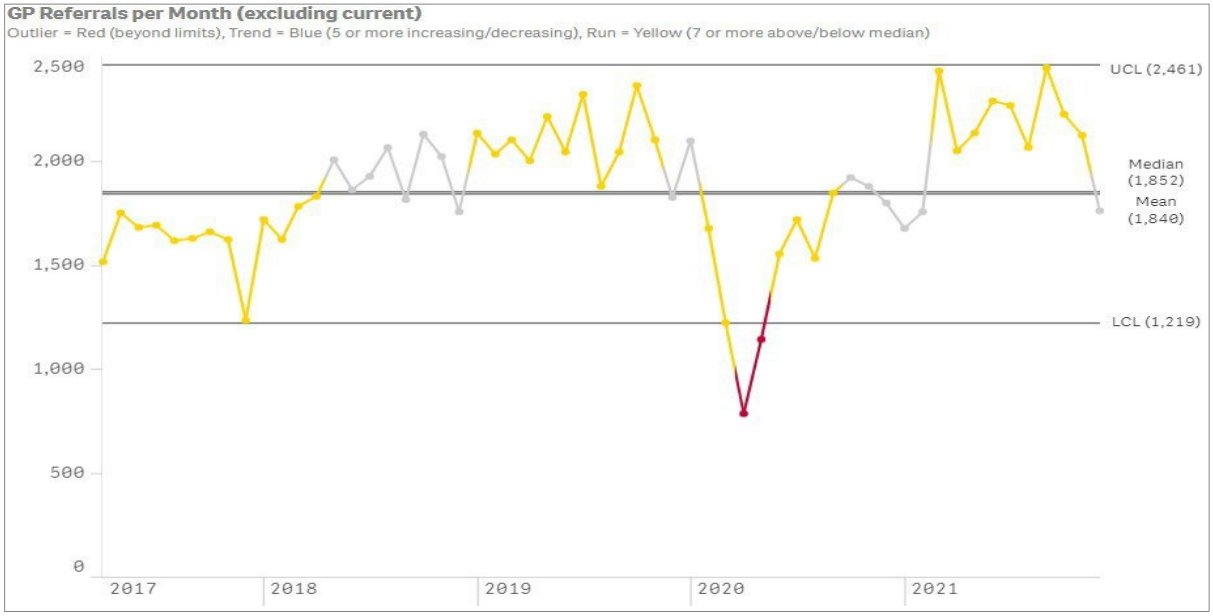
The ongoing COVID-19 pandemic has also seen a rise in the number of nursing and residential homes in incident which results in them being closed to admissions.

Continued pressures on bed capacity and staffing levels across the hospital system is a significant issue which ultimately impacts on flow and capacity available in the emergency departments and assessment units to support new presentations both in terms of self-presenters and ambulance handovers.

The Urgent Care Plan is a fundamental component of the Health Board's Winter Plan and will be monitored through a broader system dashboard over the winter period.

Cancer Access, including Single Cancer Pathway

Suspected cancer referrals in November and December have demonstrated the usual seasonal variation, falling below 2000 GP referrals in a single month for the first time since February, and closing a calendar year of exceptionally high demand. This drop of 16.9% from November to December is considerably greater than the past 4 years and is no doubt influenced in part by the rapid development of the Omicron variant throughout December, the effects of which are being felt across the cancer pathway.



The variance that we have seen in referral rates between tumour sites continued into December's figures. Despite the biggest drop in referrals being seen within colorectal and Breast, the referral numbers are still well above what may have been expected in 2019.

Managing this sustained level of demand in these busy tumour sites is the primary focus of delivery teams with considerable recruitment plans in place to support the services. Maintaining diagnostics waiting times does however remain a challenge.

Dec-19	235	273	229	22	182	51	249	258	268
Dec-21	308	376	188	11	141	36	265	201	175
% diff	31%	37.7%	-17.9%	-50%	-22.5%	-29.4%	6.4%	-22%	-34.7%

The Omicron variant is having a noticeable impact on Cancer Pathways with increasing numbers of patients being unable to attend appointments due to positive cases or the need to self-isolate. There are also increasing rates of staff absenteeism, which whilst being actively managed is influencing deliverable capacity.

The Single Cancer Pathway Performance position closed at 57.8% in November. This very disappointing position reflects the considerable challenges being faced by teams in managing the current levels of demand whilst recovering the routine position and maintaining high pressure front door services. Workforce remains the biggest challenge to delivery of cancer which is being exacerbated by the current infection rates and the need for self-isolation. Despite these challenges, all cancer activity has been sustained and treatment numbers continue to be delivered in excess of previous years.

The pressure within Breast and Colorectal, stemming from high referrals rates and staffing shortages is having a disproportionate effect on the performance position with higher than usual breach numbers.

Early indications suggest a slightly improved position for December, however the effect of the festive period in combination with the escalating COVID case rates are likely to inhibit rapid improvement until into the new year.

Cancer delivery task and finish groups are now embedded within Breast, Urology and Colorectal tumour sites with a focus on recovering the SCP performance position. Furthermore, pathway development work continues within Gynaecology, Head and Neck, and Lung.

Capacity challenges at the Grange University Hospital have resulted in delayed treatment for some patients requiring more intensive recovery beds and "green" beds resulting in some on the day cancellations. Delays to the start of the pathway continue to be the largest contributing factor to breaches along with limitations in certain diagnostic capacity which mainly affects those pathways requiring multiple diagnostics. The high demand in colorectal continues to have a significant impact on CT rates in radiology and in addition to a shortage of radiologists, the slower reporting times even with outsourced services is causing considerable delays to the cancer pathway. Reducing this wait must remain a priority of tumour sites whilst managing the influx of referrals and restarting routine work.

Stroke Care

The Hyper Acute Stroke Unit (HASU) at the Grange University Hospital (GUH) opened on 16th November 2020 with 15 beds plus 1 therapy room. The entire ward has 32 beds, with the other 16 beds are normally occupied with Haematology and Surgical patients. Since opening the HASU at GUH, the main challenge has been maintaining available acute stroke capacity when a stroke patient is first admitted and then providing timely transfers onto the e-LGHS. The urgent pressures have made it particularly difficult to protect beds for acute stroke patients and the performance has been severely impacted.

The proportion of stroke patients directly admitted within 4 hours dropped to 8.2% in November 2021 compared with 20% in October. The service has identified several challenges that continue to impact on flow through the stroke pathway. Transferring patients from GUH to the eLGHs on a timely basis has been persistently difficult, due to availability of stroke rehabilitation capacity. The service is working to take forward some immediate actions in order to create additional capacity.

In November 2021, the Health Board maintained its good performance with the percentage of patients assessed by a stroke consultant within 24 hours at 87.1%. However, the percentage of stroke patients receiving the required minutes for speech and language therapy deteriorated in November with 25.8% compared with earlier in the year where figures were around 40-50% compliance. The Health Board has recently agreed additional funding for speech and language services which should help improve performance in this area going forwards. A review of therapy

services across the stroke pathway has been undertaken to map the existing therapy workforce across the Health Board against clinically recommended levels in each setting. The report highlighted that gaps in specialist stroke therapy cover varied between professions and between sites which is further complicated by those staff having to travel between sites where hyper-acute and rehabilitation are not delivered on the same site. The detailed findings of the report will be discussed at the Health Board Stroke Delivery Group, which is chaired by the Executive Director of Therapies and Health Sciences. The review forms part of the stroke recovery plan and the focus will be to ensure that there is equitable therapy provision and for the stroke service to determine the best use of limited resources and the requirement for future stroke therapy provision.

Thrombolysis rates were higher than usual in November at 16.1%. The improvement in compliance can be attributed to a higher number of patients presenting within the thrombolysis window. The thrombolysis audit is still ongoing to identify any opportunities to improve thrombolysis performance. An earlier review of the data identified that patients have not arrived at the Grange University Hospital on a timely basis and in some cases there have been delays in referral to the HASU and stroke team.

As part of the ongoing improvement work the Stroke Directorate has engaged with an external provider called "Getting it Right First Time" for a specialty review. The specialty review will involve a local data pack being produced detailing ABUHB's stroke performance data, followed by a series of meetings with members of the Stroke MDT including Senior Operational Managers and Divisional Leads. The review will examine a wide range of factors, from length of stay, access to the HASU and rehabilitation sites, patient mortality, sharing of best practice, area's for improvement and individual service costs through to overall budgets.

The first meeting is scheduled for the end of January 2022 and will include representatives from all of the Stroke Multidisciplinary Team. The findings of the review will be discussed and taken forward in the Stroke Directorate Meeting and progress will monitored through the Stroke Delivery Board.

A new programme of education has been set up by the Community Neurological Rehabilitation Service "Stroke Pathway Connections", for people working on the Stroke Pathway based on the principles of connecting people and learning from service users. Anyone working in stroke services can attend including people working in Hyper Acute Stroke Unit, Rehabilitation Stroke Wards, Community Hospitals, Community Neuro Rehab Service, Community Resource Teams, voluntary sector, Ambulance Service, Primary Care and Emergency departments.

The idea is for staff to have the opportunity to step out of busy work schedules for a short time and think about specific areas of work and most importantly how the people affected by stroke experience our services so that the service can continue to improve the experience and deliver great services.

Mental Health

CAMHS

Sustained performance of the CAMHS measure of 80% is reported, with 100% of patients waiting less than 28 days for a first appointment at the end of November 2021. The implementation of the SPACE wellbeing (development of single point of access, multi-agency panels) which is operational in all five local authority areas has continued to have a positive impact on access to services.

Access to services on the CAMHS Neurodevelopmental (ND) pathway of children waiting less than 26 weeks to start an ADHD or ASD neurodevelopmental assessment has improved by over 5%

between September and November 2021 from 71.5% to 76.8% against the target of 80%. During the COVID 19 pandemic, the core ND team were able to maintain the pathway by carrying out virtual initial assessments but as lockdown has eased and face to face appointments re-started, this has resulted in a backlog of follow up appointments for the children undergoing a neuro- developmental assessment and has inevitably delayed the conclusion of the assessments. A recovery plan was implemented to support the core ND team and it was agreed that the focus would be on managing the backlog through initiatives to allow the core team to clear ongoing caseloads.

From September 2021, the booking of ND assessments has been streamlined i.e. booking the initial appointment and clinical observation appointment within 4 weeks. All children and young people undergoing an ADHD assessment will automatically have a school observation rather than a 1:1 clinical observation. The aim is to be able to keep the waiting list moving more fluidly acknowledging that there will be more complex cases that require school observations to gather more evidence and additional ADOS (Autism Diagnostic Observation Schedule assessments).

Primary Care Mental Health

Sustained performance above the 80% target for Primary Care Mental Health Measures for assessment within 28 days is reported, with 88.9% compliance. However, the position for the intervention measure remains below the target with 22.6%, a slight improvement on the October position of 20.7%.

Compliance with the 80% assessment target has been maintained as a result of the service being able to carry out assessments utilising non face to face methods. The deterioration in intervention performance is in part due to the service focusing on the assessment in line with Welsh Government guidance, to ensure that all patients receive the initial assessment with a registered mental health practitioner. This is an approach which aims to minimise the number of interactions with different practitioners and to direct patients to the most appropriate care and support first time. Where therapy is indicated, the aim has been to maintain care interventions with the same practitioner. As these longer waiting patients have started their intervention, this has consequently, had a negative impact on performance but does mean that the service is tackling the longest waiting patients. Attend Anywhere is being used to provide video conferencing for 1 to 1 therapy. At assessment this equates to 15% of appointments and slightly higher for therapy delivery.

The MELO website which offers free, self-help resources in looking after mental wellbeing, is fully up and running, offering a strong Foundation Tier. This has been co-developed with Public Health Wales, with funding for continued revision, development and marketing. Virtual stress control classes have also been running and is promoted through the MELO social media platform and practitioners to improve take-up.

Where face to face appointments have resumed, issues remain with available, suitable accommodation to hold clinics and which allow for appropriate social distancing. Room availability to provide face to face therapy has remained an issue with more services competing for the same accommodation. A lack of rooms available in GP surgeries and many community premises remaining closed. This is a recurring theme across directorates within the Mental Health and Learning Disability Division and with Family and Therapies for CYP. Transforming the service to provide therapy remotely required significant changes to clinician practice.

The service has had to contend with high levels of staff absence with some staff also being redeployed to support critical services. There have also been issues with IT capability and delays in obtaining laptops has led to some loss of capacity and has had an impact on video conferencing capability with service users. Plans are in place to provide virtual group sessions for the "Road to Well-being" courses and to make them fully available on-line. However, waiting lists for therapy still continue to increase and the service has had a number of vacancies. In the interim the service will commission further counselling provision. To date, 2,500 counselling hours have been commissioned which equates to therapy for approximately 375 service users.

A recovery plan is being implemented which focuses on reducing waiting list volumes and reducing waiting times in both measures. However, the plan is behind schedule due to issues arising with the commissioned therapy provision which sits with the provider. It was hoped a minimum of 70 patients per week will be seen by external agencies from the end of December, however, commissioned services have struggled to employ therapists in the numbers required. Any recovery will be later than planned due to provider being unable to implement the contract. This is being looked at with procurement with the intention of setting up a framework. In addition, recruitment to the vacant posts is key in being able to provide a sustainable service.

