

Betsi Cadwaladr University Health Board (BCUHB)
Minutes of the Extraordinary Health Board meeting held in public
on 24 August 2023 at the Conference Room, Optic Centre, St Asaph and
via zoom livestream

Board Members Present	
Name	Title
Dyfed Edwards	Chair
Karen Balmer	Independent Member
Jason Brannan	Deputy Director of People
Clare Budden	Independent Member
Russell Caldicott	Interim Executive Director of Finance
Adele Gittoes	Interim Executive Director of Operations (via Teams)
Dyfed Jones	Independent Member
Dr Nick Lyons	Executive Medical Director/Deputy Chief Executive
Phil Meakin	Acting Board Secretary
Teresa Owen	Executive Director of Public Health
Dylan Roberts	Chief Digital and Information Officer
Carol Shillabeer	Interim Chief Executive Officer
Helen Stevens-Jones	Director of Partnerships, Engagement & Communications
Rhian Watcyn Jones	Independent Member
Jane Wild	Associate Member
Angela Wood	Executive Director of Nursing and Midwifery

In Attendance	
Simon Cookson	Director of Audit & Assurance, Internal Audit
Richard Coxon	Interim Head of Corporate Affairs (minutes)
Diane Davies	Corporate Governance Manager (livestream)
Andrew Doughton	Audit Wales
Matt Edwards	Audit Wales
Lowri Gwyn	For translation
Andrea Hughes	Interim Finance Director: Operational Finance
Marty Mcauley	Deputy Director Corporate Governance/Deputy Board Secretary
Michelle Phoenix	Audit Wales
Tony Uttley	Interim Finance Director
Simon Weaver	Head of Financial Control



Agenda Item	Action
OPENING BUSINESS	
<p>HB23/188 Welcome, introductions and apologies for absence</p> <p>HB23/188.1 The Chair welcomed everyone and noted apologies from:</p> <ul style="list-style-type: none">• Gareth Evans, Acting Executive Director of Therapies & Health Science• David Jenkins, Welsh Government Advisor• Prof Mike Larvin, Independent Member• Fôn Roberts, Associate Member• Chris Stockport, Executive Director of Transformation and Planning• Gareth Williams, Independent Member <p>HB23/189.2 The Chair stated the purpose of the extraordinary meeting was to consider approval of BCUHB's Annual Accounts 2022/23. This came in the shadow of the Lucy Letby case. He shared heartfelt empathy with anyone affected on behalf of the Betsi Cadwaladr University Health Board and was joined by the Interim CEO in extending condolences to the families of the victims and NHS colleagues working within the Countess of Chester hospital. It was noted that BCUHB was willing to join any inquiry and reinforced the organisation's commitment to be a learning organisation that would take on board all learning identified through this devastating experience.</p>	
<p>HB23/189 Declarations of Interest on current agenda</p> <p>There were no declarations of interest made.</p>	
ITEMS FOR APPROVAL/RATIFICATION/DECISION	
<p>HB23/191 Annual Accounts 2022/23 and Publications</p> <p>It was noted that the Annual Accounts 2022/23 and publications had been reviewed and approved by the Audit Committee which had met earlier that day.</p>	
<p>HB23/192 Audited Annual Accounts 2022/23</p> <p>HB23/192.1 The Interim Executive Director of Finance presented the item and highlighted the key points, explaining that the accounts had been due to be submitted by 31 July 2023 however, this target had not been met. It was also confirmed that there had been no changes from the draft to the final out turn position.</p>	

HB23/192.2 The Interim Executive Director of Finance clarified the qualification on the accounts (the 2021/22 closing balances and becoming the opening balance of the 2022/23 accounts) and highlighted the regulatory breach of a payment to a staff member not seeking approval from Welsh Government (WG).

HB23/192.3 The Audit Committee Chair added that they had met as a committee that morning and reflected that it had been a challenging year and challenging audit. Some minor amendments had been agreed and she thanked everyone for their efforts to achieve this.

HB23/192.4 Matt Edwards from Audit Wales confirmed that once the accounts had been approved, they could be formally laid. He endorsed the comments that had been made regarding the qualified opinion and acknowledged the commitment and communication with the Health Board, particularly the Finance team.

