

Betsi Cadwaladr University Health Board (BCUHB)
Minutes of the Health Board meeting held in public
on 10th July 2024 livestreamed via Zoom

Board Members present	
Name	Title
Dyfed Edwards	Chair
Karen Balmer	Independent Member / Chair Audit Committee
Clare Budden	Independent Member
Russell Caldicott (RC)	Interim Executive Director of Finance
Gareth Evans	Acting Executive Director of Therapies and Health Sciences
Urtha Felda	Independent Member
Chris Field	Independent Member
Dyfed Jones	Independent Member
Prof Mike Larvin	Independent Member
Dr Jane Moore	Acting Executive Director of Public Health
Mike Parry	Associate Member – Chair Stakeholder Reference Group (SRG) (part meeting)
Fôn Roberts	Associate Member – representing Social Services Directors
Carol Shillabeer	Chief Executive (part meeting)
Rhian Watcyn Jones	Independent Member
Jane Wild	Associate Member – Chair Healthcare Professionals Forum (HPF)
Angela Wood	Executive Director of Nursing and Midwifery
In Attendance	
Jason Brannan	Deputy Director of People
Matt Edwards	Audit Wales
Dave Harries	Head of Internal Audit
Andrea Hughes	Interim Director Finance – Operational Finance
Michelle Phoenix	Audit Wales
Dylan Roberts	Chief Digital and Information Officer
Helen Stevens-Jones	Director of Partnerships, Engagement & Communications
Simon Weaver	Head of Financial Control
Pam Wenger (PW)	Director of Corporate Governance
Diane Davies	Corporate Governance Manager - for minutes

Agenda Item	Action
OPENING BUSINESS	
24/132 Welcome and apologies for absence	
Apologies for absence were received from Gareth Williams, Vice-Chair, Billy Nicholls and Dr Caroline Turner, Independent Members, Dr Nick Lyons, Executive Medical Director and Chris Stockport, Executive Director Planning & Transformation.	

<p>24/133 Declarations of Interest</p> <p>None were received</p>	
<p>24/133.1 Chair Audit Committee address</p> <p>24/133.1.1 The Chair of the Audit Committee advised that the Audit Committee had met the previous day (9th July) to consider the financial statements, the audit report on the accounts (ISA 260), Head of Counter Fraud Annual Report, Head of Internal Audit Opinion and the Annual Report (including the Performance Report, Accountability (and Annual Governance Statement). The Chair and Chief Executive were in attendance at the meeting.</p> <p>24/133.1.2 The Audit Committee Chair advised the Audit Committee recommended to the Board the approval of the 2023-24 Annual Accounts following consideration of Audit Wales findings on their review of the Financial Statements. In addition, the Audit Committee recommended to the Board the approval of the Annual Report 2023-24 for onward submission to Welsh Government (WG), following the incorporation of the accounts subject to Board approval.</p> <p>24/133.1.3 The Audit Committee had recognised the work of the teams during the year and noted, in particular, some of the challenges in relation the Remuneration Report, as the regularity issue disappointingly related to the appointment of a previous Interim Executive Director of Finance which had rolled into the 2023/24 year. The Team was working closely with Audit Wales to address the issues going forward.</p> <p>24/133.1.4 The Internal Audit Opinion was received which provided 'limited assurance' on systems of internal control and, whilst disappointing, was acknowledged as the health board anticipated. Work to improve the systems of internal control would be a key priority for the Executive Team in 2024/25. The Annual Report and Annual Governance Statement was received and recommended to the Board to approve as part of the Annual Report.</p> <p>24/133.1.5 The Audit Committee Chair acknowledged the volume of work undertaken and the positive collaboration that had taken place in year with Internal Audit and Audit Wales. She commended delivery of the accounts on time and to a high standard. She was pleased to invite the Board to receive the 2023/24 reports for consideration and approval of the annual report and accounts for onward submission.</p>	
<p>24/134 BCUHB Annual Accounts 2023-24 financial statements</p> <p>24/134.1 The Interim Executive Director of Finance presented the financial statements highlighting the positive achievement of £24m deficit delivered against the original planned £33m deficit, which had also enabled the £76.4m additional Welsh Government (WG) allocation to be incorporated into the baseline as recurrent funding into future years also. He reported that the qualification issued was due to failure to deliver a break even position and an</p>	