Despite the many challenges described, and loss of some staff, the service is focussed on improving performance, although it is anticipated that the intervention position will not start to improve until 'Quarter 4' at the earliest with some interventions not fully met until the new financial year.

Psychological Therapy

A sustained improvement in performance since April is reported for psychological therapy in Specialist Adult Mental Health, with 77.8% of patients waiting less than 26 weeks for treatment at the end of November 2021, against a target of 80%.

Performance is calculated based on combined compliance for Adult, Older Adult and Learning Disabilities (LD) services. However, the Older Adult service has consistently achieved performance levels above 80% with 100% in November. This has been the case following the re-introduction of face-to-face contacts. However, the Older Adult group has similar rates of mental health challenges as working age adults yet referrals to primary and secondary care mental health services are at a much lower rate. The challenge ahead is to identify the factors that influence this situation and to ensure that the plans address this.

With regards to Adult Services, the service has plans to continue to improve performance and reduce long waiters. The service has introduced new procedures to see service users whilst at the same time making better use of clinical resource. Going forward, a good part of the service strategy is to continue to increase access to proportionate interventions in a timely way through the provision of interventions in a group format. The work includes piloting a centralised group quality improvement program which will aim to pool resources for delivering group interventions and increase service user involvement in design and delivery. This has the potential to free resource within the Community Mental Health Teams (CMHT) therefore improving access to person-centred individual tailored approaches for those that need it. In addition to general improvement plans each area is currently working on developing improvement plans relevant to local need.

It is widely anticipated that there will continue to be significant mental health consequences of the COVID-19 pandemic and public health control measures. Isolation, loneliness, and disconnection are commonly reported. Many people within the community have suffered significant loss and trauma. Psychological therapies are the indicated intervention in such circumstances and the service still anticipate a significant rise in referrals once services return to a more normal state. However, long-term, the aim is to aspire towards providing and promoting accessible and

preventative mental health care. An action plan is under development in regard to this, which may require increased workforce and financial support.

Care and Treatment Plan Compliance

An improvement in performance in the overall percentage compliance of valid care treatment plans completed is reported, with 87% of patients having a care treatment plan in November 2021 against the target of 90%. The reporting in the Delivery Framework is now split by age band in over and under 18 years of age. The under 18 compliance is 98% for November above the target of 90% and 87% for 18 years and over. There has been a significant amount of work undertaken over the past couple of months to clear the backlog of care treatment plans to improve compliance, it is anticipated that improvements in compliance will be realised and continue to improve.

Service Recovery Plans

In addition to restarting many routine services, the Health Board is implementing a range of recovery plans – further details are set out in the finance report. These include increasing acute, community based and mental health services, along with investing in alternative services – such as weight management, alcohol care services – based on greater preventative support and improving health outcomes.

Outcome Measures

In the Health Board's Annual Plan 2021-2022, focus is placed on the patient first so that every individual using the services whether at home, in the community or in hospital, has a positive experience. To do this the quality and safety of the care and services is core throughout all of the Health Board's plans and which will have a focus on enabling a safety culture that minimises preventable harm, improves outcomes and experience and eliminates variation and waste.

There is a time lag to the data but to introduce this approach, 2 outcome measures have been included in the attached graphs:

- Emergency readmission within 28 days following hip fracture
- Heart failure readmissions within 30 days

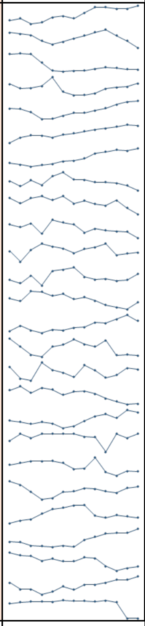
It is anticipated that future reports will include an update from relevant services to provide some context

This provides a summary of the actions being undertaken to deliver and/or improve performance against the range of organisational and national targets.

Recommendation
The Board is asked to NOTE the current Health Board performance, trends against the national performance measures and targets and progress on service recovery.

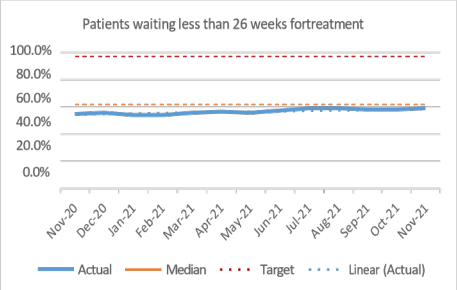
Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	The report highlights key risks for target delivery.
Financial Assessment	The delivery of key performance targets and risk management is a key part of the Health Board's service and financial plans.
Quality, Safety and Patient Experience Assessment	There are no adverse implications for QPS.
Equality and Diversity Impact Assessment	There report identifies no implications for Equality and Diversity impact.

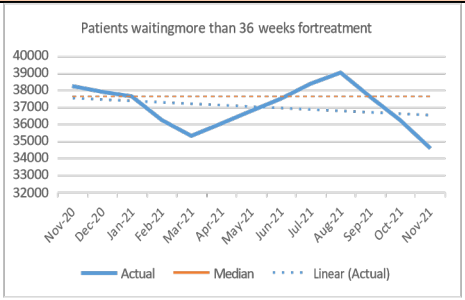
(including child impact assessment)	
Health and Care Standards	This proposal supports the delivery of Standards 1, 6 and 22.
Link to Integrated Medium Term Plan/Corporate Objectives	This paper provides a progress report on delivery of the key operational targets
The Well-being of Future Generations (Wales) Act 2015 – **5 ways of working**	An implementation programme, specific to ABUHB has been established to support the long term sustainable change needed to achieve the ambitions of the Act. The programme, will support the Health Board to adopt the five ways of working and self-assessment tool has been developed, and working with corporate divisions through a phased approach sets our ambition statements for each of the five ways of working specific to the Division and the action plan required to achieve the ambitions.
	Long Term – *can you evidence that the long term needs of the population and organisation have been considered in this work?*
	Integration – *can you evidence that this work supports the objectives and goals of either internal or external partners?*
	Involvement – *can you evidence involvement of people with an interest in the service change/development and this reflects the diversity of our population?*
	Collaboration – *can you evidence working with internal or external partners to produce and deliver this piece of work?*
	Prevention – *can you evidence that this work will prevent issues or challenges within, for example, service delivery, finance, workforce, and/or population health?*
Glossary of New Terms	N/A

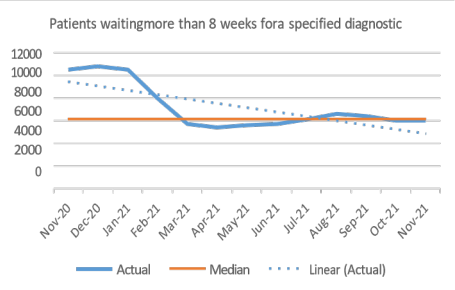
							↑		55.4%	55.9%	54.4%	54.8%	56.2%	56.6%	55.9%	57.5%	59.0%	59.0%	58.5%	58.5%	59.4%
							↑		44.3%	42.7%	40.6%	42.3%	43.4%	46.3%	46.8%	49.4%	54.7%	56.2%	58.3%	57.3%	60.0%
							↓		29.2%	17.6%	30.8%	20.0%	40.0%	49.2%	32.7%	31.7%	26.5%	26.8%	24.6%	19.3%	8.2%
							↓		41.4%	36.7%	43.3%	24.0%	50.8%	45.2%	41.5%	25.8%	33.0%	30.4%	27.9%	27.8%	15.5%
							↑		58.3%	49.6%	59.2%	64.6%	62.0%	60.3%	56.6%	60.1%	61.5%	64.4%	55.1%	56.3%	57.2%
							↑		74.9%	73.0%	80.4%	79.7%	76.8%	78.3%	74.5%	76.0%	73.1%	70.0%	68.4%	66.9%	71.9%
																					
							↓		72.7%	65.8%	58.9%	57.1%	65.9%	67.4%	71.9%	67.7%	65.8%	71.1%	58.4%	59.1%	58.1%
							↑		61.2%	72.9%	54.0%	67.9%	62.6%	47.6%	57.8%	58.7%	50.4%	37.5%	29.3%	20.7%	22.6%
							↓		66.8%	65.8%	64.6%	65.8%	64.6%	61.4%	62.7%	66.7%	70.0%	71.6%	68.8%	74.6%	72.8%
							↓		85.3%	88.0%	89.9%	89.9%	90.4%	87.9%	80.0%	80.9%	94.8%	76.3%	71.5%	77.2%	76.8%
							↓		57.05	55.35	52.46	49.1	49.65	52.34	52.68	54.03	53.66	52.66	51.99	54.16	54.66
							↓		82.1%	88.0%	92.3%	92.4%	89.4%	100.0%	94.9%	95.1%	92.1%	97.5%	88.9%		

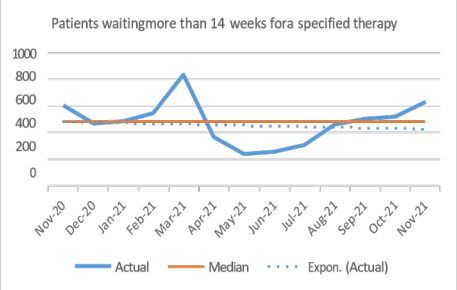

CHIL DHO O D
IMMUNIS A TIO N

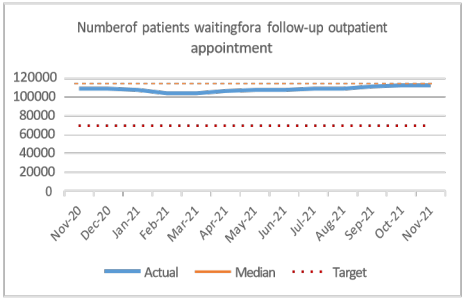
Aim 2:People in Wales have better quality and accessible health and social care services, enabled by digital and supported by engagement

