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Annual Report 2021/22



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Foreword

Jan Williams OBE, Chair of the Board

2021/22 began with Public Health Wales continuing to provide effective system leadership in response to COVID-19, with Health Protection, Surveillance and Microbiology services ramping up in -year, this time in response to the Omicron variant. Throughout the year, everyone demonstrated a tireless commitment to the public health and protection of the people of Wales; I was delighted when the Minister for Health and Social Services sent a special message to all staff, paying tribute to Public Health Wales' vital system leadership role and commenting on the value placed on the advice and guidance from our professionals throughout the pandemic. A further example of the altruism and public spiritedness of Public Health Wales' staff came in the humanitarian response from so many following the invasion of Ukraine. As the National Public Health Institute in Wales (NPHI), we are also working with others in the International Association of Public Health Institutes to support Ukrainian public health colleagues. I mentioned last year that the pandemic had seen Public Health Wales come into its own as an NPHI and the 2021/22 annual report sets out the ongoing development of that role.

Public Health Wales employs extraordinarily talented and dedicated staff, a number of whom Kate Eden, vice-chair, and I had the privilege and pleasure of 'dropping in' on virtually throughout the year-on teams from Ports and Borders, the ACE Support Hub, Research and Evaluation, Improvement Cymru, Vaccine and Preventable Disease Programme to the World Health Organisation Collaborating Centre (WHO CC), and People and Organisational Development. Across the organisation, we heard both of strong delivery against the Operational Plan- a great achievement, given the challenges- but also ambitious plans for the future. The Screening Division not only focussed on reactivation, but also on opportunities for transformation , whilst PenGu continued on its world-leading course, achieving 200k genome sequencing and UKAS 15189 accreditation- a great achievement for both the lab and our bioinformaticians!

In our NPHI role, we also kept the longer-term harms resulting from Covid-19 firmly in focus,; together with the WHO and Welsh Government, the WHO CC team produced the Welsh Health Status Report initiative (WHESRI), a ground-breaking commentary on the nation's health and well-being; the Policy and International

Health team also made sure that Wales had the benefit of international horizon scanning. The importance that the WHO placed on Public Health Wales' WHO CC status was underscored by the speed with which it re-designed the CC for a further four-year term, a fitting tribute to an outstanding first term

Throughout the year, a series of reports demonstrated Public Health Wales' influence as a NPHI on policy and practice, including: *Basic Income Report; the Triple Challenge of Brexit, Austerity, and Climate Change; Uncharted Territory Review; COVID-19 and unemployment changes in Wales.*

The Board focussed on good governance and Audit Wales' Structured Assessment Report included another 'substantial' rating, a tribute to all those who work so hard behind the scenes on governance matters.

In year, the Board spent some time on its role in setting the tone and culture of the organisation; Board directors are clear that all staff should be able to come to work and be their best, authentic selves, without fear of discrimination or disadvantage of any kind. The Board takes pride in having a 'line of sight' to the front line and 2021/22 we had the privilege of meeting with each of the five Staff Networks, to find out more about their views and issues. Our meeting with the BAME Staff Network prompted us to sign up to Race Council Cymru's Zero Racism Tolerance pledge; we were also delighted to move up the Stonewall Top 100 Employer Index, from 100 to 64, and to gain a silver cultural competence certificate from Diverse Cymru. The Board is always conscious that there is more to do, but this last year saw real achievements on which to build.

We said farewell to Judi Rhys, whose term on the Board ended in March 2022. Judi was a consummate non-executive director; fully prepared, focussed on the key issues, constructive in challenge and always ready to offer help and support. I count myself most fortunate to have worked alongside Judi, as I do to work alongside all my Board colleagues, to whom I owe a debt of gratitude for their unfailing support and knowledgeable contributions at all times, whether in full Board or in Committee meetings. Kate Eden, and Dyfed Edwards, Chair of Audit and Corporate Governance Committee, continued to give me the benefit of their wise counsel and, once again, I thank them both, as I do the Committee Chairs and lead Executives.

Under Tracey's inspirational leadership, the Executive Directors provided agile and effective leadership of the organisation, ensuring that the vital corporate enabling functions played their full part in delivering the Operational Plan, alongside their service delivery, policy and research counterparts. NHS Wales continues to be fortunate in having Tracey in its senior leadership cadre, for her vision and unfailing commitment to the public health of the population; it continues to be my privilege to work alongside her.

Particular tribute goes to Huw George, Angela Fisher, Jane Matthews and the finance team; under Huw's sure-footed and wise leadership, Public Health Wales

ended the year in financial balance and on a very sound footing with which to begin 2022/23.

2021/22 saw the return of strategic direction-setting, with the start of the Long Term Strategy refresh, including the launch of Improvement Cymru strategy '*Achieving Quality and Safety Improvement*' the in-house Quality and Improvement Strategy, and the blueprint for the Behavioural Sciences Unit. The last three will inform the next Long-Term Strategy and, in March 2023, it will be my privilege and pleasure to reflect on the production of this, together with another year of achievement for Public Health Wales.

Jan Williams OBE

Chair of the Board

Public Health Wales



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Foreword

Tracey Cooper, Chief Executive

It is my pleasure to introduce our Annual Report for 2021/22. Once again, our exceptionally dedicated people have gone above and beyond, working in collaboration with one another and with our partners across Wales to deliver yet another extraordinary year of protecting and supporting the health and well-being of the people of Wales. I am so very proud to share with you the exceptional work that all of our people have done right across the organisation, to support Wales at such a challenging time.

As the National Public Health Institute in Wales, our vision is 'Working to achieve a healthier future for Wales'.

Over the last two years, we have mounted an unprecedented response to the Coronavirus pandemic. This has been part of a system-wide effort to respond effectively to the challenges we have faced as the pandemic has evolved.

2020/21 was an exceptionally challenging year with the entire organisation focused on providing system leadership for, responding to and advising on the COVID-19 pandemic. As we moved into 2021/2022, this challenge did not subside and, in some ways, increased in scale as we began the gradual mobilisation and repatriation of staff back to their core roles. Reactivating the breadth of our public health activities and our statutory public health functions have been a key focus for the year. This was done in conjunction with maintaining our focus on responding to, advising on and evolving our health protection response into a more sustainable response model that will continue to be fit for purpose beyond COVID-19 - and the associated increase in staff recruitment to support the health protection response.

We have also increased our focus on our evidence based understanding and advising on the medium and longer term direct and indirect population health impact of COVID-19, which has become even more significant for us and for the people of Wales.

The continued pace of work through this year, against a backdrop of an exceptionally busy 2020/21, has also meant that the well-being, welfare and resilience of our staff remains a key focus. Our people have worked tirelessly and we have been mindful of this as we have moved through the reactivation and

recovery stages of the organisation. The focus on our people's well-being and welfare continue to be a significant priority for us, together with increasing our focus on equality, diversity and inclusion and the development of our *Work Where Works Best* approach which we are co-designing with our people to determine our ways of working as an organisation going forward.

Within this Annual Report, we outline the many extraordinary achievements and a wide range of delivery activities by our people throughout the year – this represents just a sample of the excellent work undertaken across the organisation. We have had a lot of highlights throughout the year across the wide range of our functions, and it is difficult to do them all justice in an introduction, so I have given a flavour of some of the highlights below.

During early 2021, we refreshed our Operational Plan to ensure that it clearly articulated the planned action on our agreed priorities. As part of this process, we validated our existing priorities and refreshed the underpinning milestones to ensure that we were delivering maximum value for Wales.

The need for timely surveillance and epidemiology data support to the COVID-19 pandemic has far exceeded anything previously experienced. Our Communicable Disease Surveillance Centre (CDSC) has also kept other essential surveillance schemes running, re-prioritising, reducing or enhancing as appropriate, and targeting analytical resource.

Pathogen genomics has grown significantly within Public Health Wales in the last 12-18 months, exemplified by the contribution of genomics to the COVID-19 pandemic response. Since starting sequencing SARS-CoV-2 in March 2020, our Pathogen Genomics Unit has processed over 150,000 SARS-CoV-2 samples, including for non-Welsh residents to support a UK-wide response. Globally, Wales ranks in the top ten of submitted genomes for COVID-19.

Our microbiology services have continued to provide non-COVID testing at unprecedented levels in addition to our pandemic response. Prior to the pandemic, collectively over 1.3m samples have been processed and tested and that rose to 1.7m in 2021/22. On top of this, the service has undertaken a similar volume of COVID-19 testing during this time which is an extraordinary achievement.

Another key focus during the year was on prevention, sustainability and building the health and resilience of our communities. Working with our partners to strengthen the wider determinants of healthy life expectancy, we aimed to influence healthy behaviour through targeted public health programmes. We also continued to reactivate and develop our screening programmes.

After consultation and involvement with Welsh Government colleagues and external partners, Improvement Cymru has developed a new Improvement Cymru strategy, *Achieving Quality and Safety Improvement 2021-2026*, which was launched on World Patient Safety Day (17 September 2021) and aligned to the publication of the Welsh Government's *Quality and Safety Framework*. Improvement Cymru worked with key stakeholders to develop a strong

understanding of the quality and safety needs of the health and care services in response to ongoing challenges, the pandemic and policy developments and has accelerated its response to supporting the NHS at this challenging time.

Our World Health Organization Collaborating Centre has utilised our strong international links and partnerships to establish an International Horizon Scanning system for COVID-related issues, providing up to date policy summaries, intelligence and insights into other developments worldwide. Their ground-breaking work has resulted in this well-deserved re-designation for a further four years, until 2026.

The long term response to the COVID-19 pandemic requires a safe and effective vaccine to be available for all who need it and our Vaccine Preventable Disease Programme Team have been at the heart of providing advice and support to the vaccine programme in Wales. In addition, the hard work of our Research and Evaluation Division over the last year has resulted in some significant opportunities, such as the Research and Development Office being instrumental in supporting the delivery of COVID-19 Vaccine Clinical Trials across Wales and is providing a 'One Wales' response and strategic oversight for all COVID-19 trials delivered, in partnership with Health Care Research Wales.

Our Corporate and enabling functions are pivotal to the successful delivery of our public health priorities and in supporting wider organisational recovery. They have played a critical role in the leadership and delivery of a number of major areas of work, alongside our role in the continued response to COVID-19, supporting the organisation as it continues to move towards recovery and in the delivery of our full range of statutory functions and activities.

Finally, I would like to personally thank each and every one of our people across Public Health Wales for their relentless hard work, passion and commitment to the people of Wales which has often resulted in personal sacrifices in order to deliver the pace and scale of our work. I would like to thank our Board for all of their support during the year, and especially Jan Williams, our chair, who has been extraordinary in her ongoing support to me personally and to our whole organisation, and, of course, a very large thank you to all of our partners who we have worked with through the year to make a difference.

Dr Tracey Cooper
Chief Executive
Public Health Wales



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Annual Report 2021/22

Section 1

Performance Overview

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Introduction

Over the last two years, Public Health Wales has mounted an unprecedented response to the Coronavirus pandemic. This has been part of a system-wide effort to respond effectively to the challenges we have faced as the pandemic has evolved.

Throughout this, we have prioritised the need to deliver an effective health protection and microbiology response, while utilising our expertise in relation to behavioural insights and change, evidence and research, prevention, and national/international horizon scanning. In addition, we have continued to deliver our maternal and neonatal screening programmes throughout the pandemic, including New-born Hearing, New-born Bloodspot and Antenatal screening.

We have also recognised, from an early stage, the impact of the broader and longer-term implications for the people of Wales. The evidence shows us that the pandemic has exacerbated existing health inequalities and disproportionately negatively impacted upon our most deprived communities. We also know that the impact on the wider health and social care system has been dramatic and will require an equally effective response to address this over the coming years.

2020/21 was an exceptionally challenging year with the entire organisation focused on providing system leadership for, responding to and advising on the COVID-19 pandemic. As we moved into 2021/2022, this challenge did not subside and, in some ways, actually increased in scale as we began the gradual mobilisation and repatriation of staff back to their core roles to achieve the reactivation of our core and statutory public health functions. This was done in tandem with maintaining our focus on evolving our health protection response into a more sustainable response model that will be fit for purpose beyond COVID-19 - and the associated increase in staff recruitment to support the health protection response following the Minister's approval of the business case during 2020/2021.

While our focus continued to be on ensuring the delivery of an effective and sustainable response to COVID-19, we also recognised the importance of undertaking work on the wider population health implications for the people of Wales. It is critical that we understand fully the broader impacts (both positive and negative) of COVID-19, including on vulnerable groups and in relation to health inequalities and learn how to prevent them in the future.

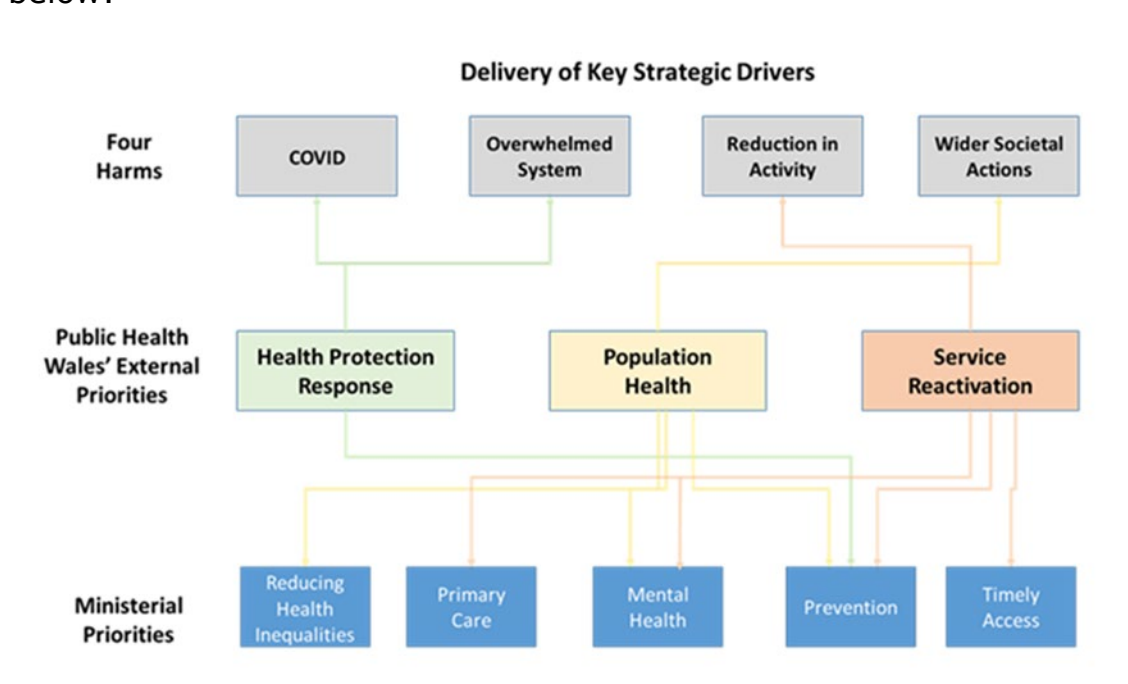
Our Operational Plan 2021/2022

During early 2021, we refreshed our Operational Plan to ensure that it clearly articulated the planned action on our agreed priorities. As part of this process, we validated our existing priorities and refreshed the underpinning milestones to ensure that we were delivering maximum value in our role as the National Public Health Institute for Wales.

This was guided by our long-term strategy 'Working to Achieve a Healthier Future for Wales', and a number of key strategic prevention-focused drivers, particularly the Well-being of Future Generations (Wales) Act and the upcoming Socio-economic Duty. A number of strategic and policy drivers shaped and informed the development of our priorities for 2021-2022, including key legislation, mitigating the 'four harms' stemming from COVID-19 and delivering against key Ministerial priorities.

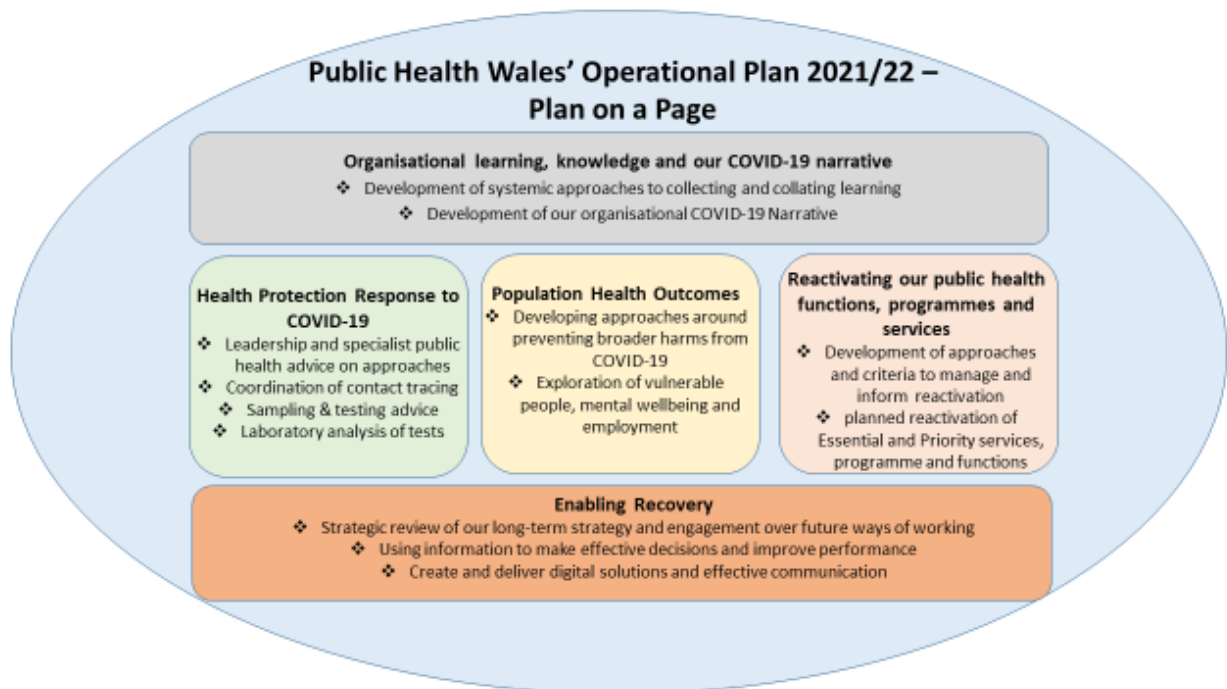
Our operational plan reflects the ambitions set out in A Healthier Wales (2018) and seeks to support the development of a whole system approach, which is focused on health and well-being and preventing illness.

Our plan took full account of the four harms and priorities set for NHS Wales by the Minister for Health and Social Services, as illustrated in the diagram below:



Our key focus during the year was on prevention, sustainability and building the health and resilience of our communities. Working with our partners to strengthen the wider determinants of healthy life expectancy, we aimed to influence healthy behaviour through targeted public health programmes. We also continued to reactivate and develop our screening programmes.