<p>irregularity regarding the remuneration of a previous interim director. This was due to decisions taken in the previous financial year and had now been finalised.</p> <p>24/134.2 He emphasised the positive auditors' opinion of the accounts as unqualified, this represented an important step for BCUHB demonstrating that processes of financial control and delivery could be relied upon. He thanked BCU staff, his Finance Team and Audit Wales colleagues for their contributions in achieving the position, against a condensed timeline in comparison to previous years' submission deadlines.</p> <p>24/134.3 The Chair and Board Members echoed their thanks to those who had enabled a more effective and robust system of financial control to be put in place and deliver quality improvements to the documentation provided. The Chair requested that the Interim Executive Director of Finance extend the Board's thanks to all involved throughout the year, as the Board was now in a better position to deliver the best for the people BCUHB serves.</p>	RC
<p>24/135 ISA 260 Audit of Financial Statements Audit Wales</p> <p>24/135.1 Mr Matt Edwards, Audit Wales acknowledged the comments that had been made previously regarding the Audit Committee's discussions. He commended the achievement of delivering the accounts to the timetable outlined (the first time since 2021). It was reflective of the improvements which had been made and welcomed working in a very collaborative environment. He advised the Senedd would be provided with a more detailed report on the qualification matters, being a breach of BCUHB's first financial duty to achieve financial balance over a 3 year period and the irregularity previously mentioned along with advice that the organisation had not met the second financial duty to prepare a 3 year Integrated Plan.</p> <p>24/135.2 Mr Edwards advised that whilst there had been significant changes in Board membership during the year, more robust governance arrangements needed to be embedded around remuneration reporting to ensure accuracy, he acknowledged this was a priority for the newly appointed Director of Governance who would be working with Audit Wales to achieve the necessary improvements. It was noted that the Chief Executive had given assurance at the Audit Committee meeting that remuneration reporting would be improved throughout the year.</p> <p>24/135.3 The Chief Executive joined the meeting commenting that whilst financial and governance processes had improved there was more work to do to improve the effectiveness of the organisation. There would be an opportunity to share more at the Annual General Meeting scheduled in September.</p> <p>24/135.4 The Chair was keen to work together with Audit Wales into the future whilst continuing on the improvement journey, he was grateful to receive the feedback provided which would enable the Health Board to focus on the issues and achieve better outcomes.</p>	



24/136 Head of Internal Audit's (IA) Opinion

24/136.1 The Director of Corporate Governance presented the report acknowledging the Team's support. A limited assurance opinion had been provided and it was **noted** that strengthening internal systems of control would be a key priority for the Executive Team during the year with progress monitored through the Audit Committee.

24/136.2 The Head of Internal Audit advised the report had been drawn together based on internal audit public services standards issued by WG and the IA Team's independent role had been respected which included freedom of access to the Accountable Officer, Audit Committee Chair and Health Board Chair if required. He acknowledged the positive collaborative work undertaken with Audit Wales.

The Associate Member SRG joined the meeting

24/137 Annual Report 2023-24

24/137.1 The Director of Corporate Governance emphasised the technical nature of the documentation based on HM Treasury guidance. She explained the 3 stages of the documentation which in combination would provide the finalised Annual Report 2023/24 for submission to Audit Wales and Welsh Government.

24/137.2 The Director of Corporate Governance advised that following discussion at the Audit Committee the previous day, a subsequent meeting had taken place with Audit Wales to **agree** the approach in response to a number of queries that had been raised. She undertook to share a brief schedule of amendments (eg typographical errors and further explanations) with the Audit Committee Chair and Chair and ensure these were incorporated to the finalised document prior to submission.

24/137.3 Special thanks were provided to the Corporate Governance and Engagement Teams working together to compile the report.

24/137.4 The Director of Corporate Governance highlighted the inclusion of standing order breaches within the documentation which related to late paper submissions and were now subject to strengthened processes. She drew attention to the difficult and challenging year that BCUHB had moved through including establishing many new Board members, responding to critical reports and being placed in Special Measures however, recent reports had demonstrated significant improvements and stability eg Audit Wales' Structured Assessment and Board Effectiveness Review. She concluded that the reports prepared were a true and fair view of governance over the year and was pleased to endorse adoption of the recommendations provided.

24/137.5 The Chief Executive acknowledged the work undertaken and recognised that this was a milestone for the organisation which was actively being monitored through Special Measures reporting at Board and Committee meetings. There had also been a notable change in approach to openness and

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<p>transparency during the year. She acknowledged the participation and contribution of external stakeholders to the work of the Board.</p> <p>24/137.6 The Chief Executive stated that the reports signified the Board was in a more stable position, with significant improvements in corporate and financial governance however there was more to do in operational performance and delivery of services to patients as well as improving quality which were heavily reflected in the 2024/25 Annual Plan.</p> <p>24/137.7 As a true and fair opinion of BCUHB's position on 2023/24, the Chair and Chief Executive welcomed the significance of the assessment. However, whilst progress had been made on processes and procedures it was now time to deliver on quality and performance for all patients within the Health and Wellbeing system.</p> <p>24/137.8 The Chair stated the ambition to report on significant improvements following the challenging year ahead and sought support to work in transformative ways for the benefit of the patients BCUHB served.</p> <p>It was resolved that the Board</p> <ul style="list-style-type: none"> • RECEIVED the Annual Report 2023-24, Part 1 and 2 and Annual Governance Statement • APPROVED the Annual Report 2023-24 (including the audited financial accounts) in readiness for submission to Audit Wales and Welsh Government; and • APPROVED the Letter of Representation for signing by the Chair and Chief Executive, on behalf of the Board 	
<p>24/138 Date of next meeting 25 July 2024, Optic Centre, St Asaph</p> <p>The Chair and Chief Executive welcomed members of the public to attend the Annual General Meeting and also the Community Engagement event taking place the next day in Llandudno.</p>	