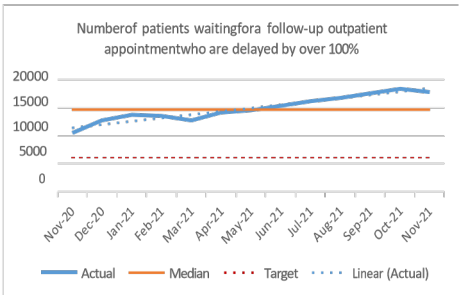


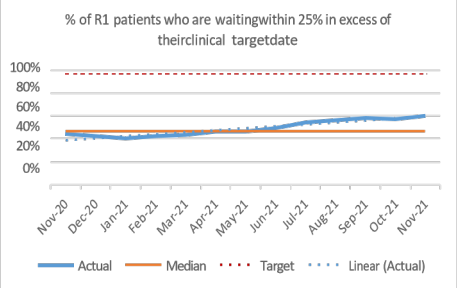


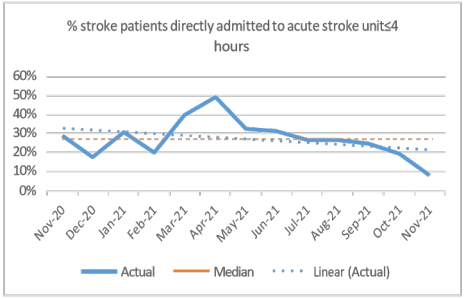


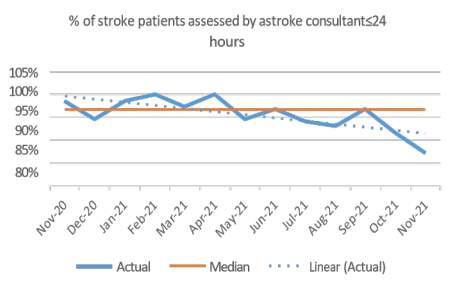


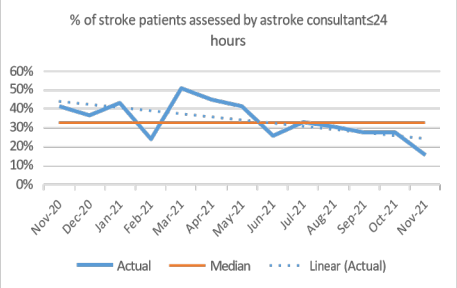


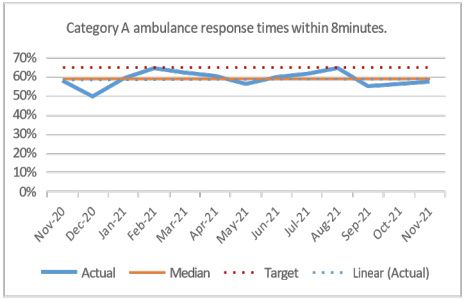


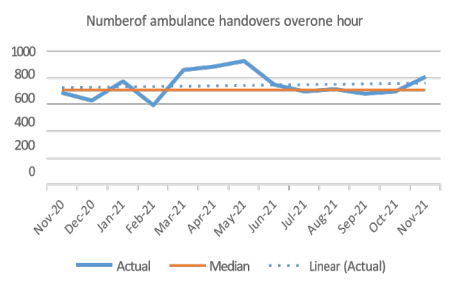


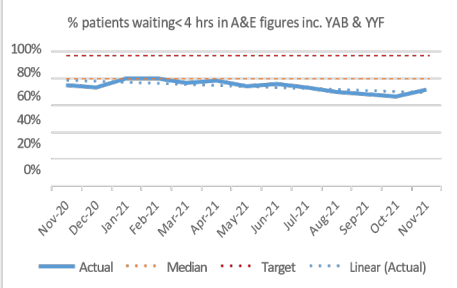


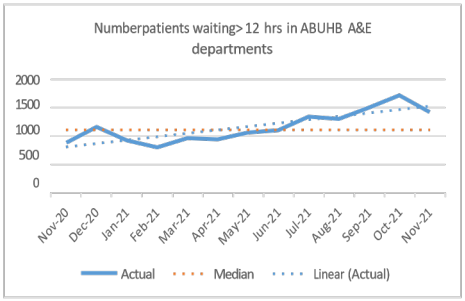


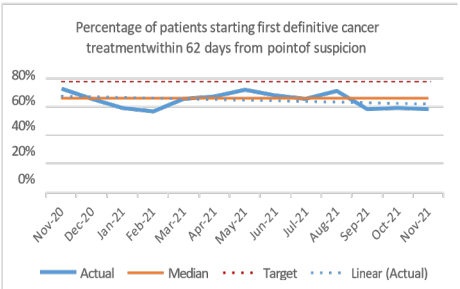




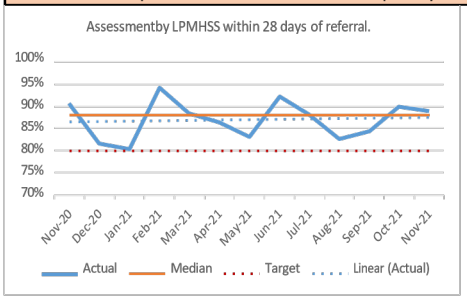


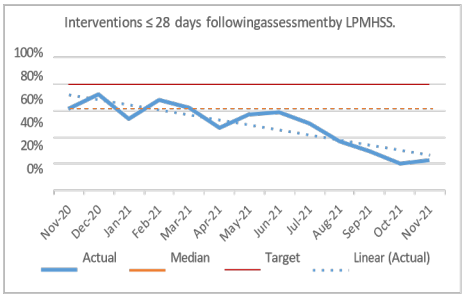


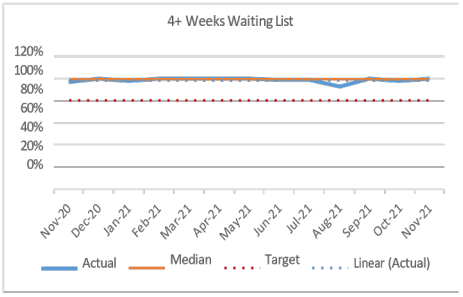


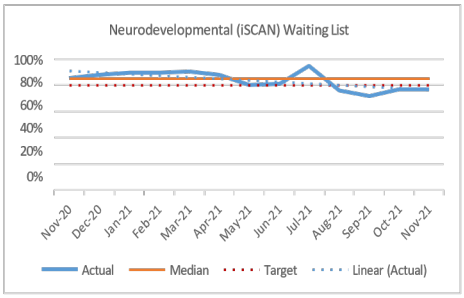


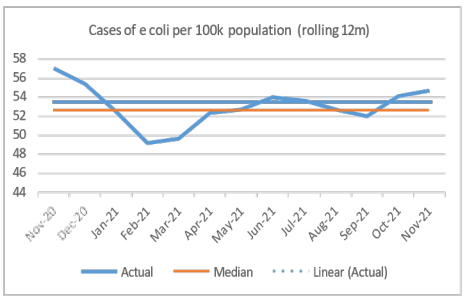
Aim 2:People in Wales have better quality and accessible health and social care services, enabled by digital and supported by engagement

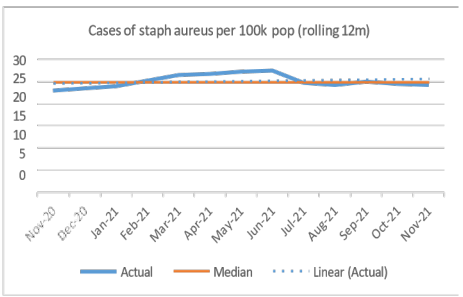


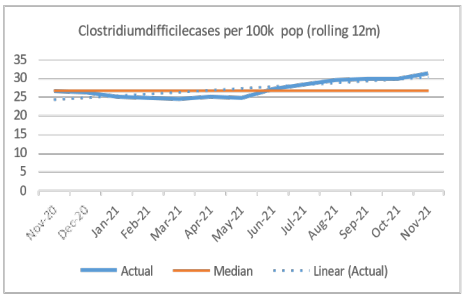


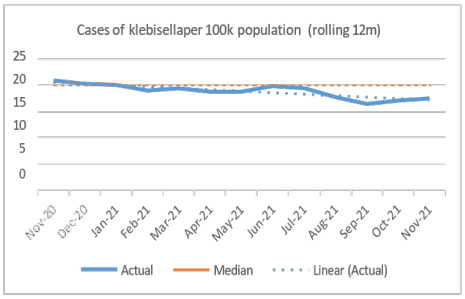


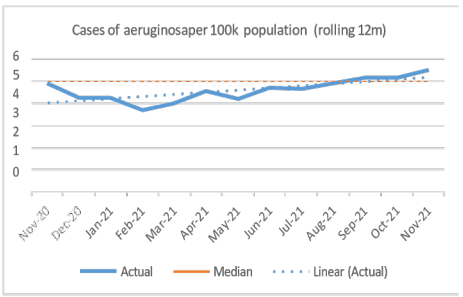


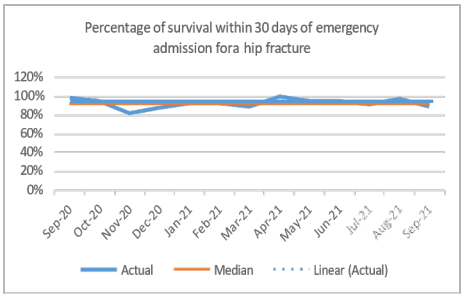


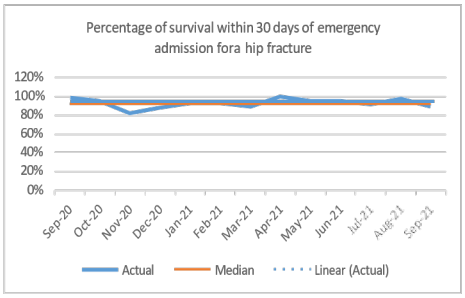




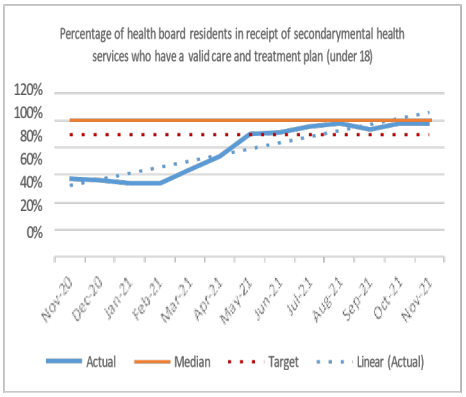


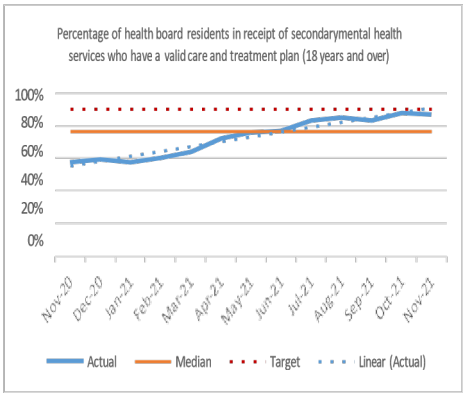




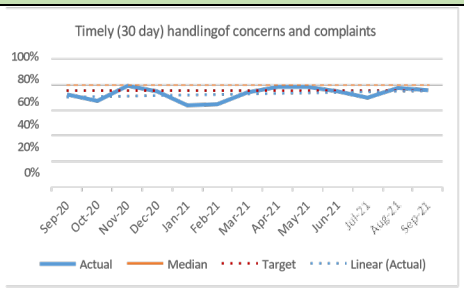


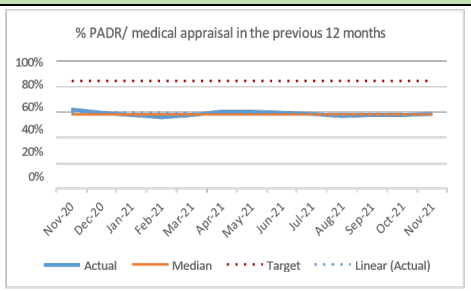
Aim 1: People in Wales have improved health and well-being with better prevention and self-management

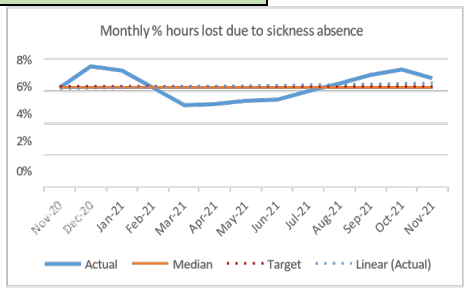

Percentage of health board residents in receipt of secondarymental health services who have a valid care and treatment plan (under 18)
120%
100%
80%
60%
40%
20%
0%
Nov-20
Dec-20
Jan-21
Feb-21
Mar-21
Apr-21
May-21
Jun-21
Jul-21
Aug-21
Sep-21
Oct-21
Nov-21
Actual
Median
Target
Linear (Actual)

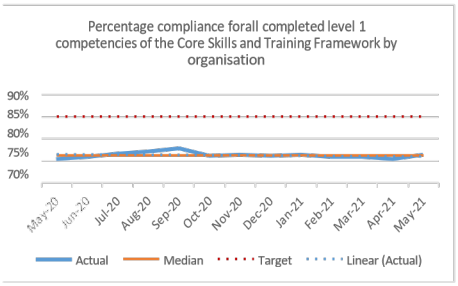

Percentage of health board residents in receipt of secondarymental health services who have a valid care and treatment plan (18 years and over)
100%
80%
60%
40%
20%
0%
Nov-20
Dec-20
Jan-21
Feb-21
Mar-21
Apr-21
May-21
Jun-21
Jul-21
Aug-21
Sep-21
Oct-21
Nov-21
Actual
Median
Target
Linear (Actual)

Aim 3: People in Wales have improved health and well-being with better prevention and self-management

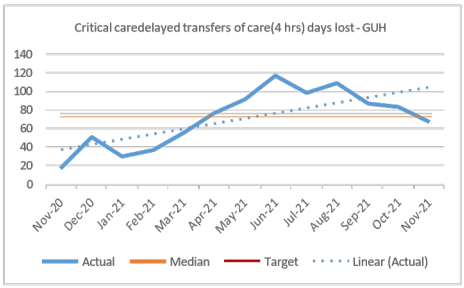


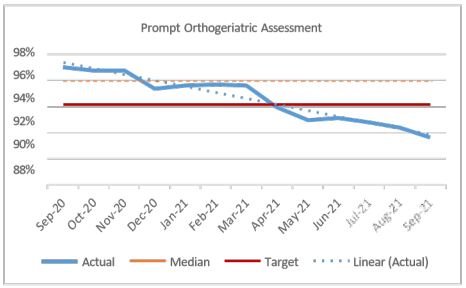


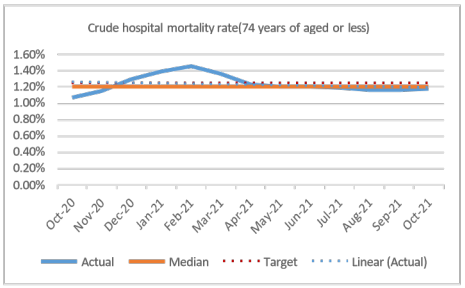


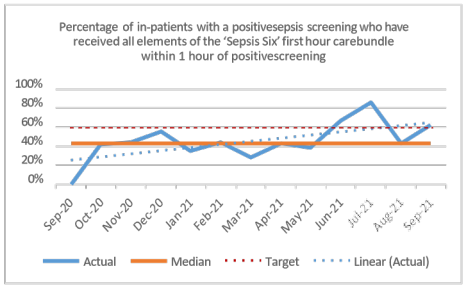


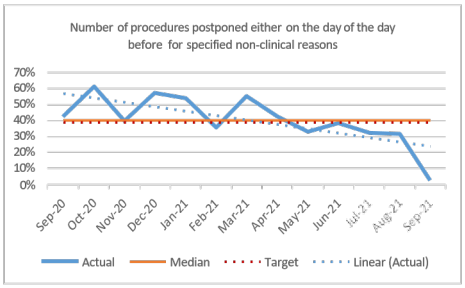
Aim 4:Wales has a higher value health and social care system that has demonstrated rapid improvement and innovation, enabled by data and