Our priority areas for 2021/2022, agreed by the Board in June 2021 were:



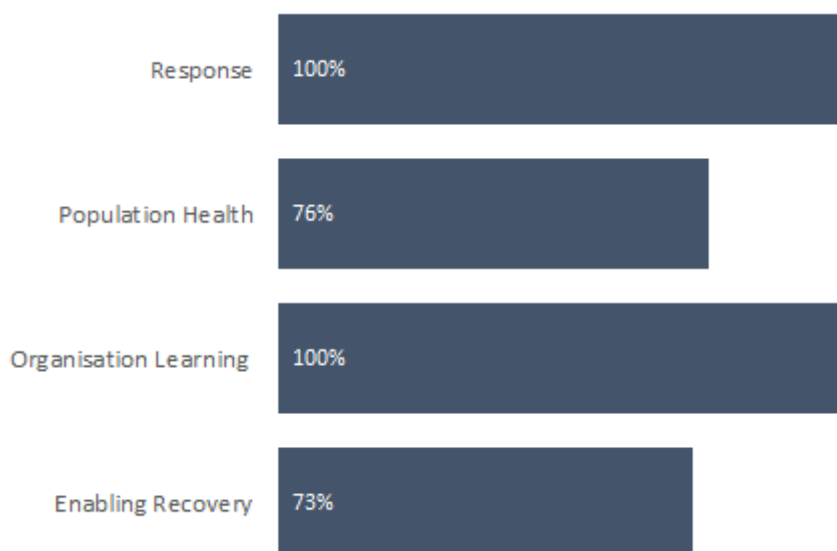
Our focus for 2021/22 outlined in the Operation Plan was:

❖ Continue to deliver and evolve an effective and sustainable health protection response to COVID-19
❖ Understand and advise on the mitigation of the broader population health impacts
❖ Effectively reactivate our prioritised public health functions, programmes and services
❖ Capture, share and develop organisational learning, knowledge and our COVID-19 narrative
❖ Enable our effective organisational recovery

Progress against our Operational Plan 2021/22

The end of March 2021 marked the conclusion of our Operational Plan for 2021/22, which was a really successful year with the delivery of a number of significant milestones across our priority areas. Of what we set out to deliver, we ended the year with 87% of our milestones completed and the remainder now due in 2022/23 as part of the new Integrated Medium Term Plan, following subsequent changes to delivery. Our priority area - Reactivation of key functions, programmes and services – was formally stood down in October 2021 following approval by our Executive Team, following the return of normal Directorate accountability.

A breakdown of delivery by priority area is shown below with further information detailing examples what we achieved in 2021/22 set out in the following section.



Health Protection Response to COVID-19

Over the last two years, Public Health Wales has mounted an unprecedented response to the Coronavirus pandemic. This has been part of a system-wide effort to respond effectively to the challenges we have faced as the pandemic has evolved. Throughout this, we have prioritised the need to deliver an effective health protection and microbiology response.

The Health Protection Team have provided a specialist, once for Wales function for the public health system in Wales. This has included leading the development of the national contact tracing framework, providing key

national resources including Test, Trace, Protect (TTP) guidance, Standard Operating Procedures (SOPs), contact tracing scripts, protocols and other supporting materials for contact tracing teams and the professionals supporting them. Our specialist team have continued to provide an acute response to the most complex COVID-19 cases, outbreaks and incidents, a national contact centre for those needing to access urgent COVID-19 advice, whilst also supporting Welsh Government with advice to support the strategic management of the pandemic.

This service has been led by a small group of specialists, working in the most part extended hours outside their contractual norms supported by a significant number of staff mobilised from across the organisation in order to meet the unprecedented needs of the system.

This has been alongside the continued and uninterrupted acute specialist response to all other priority infectious disease notifications, outbreaks and environmental public health incidents.

Despite the pressures of the COVID-19 response, in order to improve critical stability, resilience and capacity in the Health Protection team, a business case was submitted to and approved by Welsh Government with circa 126 staff being recruited, on boarded and inducted into the service.

Next year the team will continue to focus on embedding and developing the new staff, transforming teams and functions to achieve a more resilient and stable service. We will also work to bring COVID-19 response into normal business and identify areas of learning that can bring opportunities for improvement in wider HP areas such as digital developments, Quality and Key Performance Indicators (KPIs) reporting and working to support vulnerable groups. Partnership working with key stakeholders (notably Local Authority Public Protection services) to further strengthen the health protection system and multi-disciplinary workforce will continue.

During 2021/22 Public Health Wales has chaired and supported the 4 Nation Health Protection Oversight Group, which co-ordinates joint working on cross border threats to health across the devolved nations of the UK.

Population surveillance

The need for timely surveillance and epidemiology data support to the COVID-19 pandemic has far exceeded anything previously experienced. Our Communicable Disease Surveillance Centre (CDSC) has also kept other essential surveillance schemes running, re-prioritising, reducing or enhancing as appropriate, and targeting analytical resource.

CDSC staff have led the development and roll-out of new surveillance systems and also played a key role in the development of procedures and systems to support a range of COVID-19 responses. These include rapid surveillance of mortality in hospitals; contact tracing data systems; development of Tarian (the in-house communicable disease case management system); convalescent plasma and serosurveillance studies; surveillance of Variants and Mutations of Concern; and supporting a COVID-19 vaccine trial.

Public Health Wales staff present at European epidemiology symposium

Colleagues from Public Health Wales' Health Protection Division were represented at this year's online European Scientific Conference on Applied Infectious Disease Epidemiology (ESCAIDE) conference.

Gemma Hobson presented a poster looking at how Public Health Wales worked with partners to investigate a salmonella outbreak that occurred earlier this year in South Wales following a celebration barbeque.

Clare Sawyer presented two posters. The first examined the use of PCR reflex assays to monitor Coronavirus variants of concern in closed settings in Wales. The second looked at trends in e-coli monitored throughout Wales following the introduction of multiplex PCR testing.

Gethin Jones presented a poster demonstrating a tailored surveillance system to monitor Coronavirus infections in prisons throughout Wales.

James Adamson presented a poster examining how we used integrated mapping, genome sequencing and interviews to identify sources of infection and inform control measures at a prison during an outbreak of Coronavirus

COVID-19 Vaccine Trials

Public Health Wales led by the Research and Development Office has been instrumental in supporting the delivery of COVID-19 Vaccine Clinical Trials across Wales and is providing a 'One Wales' response and strategic oversight for all COVID-19 trials delivered, in partnership with Health Care Research Wales.

In December 2021, Public Health Wales took an oversight role of a clinical trial to test novel antiviral COVID-19 treatments in the community setting for adults with recently confirmed COVID-19 and those who are at higher risk of complications (the PANORAMIC Trial). PANORAMIC is designed as a 'platform clinical trial', meaning it can rapidly evaluate several antiviral treatments over time. The first treatment to be investigated through the trial is Molnupiravir, a COVID-19 antiviral pill already licensed by the MHRA.

Public Health Wales has featured in several communications released for the successful delivery of the PANORAMIC trial, including a recent BBC Wales Article (13th January 2022); [Covid: Hundreds in Wales take antiviral tablets - BBC News](#)

The Public Health Wales 'One Wales' approach to COVID-19 vaccine trials was extended to include the anti-viral PANORAMIC trial, which commenced in December 2021. The model for the PANORAMIC study, is different to the one used for COVID-19 vaccine trials.

Public Health Wales is working with HCRW and the Centre for Trials Research at Cardiff University to provide a 'Hub' for the trial. Public Health Wales is an investigator site and directly contracting with the sponsor, Oxford University. To deliver the trial, Public Health Wales has issued six General Practitioners across Wales with honorary contracts and Service Level Agreements (SLAs) have set up with GP Practice in North Wales. Public Health Wales Informatics team provide PCR and LFT results to the HCRW centralised booking team. This model has been successful, with Public Health Wales being the highest recruiting site for the Trial with over 1,025 participants recruited (accounting for 13% of the overall recruitment to the Trial)

COVID-19 testing

The exceptional response to the COVID-19 pandemic has highlighted the strengths and development needs of our services. During our response, our virology/microbiology services have demonstrated their ability to develop new tests and assays to support response to new pathogens and variants, responded to a massive increase in testing volume, and introduced and rolled out new technology to Public Health Wales laboratories.

Total PCR tests authorised by Public Health Wales laboratories increased from around 20,000 tests per week in April 2021 to over 30,000 in September 2021. During this time interval the median in-lab turnaround time for Public Health Wales laboratories was 5 hours.

Public Health Wales Pathogen Genomics Unit

The Public Health Wales Pathogen Genomics Unit (PenGU) has played an exceptional and critical role in supporting the COVID-19 response. It is world-leading in its generation and sharing of sequence data to support the COVID-19 pandemic response, including the surveillance of variants to inform timely public health actions, and response to outbreaks in the community and closed settings, such as care homes and hospitals.

Pathogen genomics has grown significantly within Public Health Wales in the last 12-18 months, exemplified by the contribution of genomics to the COVID-19 pandemic response. Data being generated by the Public Health Wales Pathogen Genomics Unit has found uses as part of the pandemic response at every level; from managing individual patients and informing contact tracing up to providing Wales-wide views of the pandemic to advise and inform policy makers.

Over the course of the pandemic, Wales has cemented itself as a world leader in the area of clinical pathogen genomics, and this excellence translates to benefits for the patients and public of Wales. The Public Health Wales Pathogen Genomics Unit provides a set of world-leading clinical pathogen genomics services, and, in March 2020, began sequencing of SARS-CoV-2 cases. Since then, Public Health Wales's Pathogen Genomics has played a key role in the Welsh and wider UK COVID-19 pandemic response, having now sequenced over 100,000 genomes for SARS-CoV-2.

Since starting sequencing SARS-CoV-2 in March 2020, PenGU has processed over 150,000 SARS-CoV-2 samples, including for non-Welsh residents to support a UK-wide response. Globally, Wales ranks in the top ten of submitted genomes to GISAID, and only Denmark has sequenced more samples and captured a higher percentage of cases. PenGU provides an outbreak analysis service, which has supported over 100 outbreak investigations to date. Genomics data are shared with our network of Welsh healthcare epidemiologists, to support pandemic response within our health boards. Data are also shared with the Welsh Government and analysed in an agile manner to inform policy making. Sequence data generated are published in the public domain to enable and support research in Wales and globally. Alongside its support to the COVID-19 response, PenGU has continued to deliver existing services, as well as establishing a world-leading *Clostridium difficile* genomics service which is the only United Kingdom Accreditation Service (UKAS) accredited *Clostridium difficile* genomics service in the UK to date.

The system-wide use of SARS-CoV-2 genomic data demonstrates the value of genomics, not just for enabling precision medicine, but also for precision healthcare. The COVID-19 response – alongside existing UKAS accredited services for other pathogens, such as HIV, *Clostridium difficile*, Influenza and Mycobacteria – is further evidence of a world class capability in Wales. The realisation of the benefits of genomics data requires involvement from staff across the organisation: Health Protection, Microbiology, Information Technology, Research and Innovation, Information Governance and Communications, amongst others. This, combined with the potential growth in genomics services provided, necessitates the evolution of Pathogen Genomics within Public Health Wales into a programme for Public Health Genomics.

The establishment of a Public Health Genomics Programme will open up new opportunities for the development of services and collaboration with partners, building on existing links through the Genomics Partnership Wales. It will strengthen the delivery of the pathogen genomics service across a range of infections, explore the opportunities of closer alliance with the All Wales Clinical Genomics Service through co-location in Cardiff, and establish a roadmap to enable the further development and management of this capability.

Future opportunities include the development of new services based on current areas of excellence within Public Health Wales such as Cryptosporidium and Mycology, support for broader population health activities including considering the host and environment alongside pathogens as part of a ONE Health approach and the identification of the utility of human genomic sequence data to develop next-generation population screening services

The performance of the Public Health Wales Pathogen Genomics Unit is remarkable given its small size (less than 15 members of permanent staff) and sequencing volume. The measure of the performance of the Public Health Wales Pathogen Genomics Unit is found in the fact that over the course of the COVID-19 pandemic, Wales has consistently been amongst the top nations in the world for absolute number of SARS-CoV-2 genomes sequenced and also for proportion of cases sequenced.

Genomics has enormous potential. Building on an already strong foundation of an extremely talented and dedicated genomics team, the evolution of genomics activity into a formal Public Health Genomics Programme will further support and enable the development of genomics within the organisation, and will help to translate the potential of genomics into real benefits for the people of Wales.

Population Health Outcomes

The COVID-19 pandemic has had a huge effect on people across the world, as well as in Wales. Both the virus and measures to control it caused wide-ranging harm, such as ill health and reduced well-being, and significant social and economic negative effects. It also worsened existing health inequalities and affected some groups, such as those on low income and black, Asian and minority ethnic (BAME) communities, more than others. In 2021-22, we undertook a programme of work to understand the wider effects of COVID-19, including the consequences of our actions to control how it was transmitted. The aim of this knowledge was to support policy decisions and efforts across the organisation and wider health services, and underpin joint multi-disciplinary cross-sector efforts to prevent future harms to health, aid recovery, capture and support opportunities and contribute to a continued improvement in health and reduction in inequalities.

Through monitoring to understand broader health trends in health and well-being and learning through various channels, we focused on the following four areas of information.

Priority 1: *National Public Engagement Survey to understand public acceptance, the wider effects of COVID-19 measures across Wales and in certain groups of people and to see how people are keeping to advice*

Priority 2: *International Horizon Scanning where we research, evaluate and analyse international evidence to help guide policy and support Wales' ongoing response to the COVID-19 pandemic. This has helped build strong links with international agencies and partners, in order to develop insight and learning from other countries*

Priority 3: *COVID-19 Health Impact Assessments (HIAs) to encourage a 'whole of government' and 'whole of society' approach to planning the recovery from the pandemic and interventions to support that recovery. Specific outputs were three HIAs:*

- *A Health Impact Assessment of the 'Staying at Home and Social Distancing Policy' in Wales in response to the COVID-19 pandemic*
- *A COVID-19 [pandemic world and beyond: The public health impact of Home and Agile Working in Wales*
- *No place like home? Exploring the health and wellbeing impact of COVID-19 on housing and housing insecurity.*

Priority 4: *Developing a report of broader health trends in health and well-being*

This formed the basis of our work programme in 2021-22 to improve population health outcomes through a focus on four main areas: mental well-being; children and young people; employment; and drivers of non-communicable diseases (NCDs).

International Horizon Scanning

The WHOCC has utilised our strong international links and partnerships to establish an International Horizon Scanning ([International Horizon Scanning](#)) system for COVID-related issues – providing up to date policy summaries, intelligence and insights into other developments worldwide. We work closely with the WHO Regional Office for Europe, gaining first-hand access to the latest global and European learning related to the wider impacts of COVID-19 on people’s health and wellbeing, equity, community and system resilience, society and the economy. The WHOCC has been focusing on informing and enabling action and solutions on placing health equity at the heart of the COVID-19 sustainable response and recovery ([Welsh Health Equity Status Report](#)) and establishing a world leading health equity initiative ([the Welsh Health Equity Status Report initiative \(WHESRi\)](#)) in close collaboration with Welsh Government. To inform and facilitate a more sustainable and inclusive recovery, the WHOCC is also exploring the economic consequences of the pandemic; and the financial cost of health inequality to the NHS in Wales ([Cost Associated with Inequality in Hospital Service Utilisation](#)).

Our International Health Team, through the International Health Coordination Centre (IHCC), has been helping to disseminate and utilise international learning and experience across the NHS and wider Wales, from a range of European and global networks and organisations, and in collaboration with the five nations. These international systems and networks have already ensured that our thinking and responses are routinely informed by international learning and will continue to be as we manage the wider public health impacts of COVID-19 through transition and recovery stages. Together with third sector, academic and education partners, the IHCC has launched the first Welsh Global Citizenship training resource ([Learning@Wales](#)) for NHS staff to help build a culture of global responsibility, partnership and sustainable behaviour in the context of globalisation, climate change, pandemics, peace and conflict.

We also maintained our focus on sustainability, for example publishing infographics on early findings from a Health Impact Assessment of Climate Change in Wales and building awareness of environmental sustainability amongst our staff through e-briefs, a staff network and carbon literacy training.

National Public Engagement Survey

Over the course of the COVID-19 pandemic, the World Health Organization Collaborating Centre (WHO CC) on Investment for Health and Well-being has operated a national public engagement telephone survey on health and wellbeing. Established in April 2020, shortly after Wales went into its first 'lockdown', the survey has engaged with over 26,000 adults in Wales in its two years of implementation.

Survey results have informed understanding of public acceptance and compliance with COVID-19 prevention measures and the broader impacts of the pandemic on physical and mental health, including how impacts have differed between population groups. The survey has included a set of routine questions with other questions changing depending on emerging issues; allowing public engagement to be highly responsive to the prevailing policy environment, such as including questions on policy priorities, COVID-19 testing and vaccination.

Survey results have been widely disseminated, informing strategic decisions in Public Health Wales, Welsh Government and among other key stakeholders, and the move from pandemic response into recovery. Findings are made publicly accessible on the Public Health website and the [WHO CC database repository](#).

The March 2022 survey report presented findings from the last round of the public engagement survey in its current format. This will be followed by a summary report in 2022/23 presenting data and trends across the two-year survey. Building on the successes of the survey, Public Health Wales will establish a national well-being panel to continue monitoring key public health issues in Wales.

Continuation and Reactivation of our Public Health Functions, Programmes and Services

Vaccination and Immunisation

As part of the annual influenza programme, previously Public Health Wales have been responsible for the delivery of an annual influenza campaign. This has been delivered over the last several years under the 'Beat Flu' brand. This media campaign runs from October to March including a six week intensive focus on promoting vaccination delivered through television, radio and online materials, with a later phase focussed on preventative measures (e.g. catch it, kill it, bin it).

As we anticipated COVID-19 and flu both circulating this winter, to enable more efficient working and joined up public information, planning has been to incorporate both these respiratory virus vaccine programmes into one campaign as much as possible. The overall aim of this campaign was to protect the health of the public in Wales by reducing the impact of flu and COVID-19. It aimed to do this by targeting multiple elements, including by highlighting the dangers of both flu and COVID-19, and encouraging eligible individuals to be vaccinated.

For 2021/22 the traditional seasonal flu campaign has been brought under the umbrella of the Vaccination Saves Lives (VSL) campaign, to ensure consistency with other vaccine programmes, and to capitalise on the public awareness of this brand generated from COVID-19. This was run as a joint respiratory campaign covering flu and COVID-19 vaccinations across the autumn and winter. The broad theme of this year's campaign was 'keeping your life open' and highlighted how vaccines can help you do the things you love doing by keeping you healthy in winter.

Now that all vaccines are being promoted under the same brand identity in Wales, it is important that there is an overarching strategy for co-ordinating different elements under the brand, and for prioritising investment.

The proposed co-ordinated strategy for 21/22 was successfully launched on 28 September 2021 and had three stated aims:

- ❖ To maximise COVID-19 and flu vaccine availability, awareness and acceptability in the population of Wales in order to promote maximise vaccine uptake.
- ❖ To reduce inequalities in COVID-19 and flu vaccine uptake through public and professional engagement to understand barriers to vaccine uptake and targeted interventions to address these.
- ❖ To ensure, wherever possible, that targeted communications address all appropriate vaccines within the VSL brand.

A dedicated 'Communication plan' for the Winter Respiratory Campaign has also been put in place.

Surveillance and information sharing

Public Health Wales currently produces and will continue to publish a wide range of outputs covering the following areas:

- ❖ Community surveillance indicators of influenza-like illness (ILI) and acute respiratory infections (ARI)
- ❖ Surveillance of community acquired severe acute respiratory infection (SARI) and hospital in-patients
- ❖ Community and hospital surveillance of COVID-19 and suspected COVID-19 hospital and care home deaths
- ❖ Surveillance of severe outcomes of acute respiratory infections
- ❖ Intelligence on typing, sequencing and genomic analysis for surveillance of ARI and COVID-19
- ❖ Surveillance of COVID-19 and influenza vaccinations • Surveillance of population susceptibility

The COVID-19 pandemic has highlighted the importance of systematic and robust surveillance of respiratory infections. SARS-CoV-2 is now one of a number of endemic causes of respiratory infections in Wales. As respiratory infections often present in similar ways, and circulate concurrently, we proposed that the existing surveillance strategy for influenza-like illnesses (ILI), acute respiratory infections (ARI) and severe acute respiratory infections (SARI), should be updated to include SARS-CoV-2 and COVID-19. This will be of greater utility and efficiency than separate surveillance streams, whilst still allowing pathogen-specific analyses.

Surveillance of influenza remains a priority, even with the advent of SARS-CoV-2, as the overall burden of morbidity and mortality is comparable, with epidemics occurring on an annual basis. Without robust influenza surveillance, decisions around triggering use of antivirals for treatment and prophylaxis of flu in the community may be delayed.

Timely detection to type and clade level is important in alerting to specific influenza viruses and associated impact on different settings (e.g. the impact of drifted influenza A (H3N2) clades on residential care homes) and informing future vaccine composition.