HB23/192.5 The Interim CEO advised that there were a number of issues relating to governance and practice which would be actioned and dovetailed into the special measure's response plan. She emphasised that this was not a comfortable position for the Health Board and there was a firm commitment to improve and move forward.

HB23/192.6 The Chair emphasised the Health Board's full commitment to strengthening governance and a clear plan to improve, providing assurance to the public that this past action would not happen again.

HB23/192.7 He thanked everyone involved in the preparation of the accounts, recognising the amount of diligence, work and commitment undertaken, which included the support of new colleagues. Audit Wales colleagues were also thanked for their hard work. The Chair made a firm commitment to carry on the effective and efficient approach of the work undertaken to date.

It was resolved that the Board approved the Annual Accounts 2022-23.

HB23/193 Audit Wales

HB23/193.1 Matt Edwards from Audit Wales presented the key findings of the auditors' report which had been shared with the Audit Committee.

HB23/193.2 He advised this included disclosures around the materiality level. The concept of materiality applied was just over £2m however, there were no issues with expenditure in year.

<p>HB23/193.3 The report highlighted two uncorrected statements which the Audit Committee were fully briefed on, noting that some were quite technical in their nature. This included the implementation of accounting standard IFRS16 and the treatment of leases, which were not material disclosures.</p> <p>HB23/193.4 There were significant issues that were identified and shared with the Audit Committee in relation to the financial duty. The three-year position in terms of the financial duty was correct. However there remained some question regarding the expenditure. There was also scope to improve the quality of the accounts including some of the primary statements, coupled with support to help the Health Board improve.</p> <p>It was resolved that the Board approved the Audit Wales Audit Report on the Financial Statement 2022-23.</p>	
<p>HB23/194 Annual Report 2022/23</p> <p>HB23/194.1 The Interim CEO presented the Annual Report 2022/23, noting that she was not in post during the period. It was acknowledged that the report was lengthy due to alignment with standardised templates however, a more user-friendly version would be provided to the Annual General Meeting in September.</p> <p>HB23/194.2 The Interim CEO stated there had been many significant challenges during 2022/23 however the report provided a sharp focus on many of these. She talked about wider system pressures such as recruitment, access to services and discharging with appropriate support which had all been set against a challenging financial backdrop. It was confirmed that the final version of the Annual Report presented to the AGM would be more accessible and translated.</p> <p>HB23/194.3 An Independent Member (IM) noted the challenge of reporting on the previous year as it did not reflect progress made in year which would be shared at the AGM</p> <p>It was resolved that the Board approved the Annual Report 2022/23.</p>	
<p>HB23/195 Annual Governance Statement 2022/23</p> <p>HB23/195.1 The Interim CEO introduced the Annual Governance Statement 2022/23 which enabled the Chief Executive to provide a view of the soundness of governance, risk management and internal control within the organisation. It was noted that the Interim CEO was not in post during the period reported. She recognised the support of colleagues in collating the evidence to support the submission as the current Accountable Officer.</p>	

<p>HB23/195.2 The Interim CEO reported that there was much work required to implement and embed effective risk management systems within the organisation. A revised Risk Management Framework would be submitted for consideration at the September Health Board meeting.</p> <p>HB23/195.3 She thanked Audit Wales for the thoroughness of scrutiny undertaken in regard to the functioning of the Board and support provided, which would be aligned to BCU's Special Measures response plan.</p> <p>HB23/195.4 It was noted that the system of internal control showed weaknesses, such as assurance mechanisms, as well as the approach to health and safety. This, coupled with the Head of Internal Audit opinion and the quality governance escalation of some services, set a clear path for what needed to be addressed.</p> <p>It was resolved that the Board approved the Annual Governance Statement 2022/23.</p>	
<p>HB23/175 OTHER MATTERS</p>	
<p>HB23/176 Any other urgent business</p> <p>There was no other business for discussion.</p>	
<p>HB23/177 Date of next meeting</p> <p>28 September 2023, Venue Cymru, Llandudno.</p>	
<p>HB23/178 Resolution to exclude the Press and Public</p>	
<p><i>Exclusion of Press and Public for Private Board meeting</i></p>	