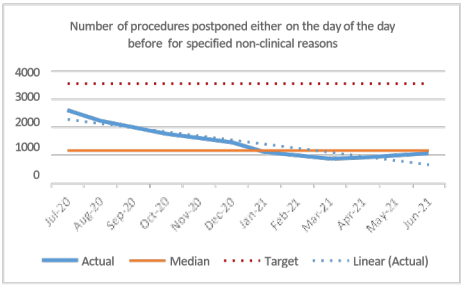


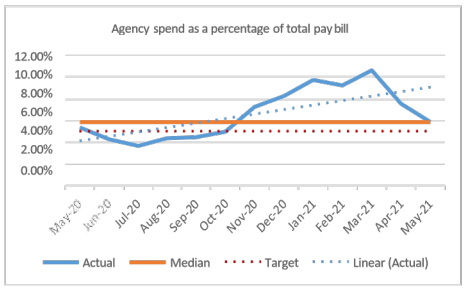




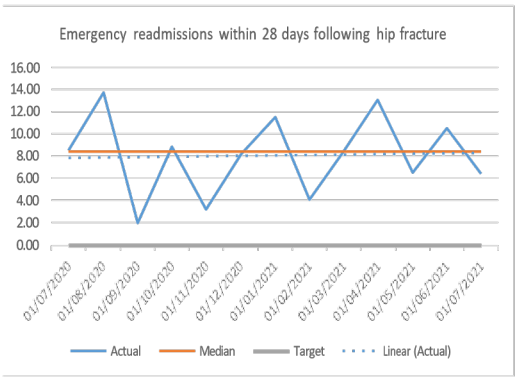








Local Measures


Emergency readmissions within 28 days following hip fracture
16.00
14.00
12.00
10.00
8.00
6.00
4.00
2.00
0.00
01/07/2020
01/08/2020
01/09/2020
01/10/2020
01/11/2020
01/12/2020
01/01/2021
01/02/2021
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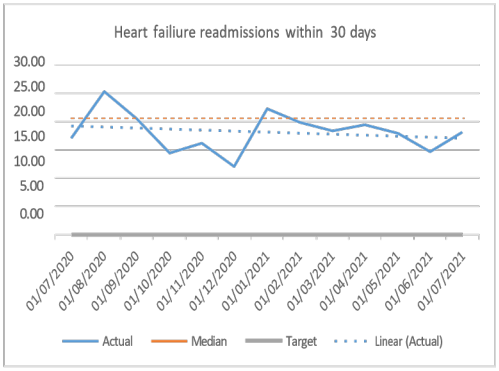
01/05/2021
01/06/2021
01/07/2021
Actual
Median
Target
Linear (Actual)


Heart failiure readmissions within 30 days
30.00
25.00
20.00
15.00
10.00
5.00
0.00
01/07/2020
01/08/2020
01/09/2020
01/10/2020
01/11/2020
01/12/2020
01/01/2021
01/02/2021
01/03/2021
01/04/2021
01/05/2021
01/06/2021
01/07/2021
Actual
Median
Target
Linear (Actual)

GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Wednesday 26th January 2022 Agenda Item: 4.4

Aneurin Bevan University Health Board

STRATEGIC RISK REPORT

Executive Summary

This report provides an overview of all **24** strategic risks described on the Corporate Risk Register and makes recommendations to de-escalate some risks which have been managed down to an acceptable risk appetite level or; are no longer perceived to be strategic risks and can be managed operationally within respective risk registers.

Response to the COVID-19 pandemic, through front line service delivery, vaccination and booster programmes and Test, Trace and Protect (TTP) and associated risks continue to have the greatest impact on service delivery. This sustained response continues to represent the most significant risk to the Health Board's delivery of its non-COVID-19 services and the achievement of the objectives outlined within the Annual Plan 2021/22.

This reporting period has seen continued progress in embedding the revised Risk Management approach including the inaugural meeting of the Health Board's Risk Managers, Community of Practice.

The Board is asked to note the revised dashboard approach to framing the **24** risks which currently encompass the corporate risk register. The Board can be assured that it's Assurance Committees (Audit, Finance and Risk, Patient, Quality, Safety and Outcomes and People and Culture) have received and considered the risk profiles for which they are responsible for monitoring and reviewing. Any concerns regarding these risk profiles will have been escalated to the Board via the Committee Assurance Report.

The Board is asked to: (please tick as appropriate)	
Approve the Report	
Discuss and Provide Views	X
Receive the Report for Assurance/Compliance	X
Note the Report for Information Only	

Executive Sponsor: Rani Mallison, Board Secretary

Report Author: **Danielle O'Leary, Head of Corporate Services, Risk and Assurance**

Report Received consideration and supported by :

Executive Team	**X**	**Committee of the Board**	- Audit, Finance and Risk Committee - Patient, Quality, Safety and Outcomes Committee - People and Culture Committee

1/13

Date of the Report: 7th January 2022

Supplementary Papers Attached:
Appendix 1 – Dashboard of Corporate Risk Register

Purpose of the Report

This report provides an overview of the **24** strategic risks which currently comprise the Health Board's Corporate Risk Register. The report aims to provide assurance to the Board that all risks have been reviewed by respective Committees and following Executive Team review, provides recommendations to de-escalate some risks.

Background and Context

In conjunction with the revised Board Assurance Framework (BAF) and the revised Risk Management Approach, the Health Board is able to review and assess its strategic risks against achievement of objectives as set out in the Annual Plan 2021/22.

The Health Board uses a Risk Matrix to assess the potential consequence and likelihood of occurrence of all predicted risks to form an overall risk score. In the risk identification and assessment process, a risk appetite level is agreed alongside a target score. Risks may then be **treated** or mitigated to a lower more manageable level or can be ***tolerated, transferred or terminated*** dependent upon the level of organisational benefit in undertaking a specific mitigation or course of action.

Internal controls and action plans are then developed to mitigate the risk and reduce either the likelihood, consequence, or both. Committees are then responsible for the active monitoring and review of all risks which receive oversight from each respective committee.

Assessment and Conclusion

Risk Management ensures that the Health Board focuses on the risks and concerns that may impact on the organisations ability to deliver its objectives. Whilst active risk management is performed daily at an operational level, the Health Board's risk management strategy and process ensures that the Board is informed, engaged and assured about the approach that Health Board uses to identify and respond to perceived risks.

Whilst the key risks and issues need to be regularly considered at each of the Board's Committees and at the Executive Team, the way in which the Health Board responds to the COVID-19 pandemic and the risks associated with that response have taken priority.

The Health Board has reviewed its reporting mechanisms in relation to risk management and following internal reflection and comments received from Audit, Finance and Risk Committee, it was agreed that an overarching dashboard would be developed to provide a high level view of all strategic risks. Each delegated committee would then receive the more detailed risk profile information for each risk which receives oversight at that committee.

It is anticipated that this approach will strengthen the alignment between Board and committee business and the Board Assurance Framework; and provide a bedrock for Board and Committee business to be risk based and focussed on assurance needs, ensuring the correct business is directed to the most appropriate committee.

Current Organisational Risk Profile:

There are currently **24** Organisational Risk Profiles, of which **15** form Principal Risks due to the scoring being 15 or greater and are included within the Board Assurance Framework. The following table provides a breakdown of the risks and level of severity:

High	15
Moderate	7
Low	2

A high-level breakdown dashboard of all strategic risks including, current score, target score, risk appetite level, risk treatment and trend since last reporting period is included at **Appendix 1**. It is anticipated that this will provide the Board with assurance that the risks which comprise the corporate risk register continue to be reviewed and monitored via the Executive Team with associated Health Board escalation arrangements in place.

The Executive Team has recently undertaken an assessment of the strategic risks and the following risks are recommended to be deescalated from the Corporate Risk Register and managed locally:

Risk ref and Descriptor	Current Score	Risk Treatment	Date and Trend Since Last Reporting Period	Assurance/ Oversight Committee	Risk Owner
CRR031 Initial modelling work from the southern hemisphere indicates that a potential double cohort of bronchiolitis could be expected Winter 2021/22 creating a significantly increased demand in Paediatric Services.	10	**Treat** the potential impacts of the risk by using internal controls. ***Not managed within agreed risk appetite level however; proposed this be de-escalated as a strategic risk due to reduction in likelihood and ability to manage at a local/divisional level as the original modelling severity has not been realised.***	**(Sept 2021 PQSO Report)** 	**PQSO**	**Director of Operations**

CRR014 Potential adverse impact on	8	**Treat** the potential impacts of the risk	**(Dec 2021 AFR Report)**	**AFR**	**Chief Executive**

Health and Social care services due to EU Transition		by using internal controls. **Tolerate** the impacts of some mitigations and acknowledge that some may not work. ***Currently assessed as achieving below the target score, proposed to de-escalate as strategic risk and be managed through emergency planning/civil contingency/GLRF group – reporting by exception to the Board.***			

It was recognised that the workforce risk profile needed to encompass the redeployment of staff to other areas as well as reflecting the adverse impact on patient care. Therefore the following risk was reframed under the broader workforce risk profile:

The workforce risk profile was re-framed to reflect the changing, deteriorating positon in relation to staffing, sickness absence, isolation exclusion and redeployment:

CRR002 - Failure to recruit, retain and sustain redeployment of staff across all disciplines and specialities to critical areas, leading to adverse impacts on delivery of care for patients across acute and non-acute settings and non-compliance with safe staffing principles and standards.

As a result of the re-framing of CRR002; it was agreed that **CRR029 Insufficient capacity to sustain the ABUHB aspects of the Gwent Test, Trace and Protect programme** would be removed.

Further Improvements Since the Last Reporting Period
The inaugural meeting of the Health Board's Risk Manager Community of Practice has taken place where a draft development plan was agreed in collaboration with risk leads from across the organisation. A schedule of bi-monthly meetings for the Community of Practice has been circulated and a broad view of the topics collectively proposed to be covered during include:

1. Risk appetite, tolerance and capacity
2. Risk definitions and consistency of approach
3. Guidance and peer support on prioritisation of risks
4. Risk scoring
5. Risk Escalation

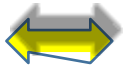
It is proposed that an outline plan of key deliverables to further embed the revised Risk Management Strategy including areas of progress against previous internal and external recommendations will be presented to the Audit, Finance and Risk Committee. This will then be shared with the Board.

Recommendation
The Board is requested to: • Support the de-escalation of the risks outlined within this report subject to local monitoring and review and acknowledging that future exception reports may be required to be submitted. • Approve the removal of **CRR029** and the re-framed positon of **CRR002**. • Endorse the revised risk dashboard approach which will be used as a conduit to communicate all risks to the Board and its Committees with further detail of each risk to be received at each meeting, aligning to the Board Assurance Framework and Committee/Board work plans. • Note that delegated committees have reviewed their respective risks.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	The monitoring and reporting of organisational risks are a key element of the Health Boards assurance framework.
Financial Assessment, including Value for Money	This report has no financial consequence although the mitigation of risks or impact of realised risks may do so.
Quality, Safety and Patient Experience Assessment	This report has no QPS consequence although the mitigation of risks or impact of realised risks may do so.
Equality and Diversity Impact Assessment (including child impact assessment)	This report has no Equality and Diversity impact but the assessments will form part of the objective setting and mitigation processes.
Health and Care Standards	This report contributes to the good governance elements of the H & CS.
Link to Integrated Medium Term Plan/Corporate Objectives	The objectives will be referenced to the IMTP

The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	Not applicable to the report, however, considerations will be included in considering the objectives to which the risks are aligned.
Glossary of New Terms	Not required.
Public Interest	Report to be published.

Risk ref and Descriptor	Current Score	Target Score (informed by Appetite level)	Risk Appetite Level	Managed to Agreed Level Y/N?	Risk Treatment	Date and Trend Since Last Reporting Period	Assurance/ Oversight Committee	Risk Owner
CRR019 Failure to meet the needs of the population who require high levels of emergency supportive care and inability to release ambulances promptly to respond to unmanaged community demand. **(re-framed Dec 2021)**	20	15	**Low** level of risk appetite in relation to patient safety risks. **Moderate** levels of risk with regard to innovation around mitigations to prevent demand and better manage the demand.	**No**	**Treat** the potential impacts of the risk by using internal controls. **Tolerate** the impacts of some mitigations and acknowledge that some may not work.	**(Dec 2021 PQSO Report)** 	**PQSO**	**Director of Operations**
CRR002 Failure to recruit and retain staff across all disciplines and specialities leading to adverse impacts on delivery of care for patients across acute and non-acute settings and non-compliance with safe staffing principles and standards **(re-**	20	10	**Low** level of risk appetite in relation to potential patient safety risks. **Moderate** levels of risk with regard to innovation and changing roles to attract more staff and deliver services in different ways through new roles.	**No**	**Treat** the impact of the risk by using internal controls.	**(Dec 2021 PQSO Report)** 	**P&C**	**Director of Workforce and OD**