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Public Health Wales has therefore identified and advised that community surveillance for influenza and other respiratory viruses needs to be strengthened. This has been reflected in the WG Respiratory Response Plan.

Microbiology services

The microbiology services in Public Health Wales have continued to provide non-COVID testing at unprecedented levels on top of the pandemic response. Prior to the pandemic, collectively over 1.3m samples have been processed and tested and that rose to 1.7m in 2021/22. On top of this, the service has undertaken a similar volume of COVID-19 testing during this time.

During 2021/22, our testing services for COVID-19 have been fully embedded, providing a range of testing capabilities including rapid molecular tests at all acute hospital sites as well as larger throughput at our COVID laboratory at Imperial Park 5 Lab 2. The average in-lab turnaround time for rapid testing and high-volume testing was 2 hours and 6 hours respectively.

The service also introduced variant testing in a matter of days following the spread of the Omicron variant. This was against a background of our own workforce challenges due to COVID-19 infection. Despite approaching 20% sickness at times, services continued albeit with some slippage against our in-lab turnaround times.

As well as responding to the pandemic and the increased non-COVID-19 activity, service improvement and development has continued:

- ❖ the network maintained its range of UKAS accredited services and added its Hot Lab functions and COVID-19 testing as part of an extension to scope;
- ❖ Undertaken a commercial procurement exercise to replace our Culture and Media contracts (award in May 2022);
- ❖ Completed a commercial procurement exercise for the enteric molecular service
- ❖ Completed a capital procurement exercise for the replacement of our MALDI-TOF platforms which are a core component of our bacteriology service;
- ❖ Extended our Physician Associates and Clinical Liaison Biomedical Scientists workforce as part of the redesign of clinical services;

The coming year brings with it several work streams that will continue with our longstanding ambition of workforce redesign, implementation of new technologies and bringing a greater focus and attention to the services outside of the laboratory.

Supporting the reduction in Healthcare Associated Infections (HCAI)

The HCAI and AMR Programme (HARP) continues to provide COVID-19 and non COVID-19 related advice and support to Welsh Government and NHS Wales organisations. The changes in service delivery across healthcare in Wales during the pandemic has continued to impact Health Boards/Trusts achieving agreed national reduction expectation targets for 2021/22.

Latest provisional surveillance figures reported by Health Boards/Trusts in Wales showed that:

- ❖ 1,095 *C. difficile* have been reported since April 2021, approximately 24% more than the equivalent period in 2020/21.
- ❖ 2,133 *E. Coli* bacteraemia have been reported since April 2021, approximately 13% more than the previous year.
- ❖ 837 *Staph Aureus* bacteraemia have been reported since April 2021, approximately 7% more than the previous year.
- ❖ 617 *Klebsiella sp* bacteraemia (includes *E. aerogenes* bacteraemia from April 2019 onwards) have been reported since April 2021, equivalent to the 2020/21 period.
- ❖ 188 *P. aeruginosa* bacteraemia have been reported since April 2021, approximately 27% more than the previous year.

The focus of our work since April 2021 has centred on the following:

- ❖ COVID-19 related HCAI and AMR surveillance and Infection, Prevention and Control support
- ❖ HCAI Infection Prevention and Control and Antimicrobial Prescribing (AMR) Surveillance
- ❖ Antimicrobial Prescribing advice and support
- ❖ Restarting the AMR Delivery Board and the All Wales Antimicrobial Guideline Group
- ❖ Developing the Worldwide and European awareness campaigns, focusing on key priorities for Wales
- ❖ Continued contribution to the UK-wide COVID-19 Prevention and Control cell
- ❖ Establish a Community and Primary Care group for Prevention and Control to link with community leads to support care homes

Recovery and Development of Screening Services

We deliver, monitor and evaluate seven population based screening programmes, and coordinate the all-Wales managed clinical network for antenatal screening. The screening programmes are informed by evidence-based recommendations from the UK National Screening

Committee, which are considered by the Wales Screening Committee and delivered in line with agreed Welsh Government policy.

The aims of the programmes are either to reduce incidence of disease (e.g. cervical screening) or improve early diagnosis to reduce the impact of the disease (e.g. breast screening). The division has a comprehensive programme of evaluation and improvements in line with policy decisions. There is an equitable offer of screening to the eligible population but there is variation in uptake and enabling informed consent to improve uptake and reduce inequity of uptake is key priority.

As clinical services, the pandemic impacted the screening programmes. At the start of the pandemic in March 2020, five of the programmes were paused in line with Welsh Government guidance and this affected: Breast Test Wales, Cervical Screening Wales, Bowel Screening Wales, Diabetic Eye Screening Wales and Wales Abdominal Aortic Aneurysm Screening. The New-born Hearing Screening, New-born Bloodspot Screening and the Antenatal Screening programmes continued throughout the pandemic and were not paused at any point.

Programmes were reinstated in phased and risk based approach over the summer 2020 and they have continued to be offered since their reinstatement but there have been constraints to recover the programmes. These have included the reduced numbers of participants being able to be offered screening in each clinic due to COVID-19 safe pathways; limitations in availability of clinic locations; and reduction in staff availability.

A recovery plan was developed, costed and agreed. The plan identified any forecast underspend within Screening revenue budgets for costs not expected to be incurred in 2021/22. Additional funding was required to be able to support the plan for 21/22 finance year (£1.1 million) and this was confirmed to be supported by Welsh Government in September 2021. This funding has been used as planned during the financial year 21/22. Further funding is required for to continue recovery plan for 22/23 but this has not yet been secured.

The recovery plan focused on increased screening activity and actions included:

- ❖ Additional staffing.
- ❖ Additional hours undertaken by existing staff.
- ❖ Increasing number of clinic venues and efficiency with existing venues.
- ❖ Increased invitation numbers with associated in-year increase in consumables.
- ❖ Improving practices to increase efficiency e.g. outsourced mailing, telephone triage and open invitations

The recovery plan actioned in 2021 has achieved recovery of the bowel screening programme by October 2021 and the cervical screening programme in December 2021. The plan has enabled improved activity in the three remaining programmes with activity returning to pre-COVID-19 levels for the breast screening and abdominal aortic aneurysm screening.

To support increased activity of the Diabetic Eye Screening programme a novel optometry pathway was delivered from November 2021 to March 2022. This offered participants identified at low risk of diabetic retinopathy a retinal review with optometry. Over 166 optometrists across Wales supported this novel pathway and each local authority was represented. Over 28,000 invitations and over 10,000 appointments were taken up during this period. The programme needs a more transformational approach to identify a sustainable service model that can be utilised in Wales and that is work that we are taking forward over the next year.

The division has continued to develop and improve service provision which includes:

- ❖ In October 2021 the bowel screening programme achieved the next stage of optimisation with roll out to people aged 58 and 59 years. The programme now invites people aged 58 to 74 years of age every two years.
- ❖ The screening laboratory has implemented UKAS accredited service provision to Health Boards of FIT for symptomatic in line with NICE guidance to improve symptomatic pathway and appropriate offer of colonoscopy.
- ❖ Welsh Government confirmed 7.8 million funding over two years to enable equipment replacement for the breast screening programme. Work stream established to procure and implement this significant programme of work which is progressing to plan.
- ❖ The division implemented extended screening intervals for the cervical screening programme in Jan 2022 in line with UK NSC recommendations. Women and people with a cervix aged 25 to 49 years who do not have high risk human papillomavirus identified in their next screen will be invited in 5 years instead of 3 years. There was a strong negative reaction to the social media from the public and a petition to reverse the decision was set up and a debate held in Senedd. A communication campaign is currently being scoped to ensure correct messaging and to rebuild trust.

- ❖ The division has led the implementation of Non Invasive Prenatal Test (NIPT) as contingency test in twin pregnancies in Wales and evaluated NIPT as contingency test which will inform other UK countries. Wales was the first country to implement this test and the evaluation has recently been published in peer reviewed journal
- ❖ The division has been leads in system working to reach CEO agreement to establish equitable service for surveillance for women identified at very high risk of breast cancer in line with NICE. Implementation of this governed provision is in progress.

Health Improvement

Our Health Improvement Division was almost totally redeployed to support the pandemic response with staff returning from the end of May 2021, the impact on programme delivery and the scale of the recovery required has been significant.

Those Health Improvement programmes and services identified as essential (Help Me Quit; National Exercise Referral Scheme) continued to deliver adapted services throughout the pandemic through digital or telephone delivery. As the recovery phase progressed, a return towards more normal working was adopted with successful innovation being incorporated into the routine delivery options.

The Health Promoting Schools programmes have continued to be delivered in an adapted way focusing on supporting the direct and indirect impact of the pandemic, including supporting the implementation of the Whole School Approach to Emotional and Mental Well-being. Working with the Directors of Public Health in Health Boards, we established dedicated support to implement the strategic framework for Mental and Emotional Wellbeing and produced an assessment tool and associated guidance to support schools to take a deep dive into their work in this area and identify opportunities for improvement. Work is continuing through 2022 to support this work, recognising the challenging environment that COVID-19 has continued to present for our schools. We have also worked with experts from across Wales to develop an approach to a What Works Toolkit for Mental and Emotional Wellbeing. The recommendations will be implemented during 2022 to support schools to select evidence based interventions that meet their emotional and mental health and wellbeing needs.

The Healthy Working Wales programme reoriented delivery during the pandemic to support employers in preventing Covid-19 transmission and provide a one-stop repository of information and guidance. Research undertaken by Healthy Working Wales with employers identified particular concerns about staff mental health and wellbeing which has informed the

development of products including two podcasts on supporting staff mental health. A Commendations Event was held in December 2021 to recognise employer achievements in prioritising staff health and wellbeing and contributing to wider community needs through the pandemic with commendations awarded to small, medium and large organisations across a range of sectors. A report of the key themes arising from the entries has been compiled and a number of case studies developed with Healthy Working Wales award holders to enable sharing of learning and good practice.

The Strategic Review and Transformation work for the National Exercise Referral Scheme, Welsh Network of Healthy School Schemes and Healthy Working Wales was halted during the pandemic but has recommenced towards the end of the year and will continue to be taken forward in 2022.

Those priority areas identified for limited restart towards the end of 2020 included support for the implementation of the Healthy Weight Healthy Wales Strategy. We completed work on a revised All Wales Weight Management Pathway for Adults and for Children and Families working with an expert reference group from across the system. These were published by Welsh Government in April 2021 along with a series of Standards for the Provision of Services to People with Overweight and Obesity in Wales which is designed to support both the delivery of services that meet population needs to also to embed a people centres, psychologically informed approach with reduces weight stigma. We also worked with the Directors of Public Health to establish a Whole System Approach to Healthy Weight Support Team in each Health Board region and to establish three Children and Families Pilots based on new investment. Work has begun to review our approach to surveillance of healthy weight and physical activity to enable effective monitoring and evaluation of public health action on healthy weight across Wales.

In relation to physical activity a limited programme of work was maintained which has led to the development of a behaviourally informed strategic plan to deliver increased levels of active travel to school which has been supported by the Active Travel Board. We have also worked with Welsh Government Natural Resources Wales and Sport Wales to develop the Daily Active Offer to support schools in taking a whole school approach to physical activity.

Improvement Cymru

Our aim is to support the creation of the best quality health and care system for Wales so that everyone has access to safe, effective and efficient care in the right place and at the right time across the whole care system. To do

this we work alongside organisations across Wales to create the conditions, build the capability and make the connections for improvement to flourish.

We are also working with leading experts across the UK and international partners to ensure improvements and innovations in quality and health are driven by best practice and champion a common approach. The Director of Improvement Cymru was appointed to the board of Q Health Foundation and as members of Q, we participate in a system-leader for improvement community. This connects peer improvement organisations across the UK and Ireland to understand what is needed at a national level to create the conditions for collaborative improvement and learning to flourish. Further strengthening our international presence, our Head of Programmes presented at the internationally renowned IHI Forum on Quality Improvement in Healthcare.

World Patient Safety Day 2021 saw the launch of Improvement Cymru's strategy '[Achieving Quality and Safety Improvement](#)', which outlined how the team will work with the health and care system in Wales to ensure everyone has access to safe, effective and efficient care - in the right place and at the right time. The strategy is being delivered through one comprehensive programme called 'Safe Care Together' which has three elements:

1. Developing an organisational approach to quality outcomes
2. Spreading and Scaling Safe Care
3. A behaviour change campaign

We are working closely with health boards and trusts to identify where we can support their priorities and developing agreements to take this forward. The strategy and our approach has been socialised through regular attendance at the national Peer Groups and through continued engagement with key partners, including Welsh Government.

1. Developing an organisational approach to quality outcomes

Our new organisational approach to quality outcomes takes learning from high performing organisations and focuses on strengthening a system-wide approach to quality. We have started a pilot of a system-wide approach to quality within Improvement Cymru and the learning from this pilot will develop the approach before rollout to NHS Wales organisations.

To support implementation of our strategy we have commissioned a Patient Safety Leaders Programme which is supporting Assistant Director/Director level individuals within NHS Wales to develop and implement systems of safe care.

Alongside this we have also begun a 90 day Learning Cycle to identify the health and care system challenges currently being experienced in Wales and this learning cycle will recommend key evidence-based enablers which can help to overcome these challenges. It is anticipated that this work will complement policy directives and the findings from visits with health boards and trusts over the coming months and shape our support going forward.

On behalf of Welsh Government we have co-produced with NHS Wales the Duty of Quality Statutory Guidance and begun to develop education materials for NHS bodies and Ministers to support implementation of the Health and Social Care (Quality and Engagement) (Wales) Act in 2023.

2. Spreading and Scaling Safe Care

We provide intensive support to organisations for their local safety priorities. One element of this support is the Real Time Demand Capacity (RTDC) Flow Methodology which has been piloted in three sites. The pilot implementation and training has taken place and work is now underway to translate the training to support flow within hospitals and evaluate impact. This will support health boards, trusts and care services with their work to improve safety within their systems.

We have also been working with multiple agencies including Swansea Bay UHB to support a care home to further develop and enhance the co-ordination of care. This will maximise the opportunities to continue to care for people in their homes and minimise the need for conveyance to A&E. This has been a sustained piece of work supporting care home staff and working with agencies to test improvement.

Towards the end of the year we have established a 2 year strategic partnership with the Institute for Healthcare Improvement (IHI) to accelerate our support to NHS Wales through Safe Care Together. This will support the partnership agreements we are establishing with health boards and trusts to determine quality and safety support needs. The partnership will also support the launch of a Patient Safety Collaborative in 2022.

We have also launched new Improvement Cymru Academy training courses including Basics, Fundamentals and Improvement in Practice; and cohort 2 of the Scottish Improvement Leader programme (ScIL). These support health and care staff to gain the improvement skills they need to continue to improve the care and support they provide.

Case study applying the principles of the strategy to our work:

Improvement Cymru has worked with staff at Prince Charles Hospital to sustain improvements in patient flow - in particular to support the site management team in response to recommendations made by Healthcare Inspectorate Wales.

We commissioned learning opportunities with Toyota and brought Toyota on site to support work in the Emergency Department.

The output has been the establishment of a 'Safe to Start' meeting. This meeting brings staff together from across the site to understand patient flow demands, site issues and staffing challenges.

Building upon this work, Prince Charles Hospital became one of three hospital sites chosen to pilot Real Time Demand Capacity.

3. A behaviour change campaign

We are developing a behaviour change campaign that engages all levels of health and care staff using a "hearts and minds" approach to create a movement for quality, safety and improvement. To inform this work we have undertaken an insight-gathering piece.

Our partnership with the Health Foundation, Q Lab Cymru, continues to develop and evolve its work. It delivered a range of virtual learning workshops, focusing on [Skills for Collaborative Change](#) and our scoping work on barriers to involving staff and teams in improvement efforts locally was completed. The insights from this research have informed the next stage of our behaviour change support for organisations to engage their workforce in improvements. A working group with cross-representation from all organisations will be creating resources based on insights for local adaption over the summer.

We have also delivered SLAs for mental health and for learning disabilities. For mental health, we delivered training to embed outcome measures into practice; an audit of Early Episode Psychosis services to inform future improvement priorities; development of national Psychiatric Liaison Standards and continued support to Regional Partnership Boards for Dementia Care Standards.

For learning disabilities, we provided continued development support for work streams on children and young people, specialist services and physical health. In partnership with HEIW, we have launched the Learning Disability Educational Framework for healthcare staff in Wales and the Paul Ridd Learning Disability Awareness mandatory training.

Case study

Transforming a national laboratory network to meet COVID-19 testing demand (spanned 20/21 and 21/22)

Microbiology services have been pivotal to the pandemic response. Rapid turnaround of test result helps is essential in ensuring effective contact tracing of positive individuals. The challenge is ensuring equity across a national network of laboratories.

As diagnostic capacity for COVID-19 expanded across Wales large variations in turnaround times were observed. A baseline analysis of the laboratory network noted multiple issues requiring system wide improvement.

A national improvement program was developed, supported by data analysis and modelling to redesign processes, flow of samples and coordination of the network.

Within 8 weeks, in-laboratory turnaround time reduced from 24 hr to 6 hrs and sustained. The network now uses a data led approach to planning and looking to improve times further using improvement methodology.

Case study

Improving the efficiency of COVID-19 sample flow at Betsi Cadwaladr University Health Board (BCU)

During the COVID-19 pandemic, Improvement Cymru and Microbiology worked together to improve the turnaround times for COVID-19 tests in laboratories across Wales.

Colleagues in BCU were aware of the work undertaken in our Ysbyty Glan Clywd laboratory and approached Improvement Cymru for help in improving the pre-laboratory flow of COVID-19 samples in two areas of their Health Board:

1. Within their Emergency Department – seeking to minimise the time between a patient arriving in ED and the result of their COVID-19 test being reported.
2. Through their four Community Testing Units – with the aim of reducing waste throughout the process of appointment booking, preparation and attendance.

Working in partnership with colleagues from the Health Board and the Toyota Lean Management Centre, Improvement Cymru engaged with

detailed on-site review and analysis of current processes. This work resulted in BCU colleagues having an enhanced understanding of their system constraints and opportunities, and being able to take ownership of, and action on, a range of practical improvements in both ED and their regional CTU's.

Case study

Breast Cancer Pathway Redesign: impact of change on patients and staff at Cardiff and Vale University Health Board

In 2021, Cardiff and Vale implemented a temporary change to their breast diagnostic pathway from a one-stop clinic to a two-stop process. This change is now being monitored to determine if it is sustainable.

The change saw services users attending two appointments rather than one appointment:

- (1) a pre-mammographic clinic followed by
- (2) a clinic attended at a later date

The aims of this change were to:

1. Identify breast cancers quicker via pre-mammogram and fast track to a clinic appointment
2. Increase capacity and throughput so that overall wait times were reduced

This change was implemented due to:

- Increase in number of referrals post COVID-19 pandemic
- Reduced clinic capacity due to COVID-19 social distancing and infection prevention & control
- Increased waiting time to 6-7 weeks for unscheduled care and 6-7 months for routine waits
- Reduced radiology resource

Improvement Cymru observed multiple clinics, collated timings to create Gantt charts for specific clinics, interviewed staff and worked with Cardiff and Vale Patient Experience to obtain feedback. Finally, the team have worked with the Welsh Cancer Network to collate and analyse data from Cardiff and Vale to observe if there had been significant changes in waiting times.

Overall staff feedback was positive regarding the change of process, with staff opinion being that:

- clinics run more smoothly
- there's greater access to Radiologist time

- there's better use of clinical time and less waste

However staff did raise concerns relating to the impact on patient experience and well-being, citing:

- concerns regarding levels of anxiety due to time between scan and clinical discussion
- potential negative impact of two appointments i.e. travel time, parking, childcare and work hours

The data initially shows an improvement for unscheduled care referrals. Further analysis is required to determine if the change sustainable.

Primary Care

Following the return of staff from redeployment to the COVID-19 pandemic response from July 2021 onwards the Primary Care Division began work on an expanded and ambitious programme of work to develop a coordinated approach to prevention in primary and community care; the transformation of health and care services and supporting and leading improvements in oral health and dental services in Wales.