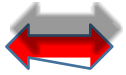
framed Jan 2022)								
CRR013 Failure to prevent and control hospital and community acquired infections to include COVID-19	15	10	**Zero or low** due to patient safety and quality of service.	**No**	**Treat** the potential impacts of the risk by using internal controls.	**(Nov 2021 BAF mid-year review)** 	**PQSO**	**Director of Nursing**
CRR020 Failure to implement WCCIS leading to inaccessibility of essential patient information.	20	15	**High** level of appetite for risk on this areas to innovate in the area of digital technologies. **Low** level risk appetite for the realisation of this risk and to maintain patient safety.	**No**	**Treat** the potential impacts of the risk by using internal controls.	**(Dec 2021 PQSO Report)** 	**AFR**	**Director of Planning, Digital and ICT**
CRR023 Potential risk to population health in relation to avoidable harm due to priority being given to management of the COVID pandemic.	20	20	**Zero or low** level of risk appetite in terms of protecting patient safety and the quality of services. **Moderate** level of risk appetite in relation to different ways of working to address backlog. This would include the use of technologies and innovations.	**Yes**	**Treat** the potential impacts of the risk by using internal controls. **Tolerate** the impacts of some mitigations and acknowledge that some may not work.	**(Nov 2021 BAF mid-year review)** 	**PQSO**	**Director of Operations**
CRR007 Inability to reflect demands of an increasingly aging population.	16	12	**Zero or low** level of risk appetite in terms of protecting patient safety and the quality of services. **Moderate** level of risk appetite in relation to some risk controls and mitigations is required due to interdependencies with partner organisations.	**No**	**Treat** the potential impacts of the risk by using internal controls. **Tolerate** the impacts of some mitigations and acknowledge that some may not work and	**(Nov 2021 BAF mid-year review)** 	**PQSO**	**Director of Primary, Community and Mental Health Services & Director of Public Health and Strategic Partnerships**

					some are out of the Health Board's control.			
CRR010 Inpatients may fall and cause injury to themselves.	15	10	**Zero or low** in the interests of patient safety.	**No**	**Treat** the potential impacts of the risk by using internal controls.	**(Nov 2021 BAF mid-year review)** 	**PQSO**	**Director of Therapies and Health Science**
CRR027 Effectiveness of COVID vaccination and booster programme compromised leading to a Variant of Concern	25	20	**Moderate** risk appetite level will need to be applied to this risk profile, given the unpredictability of the potential of variants of concern. The Health Board will ensure that it can behave appropriately to address the risk, should it materialise however, emergence of a variant of concern is beyond the Health Board's control.	**No**	**Treat** the potential impact of the risk with mitigations. **Tolerate** the unpredictable element of the VoC and other mutations.	**(Dec 2021 PQSO Report)** 	**PQSO**	**Director of Public Health and Strategic Partnerships**
CRR028 Continued inappropriate admissions of Children and Young People to adult mental health in-patient beds.	20	10	**Low** risk appetite level in relation to patient safety and experience. **Moderate** level risk appetite would be encouraged in order to explore more innovative ways of managing this risk alongside Health Board partners.	**No**	**Treat** the potential impacts of the risk by using internal controls.	**(Nov 2021 BAF mid-year review)** 	**PQSO**	**Director of Primary, Community and Mental Health Services**
CRR030 Limited contact with public and NHS	16	5	**Low** risk appetite in this area due to potential impact on quality,	**No**	**Treat** the potential impacts of the risk by using internal	**(Nov 2021 BAF mid-**	**PQSO**	**Director of Nursing**

services in addition to clinical deployment to support Public Health Mass Vaccination programme contributing to a compromised Safeguarding position (**re-framed to reflect DoLs position**) ***links to Workforce risk – CRR002**			experience and patient outcomes.		controls.	**year review)** 		
CRR031 Initial modelling work from the southern hemisphere indicates that a potential double cohort of bronchiolitis could be expected Winter 2021/22 creating a significantly increased demand in Paediatric Services.	10	6	**Low** risk appetite in this area due to the recognised fragility of Paediatric services.	**No**	**Treat** the potential impacts of the risk by using internal controls. ***Not managed within agreed risk appetite level however; proposed this be de-escalated as a strategic risk due to reduction in likelihood and ability to manage at a local/divisional level as the original modelling severity has not been realised.***	**(Sept 2021 PQSO Report)** 	**PQSO**	**Director of Operations**

CRR001 High levels of seasonal influenza	8	8	**Low** level of risk appetite in relation to patient experience. **Moderate** levels of risk appetite can be applied to pursue innovative models and technologies to encourage uptake.	**Yes**	**Treat** the potential impacts of the risk by using internal controls. **Tolerate** the impacts of some mitigations and acknowledge that some may not work.	**(Sept 2021 PQSO Report)** 	**PQSO**	**Director of Public Health and Strategic Partnerships**

					Managed within agreed risk appetite level, therefore proposed to de-escalated as a strategic risk and continue to be managed locally.			
CRR003 Mental Health services will fail to meet the anticipated increased demand of the Health Board population, for Mental Health support, in light of the COVID 19 pandemic.	12	8	**Low** risk appetite level in the interests of patient safety. **Moderate** risk appetite levels will need to be taken to explore further innovations and appropriately reconfigure services and implement new arrangements.	**No**	**Treat** the potential impacts of the risk by using internal controls. **Tolerate** the impacts of some mitigations and acknowledge that some may not work.	**(Sept 2021 PQSO Report)** 	**PQSO**	**Director of Primary, Community and Mental Health Services**

CRR026 Risk to the general population and patients already within our services, due to less than adequate surge capacity to address any further exponential increase in pandemic response. ***links to Workforce risk – CRR002**	20	5	**Low** risk appetite level will be applied.	**No**	**Treat** the potential impacts of the risk by using internal controls.	**(Nov 2021 BAF mid-year review)** 	**PQSO**	**Director of Operations**
CRR004 Failure to comply with WBoFG Act and	4	4	**Low to Moderate** - Risk appetite in this area is low in terms of compliance with the Legislation.	**Yes**	**Treat** the potential impacts of the risk by using internal controls.	**(Dec 2021 AFR Report)**	**AFR**	**Director of Public Health and Strategic**

Socio-Economic Duty			However, further innovation is required to develop new approaches and ways of working therefore, risk appetite in this area is defined at a moderate level.		**Take Opportunities** and use positive risk management to realise efficiencies, better ways of working and realise our long-term strategic aims.			**Partnerships and Board Secretary**
CRR017 Partial or full failure of ICT infrastructure and cyber security	15	12	**Low** appetite in relation to adverse impact on Quality, Safety. **Moderate to High** level risk appetite for innovating to identify digital ICT system solutions.		**Treat** the potential impacts of the risk by using internal controls.	**(Nov 2021 BAF mid-year review)** 	**AFR**	**Director of Planning, Digital and ICT**

CRR016 Achievement of Financial Balance	4	4	**Low** level of risk appetite in relation to the Health Board's financial statutory requirements. However responding to COVID 19 implications and maintaining safe services take precedence.	**Yes**	**Treat** the potential impacts of the risk by using internal controls.	**(Dec 2021 AFR Report)** 	**AFR**	**Director of Finance and Procurement**
CRR014 Potential adverse impact on Health and Social care services due to EU Transition	8	12	**Low** risk appetite in this area due to requirement to comply with UK Government Policy.	**Yes**	**Treat** the potential impacts of the risk by using internal controls. **Tolerate** the impacts of some mitigations and acknowledge that some may not work. ***Currently assessed as achieving below the target score, proposed to de-escalate as strategic risk and be managed through emergency planning/civil contingency/GLRF group – reporting by exception to the Board.***	**(Dec 2021 AFR Report)** 	**AFR**	**Chief Executive**

CRR012 Inability to address health inequalities across the population leading to increased dependency on Health Board services in the longer term and impacts ability of achievement of strategic aims/objectives. **(re-framed Dec 2021)**	12	4	**Low** risk appetite in terms of patient safety and services**.** **Moderate** risk appetite with regard to innovation and developments in primary care and public health initiatives.	**No**	**Treat** the potential impacts of the risk by using internal controls.	**(Dec 2021 AFR Report)** 	**AFR**	**Director of Public Health and Strategic Partnerships**
CRR008 Health Board Estate not fit for purpose (**Re-framed Dec 2021**)	15	15	**Low** risk appetite in relation to adverse staff and patient experience due to poor Health Board estate. **Moderate** risk appetite with regard to innovation and developments across the Health Board estate.	**Yes**	**Treat** the potential impacts of the risk by using internal controls and continue to maintain the current position with ongoing monitoring and review. ***Although this has reached its target score, it is recommended that this risk continues to be monitored strategically as the impact/consequence should the risk be realised, is significant.***	**(Dec 2021 AFR Report)** 	**AFR**	**Director of Operations**
CRR032 Failure to achieve underlying recurrent financial balance	16	12	**Low** level of risk appetite in relation to the Health Board's financial statutory requirements.	**No**	**Treat** the potential impacts of the risk by using internal controls.	**(Dec 2021 AFR Report)** 	**AFR**	**Director of Finance and Procurement**

CRR033 (NEW RISK Dec 2021) Civil Contingencies Act Compliance	20	9	**Low** risk appetite in this area is low in terms of compliance with the Legislation.	**No**	**Treat** the potential impacts of the risk by using internal controls.	**(Dec 2021 AFR Report)** 	**AFR**	**Director of Planning, Digital and ICT**
CRR021 Welsh Language Act Compliance	12	8	**Low** risk appetite in this area is low in terms of compliance with the Legislation.	**No**	**Treat** the potential impacts of the risk by using internal controls.	**(Nov 2021 [1]PCC Report)** 	**P&C**	**Director of Workforce and OD**
CRR025 Well Being of Staff and normalisation of risk	12	8	**Low** risk appetite in relation to adverse staff experience due to current and ongoing significant operational pressures.	**No**	**Treat** the potential impacts of the risk by using internal controls.	**(Nov 2021 PCC Report)** 	**P&C**	**Director of Workforce and OD**

[1] Members are asked to note that the People and Culture Committee receive a risk report directly from the Workforce Division with input from the Head of Risk and Assurance to ensure read-across to corporately held risks.

Aneurin Bevan University Health Board
Wednesday 26th January 2022
Agenda Item: 4.5

Aneurin Bevan University Health Board

Executive Team Report

Executive Summary
This report provides the Board with an overview of a range of activities regarding the Executive Team, including local, regional, and national issues. This report covers the period since the last Board meeting of 24th November 2021.

The Board is asked to:			
Approve the Report			
Discuss and Provide Views			
Receive the Report for Assurance/Compliance			
Note the Report for Information Only	✓		
Executive Sponsor: Glyn Jones, Interim Chief Executive			
Report Author: Rani Mallison, Board Secretary			
Report Received consideration and supported by:			
Executive Team		**Committee of the Board [Committee Name]**	
Date of the Report: January 2022			
Supplementary Papers Attached: None			

Purpose of the Report
This report provides the Board with an overview of a range of activities regarding the Executive Team, including local, regional, and national issues. The report also provides the opportunity to update the Board, in public achievements, issues and actions being taken which might not otherwise be brought to the attention of Board, as key discussion papers. This report also provides an opportunity to highlight areas that can be placed on the agenda for future Board meetings.
Highlights

COVID-19 & Systems Pressures

Like the rest of Wales and the UK, the Health Board is experiencing higher than normal staff absence levels, due to the rise in Covid-19 cases in the community. At 12th January 2022, absence levels were reported at 8.58% (or 1,293 staff members) of staff across the Health Board, which includes staff on sick leave or isolating.

If COVID-19 cases continue to rise, then there is likely to be further disruption to services provided. Consequently, difficult choices may be required as services and staffing are stretched beyond the levels normally seen at this time of year. The Executive Team, through the Civil Contingency governance structure, is reviewing this situation daily.

NHS organisations are preparing to take action to ensure that they stand ready to face increasing levels of COVID-19 in the coming weeks. Welsh Government has therefore provided NHS organisations with a framework of actions (the Local Options Framework), within which local organisations can make which are appropriate to local situations.

The framework of actions, for local consideration by NHS organisations, is intended to mitigate the potential risk of harm in the system by:

- maximising use and deployment of the workforce to protect priority services;
- ensuring people only access 999 or hospital care if essential;
- reducing long delays in crucial parts of the system;
- improving patient flow; and
- enabling people to leave hospital when ready, reducing the risk of readmission.

These actions intend to ease the pressures on the NHS by allowing for services and beds to be reallocated and for staff to be redeployed to priority areas.

As a result of staff absences, combined with significantly high demand for our services, the Health Board has taken the decision to postpone some elective procedures, whilst clinically urgent surgery is prioritised. Some of the temporary actions that the Health Board has made, to reduce non-essential clinical services in recent weeks, are listed below:

- Reduced elective orthopaedic activity at the Royal Gwent Hospital and Ysbyty Ystrad Fawr. This allowed staff to be released to support other areas and for the Rhymney ward at Ysbyty Ystrad Fawr to be converted to an 'amber' pathway for non-Covid patients;
- Temporarily redeployed some registrants and non-registrants from the Primary Care Mental Health team to support the mental health inpatient areas and crisis teams that are facing significant staff shortages. A number of other actions have been put in place in Primary Care to mitigate some of the consequential risks;
- Temporarily centralised midwifery workforce at the Grange University Hospital and closed the Midwife-led Birthing Units at the Royal Gwent Hospital, Nevill Hall Hospital, Ysbyty Aneurin Bevan and Ysbyty Ystrad Fawr. For the small number of women who were planning a home birth, these were assessed on a case-by-case basis with an assessment of available staffing at the time. Normal configuration of maternity services resumed on the 17th January 2022, with all birthing centres re-opened;
- Temporary postponement of some routine outpatient appointments (17th - 28th January 2022) to enable the redeployment of staff in some disciplines to support urgent and emergency care pressures.