The prevention portfolio developed in response to emerging priority areas highlighted by the pandemic, in particular the need to address obesity prevention and to support wellbeing through primary and community care. Our key areas of work have focused on:

- ❖ Establishing, designing and leading the All Wales Diabetes Prevention Programme.
- ❖ Leading developments to support Obesity Prevention in primary and community care.
- ❖ Coordinating the Social Prescribing deliverables in the Connected Communities Strategy and supporting the development of Welsh Government's national framework for social prescribing.

Our transformation work has varied over the last twelve months focusing on providing the building blocks for cluster working and maturity, population health, prevention and service development as primary care starts to recover from the pandemic. Our work has focused on core public health deliverables in addition to supporting and providing public health input into the work of the Strategic Programme for Primary Care and contract reform. These include:

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- ❖ Strengthening the Greener Primary Care Framework and award scheme with a formal launch planned for June 2022
- ❖ Contractual levers for prevention activities in primary care informed by evidence reviews
- ❖ Supporting the eye health improvement agenda through public health specialist advice
- ❖ Progressing the veteran health guidance for general practices in Wales alongside key partners with a launch planned in June 2022 to support Armed Forces Day.

We delivered a Primary Care Model for Wales and Accelerated Cluster Development implementation monitoring and evaluation plan setting out how these transformation ambitions will provide assurance of progress, shared learning, and support joining up of local and regional plans across Wales.

Dental Public Health consultants and other team members made significant contribution to the delivery of our COVID-19 response during 2021/22. In addition to our contribution to the organisation's pandemic response, we provided policy and implementation advice and support to the dental policy branch within the Welsh Government, different teams within the Health Boards and dental services in reducing risk of COVID-19 transmission through dental setting while delivering essential dental care. All dental public health programmes (Designed to Smile, General Dental Services Reform Programme, Dental Epidemiology Programme) were suspended at the start of the pandemic. Engagement with stakeholders especially Community Dental Services to restart the Designed to Smile and Dental Epidemiology Programme in Wales began in early 2022.

Safeguarding

Public Health Wales recognises safeguarding is fundamental to the quality and safety of services and functions we deliver. We have in place Safeguarding arrangements to access advice and support, mainly provided by the Named Professional for Safeguarding.

The all Wales Safeguarding Maturity Matrix (SMM) annual assessment is the main assurance tool to provide assurance on our current position and to identify where improvements need to be made. A cross organisational peer review process is well embedded in the approach of the NHS Safeguarding Network and Public Health Wales participates in this process and has identified this year's assessment scores and improvement actions as seen below.

Further information is provided in our [Safeguarding Annual Report 2021/22](#). Whilst improvement has not been evident in the maturity scores during the past two years, this has been due to the impact of COVID-19 mobilisation on key staff. The proposed improvement plan will be included in this year's SMM submission and will focus on further improvements in the areas identified.

The key achievements for 2021/22 included:

- ❖ Bi monthly Safeguarding Ambassador Meetings were established with the newly appointed Named Lead for Safeguarding, a TEAMS channel was created to share a wealth of Safeguarding information, including Safeguarding Network Bulletins, training opportunities and legislative updates. Feedback has been gained through the development Microsoft Forms so that meetings can be improved and shaped by the Safeguarding Ambassadors professional needs
- ❖ Work has commenced on completing The Right Way: A Children's Rights for submission to The Children's Commissioner for Wales. Directorates within Public Health Wales will be supported to complete the matrix and consideration will be a made to engage the Young Ambassadors in this piece of work
- ❖ The Violence against Women, Domestic Abuse and Sexual Violence (VAWDASV) Group 2 Training compliance has improved following the development of a virtual delivery platform
- ❖ Working in collaboration with screening a bespoke training package has been developed and delivered to ensure members of the public accessing screening services who lack capacity have best interest decisions made. The consent form 4s (consent form for those lacking capacity) has been implemented in AAA screening, with the aim of implementing in all screening services using a quality improvement methodology.

The Social Services and Wellbeing (Wales) Act 2014 places a duty on Public Health Wales to engage with Regional Safeguarding Children and Adult Boards. Public Health Wales is committed to partnership working and will participate in safeguarding processes for investigating and learning where an issue has arisen in the context of services or functions provided by the organisation.

Due to the national context of our organisation, we have written to the Regional Safeguarding Boards and proposed being a corresponding member for the operational matters relating to Safeguarding Board business and attendance for specific agenda items and to provide the annual report for assurance. Designated Safeguarding Professionals from Public Health Wales also attend regional safeguarding Boards to provide independent health advice in relation to safeguarding.

Other examples of partnership working also includes:

- ❖ The NHS Wales Safeguarding Network and its subgroups
- ❖ Public Health Wales continues to maintain links with all Local Authorities across Wales
- ❖ Children's and Older Persons Commissioners Office
- ❖ Live Fear Free Helpline

Data, Knowledge and Research

The team were largely deployed in support of the response to the pandemic until the summer of 2021. The return of staff to their core duties coincided with new leadership for the Directorate when Iain Bell joined to lead the function.

Data, Knowledge and Research Directorate supported the response to the pandemic for example with rapid research on contact tracing and publication of the COVID-19 Recovery Profile. Public Health Wales, through its Research and Development office, has led on and provided strategic oversight and coordination for the delivery of COVID-19 vaccine research across Wales. This has supported the Welsh Government's commitment to ensure that the people of Wales are able to access vaccine research opportunities.

Work carried out by the directorates Research and Evaluation team has been used by Welsh Government to inform policy and action, as well as contributing to international knowledge sharing on COVID-19. The following reports have been produced;

- ❖ ***Self-isolation confidence, adherence and challenges: behavioural insights from contacts of cases of COVID-19 starting and completing self-isolation in Wales;*** this report was presented to Welsh Government and at the Public Health Science Conference (November 2021) and was subsequently used to inform policy in Wales as well as informing some of the work at the Response Centre at Public Health England.
- ❖ ***Emerging Drivers of Vulnerability to Health Inequity in the Context of COVID-19: Perspectives and response from the Voluntary and Community Sector in Wales;*** featured in the December 2021 issue of EuroHealthNet Magazine as well as being discussed at the Vaccine Equity Committee and 'unanimously welcomed' by the members of the committee.

- ❖ **Understanding and addressing the barriers and facilitators for influenza and COVID-19 vaccine uptake among NHS employees in Wales: Qualitative insights and co-produced interventions;** The report was used by Health Boards across Wales to inform best practices around vaccine roll outs among NHS employees.
- ❖ **Unpaid carers in Wales: The creation of an e-cohort to understand long-term health conditions amongst unpaid carers in Wales.** Welsh Government launched the Strategy for Unpaid Carer: delivery plan, which identified this programme of work as sources of evidence to measure success and progress across all four of the key priorities identified in the plan in the Strategy for Unpaid Carers.
- ❖ **COVID-19 Recovery Profile.** The Observatory & Cancer Analysis Team (OCAT), continued to develop and refresh this interactive profile which provided an overview of the wider harms of Covid in relation to mortality, NHS service provision, screening and immunisation, health behaviours and mental wellbeing and the wider determinants of health. The team also provided weekly ONS mortality updates for the PHW Rapid Covid-19 Surveillance dashboard.

Analysts within OCAT are leading the development of a Wales Public Health Overview dashboard. The dashboard project is using Agile methods to ensure a user-centred approach to its development. We are taking a data science approach focusing on automation of outputs which will be deployed to PHW's Microsoft Azure Cloud instance.

The Public Health Wales Evidence Service has been a core member of the COVID-19 Evidence Centre Collaboration. The centre is funded through Welsh Government, with the aim to ensure the most up to date and relevant evidence on Covid-19 and its impacts, is made available to a wide variety of stakeholders to aid in planning and decision making. The centre provided rapid reviews to aid emergency planning and continues to support efforts to rebuild and live with covid. The Public Health Wales team have led work on:

- ❖ The effectiveness of innovations to support patients on elective surgical waiting lists (2022)
- ❖ Barriers and facilitators to the uptake of personal protective behaviours in public settings (2022)
- ❖ The effectiveness of infection prevention and control measures applied in education and childcare settings for children (2021)
- ❖ Vaccination uptake (barriers/facilitators and interventions) in adults from underserved or hard-to-reach communities (2021)

Although many individuals were deployed to the direct Covid-19 response, the **Welsh Cancer Intelligence and Surveillance Unit (WCISU)** managed to continue work on whole-population cancer registration and complete 2019 data.

Official statistics on cancer survival, incidence and mortality were still produced, and WCISU continued to provide considerable support to health boards in managing and investigating concerns about numerous possible community cancer clusters.

Resources were diverted to leading a new population cancer research collaboration DATA-CAN Cancer Collaboration Cymru with Swansea University's SAIL Databank, Health Data Research UK, and others. In the first instance, the priority has been rapid research of the effects of the pandemic on cancer diagnosis and outcomes.

Achievements so far include:

- **Impact of the SARS-CoV-2 pandemic on female breast, colorectal and non-small-cell lung cancer incidence, stage and healthcare pathway to diagnosis during 2020 in Wales, UK, using a national cancer clinical record system.**

Presenting early findings to Covid-19 Evidence Centre; Welsh Government Covid-19 Technical Advisory Group; Wales Cancer Board; Welsh Cancer Network Clinical Groups; Public Health Wales Research and Evaluation conference. The research has now been accepted for publication by the *British Journal of Cancer*.

- **Developing a near real-time cancer diagnosis dataset based on pathology data received for cancer registration**

This will be included in the Wales Public Health Overview dashboard for near real-time cancer diagnosis surveillance to monitor the effect of the pandemic. Led by WCISU, the data has also been analysed alongside similar from Northern Ireland and Scotland to compare pandemic effects across countries. This will imminently be submitted for publication.

- **Developing a near real-time cancer diagnosis dataset (The RCDD) based on updated linkage of multiple clinical and healthcare datasets within the SAIL Databank**

This is currently being analysed to understand cancer diagnosis, stage and health care pathways for 20 cancer types from 2019 and into 2022.

- **Agreement of a proposed programme of Covid-19 and cancer research to inform policy in Wales with Covid-19 Evidence Centre**

and National Cancer Clinical Director for Wales, subject to funding

This programme includes the previously listed outputs.

WCISU has continued to participate in international research that informs Welsh policy and health services, especially the International Cancer Benchmarking Partnership. WCISU will also contribute to leading the patient and population health theme of the Wales Cancer Research Strategy with the Wales Cancer Research Centre.

Publication highlights in high-impact journals over the year include:

- Risk factors and prognostic implications of diagnosis of cancer within 30 days after an emergency hospital admission (emergency presentation): an International Cancer Benchmarking Partnership (ICBP) population-based study. April 2022. ***The Lancet Oncology***
- International variation in oesophageal and gastric cancer survival 2012–2014: differences by histological subtype and stage at diagnosis (an ICBP SURVMARK-2 population-based study) November 2021. ***Gut***
- A summary of the updated report on the incidence and epidemiological trends of keratinocyte cancers in the United Kingdom 2013-2018. September 2021. ***British Journal of Dermatology***
- Life expectancy inequalities in Wales before COVID-19: an exploration of current contributions by age and cause of death and changes between 2002 and 2018. April 2021. ***Public Health***

The pandemic has had major impacts across many aspects of public health. However, the directorate has continued to deliver, develop and where possible, expand its scope of working including;

- Establishing a Real Time Suicide Surveillance System (RTSSS)- Working with Welsh Government, the Police and NHS Wales Health Collaborative. This will provide timely information to contribute to monitoring of the impact of the pandemic.
- The Child Death Review Programme monitored deaths by possible suicide during the pandemic and undertook a rapid review of possible suicide deaths in children (under 18 years) in 2021, a summary of which is published as an appendix of the Patterns and Trends of child deaths in Wales (2011-20) report, available here;

<https://phw.nhs.wales/publications/publications1/patterns-and-trends-of-child-deaths-in-wales-2011-2020/>

- Congenital Anomalies Registration and Information System (CARIS) collected pandemic response specific data and produced an official statistics report in Autumn 2021.

- The collection of data for the Child Measurement Programme (CMP) was severely impacted due to the pandemic. A review of 2019-2021 data and engagement with external stakeholders started in Autumn 2021.

The Public Health Wales Research and Development Office is providing a **'One Wales'** response and strategic oversight for all COVID-19 trials to support the delivery of COVID-19 Vaccine Clinical Trials across Wales, in partnership with HCRW. The team has supported nine COVID-19 vaccine trials, including one looking at novel antiviral COVID-19 treatments, with over 2,123 participants from across Wales recruited to these studies.

Aware of the major impact the pandemic has, and will continue to have, on the wider determinants of health, we have provided evidence support to the developing Universal Basic Income pilot. We have also reported on whether any job is better than no job.

The Directorate has also begun to develop user-centred approaches to design and development.

- We have contacted users of our products to seek feedback and help improve these for the year ahead.
- Begun a mapping of our research activity to develop a new research and evaluation strategy that will be published in 2022/23.
- Begun developing AGILE development skills to improve our services by working with Screening Services to undertake a discovery phase on Diabetic Eye Screening and also on development an overview dashboard of public health in Wales.
- Begun the development of a 'Public Health Overview dashboard' taking an 'Agile' user-centred approach using cutting edge technology;
- And are recruiting and investing to development our capability and capacity on data and data science.

Organisational learning, knowledge and our COVID-19 narrative

Collecting and collating learning

As an organisation we must continue to learn from our fast response to COVID-19. The pandemic has changed what we do and how we do it, which means that we have a significant opportunity to use what we have learned to shape future services and processes. It is also important that we can show we have a clear record of our role and actions during the pandemic, supported by our decisions, performance and management. This is particularly important for supporting any public inquiries and future research.

During the pandemic, we introduced new services and roles and have changed how we work. Some of our programmes and services were paused and were subsequently reactivated using new ways of working. Many different opportunities for learning arose and it is important that we capture this knowledge and why and how we made decisions, so that we can use it as the demands and requirements on us change.

Our organisation is preparing at pace for the COVID-19 Public Inquiry. We have a dedicated pool of resource identifying, capturing, recording and securely storing data, information and evidence. We are building an Organisational Narrative of events and occurrences, telling the story of how our organisation was ready for the pandemic, how our organisation reacted and subsequently responded to the pandemic, and how our organisation has recovered from the impact of the pandemic. Our story will support the evidence collected and presented at the COVID-19 Public Inquiry.

Enabling the organisation

Our enabling functions are pivotal to the successful delivery of our public health priorities and in supporting wider organisational recovery. Enablers have a critical role to play in the leadership and delivery of a number of major areas of work, alongside our role in the continued response to COVID-19 and as the organisation continues to move towards recovery and in the delivery of our full range of statutory functions and activities.

Long Term Strategy Review

As a result of the significant challenges that Wales has faced over the last two years, we agreed to undertake a review of our long term strategy, 'Working to Achieve a Healthier Wales' to ensure that our Strategy is fit for purpose and will meet future public health challenges and opportunities that Wales will face as we recover from the pandemic.

The ongoing response and potential impact of the Omicron variant meant that there was significant pressure on the health and social care system and our focus remained on response, reactivation and staff well-being. We realised that the willingness to engage was high but opportunities were low and as a result it was agreed that we needed to allow additional time and opportunities for engagement over the coming year.

This will allow us to:

- ❖ Create more time for effective engagement and good conversation both internally and externally
- ❖ Ensure we facilitate and create space for cross-organisational discussions
- ❖ Enable professions and groups to come together to shape and inform proposals
- ❖ Undertake public engagement utilising existing channels and mechanisms

Informed decision making

We have adapted our decision-making as we continue to progress through the pandemic, and ensured that our decisions were consistent, proportionate, clear, timely, driven by the quality and availability of information and taken at the appropriate level. We have built on the progress made so far to secure value, achieve benefits, quality and improvement and plan how we manage risk.

Throughout the last 12 months, the Board has continued to review its governance arrangements and has made a number of changes to how it

works. We have continued to maintain our governance standards and the variations to our standing orders (written rules which regulate our proceedings) throughout the pandemic.

You can find more information on our governance arrangements and decision-making in the Corporate Governance Statement.

Risk Management

Managing risk is essential to running a successful organisation. It should be at the heart of decision-making and allocating resources at both an operational and planning level. It should aim to identify opportunities to innovate and invest, alongside the need to reduce risks.

During the year we have reviewed our strategic risks and corporate risks to reflect the change in context of our response to the COVID-19 pandemic and the reactivation of services.

In addition to the risk registers, a significant piece of work was completed to introduce a Risk Management Development Plan. The plan consolidates the good work that has been done over the past five years to learn lessons from the way risk has been managed throughout the pandemic and to take Public Health Wales further along the journey to becoming a high performing organisation in terms of its risk management arrangements. The plan includes work on risk appetite, training and development at all levels, and the introduction of the Risk module from the Once for Wales Concerns Management System.

You can find more detail about how we manage risk in our Corporate Governance Statement.

Quality and Improvement

We aspire to be an exemplar in quality, improvement and innovation and is pursuing an organisation wide approach to managing for quality. We are committed to operating as a system designed for managing quality, focused on continuous improvement and innovation and driven by the needs of the population we serve.

This in turn will create a culture and environment that supports our staff and provides a great place for staff to work and thrive. This approach supports recovery to a new future following the COVID-19 pandemic and achievement of our strategic aims.

The Health and Social Care (Quality and Engagement) (Wales) Act 2020 ('the Quality Act')

The Health and Social Care (Quality and Engagement) (Wales) Act 2020 ('the Quality Act') will be in shadow form by October 2022 and enacted in April 2023. The Act is underpinned by two Frameworks: Quality and Safety Framework, and the Learning and Improving, and National Clinical Framework: A Learning Health and Care System.

In preparation for the implications of the Quality Act we published our Quality and Improvement Strategy, which was approved by the Board in May 2021.

We have further approved the 'Quality as a Business Strategy' approach for the organisation.

Integrated Governance Model

The adoption of an Integrated Governance Model was identified as a key enabler for Public Health Wales becoming a high performing organisation and in reaching our next level of maturity. Integrated governance provides a holistic and joined-up approach to our processes, procedures and reporting as well as culture, competency to support effective governance structures.

Putting Things Right

We welcome concerns (incidents, complaints and claims) as a way of improving the services and programmes we provide. We accept that we do not always get things right and sometimes fail to meet your expectations. When this happens we are committed to doing what we can to put things right and learn from complaints so the same thing does not happen again. As such, we have systems in place for recognising when things go wrong, investigating why problems happen and making changes if appropriate.

Feedback and learning is important to us as it gives us the opportunity to improve and add to our services and programmes. Also, it is important that people feel that they have been heard and treated with respect, and that they receive an open, honest and prompt response to their concerns. We continue to manage concerns under the NHS (Concerns, Complaints and Redress Arrangements) (Wales) Regulation 2011.

In 2021-2022, we received 94 formal complaints. There were three main themes to the complaints, as explained below. We have added examples of

the type of complaints received and the lessons that have been learned from them.

1. Guidance / Procedures / Policies - The two main types of complaints received were dissatisfaction with Public Health Wales guidance for care homes during the COVID-19 pandemic and the dissatisfaction with the extension to the CSW routine screening interval period.
2. Attitude / Behaviour - Another common complaint type during this period is attitude and behaviour, particularly attitude of staff members towards service users.
3. Equality / Language - The majority of these complaints sit within the Screening Division and many are relating to dissatisfaction with a Public Health Wales BSL YouTube Video relating to Screening.

Learning Example 1

A number of complaints were made regarding the extension to the Cervical Screening routine interval period from 3 years to 5 years.

The learning taken from these complaints is that when producing public messaging on changes to services, access / links to information and evidence around these changes should be provided as it is clear from the complaints that the public want this information.

Another learning point is that social media may not be the most appropriate platform for communicating such changes due to the limited number of characters provided.

Following receipt of the complaints, action was taken to amend the public communications plan and further review to be undertaken regarding the use of social media for such changes. A number of mainstream media interviews were also given by members of the Screening Division to correct some of the misunderstanding and information gaps.

Learning Example 2

A complaint was received from a service user of one of our screening programmes who felt that there was a lack of warmth displayed by our staff member during their appointment. The complainant stated that there were no introductions given by the staff member and that they were made to feel like an inconvenience.

Learning points taken from this complaint are that, as a result of wearing PPE, there is a requirement for clear communication along with additional effort to communicate with warmth and friendliness, due to the loss of visual cues such as facial expressions. It is also essential to ensure that staff are regularly attending customer care training.

Action was taken following receipt of this complaint to communicate with staff within relevant areas to remind them of the need to communicate clearly and with warmth at all times, especially when wearing PPE.

Learning Example 3

A number of complaints were received regarding a BSL Video around Screening Services that was published on the Public Health Wales YouTube channel. The video had been produced as a community co-production project and the BSL signing was undertaken by a service user and volunteer, who was not a qualified or registered BSL translator. Complaints were received stating that the BSL translation was below the standard expected.

The learning points identified are:

- The need to ensure that when working on community projects on the production of accessible information there are QA measures in place for reviewing and approving such resources.
- There needs to be a clear structure in the organisation to identify suppliers for accessible information, similar to the Welsh Language Framework.

Following receipt of the complaints, discussions took place between Screening and the British Deaf Association to review the current BSL information and to review how to re-make the BSL video. An action as recorded in the investigation to undertake further work to consider an organisational suppliers list, improve procurement and implement a more robust quality assurance procedure for this type of material.

Our Estate

Our estate covers the breadth of Wales. Whilst Welsh Government guidance remained that staff were encouraged to work from home during the pandemic, we have recognised there are both business needs and wellbeing needs that require staff to utilise our buildings. Having safe and suitable places to work is a really important enabler to getting our work done. All of our buildings have had specific measures in place to ensure they are safe for staff who have needed to utilise them. Work spaces remained socially distanced and masks required when walking around the buildings.

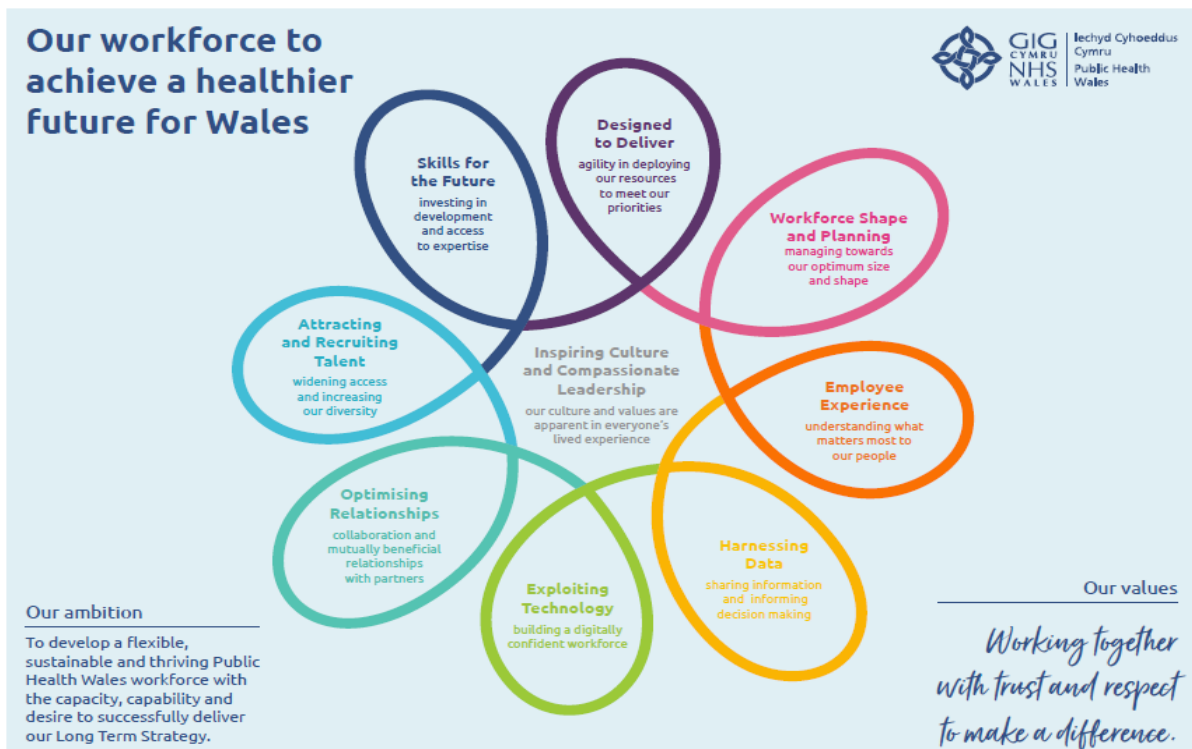
It's really important that we ensure the working environment is welcoming and coming into work is attractive option for staff which will assist with the rollout of 'Work how it works best' pilot. Over the next few months, we hope to see staff using our premises more, maximising the benefits of reconnecting and collaborating. At the same time, staff are encouraged to balance 'on-site' working with the flexibility of working remotely, as your role allows in line with the 'Work how it works best' pilot. The Executive Team will also be discussing the organisation's position on social distancing and mask wearing in line with the guidance from Welsh Government and other organisations.

Our People

We have mounted an unprecedented and sustained response to the Coronavirus pandemic. The nature of our response has evolved significantly over this period and involved the mobilisation of staff from across the organisation. Alongside this, we also commenced work around the longer-term direct and indirect public health implications on the people of Wales.

Our progress to date is a result of the efforts and commitment of our staff. We need to truly recognise the impact that this situation has had on our people, both personally and professionally, and keep a meaningful focus on ensuring we prioritise and support our staff's well-being, welfare and resilience.

During this period, our plans have necessarily addressed shorter-term needs but our thinking has been guided throughout by our longer-term vision of an inclusive, engaged, sustainable, flexible and responsive public health workforce. Actions to grow our workforce capacity to better respond to the needs of the population and to safeguard the well-being of our workforce have been core to sustained service delivery and some progress has been made against the key strategic aims of our People Strategy (2020-2030).



Our long-term people ambition is to develop a flexible, sustainable, diverse and thriving workforce with the capability and capacity to deliver our strategic priorities. To guide this work, we have developed nine themes, underpinned by a set of actions, which are outlined in our People Strategy.

Our people are critical to the achievement of our significant long-term ambitions. We have a diverse, multi-generational and multi-disciplinary workforce and we need to ensure that we provide all of our people with the environment, skills and knowledge they need to meet the challenges ahead. We want to attract and retain people in public health, to deliver our Long Term Strategy and ultimately to create a positive impact in the communities we serve.

We continue to face challenges which impact on the work we do and our workforce such as the availability of staff, new ways of working and expectations and perspectives of staff. Factors such as an ageing population, larger numbers of people working to a later age, socio-economic challenges, the impact of the pandemic, climate change and the European Union transition all affect our own staff as well as the wider population of Wales.

Our response to the pandemic necessitated new relationships to be established quickly across the system with existing partners and new organisations. This has created opportunities for staff to forge new links and networks, which will be of value longer term. Relationships, partnerships and systems leadership are crucial to recovery, response and the Long Term Strategy of the organisation.

Wales has committed, as part of the Four Nations Health Protection Oversight Group, to lead on workforce development for health protection, which will need to establish a specific focus on developing and modernising the Health Protection workforce as a key aspect of the vision of strengthening the health protection system across the four UK Nations. This has been determined to be a high priority in light of immediate issues, for example, recruitment and retention (including the insufficient capacity of core health protection specialists) which require rectifying.

The organisation received investment to strengthen and expand our health protection resource, which has been pivotal in ensuring the strategic resilience of the organisation and protecting the health of the Welsh population. We continue to recruit additional staff in order to ensure we have a resilient and sustainable workforce that is able to meet any future health protection requirements. Recruitment activity has increased dramatically and we have expanded our use of social media for attraction of passive candidates.

Sickness absence rates

We reported a 12-month rolling sickness absence percentage of 4.26% between April 2021 and March 2022.

Staff Wellbeing

Our underlying focus remains that of enabling good wellbeing for all staff, ensuring a holistic approach where this focus is at the heart of everything we do.

Our third staff wellbeing survey was launched in November 2021, with the aim of ensuring we have a better understanding of what has worked well and where we need to improve. Analysis has allowed us to identify three key themes to consider further, namely, communications and engaging, the working day, and leadership and line management. We will continue to work on the themes in partnership with staff side colleagues, staff networks and directorate/divisional leads.

Ensuring support for our line managers has been an ongoing priority and we continue to offer tailored Wellbeing Workshops for Line Managers, as well as a parallel course aimed at staff without line management responsibilities. Access to a range of national mental health resources remains in place, as well as our Employee Assistance Programme, via Care first. Support for teams has been available via Team Wellbeing check ins, aimed at providing a safe space for staff to identify actions needed to enhance their wellbeing. Self-care support is available via our Care Space sessions, which are open to all staff. We have continued to offer our new managers development programme which includes supporting managers to have honest conversations, develop healthy working relationships and managing attendance at work, in line with our compassionate policy and processes

“Work Where it Works Best” should launch in May as a twelve month trial of increased flexibility and choice for all, so staff can better harmonise work and life in ways which positively contribute to their health and wellbeing.

Staff achievements

Advancing Healthcare Awards Wales

Dr Benjamin Johns, a Trainee Clinical Scientist, was named winner of the 'Outstanding student project which helps Wales move forward together' award, for his work on the introduction of molecular technology for foodborne infectious disease outbreaks.

Colleagues from Public Health Wales also played a role in the Hepatitis C rapid testing project, which took the 'Improving Public Health outcomes' award. This innovation was driven by the team in Betsi Cadwaladr University Health Board, however the scheme developed as a consequence of many years of working on testing and treatment pathways as part of the Blood Borne Virus network. Public Health Wales was heavily involved, including support from Jane Salmon, Nicki Palmer and Louise Davies.

Royal College of Nursing in Wales Annual RCN Wales Nurse of the Year Awards

Caroline Whittaker was presented with the winner of the prestigious Lifetime Achievement Award which highlighted her career spanning many different areas of nursing including her time as a military nurse, as an occupational health nurse, in Nursing Academia and now in her role in Quality and Nursing in Public Health Wales

Sharon Williams from Improvement Cymru was named runner-up in the Learning Disabilities and Mental Health Award category.

National Director conferred as Fellow of the Academy of Social Science

Iain Bell, our National Director for Public Health Data, Knowledge and Research, was conferred as a Fellow of the Academy of Social Science. Fellows are recognised, after an independent peer review process, for the excellence and impact of their work and their wider contributions to the social sciences for public benefit.

Conclusion and looking forward

We have set out ambitious plans for the delivery of our work over the next three years. Our focus and actions have been shaped by the population health challenges facing Wales, particularly as a result of the COVID-19 pandemic and long-standing health inequalities. We must also be prepared to meet and respond to future public health challenges, particularly as the crisis in Ukraine evolves.

We recognise in responding to these challenges that we need to maintain our ability to operate dynamically and flexibly, including mobilise resources around key priorities as they emerge. This will require us to continue to review this Plan and make adjustments accordingly.

We will meet these challenges, and successfully deliver our Strategic Plan through the commitment, professionalism and tireless efforts of all staff. Their efforts will allow us to continue to meet these challenges head-on for which we cannot thank them enough.

Well-being of Future Generations

Health and Sustainability Hub

The Health and Sustainability Hub supports Public Health Wales to meet its duties under the Well-being of Future Generations (Wales) Act 2015, encouraging individuals and teams to 'be the change' and adopt new ways of working. Despite the challenges of COVID-19 the Hub has continued to deliver a range of resources to support the public sector's response, promoting and encouraging a green recovery from the pandemic.

A summary of key achievements is provided below:

Climate Change and Decarbonisation

Given the climate crisis we are facing, and the interconnections between planetary and human health, the Hub has been supporting a range of activities to progress Public Health Wales's work on decarbonisation:

- **Public Health Wales's Decarbonisation Action Plan for 2022-2024**, developed in collaboration with all directorates and service areas, which identifies actions under five headings – carbon management; buildings, estate management and land use; transport and travel; procurement; approaches to healthcare and future service provision. The plan also highlights the links between biodiversity and the Well-being of Future Generations Act, and raises awareness of the importance of embedding the five ways of working into the delivery of actions. An **infographic** to highlight how people can take actions to reduce carbon emissions in work and at home will be published soon.
- **Carbon Literacy Training:** around 50 staff from Public Health Wales and Health Boards attended Carbon literacy sessions, delivered by Cynnal Cymru, to help people understand the links between human activity and climate change, empowering individuals, communities and organisations to take action to reduce their carbon emissions. Following completion of an action plan all staff will receive accreditation.
- **Identifying the impact of the COVID-19 pandemic on our Carbon footprint:** we plan to capture data to assess the impact the pandemic has had on our carbon footprint by gathering organisational data as well as data collected from staff on their personal footprints during working from home.

- **Supported Facilities and the abdominal aortic aneurysm (AAA) Screening service** to upgrade part of its fleet to electric vehicles and install electric vehicle charging stations at strategic locations across Wales.
- **Healthy Travel Charter:** the Hub has been supporting progress against the charter commitments including promoting active and sustainable travel as part of the Healthy Travel Charter Day in September 2021.

Raising awareness

We have continued to develop e-briefings and other resources to capture learning and share best practice to support the implementation of the Well-being of Future Generations Act through a green recovery, identifying sustainable opportunities to support population health:

- **Green Opportunities e-brief:** four quarterly editions have been published on a range of topics including biodiversity, the importance of nature for health and well-being, healthy travel and circular economy. They all include a range of information, updates, key facts and tips to follow.
- **Green Advocates internal Staff network:** established in March 2021, the 86 strong network comes together for informal quarterly lunchtime sessions, enabling discussion, learning and action at an individual and team level. Discussions during 2021-22 have focussed on deforestation, using the Arts to raise awareness and understanding of Climate Change, Sustainable Diets and Sustainability in Action.



- SIFT Healthy Environment Workshop:** launched recently, the 'SIFT' Healthy Environment Planner is a two-hour virtual workshop to enable workplace teams (and individual team members) to identify actions for reducing their environmental impacts. It is based on three themes - decarbonisation, biodiversity, resource efficiency/zero waste.



- SIFT Healthy Environment Train the Facilitator Workshops:** to support the Planner, ten sessions were arranged to train facilitators from the public sector to deliver the online SIFT Healthy Environment workshop within their own organisations.
- Call to Action Workshops:** Six workshops were held to engage with NHS Wales’s staff, working across Health and Social Care in Wales, to identify actions to reduce our impact on climate change. As well as raising awareness of the threat of climate change and impact on staff health and well-being, actions were identified, for both home and work life, to support NHS Wales and Public Health Wales to reduce emissions to achieve net carbon zero.

- Be the Change – Sustainable Home and Agile Working:** this is the eighth e-guide in the Hub’s 'Be the Change' series of sustainable steps, which teams and individuals in any organisation can action whilst working from home or agilely to contribute to Wales’ well-being goals. It covers five areas for sustainability: home workspace, I.T., mental well-being, lunch, and commuting/travel.

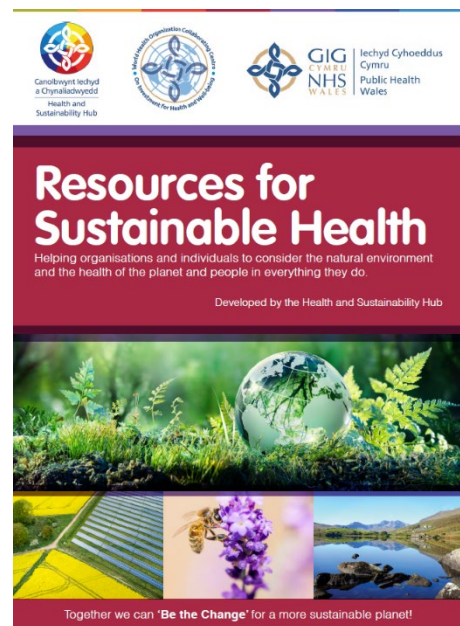


- Be the Change Well-being Goals Challenge:** this encourages and supports teams and individuals in any organisation to model a choice of six sustainable behaviours, covering the topics slow fashion, plant-based diet, towards zero waste, healthy travel, ethical consumer, and supporting wildlife.

- **Step Change for a Sustainable Planet – Implementing the UN SD Goals – a toolkit for global organisations:** this has been produced through our participation in the JAHEE (Joint Action on Health Equity Europe) programme to support global organisations to implement the United Nations’ Sustainable Development Goals. Sustainable case studies are highlighted across five levels for sustainable change (country, system, organisation, team and individual levels), and a range of practical and graphical resources are included.
- **‘Resources for Sustainable Health’:** an e-catalogue of all the Hub’s resources will be published soon, bringing together the range of online resources and toolkits produced by the Hub aimed at helping organisations and individuals to consider the natural environment and the health of the planet and people in everything they do.

Link for Health and Sustainability Hub resources:

<https://phwwhocc.co.uk/teams/health-and-sustainability-hub/>





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Annual Report 2021/22

Section 2

Accountability Report

Section 2: Accountability Report

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Introduction

The Accountability Report is part of a collection of reports, which form the Public Health Wales's Annual Report and Accounts.

The Accountability Report is intended to demonstrate how we have met the key accountability requirements to the Welsh Government.

The requirements of the accountability report are based on the matters required to be dealt with in a Directors' Report, as set out in Chapter 5 of Part 15 of the Companies Act 2006 and Schedule 7 of SI 2008 No 410, and in a Remuneration Report, as set out in Chapter 6 of the Companies Act 2006 and Schedule 8 of SI 2008 No 410.

The Accountability Report consists of the following main parts:

Part A: The Corporate Governance Report:

This Corporate Governance Report explains the composition and organisation of our governance structures and how they support the achievement of Public Health Wales objectives.

Part B: The Remuneration and Staff Report:

The Remuneration and Staff Report contains information about senior managers' remuneration. It details salaries and other payments, our policy on senior managers' remuneration and whether there were any exit payments or other significant awards to current or former senior managers. In addition, it also contains staff information with regards to numbers, composition, and sickness absence, together with expenditure on consultancy and off payroll expenditure.

Part C: Parliamentary Accountability and Audit Report:

The Parliamentary Accountability and Audit Report provides information on such matters as regularity of expenditure, fees and charges, and the Certificate and Independent Auditor's report of the Auditor General for Wales to the Welsh Parliament.



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Part A: Corporate Governance Report

Public Health Wales Directors' Report 2021/2022

In accordance with the Financial Reporting Manual (FRoM), the Directors' Report must include the following, unless disclosed elsewhere in the Annual Report and Accounts (ARA) in which case a cross-reference is provided:

Requirement	Cross-Reference
The names of the Chair and Chief Executive, and the names of any individuals who were directors of the entity at any point in the financial year and up to the date the ARA was approved.	See Appendix 1 in the Annual Governance Statement.
The composition of the management board (including advisory and non-Executive members) having authority or responsibility for directing or controlling the major activities of the entity during the year.	See Appendix 1 in the Annual Governance Statement.
The names of the directors forming an audit committee or committees.	See Appendix 1 in the Annual Governance Statement.
Details of company directorships and other significant interests held by members of the management board, which may conflict with their management responsibilities. Where a Register of Interests is available online, a web link may be provided instead of a detailed disclosure in the annual report.	See the Register of Interests 2021/2022
Information on personal data related incidents where these have been formally reported to the Information Commissioner's Office. Reporting of personal data related incidents including "serious untoward incidents" involving data loss or confidentiality breaches and details of how the risks to information are managed and controlled.	See Data Breaches section (section 10.9) of this the Annual Governance Statement.
Information on environmental, social and community issues.	See section 10.6 of this the Annual Governance Statement.
As a public sector information holder, Public Health Wales has complied with the cost allocation and charging requirements set out in HM Treasury guidance.	