Recognising the significance of the decisions taken to enact the above, the Executive Team has received underpinning impact assessments to ensure that those decisions taken are risk-based with mitigating actions established wherever possible. The impact of the decisions taken will be a key focus of the Board's Patient Quality, Safety and Outcomes Committee, at its meeting on 8th February 2022.

The measures, taken to-date, remain under review alongside consideration being given to any further measures that may be required to support increased resilience in the system

to enable the Health Board to continue to respond to the emergency and urgent care pressures.

Mass Vaccination Programme

Up to 12 January 2022, 471,768 first doses and 445,835 second doses, 12,323 third doses of Covid-19 vaccinations had been given across the Health Board area, through a blend of mass vaccination centres, GP practices and mobile team delivery. In addition to this, 345,208 residents in Gwent have received their booster dose. 89.3% of over 80's, 89.8% of those aged 75-79, 89.6% of 70-74 years, and 86.3% of over 50s have received their booster.

The Health Board currently has four Mass Vaccination Centres in operation. The opening hours for the mass vaccination centres are available to view on the Health Board's website.

Through a combination of Mass Vaccination Centres, GP Surgeries, Mobile Vaccination Teams, and pharmacies administering vaccinations, since the Programme's rollout, the successful delivery of this ambitious Vaccination Programme is testament to the hard work and dedication of all staff, including the invaluable support received from the Local Authorities, Leisure Trusts, the Military, redeployed healthcare staff, volunteers, nursing students and Gwent Police.

The Executive Team extends its ongoing thanks for the combined efforts of the Mass Vaccination Programme Team and the Workforce & OD Team who have worked collaboratively and at pace to support the redeployment of staff to support the roll-out of the Vaccination Programme.

Unified Breast Unit, Ysbyty Ystrad Fawr

Welsh Government approval has been received to progress the construction of the proposed Unified Breast Unit at Ysbyty Ystrad Fawr (YYF). The preferred option is to construct a new purpose-built unit adjacent to the existing YYF that will centralise existing diagnostic, treatment and surgical services that are currently provided in three separate locations.

The new Unit will allow Health Board residents to access a broader range of integrated services, tailored to meet their specific needs, which should in turn improve overall patient access, waiting times for diagnosis and treatment and clinical outcomes.

The approved total capital cost of the proposed new Unit is £10.2 million. Construction should commence towards the end of February 2022 and is planned to take approximately 1 year to complete.

Integrated Care Facility, St Woolos Hospital

During the Pandemic, patient acuity and dependency has increased, impacting on length of hospital stay and consequently patient flow. The number of patients who are clinically/medically fit for transfer, but remain in hospital beds, has increased and staffing

levels are severely impacted by absence rates and requirements to self-isolate, due to Covid. There is a high reliance on temporary staffing for nurses, doctors, and therapists, all of which are contributing factors to the effective management of the patients' journey, discharge planning and indeed length of stay. Further, there are known staffing challenges

within social care with the lack of availability of social workers, who are key to discharge planning, and the current situation in Domiciliary Care, where the staffing deficits are stark. These factors directly impact on the ability to maintain effective patient flow through the hospital system.

As part of the Winter Plan 2021/22, surge beds were identified to support additional patient demand. One such area was Holly Ward in St Woolos Hospital, however, the Ward has been unable to open, as planned, due to an inability to staff the Unit with Registered Nurses and secure Consultant cover.

In 2021, the Executive Team approved the introduction of the 'Step Closer to Home' Pathway (SC2H), with the aim of maximising community care capacity, through home care 'runs' and use of Care Home beds. Whilst there has been some success with the implementation of the SC2H model, it has been hampered by staffing availability and access to Care Home beds, due to increasing Covid incidents.

The Executive Team has now considered and supported a proposal for Holly Ward, with the crystallisation of a Step Closer to Home Unit as an integrated care facility, recognising that integrated care and transitional care wards are not new and have been introduced across the NHS over many decades with varying degrees of success.

A Standard Operating Procedure been developed for the introduction of a Step Closer to Home Unit (SC2HU), the purpose of which is to support the discharge of patients who are medically optimised (predominantly in an ELGH) but require reablement, to support their discharge (Pathway 3: Graduated Care).

Patients transferred to the SC2HU will be medically and therapy fit for discharge, not requiring on-going acute care or investigations, with a clear discharge plan and Social Worker assessment via the Step Closer to Home Pathway or the Discharge to Recover to Assess Pathway. The Unit will be managed via the Community Directorate, Primary and Community Care Division.

Local Public Health Team

In autumn 2021, Public Health Wales (with the support of Welsh Government) took a decision to align Local Public Health Team resources fully in order to support health boards and the wider system. This decision was taken in recognition that there was a key need for a specialist public health resource embedded locally – something of paramount importance during the COVID-19 pandemic.

This decision included the transferring of staff within the Local Public Health Teams into the direct employment of their respective health board, from where Directors of Public Health have been directing and managing them since the establishment of Public Health Wales in 2009.

Public Health Wales and health boards have collectively been engaging with affected staff on the implications of the transfer, as well as developing the project management arrangements and implementation plan. It is anticipated that changes will be fully implemented by autumn 2022.

Equality and Diversity

As we enter the new year, there has been progress made on the Health Board's support for our deaf patients and family members with the introduction of the pilot scheme SignLive, which provides British Sign Language (BSL) interpreters via video relay as well as via telephone interpretation 24/7. Currently BSL interpreters are booked to attend appointments with deaf patients, but in emergency situations this support is not available, which can leave patients and family members feeling isolated and anxious. The scheme is being piloted in several areas and is funded until the end of March 2022, with a view that it will be adopted and rolled out throughout the Health Board to meet emergency communication needs, when a face-to-face interpreter is not available.

The areas included in the pilot are:
- Booking Centre,
- Accident and Emergency (A&E) – this includes minor injuries units, • Outpatients,
- Maternity Services,
- Mass Vaccination Clinics and Rodney Parade Testing Site, • Bellevue Surgery-Newport, and
- Putting things right (PTR).

January 2022 also sees the launch of the Health Board's Staff Networks, with 5 networks being established. Over the year, these networks will grow and be added to, providing staff with opportunities to engage with awareness events, identify support needs and improve staff engagement at all levels. The networks will link closely with the current equality advisory groups, which provide strategic direction on equality issues within the Health Board and respond to Welsh Government consultations.

In addition to this work, the Health Board has been promoting its activities for staff for LGBTQ+ history month in February. Sessions are also being developed for March looking at the intersectionality of Welsh and the wider equality areas where Welsh culture, language and history become part of the wider equality community. In March, the Health Board will also be rolling out its Active Bystander Training, which aims to empower staff to challenge poor behaviours and bring about cultural change through the reinforcement of messages defining the boundaries of unacceptable behaviour.

The Health Board has also been working closely with Coleg Gwent and their Engage to Change Programme. The Programme provides placements and opportunities for students with additional learning needs and for those students seeking independent living to enhance their employability skills. Although the pandemic has made placements more difficult, it is hoped that these placements will begin in January.

Communication and Engagement

<u>Engagement and Recruitment Roadshow, "Work With Us"</u>
The Health Board launched an Engagement & Recruitment Roadshow during October half term week as part of the Winter Plan to deliver two key objectives:

- Equitable geographical engagement with our citizens to improve understanding of access to health care services, with a key focus on the use of the Emergency Department at The Grange University Hospital and Minor Injuries Units.
- Promotion of a range of roles within the Health Board including Health and Social Care job vacancies, in conjunction with partner organisations.

Since the 'Work With Us' series of Roadshows began, 43 locations have been visited with either the specially commissioned double decker bus or "pop up" gazebo. Geographical spread of events has been well balanced with a focus to capitalise on routine, established events (market days), attendance at natural high footfall venues (supermarkets and town centre locations) and have presence at Christmas/winter events. The Team also attended four Coleg Gwent campuses. The roadshows have involved attendance from partners including Torfaen County Borough Council Social Care, Bridges Into Work and Communities For Work Teams; Monmouthshire County Council Social Care; Shared Lives Caerphilly and Platform.

A dedicated web page and social media plan were created and communication with stakeholders and distribution of posters displayed at locations, in advance of attendance.

Over 1100 1:1 face to face conversations with visitors to the roadshows have taken place and 345 Expressions of Interest received for job roles within the Health Board (broken down further: Facilities 142; Health Care Support Worker 99; Admin Bank 96, Signposted 8).

Face to face engagement has been paused during January, with plans being made to recommence in February, if it is deemed safe to do so in light of the current COVID-19 circumstances.

Animation in a Cinema Near You

The Health Board has recently launched a new animation in local cinemas to explain the different services available, when medical help is needed and is a prequel to a longer production that will be released in a few weeks' time. The animation was launched in Cineworld Newport, Vue Cwmbran and Maxime Blackwood cinemas and will run until the end of January. The animation can be viewed at: https://www.youtube.com/watch?v=qNkR0QgkAGg

Staff Engagement

#CynnalCynefin #PeopleFirst

The Executive Team remain cognisant of the pressures placed on the organisation during this time and extends its ongoing thanks to all staff who continue to work tirelessly to support our patients and families.

Recognising the importance of staff having an opportunity to share experiences, learning and issues, the Executive Team has launched an Executive Team supported project #CynnalCynefin #PeopleFirst with the aim of reconnecting the organisation, through a series of locally based workshops and events starting, with executive director and senior management staff engagement sessions.

The aim of the first phase, which commenced in early December 2021, is to reach as many members of staff as possible, to provide the opportunity to be heard and for the Health Board to listen. The engagement is more recently supported by a social media campaign and an external website that staff can access from their own devices.

To date, we have led 14 staff engagement events comprising a mix of group meetings, individual meetings and "walking the floor". Throughout these meetings, we have spoken to over 100 staff, raising over 130 key issues. February marks the end of phase 1 (executive director engagement phase) where an interim report will be drafted and shared.

Phase 2 begins in March where the Health Board will engage with General Managers and Senior Clinical Leaders and their teams in key strategic areas across the organisation to reconnect, listen and empower staff.

Over the course of the next 12 months, the phased approach aims to reach all parts of the organisation and empower local teams to voice key issues and solve these issues together locally. Phase 3 will aim to develop leadership and problem-solving skills of key managers, empowering them to apply the principles of the People First project, as part of normal business.

Outreach Engagement

Over the Christmas period, staff really went above and beyond, bringing the magic of Christmas to many Asylum Seeker and Refugee families across Gwent.

In December, over 900 presents were collected and wrapped, along with £350 worth of ASDA vouchers and 100 reconditioned laptops for families, in need, across Gwent. The Health Inclusion Service then set out and delivered the gifts, personally, to the families. As well as bringing some smiles to faces, the Team were able to engage with families, undertake vital physical and mental well-being checks, verify immunisation statuses, and register them with local GPs. We couldn't have wished for a more successful activity!

Thank you to Senior Health Promotion Specialist, Jackie Williams, and Senior Nurse for the Health Inclusion Service, Star Moyo, their teams and every single one of our generous staff members who donated. Star said: "*The excitement and joy from both parents and children was just overwhelming.*"

The Health Board extends its thanks to Newport and Usk Vale Lions Rugby Club, The Usk Pantomime Group, and the Celtic Manor, who each provided gifts, donations, and food for the families.

New Year's Honours

The Health Board is proud to announce that Deputy Director of Nursing, Linda Alexander has been awarded an Order of the British Empire (BEM), within the New Year's Honours list 2022.

Linda first joined the NHS in 1985 and has worked in Aneurin Bevan University Health Board, and predecessor organisations, for 20 years. Awarded for services to Patient Care and Alternative Workforce Solutions in NHS Wales, Linda has been instrumental in finding new and innovative ways to recruit into NHS Wales. Establishing new roles and responsibilities, and driving overseas nursing recruitment, has led to a 33% reduction in nursing vacancies.

Linda said: "*It is a huge honour; I can't quite believe it! I accept this honour on behalf of all my workforce and nursing colleagues, from the most junior to the most senior in the Health Board, it really has been a team effort and I've had incredible support from Rhiannon Jones, Executive Director of Nursing*."

The Health Board is also proud to announce that Professor Euan Hails has been awarded Members of the Order of the British Empire (MBE) for services to children and young

people's mental health in Wales. Professor Hails is a Consultant Nurse working in the Health Board's Child and Adolescent Mental Health Services (CAMHS).

Awards and Staff Recognition

Queens' Nurse Award

Natalie Rowles, Primary Care Diabetes Specialist Nurse has been awarded the prestigious title of Queen's Nurse (QN) by community nursing charity, The Queen's Nursing Institute (QNI). The title is not an award for past service but indicates a commitment to high standards of patient care, learning and leadership.

Nurses who hold the title benefit from developmental workshops, bursaries, networking opportunities, and a shared professional identity.

Dr Crystal Oldman CBE, Chief Executive of the QNI said:
'On behalf of the QNI I would like to congratulate Natalie and welcome her as a Queen's Nurse. Queen's Nurses serve as leaders and role models in community nursing, delivering high quality health care across the country. The application and assessment process to become a Queen's Nurse is rigorous and requires clear commitment to improving care for patients, their families and carers. We look forward to working with Natalie and all other new Queen's Nurses who have received the title this year.'

Royal Invitation to Westminster Abbey

This year, NHS staff, were invited to attend the Royal Carol Service in Westminster Abbey at the invitation of the Duchess of Cambridge and Kensington Palace.