Statement of Chief Executive's Responsibilities as Accountable Officer

The Welsh Ministers have directed that the Chief Executive should be the Accountable Officer of Public Health Wales.

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

The Accountable Officer is required to confirm that, as far as he or she is aware, there is no relevant audit information of which the entity's auditors are unaware, and the Accountable Officer has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The Accountable Officer is required to confirm that the annual report and accounts as a whole is fair, balanced, and understandable and that they take personal responsibility for the annual report and accounts and the judgments required for determining that it is fair, balanced and understandable.

The Accountable Officer is responsible for authorising the issue of the financial statements on the date they were certified by the Auditor General for Wales.

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

Signed:

Chief Executive

Dr Tracey Cooper

Date: 14 June 2022

Statement of Directors' Responsibilities in Respect of the Accounts

The Directors are required under the National Health Service Act (Wales) 2006, to prepare accounts for each financial year. The Welsh Ministers, with the approval of the Treasury, direct that these accounts give a true and fair view of the state of affairs of the Public Health Wales and of the income and expenditure of Public Health Wales for that period.

In preparing those accounts, the Directors are required to:

- ❖ apply on a consistent basis accounting principles laid down by the Welsh Ministers with the approval of the Treasury
- ❖ make judgements and estimates which are responsible and prudent
- ❖ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the account.

The Directors confirm that they have complied with the above requirements in preparing the accounts.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the authority and to enable them to ensure that the accounts comply with the requirements outlined in the above-mentioned direction by the Welsh Ministers.

By Order of the Board

Signed:

Chair:	Jan Williams OBE	14 June 2022
Chief Executive:	Dr Tracey Cooper	14 June 2022
Director of Finance:	Huw Geroge	14 June 2022

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1. Introduction

Public Health Wales is required to provide an Annual Governance Statement as part of the Accountability Report, which forms part of the Annual Report and Accounts for 2021/22.

This Annual Governance Statement is intended to demonstrate to the Welsh Government how we managed and controlled resources in 2021/2022 and the extent to which we complied with our own governance requirements.

The information provided in this Statement has been compiled using assurance information and documentation collated throughout the financial year. The Welsh Government issued guidance in the Manual for Accounts. The Financial Reporting Manual (FReM), issued by Her Majesty's Treasury, has also been used to help shape the final Statement.

The Audit and Corporate Governance Committee (ACGC) considered the draft for submission at its meeting on the 5 May 2022. This final version was presented to the Committee on the 14 June 2022 for recommendation to the Board for approval on the 14 June 2022. The Board approved this Statement for submission to Welsh Government at a Board meeting on the 14 June 2022.

2. Scope of Responsibility

As Chief Executive of Public Health Wales, I have responsibility for ensuring that effective and robust governance arrangements are in place, a sound system of internal control that supports the achievement of the organisation's Long Term Strategy exists and the safeguarding of public funds and the organisation's assets. These are carried out in accordance with my Accountable Officer responsibilities allocated by the Director General for Health and Social Services in the Welsh Government.

Over the last two years, Public Health Wales has mounted an unprecedented response to the Coronavirus pandemic. This has been part of a system-wide effort to respond effectively to the challenges we have faced as the pandemic has evolved. Whilst much has been progressed this year, we still face extreme pressures in our system leadership role responding to the pandemic, in the reactivation and returning to full delivery of our services and in building the momentum for the pressing focus on the substantial direct and indirect population health harms from COVID-19.

I have personal overall responsibility for the management and staffing of the organisation and I am required to assure myself, and therefore the Board, that the organisation's Executive management arrangements are fit for purpose and enable effective leadership.

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This Annual Governance Statement demonstrates the mechanisms and arrangements in place to ensure the effective governance systems in place during this time, in the context of these challenges we face as an organisation.

3. Governance Framework

The Public Health Wales Board is accountable for setting the strategic direction of the organisation and assurance in relation to governance, risk management, and internal controls in the organisation. The Chief Executive (and Accountable Officer) of the organisation has responsibility for maintaining appropriate governance structures and procedures.

In particular, the Board has responsibility for

- ❖ Setting the strategic direction
- ❖ Setting the governance framework
- ❖ Setting organisational culture and development
- ❖ Steering the risk appetite and overseeing strategic risks
- ❖ Developing strong relationships with key stakeholders and partners
- ❖ The successful delivery of Public Health Wales' aims and objectives.

The Board functions as a corporate decision-making body, with Executive Directors and Non-Executive Directors being full and equal members and sharing corporate responsibility for all the decisions of the Board as a unitary Board. In addition to their role as Board Members, Executive Directors also have responsibility for discharging Public Health Wales' corporate and public health functions.

Other Directors within the Executive team are also in attendance at Board meetings, as is the Board Secretary and Head of the Board Business Unit who supports the Board, and other staff as required.

In accordance with regulation 12 of the Regulations, Public Health Wales must agree Standing Orders (SOs) for the regulation of proceedings and business. We have adopted the model Standing Orders and Reservation and Delegation of Powers for the regulation of proceedings and business.¹ They are designed to translate the statutory requirements set out in the *Public Health Wales NHS Trust (Membership and Procedures) Regulations 2009* (as amended) into day-to-day operating practice. Together with the adoption of a scheme of decisions reserved for the Board, a scheme of delegations to officers and others, and Standing Financial Instructions, they provide the regulatory framework for the business conduct of the organisation. These documents, together with the range of corporate policies set by the Board, contribute to the Governance Framework.

The Board has adopted a [Board Etiquette](#), which sets out the behaviours and conduct expected of all Board members and attendees; as the Board/Committees enact their stewardship role and takes the lead in

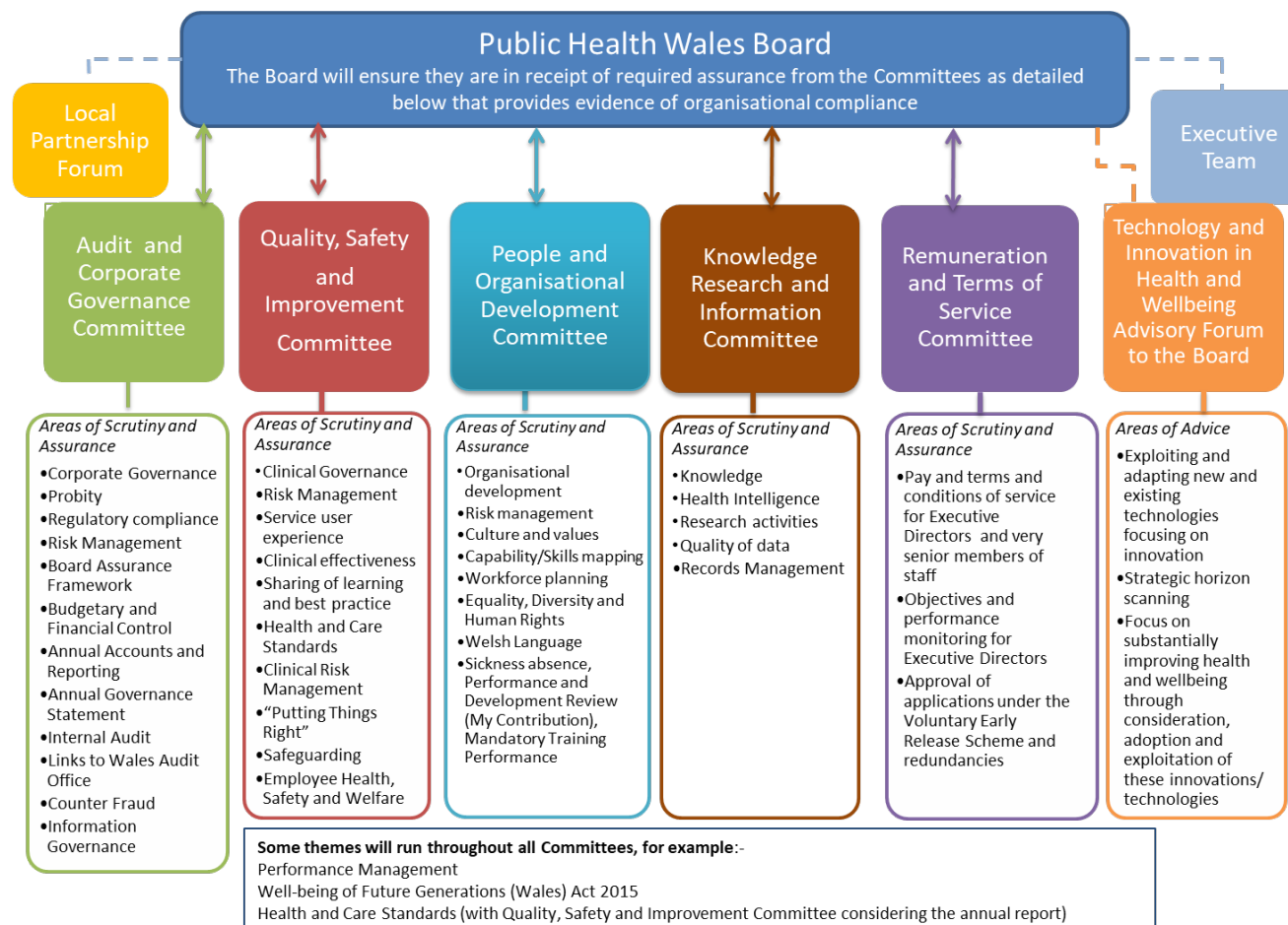
¹ Public Health Wales has fully adopted the model Standing Orders, with one amendment to Section 6.4.3: changing the circulation of agenda and supporting papers to Board/Committee members from 10 to 7 calendar days before a meeting.

promoting the values and standards of conduct for the organisation and its staff.

The Board is committed to operating in as transparent, open, and accountable way as is possible. The [Protocol for Reserving Matters to a Private Board \(or Committee\) was](#) approved by the Board in May 2021, to help identify the reasons which are most likely to apply to material considered by the Board (or Committee) in Private Session. (See [Section 3.4.3](#) for further details).

This year we have maintained and demonstrated robust governance through the assurance role of our Board and Committees and the leadership of the Executive Team and other senior professionals across the organisation. **Figure 1** below outlines the Board and Committee structure in place this year.

Figure 1: Board and Committee structure approved by Board in July 2018 and operational from 1 April 2019 (with some changes during the period of COVID-19²):



² Between March 2020 to April 2021, the People and Organisational Committee did not operate due to COVID-19. Between March 2020 to November 2021 the Knowledge, Research and Information Committee did not operate due to COVID-19 (See [section 3.1.1](#) for further information).

3.1 The Board

The key business and risk matters considered by the Board during 2021/22 are outlined in this statement and further information can be obtained from the published meeting papers on our [website pages](#).

Figure 2 outlines the dates of Board and Committee meetings held during 2021/2022.

All the meetings of the Board in 2021/22 were appropriately constituted and quorate. Escalation arrangements are in place to ensure that, in the event of a committee not being quorate, any matters of significant concern are brought to the attention of the Chair of the Board.

The Board held its Annual General Meeting on Thursday 28 July 2021. This was held via Microsoft Teams and livestreamed on our website providing members of the public with the opportunity to access and engage in the meeting as it happened.

3.1.1 Variation to Committee Structure during the Pandemic.

The table below provides a summary of the changes that were in place response to the pandemic:

Committee	Changes
Audit and Corporate Governance Committee (ACGC)	<ul style="list-style-type: none"> ❖ Remained active, met approximately eight weekly during 2020/21(increased from five meetings per year) ❖ As of 1 April 2021, the Committee has resumed its usual schedule of meetings (5 per year) ❖ Information Governance considered in this committee while KRIC was suspended. This change was made permanent in May 2021
Quality, Safety and Improvement Committee (QSIC)	<ul style="list-style-type: none"> ❖ Remained active, met approximately eight weekly (increased from four meetings per year) ❖ During 2021/22, the Committee has retained this increased frequency of meetings. ❖ Health and Safety considered in this Committee while PODC was suspended. This change was made permanent in May 2021
Knowledge, Research and Information Committee (KRIC)	Committee was suspended for all of 2020/21, the Committee was reactivated as of December 2021.

People and Organisational Development Committee (PODC)	Committee was suspended for all of 2020/21, has been reactivated from 1 April 2021.
Remuneration and Terms of Service Committee	Remained active, met as and when required.

3.1.2 Variations to the Standing Orders

On the 26 March 2020, the Board approved a number of variations to the Standing Orders in light of COVID-19 and its implications to fulfil the Standing Orders. The Board paper, with full details of the approved variations, is available on the Public Health Wales [website](#).

We have returned to our core Standing Orders now, Board meetings continue to be held virtually although we do envisage some change to this in during 2022/23. The future of Board meetings will likely be a blend of virtual and in person meetings.

Until February 2020, we live streamed all public Board meetings via social media. This was paused as a result of COVID-19 and the move to remote working and social restrictions. On the basis it was acknowledged that the Board was unlikely to meet in person for the foreseeable future, it was agreed it would meet through electronic means. As a result, members of the public were unable to attend or observe any Board meetings from March 2020 to June 2020

We were pleased to reinstate the livestreaming of Board meetings as of 28 July 2020 to allow the public to access Board meetings, and have continued to livestream all Board meetings during 2021/22. The video recording of the meeting is uploaded to the website as soon as possible following the meeting. We are planning to livestream our committee meetings during 2022/23.

3.1.3 Variations to Ways of Working

During the last twelve months, the Board has reviewed its governance arrangements and has made a number of changes to its way of working.

Throughout the year, the following principles continued unchanged:-

- ❖ The construct of Board and Committee meeting agendas to reflect and agile and risk- based approach to the selection of agenda items
- ❖ The use of means other than formal papers to assist flexibility and ease the administrative burden. These means included the use of

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briefing papers and presentations where appropriate, and circulation of relevant material outside meetings. All presentations given during open Board and Committee meetings are available through the website

- ❖ The Committee Chair, Lead Executive and Board Secretary considered the attendance needed at each meeting, mindful both of pressures on executives and the need to provide development opportunities for deputies or equivalent senior personnel
- ❖ The Chair and Chief Executive continued to call urgent meetings outside the regular schedule, as required.

In [February 2021](#), the Board agreed to the following for 2021/22:

- ❖ Formal Board meetings for 2021/22 returned to being held bi-monthly
- ❖ Board Development sessions were reintroduced bi-monthly, Board briefings reverted to paper based briefings where required
- ❖ The People and Organisational Development Committee was reinstated, holding its first meeting in April 2021
- ❖ The Knowledge, Research and Information Committee remained suspended until later in the year.

The Board also agreed to continue to ensure the following as part of its governance arrangements during 2021/22:

- ❖ To continue to facilitate effective Board leadership, oversight and assurance in the most effective manner possible
- ❖ That the Executive team has the appropriate time and space to continue meeting the health protection response, whilst also focussing on other key areas of work, as set out in the Operational Plan 2020-22. These included the further transformation of health protection services, a major focus on the broader harms resulting from COVID-19, and that have exacerbated long-standing health inequalities, and the reactivation of agreed services
- ❖ That the full Board has the time and space to return to the strategy development work that had been a key feature, prior to 2020.

On the [29 July 2021](#), the Board approved the resumption of the Knowledge, Research and Information Committee (KRIC) in quarter three of 2021/22. The Knowledge, Research and Information Committee resumed its meetings on 9 December 2021.

3.1.4 Board Development and Briefing sessions

In February 2021, the Board reinstated its previous governance arrangements, which includes the reinstatement of Board Development sessions as of April 2021 on a Bi monthly basis.

The topics discussed at these sessions during 2021/22 included:

- ❖ Long Term Strategy Review
- ❖ Strategic Risk Refresh
- ❖ Learning from the Pandemic
- ❖ The Burden of Disease
- ❖ Digital, Data and Research – Our Ambitions
- ❖ Board Development and Board priorities 2022/23
- ❖ Draft Strategic Plan Review.

3.1.5 Deviations from Standing Orders

In 2020, the UK Government and the Welsh Government stopped public gatherings of more than two people. It was therefore not possible to comply with the Public Bodies (Admissions to meeting) Act 1960 to allow the public to attend meetings of our Board and Committees from mid-March 2020.

From July 2020, livestreaming (via the website) of Board meetings resumed to allow the public to access Board meetings.

We recognise legal restrictions varied throughout the financial year, to support continuity of business, legal compliance and the health and safety of our people, the Board and its Committees continued to meet virtually.

We are currently reviewing how we can provide public access to Committee meetings during 2022/23.

Figure 2: Board and Committee Meetings 2021/2022

Board meetings:

27 May 10 Jun 24 Jun 29 Jul 11 Aug* 30 Sep 28 Oct* 25 Nov 27 Jan 31 Mar

Quality, Safety and Improvement:

14 April 7 May 16 June 19 Aug 10 Nov 15 Feb

Audit and Corporate Governance:

5 May 7 June 15 Sep 20 Jan 16 Mar

People and Organisational Development

21 Apr 8 Jul 14 Oct 16 Feb

Remuneration and Terms of Service:

2 Jun 15 Dec 24 Feb

Knowledge, Research and Information

8 Dec 10 Mar

* Private only session

3.1.5 Board Activity

During the year, the Board has considered a number of key issues and taken action where appropriate, these are summarised below:

Board Assurance Framework	
Chief Executive's Report	<p>The Board received regular reports from the Chief Executive at each Board meeting, providing a summary of key organisational activity to update the Board. This included:</p> <ul style="list-style-type: none"> ❖ Changes to the Executive Team ❖ European Union Transition Preparedness Process Closure Report for Public Health Wales ❖ Summary of meetings such as Joint Executive Team (JET), meetings with Welsh Government Ministers and submissions to the Senedd (Welsh Parliament) Committees, meetings with partner organisations such as Health Education and Improvement Wales and Local Authority Partners ❖ International meetings and engagement with the International Association of National Public Health Institutes (IANPHI) and the World Health Organization (WHO) ❖ Updates on current organisational initiatives such as future ways of working, changes to the Cervical Cancer Screening Programme, an update on Pathogen Genomics programme, and investment in our Breast Test Wales Screening Programmes ❖ Updates on key Organisational work such as Review of our Long Term Strategy, the Launch of our new Improvement Cymru Strategy and Developing a Sustainable Health Protection Response Model for COVID-19, update on the Review of Tuberculosis in Llwynhendy, and 'Together for a Safer Future: Wales' long-term COVID-19 transition from pandemic to endemic ❖ Update on publication of relevant reports such as Cost of Inequality to the NHS in Wales', the Draft Terms of Reference of the UK COVID-19 Inquiry, and the Stonewall Workplace Equality Index.

<p>Integrated Performance Report and Financial Report</p>	<p>The Board received the Integrated Performance Report at each Board meeting, providing a summary of key information including performance highlights, trends, and issues. This was read in conjunction with the Performance and Assurance Dashboard, which highlighted the latest available performance in an interactive format. The presentation at Board meetings included updates from each of the Executive Leads to highlight any specific issues including Workforce, Finance, Operational Plan, Service Delivery and Quality.</p> <p>The Financial Report outlined the revenue and capital position for Public Health Wales on a monthly basis together with year-end forecasts where appropriate.</p>
<p>Novel Coronavirus (COVID-19) General Update</p>	<p>The Board considered regular updates on the evolving position in terms of the pandemic, including situation briefings, an update on the global and UK position, national partnership working with health boards, local authorities, the Welsh Government, Public Health Wales' contribution at a UK Level, details of variants and the work undertaken to manage and respond to this, updates on vaccinations and the role of Public Health Wales within this programme.</p>
<p>Risk</p>	<p>The Board regularly considered the Strategic and Corporate Risk Registers, and approved variations to the Strategic Risks following a review of the risk process.</p> <p>(See Section 4 for Further details)</p>
<p>Research and Evaluation Update</p>	<p>An overview of the research activities underway in the Research and Evaluation Division for assurance.</p>
<p>Board and Committee Governance</p>	
<p>Standing Orders and Scheme of Delegation</p>	<p>The Board approved to incorporate and adopt the proposed amendments following a review of the model Standing Orders and Reservations and Delegations of Powers issued by Welsh Government. (See Section 3.1.1 for further details)</p>
<p>Standing Financial Instructions</p>	<p>The Board approved the incorporation and adoption of the proposed amendments following a review of the Model Standing Financial Instructions into Public Health Wales's Standing Financial Instructions.</p>

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Chair's Action and Affixing of the Common Seal	Where applicable, the Board received reports advising of any of agreements that have required the affixing of the Public Health Wales NHS Trusts' seal, and also identifying any Chair's Actions that had been taken by the Chair of the Board, for ratification.
Protocol – Private Session	The Board approved The Protocol for Reserving Matters to a Private Board (or Committee) . (See Section 3.4.3 for further details).
Board and Committee Governance	The Board considered reports outlining variations to the Board and Committee governance structure in the organisation, including any amendments to ways of working. (See Section 3.1.2 for further details)
Committees of the Board: Report from Committee Chairs	At each meeting, the Board received a report from the Chairs of the Board Committees for assurance, summarising the activity of the Committees within that period. (See Section 3.2 for further details)
Committees of the Board Annual Reports 2020/21	The Board considered Annual Reports from the two Committee's in operation during 2020/21, and took assurance that the Committees were fulfilling their terms of reference. <i>(Note: the Annual Reports for 2021/22 will be presented to the Board for assurance in May 2022)</i> (See Section 3.2 for further details)
Committee Terms of Reference Annual Review	The Board considered a review of the Committee's terms of reference and approved the proposed revisions. (See Section 3.2 for further details)
Plans and Strategies	
Operational Plan	The Board considered and approved the Operational Plan 2021-22 prior to submission to Welsh Government.
Quality and Improvement Strategy	The Board considered and approved the Quality and Improvement Strategy. (See Section 5 for Further details)
Strategic Plan (Integrated Medium Term Plan)	The Board considered and approved the Strategic Plan (Integrated Medium Term Plan) 2022/23. (See Section 9 for further details)

Topical / emerging issues	
Winter Planning Update	The Board considered a summary briefing on planning, preparation and progress for Winter 2021/22 from a Health Protection and Microbiology service perspective (See Section 3.2.2 for further details)
Approval of Annual Report and Accounts	The Board approved the Annual Report and Accounts for 2020/21 for submission to the Welsh Government, following review by the Audit and Corporate Governance Committee and auditing by Audit Wales.
Staff Networks Update Report	The Board considered an update on the requests to date that the Staff Networks have made to the Board within presentations during 2021/22.
Tuberculosis (TB) Outbreak (Llwynhendy) - Commissioning of an External Review	The Board considered the progress on the commissioning, jointly with Hywel Dda University Health Board (HDUHB), of an external review of the management of the TB outbreak in Llwynhendy, Carmarthenshire, and approved the terms of reference, timeline for the project, and the proposed governance arrangements.
Zero Racism Pledge	The Board approved the digital signing the Zero Racism Pledge and therefore agreed to the statement of intent of this initiative.
Strategic Partnerships and Joint working	
Health Inspectorate Wales (HIW) Annual Report	The Board noted the Health Inspectorate Wales (HIW) Annual Report. Although HIW did not undertake any direct review or inspection work in Public Health Wales during 2020/2021, it was noted that it included a short section on the organisation within the report which referenced a wide range of the work that the organisation has undertaken in managing and support Wales through the Coronavirus pandemic.
NHS Wales Shared Services Partnership (NWSSP) Committee	The Board considered update on NWSSP Committee 2020/21 activities.
Nursing Now Cymru Wales	The Board considered and endorsed the final Nursing Now Cymru Wales Report 2021, which celebrated the work of Nurses and Midwives in Wales in supporting the Nursing Now Global Campaign.

Improvement Strategy	Cymru	The Board considered and endorsed the approval of the Improvement Cymru Strategy .
Welsh Health Status – WHESRi	Equity	The Board received a presentation that summarised the ground-breaking work of the WHESRi report, which placed health equity at the heart of the COVID-19 sustainable response and recovery: to build prosperous lives for all in Wales. The report reinforced understanding of how interdependent individual and societal well-being and the wider economy were, towards achieving prosperity for all. The report also contributed to strengthening the leading role of Wales at the forefront of the health equity and sustainable development agenda in Europe and globally. (Full Report Placing Health Equity at the Heart of the COVID-19 Sustainable Response and Recovery: Building Prosperous Lives for All in Wales. The Welsh Health Equity Status Report initiative (WHESRi))
Hosted Bodies		
Finance Hosting approval	Delivery Unit	The Board approved the extension to the Hosting Agreement for the Finance Delivery Unit for the period 1 April 2021 to 31 March 2024.
NHS Hosting Extension	Collaborative Agreement	The Board approved the extension to the Hosting Agreement for the NHS Collaborative for the period 1 April 2021 to 31 March 2023.

Private Board Sessions

The Board held a Private Board session alongside every public session in 2021/22 to consider business of a confidential nature, considering aspects of significant issues including:

Topic	Reason for private session
COVID-19 updates	To supplement the update provided to the Board in open session by providing sensitive information including emerging outbreak issues, financial and supply

	chain information, the development of the new laboratory in Imperial Park 5, Newport, and contractual approvals.
Health protection reports (non-COVID-19) –	To update the Board on sensitive information about non COVID-19 health protection matters
Health Protection Business Case	To provide updates and allow for consideration of the Health Protection Business Case in draft form prior to submission.
Strategic risk Four (Cyber Security)	To provide updates and allow for consideration of the Strategic risk four (Cyber Security) in private session due to the sensitive nature of the risk.
Financial Positions and Supply chain	To provide relevant updates on the Financial Positions and Supply chains, seek approval for procurement contracts which contained commercially sensitive information.

3.2 Committees of the Board

Public Health Wales has a range of Board Committees, which have key roles in the system of governance and assurance. The Board has five Board Committees established, whose purpose is to support the Board in the delivery of its role, the points below summarise the role of Committees:

- ❖ The organisation's activities are vast and complex: the Committees support the Board in covering the depth and breadth of the organisations activities.
- ❖ Committees have a defined role which allows for a higher / deeper degree of scrutiny on behalf of the Board
- ❖ Committees help ensure that the organisation operates effectively and meets its strategic objectives
- ❖ Provides the Board with assurance that this is the case, obtaining assurance that systems and controls are working as they were designed to do.

During 2021/22 all five of the standing Board Committees were in operation, chaired by Non-Executive Directors. The Committees have key roles in relation to the system of governance and assurance, decision-making, scrutiny, development discussions, assessment of current risks, and performance monitoring.

With the exception of the Remuneration and Terms of Service Committee, papers and minutes for each meeting are published on our [website](#). Private Sessions of the Committees are held as required to receive and discuss sensitive or protected information. Business taken in private session is kept to a minimum.

The Committee Chairs report to the Board through a composite Chair's report, providing an overview of items considered by the Committee and highlighting any cross-committee issues / themes or items needing to be brought to the Board's attention. This report is an overview of items considered by the Committee and highlighting any cross- committee issues / themes or items needing to be brought to the Board's attention. The Composite Chair's report and confirmed minutes are published with the Board papers. Committees operate in accordance to the [Protocol for Reserving Matters to a Private Board \(or Committee\)](#).

Each Committee produces an annual report, which provides a summary of business undertaken during the year. The Committee Annual Reports provide the Board with assurance that they are working effectively and contribute to the overall assessment of Board effectiveness. They also provide an additional opportunity to raise any areas or issues that require the Board's attention.

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The Committee Work Plans ensure that the Committee discharges its responsibilities in a planned manner. It assists with agenda planning and is updated during the year to ensure that the Committee considers any additional items arising during the year.

In order to monitor progress and any necessary follow up action, the Committees have action logs that capture all agreed actions. This provides an essential element of assurance to the Committees and from the Committees to the Board.

Each Board Committee has an Executive Director lead or leads who work closely with the Chair of each Committee and Board Secretary in agenda setting, business cycle planning and management of the Committee.

We have not established a Charitable Funds Committee, given that we do not have our own charity. We do have access to a fund administered by Velindre NHS Trust and the Deputy Chief Executive/Executive Director of Operations and Finance has delegated authority to manage this fund.

The following paragraphs provide highlights of reports received by Committees throughout the year. These highlights provide evidence of the governance framework working in practice.

3.2.1 Audit and Corporate Governance Committee

During 2021/22, the Committee met five times and was quorate on all occasions.

The Committee provides advice and assurance to the Board on the systems of internal control, governance, and efficient and effective use of resources by overseeing and monitoring a programme of internal and external audit. The Committee provides an essential element of the overall governance framework for the organisation and has operated within its Terms of Reference and in accordance with the Standing Orders. The Committee discussed the risk management and assurance arrangements in place for the organisation.

The Committee considered the following items.

Internal Audit	
Quarterly Progress Update	Update reports from internal audit function for assurance that these functions were efficient and cost effective.
Internal Audit Reports	Presentation of all Internal Audits listed in section 13.1 .
Limited Assurance – Additional Hours	For assurance of the progress to address the recommendations outlined within the limited assurance report.
Head of Internal Audit Opinion 2020/21	For assurance of the overall assessment and Opinion from the Head of Internal Audit for the 2020/21 year.
Advisory Report 2020/21	For assurance of the Management and governance of the Implementation Groups’ funding allocations NHS Wales Health Collaborative.
External Audit	
Progress Reports	Audit Wales (AW) provided the Committee with regular progress reports on external audits.
Structured Assessment	Considered the report summarising the audit work undertaken during 2021. (see section 13.3 for further details)
AW Annual Report for 2021	Considered the report summarising the audit work undertaken during 2021, and noted that it was a positive report.
Taking Care of the Carers	Considered the Report and noted that it had been presented to PODC.

Audit (internal and external) Action Log	Progress on the implementation of actions and to approve any closure of actions or amendments to timescales.
Counter Fraud	
Counter Fraud Updates	For assurance on the effective management of Counter Fraud issues within the organisation.
Finance and Procurement	
Quarterly Losses and Special Payments Report	To assure the Committee that these were taken in line with the requirements of the Standing Financial Instructions (SFIs).
Quarterly Procurement Reports	To assure the Committee that these were taken in line with the requirements of the Standing Financial Instructions (SFIs).
Annual Review of Debt Right offs	Approval of the annual bad debts and claims abandoned for 2020/21.
Corporate Governance	
Standards of Behaviour Policy	For assurance on the implementation of the Standards of Behaviour Policy.
Welsh Health Circulars (WHC)	For assurance that process for recording and monitoring the organisations compliance with WHC was being managed effectively.
Integrated Governance Updates	For assurance on progress with the implementation the model.
Self-Assessment 2021/22 – Code of Practice Compliance	For assurance that the Organisation complied with the Self-Assessment 2020/21 – Compliance against the Governance in Central Government Departments: Code of Practice 2017.
Bi-annual Policies Status	For assurance of the prioritisation and progress being made to review policies and procedures within the remit of the Committee.
Policies	Approved the All Wales Information Governance Policy, the All Wales Information Security Policy, and the All Wales Internet Use Policy.
Information Governance	
Information Governance Performance Report	For assurance that the Information Governance Management System was working effectively
Data Breach Action plan	For assurance on the progress made against the action plan.

Cyber Security	
Bi Annual Updates	For assurance of the organisations management of Cyber Security issues.
Committee Governance	
Annual Committee Effectiveness	The Committee considered a presentation on Committee Effectiveness and Performance following the completion of an online survey by Committee Members and attendees. A full report from this discussion will be provided to the Board as part of the Board’s Performance and Effectiveness review planned for Quarter 1 of 2022/23.
Terms of Reference Review	Annual review of the Committee’s terms of reference for a recommendation to the Board for any changes required.
Committee Work Planning.	To plan the Committee focus for the following year, and to approve a work programme.
Annual Reporting	
Annual Accounts Plan for 2020/21	For assurance of the arrangements in place to produce the Annual Report in line with requirements.
Draft Accountability Report 2020/21	Draft Annual Accountability Report for 2020/21 for approval prior to submission to Audit Wales and Welsh Government.
Hosted Bodies	
Finance Delivery Unit: Annual Assurance Statement	For assurance that the collaborative have complied with the hosting arrangements.
Risk	
Corporate Risk	Received the corporate risk register to enable them to gain assurance that operational risks were being appropriately managed
Strategic Risk	Received the Strategic Risk Register (SRR) for oversight of those elements of the SRR which apply to the risks falling under the remit of the Committee. The Committee’s role is to seek assurance from the Executive on the management of the risks, in particular to test the efficacy of the controls and to make recommendations to strengthen the control environment where necessary.
Annual Review of Risk	For assurance of the appropriate plan in place to manage risk within the organisation.

3.2.2 Quality, Safety and Improvement Committee

The Quality, Safety, and Improvement Committee met five times during 2021/22 and was quorate on all five occasions.

The Committee assists the Board in discharging its functions in meeting its responsibilities with regard to quality and safety. The Committee is responsible for seeking assurances on all aspects of quality of services and clinical care, governance systems including risk for clinical, corporate, and regulatory standards for quality and safety.

In May 2020, the Committee increased the frequency of meetings during this period to one meeting approximately every eight weeks (where it was possible to do so) to allow for appropriate and timely activity. An increased frequency continued into 2021/22 to ensure appropriate time allocated to consider quality and safety matters.

The Committee meeting agendas were reviewed to ensure a focus on compliance, covering statutory and core requirements and that appropriate governance arrangements were in place to provide appropriate assurance to the Board. In particular, the agendas were focused on the Complaints, Serious Incidents and Putting Things Right. Crucially, the Committee also had an assurance role linked to COVID-19 on the safety of service users and the potential for unintended harm from the impact on service provision. Also, supporting the Board in the context of the Health Protection Response to managing the pandemic.

The Committee undertook further scrutiny of the following areas during 2021/22:

Safeguarding			
Safeguarding Deep Dive		For assurance from a deep dive into the National Safeguarding Team (NST), on the delivery of a quality service. The deep dive covered an overview of NST’s role and function, the impact of COVID-19 on service delivery and the planned next steps and future direction for the service.	
Safeguarding	Annual	Report	For assurance on how the organisation has discharged its Safeguarding responsibilities.
2020/2021			

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Safeguarding Group Term of Reference	For Approval of the revised terms of reference for the Safeguarding Group.
Quality	
Quality Indicators	For assurance on the development of quality indicators as part of the ongoing work with the Performance Assurance Dashboard.
Annual Quality Statement	Consideration of the update on the reporting requirements for the Annual Quality Statement 2020/21
Health and Social Care (Quality and Engagement) (Wales) Act 2020	For assurance on the approach to implement the Health and Social Care (Quality and Engagement) (Wales) Act 2020 within Public Health Wales.
Draft Quality and Improvement Strategy	For consideration and to recommend to the Board for approval, noting the comments from the Committee would be considered and incorporated in the final draft document as appropriate.
Quality and Improvement Strategy Implementation Plan (Year1)	For approval, noting how the plan would build in years 2 and 3, and for consideration how staged improvement in future years was planned.
Clinical Governance	
Medical Devices	For assurance that the organisation had taken account of the impact of changes in applicable legislation, and for assurance on the work already undertaken and plans to further strengthen organisational arrangements for Medical Devices as part of the broader integrated governance arrangements.
Medical Revalidation and Job Planning	For assurance that process were in place to support the dental and medical staff as required by the Medical and Dental contract.
Infection, Prevention and Control	Approved the Public Health Wales Infection Prevention and Control Annual Report for 2019/20.
	Approved the Public Health Wales Infection Prevention and Control Annual Report for 2020/21.
Internal Flu Vaccine	For assurance that the Internal Flu Vaccine Campaign Report that the Campaign had been effectively managed; and for assurance on arrangements in place to deliver the staff flu campaign

Clinical Audit	
Quality and Clinical Audit Plan 2021/22	Approved the Quality and Clinical Audit Plan for 2021/22; and for assurance on the progress of the Quality and Clinical Audit Plan for 2021/22, noting the proposed improvement initiatives.
Quality and Clinical Audit Plan 2020/21	Took assurance on progress against the Annual Quality and Clinical Audit Plan 2020/21
Putting Things Right and Alerts	
Alerts Report	For assurance on the management of alerts received by Public Health Wales.
Putting Things Right Quarterly Update Report	For assurance the effectiveness of the management of concerns (incidents, complaints and claims).
Putting Things Right Annual Report 2020/21	For approval of the Putting Things Right Annual Report 2020/21.
Health and Care Standards	For assurance on the Health and Care Standards Self-Assessment 2020/21.
	For assurance on the approach to review the Health and Care Standards Plan for 2021-22, noting that the outcome of the self-assessment will be reported at Committee in the first quarter of 2022-23.
Once for Wales Concerns Management System (Datix)	For assurance that Public Health Wales had implemented effective project management and control over the implementation of the Once for Wales Concerns Management System (Datix).
Claims and redress	For assurance that claims were being managed in line with Claims Management Policy and Procedure
Engagement	
Our Approach to Engagement Update	For assurance on the progress of delivering the implementation plan of 'Our Approach to Engagement'.
Our Approach to Engagement Implementation Plan	For assurance that plans to implement ' <i>Our Approach to Engagement</i> ' were progressing and to approve the proposed refocus and actions for Year 2 of implementation. The Committee noted the planned approach to improve the quality assurance of public information following a concern regarding the British Sign Language (BSL).

Health and Safety	
Health and Safety Quarterly Reports	For assurance on the quarterly Health and Safety report, and that appropriate governance and operational measures were in place to monitor compliance.
Health and Safety Group Terms of Reference	for approval of the revised Terms of Reference for the Health and Safety Group.
Health Protection and Screening Services	
Screening Recovery deep dive	For assurance on the impact of COVID-19 on service provision; and the estimated recovery times for the service; the Committee was assured the recovery was well structured, and noted the planned next steps.
Screening Recovery updates	For assurance that the recovery of the screening programmes was progressing and that there was continued development of the programmes as required.
Winter Planning	For assurance on the winter planning within the Health Protection and microbiology services for 2021-22.
Breast Test Wales (HIW) Action Plan	For assurance on the progress made against the Breast Test Wales (HIW) Action Plan.
Health Inspectorate Wales	For assurance from the Health Inspectorate Wales Annual report 2020-21 findings.
Emergency Planning and Business Continuity – Annual Report 2020/21	For assurance in relation to the organisations compliance with the requirements of the Civil Contingencies Act [2004] and the NHS Wales Emergency Planning Core Guidance [2015].
Committee Governance	
Terms of Reference Review	Annual review of the Committee’s terms of reference for a recommendation to the Board for any changes required.
Committee Work Planning.	To plan the Committee’s focus for the following year, and to approve a work programme.
Committee Effectiveness	The Committee considered a presentation on Committee Effectiveness and Performance following the completion of an online survey by Committee Members and attendees. A full report from this discussion will be provided to the Board as part of the Board’s Performance and Effectiveness review planned for Quarter 1 of 2022/23.

Internal Audit Final Reports	For consideration of the recommendations made within the Internal Audit Final reports on the Reactivation of Screening Services and the IP5 Lab, and took assurance that the monitoring of any actions from these reports would be undertaken through the Audit and Corporate Governance Committee.
Policies	Approval of: <ul style="list-style-type: none"> ❖ Outbreak Management Policy and Procedure ❖ Exposure Injury (including needle stick injury) and Safe Management of Sharps Policy and Procedure ❖ the revised Outbreak Incident Management Policy and Procedure ❖ Safeguarding Policy ❖ Adults at Risk Procedure ❖ Children and Risk Procedure ❖ Domestic Abuse Procedure.
Risk	
Corporate Risk	Received the corporate risk register to enable them to gain assurance that operational risks were being appropriately managed
Strategic Risk	Received the Strategic Risk Register (SRR) for oversight of those elements of the SRR which apply to the risks falling under the remit of the Committee. The Committee's role is to seek assurance from the Executive on the management of the risks, in particular to test the efficacy of the controls and to make recommendations to strengthen the control environment where necessary.