The Health Board is delighted to confirm that two of the Health Board Chaplains, Alan Tyler and Carol Taplin, were invited and attended the Royal Carol Service which took place on the 8th December 2021.

Operational Research Society Lyn Thomas 2021 Impact Medal

A joint team from the Modelling Unit within Aneurin Bevan Continuous Improvement (ABCi) and Cardiff University, School of Mathematics were awarded the Operational Research (OR) Society Lyn Thomas 2021 Impact Medal. The Lyn Thomas Impact Medal (https://www.theorsociety.com/lyn-thomas-impact-medal/) is awarded annually for the academic OR research which best demonstrates both novelty and real-world impact, backed up by evidence.

Since 2014 a group of OR academics from Cardiff University has worked closely with the Mathematical Modelling team at Aneurin Bevan University Health Board. This unique relationship has provided opportunities to pioneer novel modelling techniques within the NHS.

Many OR techniques have been used to approach problems such as forecasting, demand and capacity planning, simulation, optimisation, and scheduling. The Team have also trained NHS staff in analytical and modelling skills. To date, the modelling team has a portfolio of over 150 completed projects and their work has directly led to evidenced cost savings. The examples of projects include informing the design of a new hospital and supporting mental health outreach teams, which led to a reduction of 79% in avoidable hospital admissions. They were also involved in designing and launching the NHS 111 Service and in advising the Welsh Government about the response to COVID-19, in particular initial demand and capacity planning and logistics.

Community Transport Champion Award

The Health Board, in partnership with Gwent Association of Voluntary Organisations (GAVO), Community Transport Association (CTA), Torfaen Voluntary Alliance (TVA) and Powys Association of Voluntary Organisations (PAVO) is proud to announce that their 'Transport to Health' project won the Community Transport Champion Award at the British Community Transport Awards which took place online on 18th November 2021.

The Health Board funded 'Transport to Health' project was nominated in the Community Transport Category for its support and investment in local community transport providers by establishing, improving and expanding transport to health services across the region.

The project was launched in July 2021, to support community transport to hospitals and other NHS premises across the Aneurin Bevan University Health Board area. Transport providers can apply for grant funding to support the growth and development of accessible and inclusive transport. The funding is available to existing community transport enterprises, to support the development of new patient transport schemes and to encourage new partnerships within the sector.

The Award Judges were impressed by the Health Board's determination to support community transport by investing in the sector, creating the Transport to Health grant fund, to make sure local Community Transport providers are given the resources they need to meet this important challenge.

Steve Bonser, ABUHB Head of Transformational Change and Colin Gingell, ABUHB Business Support Manager, said "*We are proud to have been part of this project, supporting new and existing community transport operators to develop and improve connections for patients, visitors and staff accessing health settings across the region. We are delighted that the project has achieved recognition in winning this Award*."

Assessment and Conclusion
This report provides the Board with an overview of the recent activities of the Executive Team and potential programmes of work within the Health Board and the positive events where our staff have excelled.
Recommendation
The Board is asked to note this report for information.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	COVID-19 and system pressures remain key risks on the Board's Corporate Risk Register.
Financial Assessment, including Value for Money	There are no direct financial implications arising from this report.

Quality, Safety and Patient Experience Assessment	Decisions taken to respond to system pressure and COVID-19 are contained within the report. In respect of these, underpinning Impact Assessments will be shared with the Board's Patient Quality, Safety and Outcomes Committee on 8th February 2022.

Equality and Diversity Impact Assessment (including child impact assessment)	An EQIA has not been undertaken on the contents of this report.
Health and Care Standards	The range of activities outlined in the report will contribute to the Health Board's approach to Health and Care Standards.
Link to Integrated Medium Term Plan/Corporate Objectives	The range of activities outlined in the report will contribute to the Health Board's strategic objectives.
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	The range of activities outlined in the report will contribute to the Health Board's approach to the Well Being of Future Generations Act.
Glossary of New Terms	No new terms have been identified.
Public Interest	This report is written for the public domain.

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GIG CYMRU NHS WALES Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board	Aneurin Bevan University Health Board Wednesday 26th January 2022 Agenda Item: 4.6

Aneurin Bevan University Health Board

Committee and Advisory Group Update and Assurance Reports

Purpose of the Report

This report acts as a mechanism for Committees to provide assurance to the Board with regard to business undertaken in the last reporting period. It also allows the Committee to highlight any areas that require further consideration or approval by the Board.

The Board is asked to note this report and the updates provided from Health Board Committees for assurance.

The Board is asked to:	
Approve the Report.	
Discuss and Provide Views	
Receive the Report for Assurance/Compliance	✓
Note the Report for Information Only	

Executive Sponsor: Rani Mallison, Board Secretary

Report Author: Bryony Codd, Head of Corporate Governance

Report Received consideration and supported by:

Executive Team	**N/A**	**Committee of the Board [Committee Name]**	**As outlined.**

Date of the Report: 12th January 2022

Supplementary Papers Attached: Committee Assurance Reports

Background and Context

The Health Board's Standing Orders, approved in line with Welsh Assembly Government guidance, require that a number of Board Committees and advisory groups be established. The following Committees and advisory groups have been established:

Required Committees:
- Audit, Finance and Risk Committee
- Charitable Funds Committee
- Patient Safety, Quality and Outcomes Committee
- Mental Health Act Monitoring Committee
- Remuneration and Terms of Service Committee
- Stakeholder Reference Group
- Healthcare Professionals Forum

Additional Committees and Groups:
- Strategy, Planning, Partnerships and Wellbeing Group
- People and Culture Committee

Assurance Reporting

The following Committee assurance reports are included:
- Audit, Finance and Risk Committee – 2nd December 2021

- Mental Health Act Monitoring Committee – 9th December 2021
- Patient Safety, Quality and Outcomes Committee – 21st December 2021
- Charitable Funds Committee – 11th January 2021
- Strategy, Planning, Partnerships and Wellbeing Group – 13th January 2022

External Committees and Group

Representatives from the Health Board also attend a number of Joint sub-Committees or partnerships of the Health Board, these are:

- Emergency Ambulance Services Committee
- Welsh Health Specialised Services Committee
- Shared Services Partnership Committee

In order to provide the Board with an update on the work of these Committees and Groups the following minutes, assurance reports and briefings are included:

- Welsh Health Specialised Services Committee – 11th January 2022

Assessment and Conclusion

In receiving this report, the Board is contributing to the good governance practice of the organisation in ensuring that Committee business is reported to the Board and any key matters escalated, where appropriate.

Recommendation

The Board is asked to note for assurance this report and the updates provided from Health Board Committees.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	There are no key risks with this report. However, it is good governance practice to ensure that Committee business and minutes are reported to the Board. Therefore, each of the assurance reports might include key risks being highlighted by Committees.
Financial Assessment, including Value for Money.	There is no direct financial impact associated with this report.
Quality, Safety and Patient Experience Assessment	A quality, safety and patient experience assessment has not been undertaken for this report as it is for assurance purposes.
Equality and Diversity Impact Assessment (including child impact assessment)	An Equality and Diversity Impact Assessment has not been undertaken for this report.
Health and Care Standards	This report will contribute to the good governance elements of the Standards.
Link to Integrated Medium Term Plan/Corporate Objectives	There is no direct link to the Plan associated with this report, however the work of individual committees contributes to the overall implementation and monitoring of the IMTP.
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	Not applicable to this specific report, however WBFGA considerations are included within committee's considerations.
Glossary of New Terms	None
Public Interest	This report is written for the public domain.

Name of Committee:	**Audit, Finance and Risk Committee**
Chair of Committee:	**Shelley Bosson**
Reporting Period:	**2nd December 2021**
Key Decisions and Matters Considered by the Committee:	

Committee Work Plan - The Committee agreed work was required to develop a more structured approach and a revised format to improve fluency of business. Going forward, Committee business would be driven by the Committee's Terms of Reference (TOR), Risk Profiles, and Board Assurance Framework (BAF).

Estates Efficiency Framework - The Committee received the report, noting the Framework would enable the organisation to determine the best use of capital resources to improve the efficiency of how the Health Board operates. It would provide a structured approach to decision making, support the delivery and desired outcome of the long-term strategy, by replacing the various competing strategies.

The Committee endorsed the Framework, noting a simplified system would allow more structured decision making based on criteria. However, requested the Health Board's Statutory Duties under the WbFGA be evident. Also, greater detail regarding partnership working and how 'collective thinking' is fed up to the Gwent Public Service Board to inform a Gwent wide approach to strategic planning and future-proofing of services.

A progress report on implementation of the Framework, together with the governance arrangements would be received in April, linked to the implementation of the Agile Working Framework.

Update on Governance, Financial Control Procedures and Technical Accounting – The Committee was informed that some STAs had not been previously reported. This was explained as an issue in terms of process, but had since been amended. The Committee was assured all STAs would be presented to the Committee in a timely way to support effective scrutiny.

Losses and Special Payments - The Committee noted the position as set out in the report, and noted the majority of payments are recoverable from the Welsh Risk Pool.

Overview of Legal Services processes related to Losses and Special Payments - The Committee received the report and was informed that the role of ABUHB's Legal Services Team was to oversee and investigate the management of all clinical negligence and personal injury claims.

The Committee was advised of the process for financial outlay and reimbursement, and noted that the Health Board would initially pay out damages, and seek reimbursement from the Welsh Risk Pool, which is the indemnity provider for clinical negligence and personal injury in Wales. However, noted there is no automatic entitlement to reimbursement; each claim would undergo significant scrutiny before approval may be granted.

The Committee noted the partnership and governance arrangements in place with the Welsh Risk Pool, which provided assurance that a robust scrutiny process was in place.

The Committee was informed that record keeping features in all legal cases but had never been the key focus of a claim, and noted, as the Health Board moves towards

electronic record keeping, it is anticipated this would improve record keeping standards and reduce related issues as a factor in claims.

Finance Report- The Committee received the report which identified forecast financial balance for 2021/22, achieved through non-recurrent WG Covid-19 support funding. It was noted that to ensure long-term sustainability and to reduce the Health Board's underlying deficit, improvements to the levels of recurrent savings and efficiency programs would be needed. This would be a key factor when producing financial and service plans for next financial year and the IMTP.

The Committee was appraised of the £32m earmarked recurrent funding for Planned and Unscheduled Care Sustainability for 2022/23 onwards but noted there were criteria to access the funding.

Risk and Assurance Audit Tracker- The Committee received the tracker, noting that a comprehensive assessment of audit recommendations, and an outline of the management process for tracking those through to completion, would be prepared for February's meeting.

A revised reporting approach was suggested; the focus of each meeting would be on overdue actions, and where necessary seek assurance from responsible leads on the measures being taken to address the action.

Strategic Risk Report – The Committee received the report and endorsed ownership of additional risks in lieu of the Strategy, Planning, Partnership & Wellbeing Group no longer an Assurance Committee of the Board, but agreed responsibility may be given to other Committees to discuss specific risks in greater detail.

The Committee requested a reporting mechanism be established to provide an overview of all strategic risks, with clear representation of where detailed assurances are being sought through the Board and Committee infrastructure. A summary report would be presented to the Board routinely.

NWSSP Audit and Assurance; Internal Audit Report – The Committee received the report and noted several audits were being deferred to the end of the year, potentially into the new financial year to ensure the audits deemed more critical could be progressed. This was noted as a common position across Wales, but were assured plans were still on track to produce a full Head of Internal Audit Opinion at the end of the year.

The Committee had particular concerns in relation to the Mental capacity Act Audit, and was clear that they would like to see more action in relation to accurate record keeping as well as record keeping being a key focus of Committees. In addition, requested that there was a link to the Patient Quality, Safety & Outcomes Committee (PQSO) and the Mental Health Act Committee.

External Audit: Audit Wales – The Committee received the update and noted the reports scheduled for February. ***Feedback from the Annual Audit of Accounts 2020-2021 –*** The Committee was informed that since circulation of the report, implementation dates had been confirmed and some management responses had been received. A particular concern in relation to Matter Arising C was discussed. This would come back to the Committee as a specific item along with appropriate representation to support the discussion.
Matters Requiring Board Level Consideration or Approval:
• There were no matters requiring consideration or approval.
Key Risks and Issues/Matters of Concern:
• There were no issues or matters of concern.
Planned Committee Business for the Next Reporting Period:
• Muskulo Skeletal Pathway Redesign Programme 2021/22 – (Finance remit – Outcomes) • Digital Systems, Efficiencies and Benefits Realisation Update Report
Date of Next Meeting: 3rd February 2022 at 09:30am via Microsoft Teams

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Name of Committee:	**Mental Health Act Monitoring Committee**
Chair of Committee:	**Pippa Britton**
Reporting Period:	**9th December 2021**
Key Decisions and Matters Considered by the Committee:	

Mental Health Act Update- The Committee received a report on the use of the Mental Health Act from July-September 2021. The Committee were advised that the use of the Mental Health Act had increased by 15% over the outlined quarter. The Committee were advised that early data indicated that increases in the use of the Mental Health Act correlated with changes in restrictions due to the pandemic. The Committee were assured that the report captured data on the use of the Mental Health Act. It was reported that the Health Board did not have a separate Section 136 area for children and young people. The Committee was assured that this was included in the Risk Register within the Mental Health Division. The Committee were assured that ABUHB were actively working with local authorities to address the increase in presentations of patients. ***Mental Health Act Bench-marking Discussion -*** The committee was advised that the use of the Mental Health Act across ABUHB hospitals was low for the outlined quarter. The Committee were assured that comparative data indicated ABUHB Mental Health activity followed similar patterns to other Health Boards. It was noted that low numbers of applications by a patient had been received in relation to MHA manager's activity. The Committee noted that more consistency was required in the ABUHB area. The Committee were assured that further investigation was needed around high numbers in other Health Boards and with a view of shared learning and analysis of patient experience. ***Section 117 Update*** – The Committee were assured that work had been completed alongside local authority partners ensuring patients were getting the required care for the required timeframe.
Matters Requiring Board Level Consideration or Approval:
None Noted.
Key Risks and Issues/Matters of Concern:
There were no issues or matters of concern.
Planned Committee Business for the Next Reporting Period:
• Mental Health Act Update. • Power of Discharge Sub-Committee Update
Date of Next Meeting: Tuesday 1st March 2022 at 10:00am via Microsoft Teams

Name of Committee:	**Patient Quality, Safety and Outcomes Committee**
Chair of Committee:	**Pippa Britton**
Reporting Period:	**21st December 2021**
Key Decisions and Matters Considered by the Committee:	

Urgent and Emergency Care Update: The Committee received the update on the whole system review that had taken place to better understand interdependencies and create a coordinated approach. The Committee were assured that the Urgent Care structure produced was overseen by the Urgent Care Transformation Board.

The Committee was assured that redeployment was necessary to support the mass vaccination booster programme and an important step towards addressing winter pressures and the response to the emerging Omicron variant.

The Committee was informed that the issues flagged in the HIW report relating to issues at Nevil Hall and Royal Gwent hospitals would be shared with the Board via the Medical Director.

In relation to patients' needs being met when waiting for care in ED and families being able to contact medical staff for updates, the Director of Nursing assured the Committee that Standard Operating Procedures were followed and that the fundamentals of care for patients were robust. The Committee noted that communications remained an issue. The Committee was assured that investments had been made to address the ongoing issue by employing ward clerks and patient liaison officers.

Minor Injuries Units (eLGHs): The Committee received an update on risks and mitigated actions aligned to work undertaken in the Minor Injuries Units (MIU). The Committee noted that work was undertaken in response to the opening of GUH and unwell patients presenting at MIU's in eLGH's. The Committee were assured that potential risks associated with ongoing WAST delayed transfers were being addressed. Meetings had taken place between the Health Board, medical staff representatives and WAST to develop a Standard Operating Procedure for delayed ambulance transfers. Further information on patient transfers and possible challenges were to be reported to the Committee.

External inspections & Reviews: Healthcare Inspectorate Wales (HIW) & the Aneurin Bevan CHC- HIW National Ambulance Review, HIW GUH ED & Assessment Units, CHC 7 Days in ED, HIW Mental Health St Cadocs and Wales Neonatal Network Peer review.

The Committee received the reports outlined. The Committee were assured that actions were being undertaken to address the recommendations within the reports.

The Committee requested assurance that recommendations would not be repeated in future inspections, noting that daily checking of the Resuscitation trolleys in the ED inspection had been a previous HIW recommendation. The Director of Nursing assured the Committee that policies and training were in place to ensure these issues would

be monitored accordingly but could not give outright assurance that they would not occur.

The Committee noted concerns in relation to the significant pressure and impact on staff during the external inspections at such a challenging time. These concerns had been raised by the Health Board with the Chief Nursing Officer for Wales. The Committee acknowledged the additional pressure these reviews placed on staff and requested that associated staff wellbeing issues highlighted in the reports were reported to the People and Culture Committee.

Learning From Death Report
The Committee received the report for assurance in respect of ABUHB's process to review and scrutinise care inpatient mortality and noted the findings outlined. The Committee requested regular 6 monthly updates.

Cleaning Standards Report- performance against standards
The Committee received the report and noted the issues with recruitment. The Committee was assured that the Health Board were using all avenues of recruitment to address current staffing issues and managing risk accordingly. The Committee requested a full audit review, linking to the risk assessment and cleaning standards, be reported at the next meeting.

Update of QPSOG
The Committee received the report.

The Committee requested assurance on the mitigation of the ongoing risk of children being admitted to adult acute Mental Health Units and requested the numbers of children and young adults this affected. The Committee was assured that this had been escalated to the Executive Team and further updates were to be reported at future committee meetings.

Quality and Safety Outcomes Report
The Committee received the report highlighting the current position against areas of concern and mitigation as well as good practice. The Committee noted the significant pressures within the Putting Things Right Corporate Team due to sickness and the impact on performance and were advised that the Health Board would be employing Investigating officers to support the team.

The Committee noted that an anonymous concern had been made to HIW in relation to theatre safety. A response had been sent to HIW and a response from HIW was awaited.

The Committee received an update on the Stroke Pathway and mitigations. The Committee were assured that a Stroke Delivery Group, reporting to the Executive Team, was providing oversight of the actions outlined in the update.

WCCIS Implementation
The Committee received an update on the risk exposure for the Health Board due to the postponement of the implementation of WCCIS for MH&LD services. The

Committee was assured that the Health Board was pursuing urgent discussions with the current EMIS contractor to establish extended support arrangements post March 2022. The Committee requested an update, for assurance, to go to the Strategy, Planning, Partnerships and Well-Being Group on the impact on quality care post 'go live' date. **Highlight Reports:** • ***Safeguarding Committee*** The Committee noted low compliance with Level 2 training, in particular Children's Safeguarding training. The Committee were assured that low training compliance sits on the Corporate Risk register, and that direct engagement from the Divisions had seen positive improvements in compliance from some teams. • ***Urgent Care Transformation Board*** The Committee received the report for information.
Matters Requiring Board Level Consideration or Approval:
None Noted.
Key Risks and Issues/Matters of Concern:
There were no issues or matters of concern.
Planned Committee Business for the Next Reporting Period:
• Complaints Management.
Date of Next Meeting: Tuesday 8th February 2021 at 09:30 via Microsoft Teams

Name of Group:	**Strategy, Planning, Partnerships and Well-Being Group**
Chair of Group:	**Ann Lloyd**
Reporting Period:	**13th January 2022**
Key Decisions and Matters Considered by the Group:	

Gwent Public Services Board: Becoming a Marmot Region
The Group received a paper which had been discussed by the Gwent Public Services Board (PSB) which had proposed Gwent become a Marmot Region.
The Group noted that the PSB had received support to engage the Institute of Health Equity (IHE) to support the further development of these proposals.
The Group was fully supportive of the approach being taken forward by the PSB and looked forward to receiving further updates.

Regional Partnership Board Update, including Governance of Winter Plan The Group received an update from the Regional Partnership Board (RPB), focussed on the Winter Plan 2021/22 and the associated Draft Governance Framework. The Group recognised that further work was required to articulate the governance arrangements of the RPB and alignment with Sovereign Bodies, including the need for a robust decision making framework. It was noted that the RPB was due to meet on 18th January 2022.

Primary Care Estates Overview, including Newport East FBC Health & Well-Being Centre
The Group received an update on the current Primary Care projects of Newport East FBC and Tredegar Health & Wellbeing Centres and proposed timeframes. It was noted that Welsh Government (WG) had received the Draft proposal for Newport East FBC and, subject to Board approval in January 2022, the project was on track for approval by WG in March 2022. Completion of the main building on the Tredegar site was predicted for December 2022. The update also included an early proof of concept of a further three potential proposed Health and Well-Being Centres in Aber Valley, Monmouth and Ebbw Vale.

Enhanced Local General Hospitals: St Woolos Hospital Update
The Group noted that the eLGH Reconfiguration Board (previously the Grange Project Board) was overseeing future plans for Nevil Hall Hospital, Royal Gwent Hospital & St Woolos Hospital (SWH). Plans for the reconfiguration of SWH site were discussed. The Group was assured that a broader business case would be developed, to include capital consequences and final decisions on plans for the site, for WG.

Same Day Emergency Care Arrangements
The Group received an overview of plans for the Same Day Emergency Care (SDEC) unit currently under construction at the Grange University Hospital (GUH). The SDEC project was overseen by the Urgent Care Transformation Board and an update on progress would be submitted to Welsh Government at the end of January 2022. The Group raised concerns around staffing retention and recruitment it was acknowledged that this would need to be monitored by management. The Chair requested a briefing on current service issues with WAST and 111 at the next Board Development session.

Regional Service Planning Update The Group received an update on regional planning. The Group received assurance that a readiness assessment was due to take place on Monday 17th January 2022 to determine a Vascular Services 'go live' date. Further plans for an Endoscopy Unit at the Royal Gwent Hospital were to be presented to the Board in March 2022. Ophthalmology Clinical Workshops had taken place in December 2021 where it was agreed that a South East Wales high level strategy for Eye care progress, Signed off by each Health Board in the region, would provide a strong basis to progress with priority schemes including a regional cataract service.
Matters Requiring Board Level Consideration or Approval:
None Noted.
Key Risks and Issues/Matters of Concern:
There were no issues or matters of concern noted.
Planned Group Business for the Next Reporting Period:
• Detailed Update on Regional Service Planning for Thoracic Services.
Date of Next Meeting: Tuesday 19th April 2022 at 09:30 via Microsoft Teams

WELSH HEALTH SPECIALISED SERVICES COMMITTEE (WHSSC)
JOINT COMMITTEE MEETING BRIEFING – 11 JANUARY 2022

The Welsh Health Specialised Services Committee held its latest public meeting on 11 January 2022. This briefing sets out the key areas of consideration and aims to ensure everyone is kept up to date with what is happening within the Welsh Health Specialised Services. The papers for the meeting can be accessed at:

https://whssc.nhs.wales/joint-committee/committee-meetings-and- papers/2021-2022-meeting-papers/

1.0 Managing Director's Report

Members received the Managing Director's Report and **noted** updates on:

- **Ty Llewellyn Medium Secure Unit** - The assurance review undertaken by the National Collaborative Commissioning Unit (NCCU) Quality Assurance Service in the Ty Llewellyn Male Medium Secure Unit at Betsi Cadwaladr University Health Board (BCUHB) and the future requirement for an action plan from the Health Board; and
- **System Resilience and the Local Options Framework Impact – Weekly Reporting** - As a consequence of challenges in achieving quoracy, linked to COVID-19 operational pressures at Health Board (HB) level, and the recent letter from Mrs Judith Paget CEO of NHS Wales suggesting NHS bodies step down any non-essential meetings, the panel have returned to the process previously adopted during the start of the pandemic to ensure business continuity. The full IPFR Panel meeting will be stood down for January 2022, and the Chair's action arrangement outlined in the Terms of Reference (ToR) will be used, strengthened by including the attendance of two WHSSC Clinical Directors and a lay member representative. Therefore, the strengthened Chair's Action option for Panel decisions will be used during January 2022 instead of the full Panel. Members **noted** that an update report will be presented to the Joint Committee on 18 January 2021.

Members **noted** the report.

2.0 Integrated Commissioning Plan (ICP) 2022-2025

Members received the WHSSC Integrated Commissioning Plan (ICP) 2022-2025 for approval and were requested to approve its submission to Welsh Government (WG) in line with the requirements set out in the WG Planning Guidance.

Members noted that:

- In November 2021 the Joint Committee (JC) had requested that an extraordinary JC meeting be held on 11 January 2022 to approve the WHSSC Integrated Plan (ICP) ahead of Health Board (HB) Integrated Medium Term Plans (IMTP's) being submitted to Boards for approval;
- The Management Group (MG) met on 6 December 2021 and were advised that it may be necessary for MG to convene an ad hoc meeting in early January 2022 for further discussion of the ICP once the HBs had received their financial allocation letters from Welsh Government (WG) and that they would contact the WHSS team with any issues arising from the allocation letters as required; and
- Following the December meeting no formal contact had been received from any MG members to request an ad hoc meeting, however informal feedback had been received from some HBs advising that they may not be in a position to provide final sign off of the ICP at present as they were still working on their own IMTPs.

Members **discussed** the challenges for HBs related to the allocation letter and the increasing levels of uncertainty regarding the recovery position and the risks that this posed. Members **noted** that HBs were still working through their own plans and may not be able to commit to fully approving the ICP at this point, and agreed that the ICP be approved in principle subject to further work being completed with the MG to further explore the risk appetite and specifically the potential for further financial slippage that could reduce the increase needed for the first year of the ICP whilst maintaining a prudent view of the recurrent position. The WHSSC team indicated that the potential for further slippage had already been identified by the team and would be shared in advance. The areas for risk appetite review include the time lag estimated for new developments to fully account for manpower shortages and recovery rate uncertainty, recognising that some new developments may need to brought on more quickly than others. The scale of the potential reduction in the year 1 requirement was indicated to be a reduction to circa 5.11% from the current 6.57%.

Members (1) **Approved** the Integrated Commissioning Plan (ICP) 2022-2025 **in principle** as the basis of the information to be included in the Health Board IMTP's, and **agreed** to refer the ICP back to the

Management Group meeting on 20 January 2022 for further discussion on the financial allocation and tables, and that a special extraordinary JC meeting be scheduled in February 2022 to formally approve the plan in readiness for submission to Welsh Government by the end of February deadline.