3.2.3 People and Organisational Development Committee

The People and Organisational Development Committee met four times during 2021/22 and was quorate on all four occasions.

The Committee assists the Board in discharging its functions in meeting its responsibilities with regard to overseeing the People and Organisational Development strategies and plans ensuring they are consistent with the Boards overall strategic direction; with particular reference to Equality, diversity and human rights; and Welsh language provision.

The Committee undertook further scrutiny of the following areas during 2021/22:

People	
Resilience, Wellbeing and Recruitment;	For assurance on recruitment in the organisation, including the Health Protection Case.
Recruitment Update – Integrated Health Protection Service Business Case	For assurance on the progress of the recruitment, the use of the tracker in the recruitment process, ensuring that timelines were complied with.
Workforces Data on the Performance Assurance Dashboard	For assurance, and consideration of the live data from the Performance and Assurance Dashboard focusing on sickness absences, staff vaccinations, recruitment and turnover.
Welsh Language	For assurance that the organisation had the appropriate plans in place to meet the Welsh Language statutory requirements, to reinvigorate the organisations’ bilingual culture and to consolidate awareness across the organisation of each teams’ compliance obligations.
People Strategy	For consideration and understanding of the People Strategy, which highlighted the interdependencies with other Strategies and Plans within Public Health Wales;
Workforce Equality Analysis	A presentation on Workforce Equality Analysis for discussion: a Gap Analysis had been undertaken using in-house expertise. This work was an analysis of the Diversity and Inclusion work for the organisation and it identified a number of actions for

	improvement including Diversity and Inclusion training, improvement to recruitment practices.
Our Conversation – Principles for the Future of Work	For assurance that work on the 'Our Conversation' was progressing well, noting that the Principles for the Future of Work was on course to commence immediately once the Welsh Government relaxed the legal requirement for staff to work from home.
Workforce Annual Reporting	Approval of: <ul style="list-style-type: none"> ❖ Annual Equality Report 2020-21 ❖ Workforce Report Annual Report 2020-21 ❖ Gender Pay Gap report 2020-21.
Diversity and Inclusion	For assurance on the extensive work had been undertaken to progress the Diversity and Inclusion agenda in Public Health Wales.
Gender Pay Gap	The Committee considered and approved the Gender Pay Gap Report.
Partnership working	For consideration of topical discussions with the local partnership forum and the inclusion of four new trade union representatives for the Committees.
Wellbeing PHW Survey	To note the ongoing work in relation to the survey results with staff networks and trade union colleagues, and next steps to support the workforce.
Disciplinary Cases	(Private session) for assurance that appropriate arrangements were in place to manage the requirements under the Disciplinary Policy.
Committee Governance	
Committee Work Planning.	To plan the Committee's focus for the following year, and to approve a work programme.
Committee Effectiveness	The Committee considered a presentation on Committee Effectiveness and Performance following the completion of an online survey by Committee Members and attendees. A full report from this discussion will be provided to the Board as part of the Board's Performance and Effectiveness review planned for Quarter 1 of 2022/23.
Policies	Approval of the All Wales Respect and Resolution Policy and the All Wales Raising Concerns Policy.
Policies Update	For assurance from an update on the register of policies and written control documents on the prioritisation and progress being made to review policies, procedures and other written control documents within the remit of the Committee.

Internal Audit	The Committee considered the recommendations made within the Internal Audit Final reports for Recruitment, Additional Hours and Overtime and Staff Wellbeing and took assurance that the monitoring of any actions from these reports would be undertaken through the Audit and Corporate Governance Committee.
External Audit	For assurance on the planned next steps identified in the management response to the 'Taking Care of the Carers' Audit Wales Report
Risk	
Corporate Risk	Received the corporate risk register to enable them to gain assurance that operational risks were being appropriately managed.
Strategic Risk	Received the Strategic Risk Register (SRR) for oversight of those elements of the SRR that apply to the risks falling under the remit of the Committee. The Committee's role is to seek assurance from the Executive on the management of the risks, in particular to test the efficacy of the controls and to make recommendations to strengthen the control environment where necessary.

3.2.4 Knowledge, Research and Information Board Committee

The Knowledge, Research, and Information Board Committee met twice during 2021/22 and was quorate on all occasions.

The Committee assists the Board in discharging its functions in meeting its responsibilities with regard to relation to the overseeing quality and impact of our knowledge, health intelligence and research activities and also the data quality and information governance arrangements in the organisation and cross sector where applicable.

The Committee undertook further scrutiny of the following areas during 2021/22:

Workshop	<p>The first session of the KRIC Committee held in December 2021, was held as a workshop as part of the development of the areas of priority and focus for the Committee.</p> <p>The Committee discussed the following:</p> <ul style="list-style-type: none"> • Areas of strength and weakness across wider Welsh system • Engagement of Public Health Wales in research and evaluation and its unique strengths • Areas for improvement and opportunities for development • Priorities for research, evaluation and analysis • Key principles for Research in Public Health Wales
Work Planning	<p>The Committee also considered the focus of its work plan for the next year and agreed to focus on:</p> <ul style="list-style-type: none"> • The development of the Research and Evaluation strategy. • The development of an approach to partnering. • The development of a Digital and Data Strategy that aligned with the developing All-Wales NHS Digital Strategy.

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	<ul style="list-style-type: none"> • The right governance in place to enable delivery against each of the strategies. • Deep dives on areas of focus (mainly cross-cutting).
Research and Evaluation Strategy	The Committee considered an update detailing the work undertaken within the Knowledge Directorate following the discussions at the previous Committee Workshop discussions including next steps and progress with the specific elements.
COVID-19 Vaccine Trials	The Committee received a presentation to the Committee detailing the role of the Organisation in providing strategic oversight for COVID-19 vaccine trials in Wales
Digital and Data Strategy	An update of the development by the Welsh Government of the Digital and Data Strategy for the Health and Care system in Wales.
Managing Risk	The Committee received a verbal update that confirmed that that in line with current practice, any relevant risks were reported to each of the Board Committees. Currently there are no pertinent strategic risks to report to this Committee and all corporate risks were included in the accompanying meeting paper.
Living with COVID-19 Dashboard	The Committee considered a live presentation of the various aspects of the dashboard, noting that this was in development.

3.2.5 Remuneration and Terms of Service Committee

The Remuneration and Terms of Service Committee met three times during 2021/2022 and was quorate on all three occasions.

The role of the Committee is to approve, and provide assurance to the Board on matters relating to the appointment, termination, remuneration, and terms of service for the Chief Executive, Executive Directors, and other senior staff within the framework set by the Welsh Government in accordance with the scheme of delegation.

The Committee also approved proposals regarding termination arrangements, including those under the Voluntary Early Release Scheme, ensuring the proper calculation and scrutiny of termination payments in accordance with the relevant Welsh Government guidance.

In order to monitor progress and any necessary follow up action, the Committee has an Action Log that captures all agreed actions.

The Remuneration Report provides relevant information regarding the matters considered by the Committee during 2021/2022.

3.3 Executive Governance

With the exception of powers reserved for the Board and its Committees (as outlined in the Scheme of Delegation) the Board delegates authority for operational delivery and operational decisions to its Chief Executive.

The Chief Executive has established and recognises the Executive Team as the key executive leadership team for the *collective* execution of the delegated responsibility in addition to the delegated individual accountabilities and responsibilities that each Director in the Executive Team has with their respective portfolios.

The Executive Team comprises the Chief Executive and Directors (some of whom are Executive Directors) and has responsibility for the leadership and operational management of the organisation.

Figure 3 shows the Executive Team and Directorate Structure in operation during 2021/22.

3.3.1 Business Executive Team

The Business Executive Team meeting is the main collective corporate assurance meeting. The Business Executive Team (BET) is chaired by the Chief Executive and its role includes:

- ❖ Ensure the correct balance of strategic and operational time is invested to effectively and collectively lead (Executive) and oversee the management of the organisation.
- ❖ Overseeing, receiving assurance from Directors, and identifying remedial actions as appropriate in relation to the successful implementation of the Long Term Strategy (through the three-year Strategic Plan and annual plans) and the effective performance and delivery of the associated measurement and outcomes framework.
- ❖ Embedding a culture of openness and transparency, equality and diversity and innovation and curiosity across the breadth of the organisation.
- ❖ Receiving assurance from Directors in relation to the compliance with statutory requirements and relevant legislation.
- ❖ Ensuring the appropriate collective management and utilisation of all resources across the organisation.
- ❖ Looking forward and horizon scanning for future developments, innovation and technologies relevant to the organisation and public health more broadly
- ❖ Identifying and managing corporate and strategic risks within the Board's risk appetite

- ❖ Establishing relevant operational decision-making groups and delegating responsibilities to them as appropriate

On average, the Business Executive Team meets twice a month..

In addition, the Chief Executive has established a Strategic Business Executive Team which meets on average twice a month. This is chaired by the Deputy Chief Executive and is dedicated specifically to strategic and pan-organisational items.

3.3.2 Gold Group

The Gold group was stood up in March 2020 in response to the emergency situation that the COVID-19 presented.

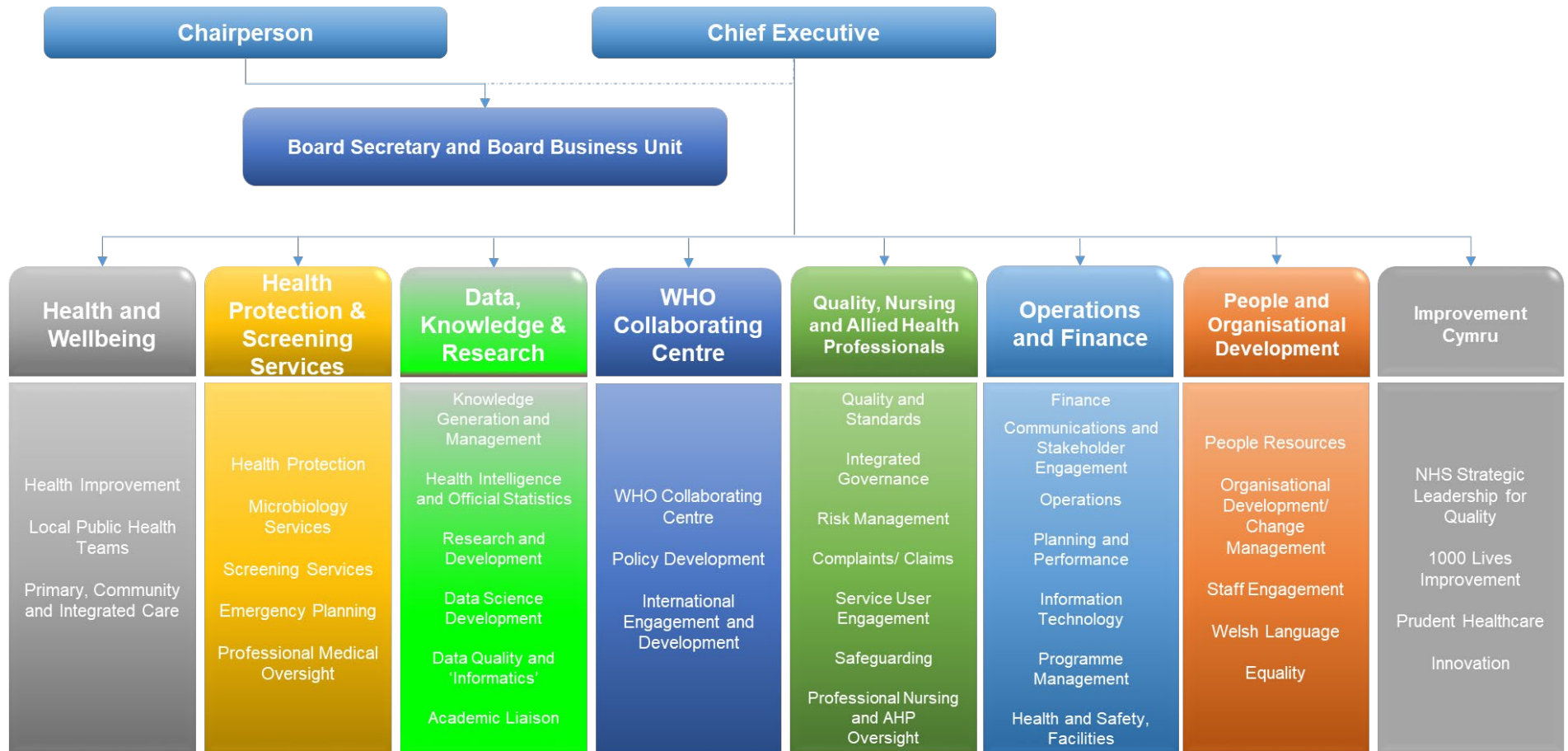
The Gold Group was responsible for providing strategic oversight and direction of the Public Health Wales response to COVID-19 roles and responsibilities in accordance with the Public Health Wales Emergency Response Plan. The Gold Group took overall responsibility for the management of the incident and established the strategic direction for the organisational response to the pandemic. The Gold Groups focus was the command and control structure for the pandemic. The Gold Group was chaired by the lead Strategic Director and reported to the Business Executive team.

In 2021/22, the Gold Group continued to meet on the second and fourth week of each month up to the end of August 2021.

A decision was taken at the Gold meeting on the 12 August 2021, and supported by the Business Executive Team, to plan for a move to a 'Normal Response' to COVID-19 from the 31 August 2021, following an assessment of the response level using the Joint Emergency Service Interoperability Programme (JESIP) decision-making framework and Public Health Wales' Emergency Response Plan.

In the move from 'Enhanced' to 'Normal' response, as of the 28 August 2021, GOLD group and the national Incident Management Team (IMT) was disestablished. In its place, a COVID-19 Co-ordination Group (CCG) was established to maintain situational awareness and co-ordinate operational activity. The CCG reports to a COVID-19 Exec Group (COVID-Ex), which is comprised of members from the Health Protection and Screening Services Directorate Leadership Team (HPSS DLT) and other key leaders across the organisation, to take strategic decisions and report to the Business Executive Team and the Board as required.

Figure 3: Executive Team and Directorate Structure in operation from 1 April 2019



Organisational structure 2021/22

3.4 Improvements to the Governance Framework

During the year, work has been ongoing to further strengthen the governance framework for the organisation and test its robustness. This included the following main areas.

3.4.1 Review of the Board Committee Terms of Reference

The Committees are reviewed annually to ensure compliance with Standing Orders. A review of the Terms of Reference took place in May 2021 and suggested amendments were presented to the Board for approval.

The Board considered a review of the Terms of Reference for the Committees in operation in May 2021 (QSIC, and ACGC) and approved revised versions.

Standard Terms of Reference and Operating Arrangements	A review of the Standard Terms of Reference took place in April 2021, and no changes were recommended to Board. This was approved by the Board on 27 May 2021.
Quality, Safety and Improvement Committee	<p>A review of the QSIC Terms of Reference took place in April 2021, and proposed changes were recommended to the Board for approval. The proposed changes was Committee to retain the Health and Safety elements, which were temporarily remitted to it whilst the People and Organisational Development Committee was suspended.</p> <p>The Board approved this on the 27 May 2021, and relevant changes were also made to the KRIC Terms of Reference.</p>
Audit and Corporate Governance Committee	<p>A review of the ACGC Terms of Reference took place in April 2021, and proposed changes were recommended to the Board for approval. The proposed changes were for the Committee to retain the cyber security and information governance compliance which were temporarily remitted to it whilst KRIC had been suspended.</p> <p>The Board approved this on the 27 May 2021, and relevant changes were also made to the KRIC Terms of Reference.</p>
People and Organisational Development Committee	Following the approval by the Board of the move of Health and Safety matters to QSIC, the relevant changes were made to the People and Organisational Development Committee Terms of Reference in May 2021.

	<p>A full review of the PODC Terms of Reference took place in July 2021, were recommended to the Board for approval in July 2021.</p>
<p>Knowledge, Research and Information Committee</p>	<p>Following the approval by the Board of the move of Cyber Security and compliance with Information Governance to ACGC, this change was made to the KRIC terms of reference in May 2021.</p> <p>The KRIC was suspended during 2020/21 and resumed meetings in December 2021. The Committee's Terms of Reference were reviewed and updated prior to the Committees commencement in December 2021, and changes made to ensure the appropriate focus of the Committee.</p> <p>The Board approved this updated version in November 2021.</p>

3.4.2 Performance and Effectiveness Cycle

The Board has a comprehensive approach to reviewing performance and effectiveness within an annual cycle. The following elements of the cycle have been in place this year:

a) External and Internal Assurances to the Board

During the year we have undertaken, or engaged in, a number of assessments that provide internal and external sources of assurances to support the Board in undertaking its annual effectiveness assessment, the main reviews that relate to the Board are outlined below:

- ❖ Audit Wales has completed the **Structured Assessment Review in 2021/22**, focusing on corporate arrangements, including the governance arrangements, for ensuring that resources are used efficiently, effectively and economically. The overall conclusion of this assessment was that the organisation is generally well led and well governed and the Board continues to operate effectively, and seek opportunities to improve. There was one recommendation in the Structured Assessment relating to the uploading of the livestream recording of the Board meeting onto the Website following the meetings, which has been addressed.
- ❖ We have completed an assessment against the Corporate Governance in Central Governance Departments: **Code of Good Practice 2017**. We used the "Comply" or "Explain" approach in

relation to the Code of Good Practice. This was presented to the Audit and Corporate Governance Committee in [March 2022](#) who took **assurance** of our compliance with the Corporate Governance in Central Government Departments – Code of Practice 2017. *(Further information is provided in [section 10.10 of this report.](#))*

b) Board Committee Effectiveness

There is a programme in place to ensure Board Committees review the following activity for each Committee:

- ❖ Terms of Reference and Operating Arrangements
- ❖ Committee Effectiveness Questionnaire
- ❖ Committee Effectiveness Workshop
- ❖ Annual Committees Report of Activity to the Board
- ❖ Feedback session at the end of each meeting.

In February 2022, an online questionnaire was completed by members of the Audit and Corporate Governance, the Quality, Safety and Improvement Committees and the People and Organisational Development Committee. The questions were based primarily on the Audit Committee Handbook (2012) suggested self-assessment questions and Audit Office good practice guidance and were adapted for the Committees.

A workshop was held on the 21 March 2022, with Committee Members and the Executive Leads to discuss the common themes and committee wider learning from the survey results. A summary of the themes from this meeting will be provided to each Committee, and to the Board.

The results of the respective questionnaires were provided to each Committee for discussion in April / May 2022 to agree any learning and associated actions. Relevant learning from the overall review of effectiveness will be fed into the Board performance review in 2021/22: a summary of the Committees' considerations and outcomes of this review will be reported to the Board in quarter 1 of 2022 as part of the wider Board effectiveness review.

As Knowledge, Research and Information was not in operation until the 3rd quarter of 2021/22, the effectiveness review was not undertaken for this Committee, but will be in 2022/23.

c) Board Performance and Effectiveness

A Board review of performance and effectiveness will take place in 2022/23, and will incorporate learning from the Committee reviews outlined in b) above.

After each Board meeting, feedback is sought from Board members and attendees.

d) Chair's Appraisal with the Minister for Health and Social Services

The Chair of the Board undertakes an Annual appraisal with the Minister, including the setting of objectives, a mid-year review, and year-end appraisal of the year's performance.

e) Public Health Wales Chair's review led by the Vice Chair

Between November and December 2021, an internal review was undertaken of the Chair's performance. This process was established in 2019, is repeated annually, and led by the Vice Chair. It provides an opportunity for the effective appraisal of the Chair at Board and Executive level and is in addition to the review held by the Minister for Health and Social Services.

f) Chief Executive Appraisal

The Chief Executive undertakes an Annual appraisal with the Chair of the Board, including setting objectives at the beginning of the year, a mid-year review, and year-end appraisal of the year's performance. The Chief Executive also has an end-of-year review with the Chair and the Director General for Health and Social Services and NHS Wales Chief Executive, consistent with the Accountable Officer designation.

g) Non-Executive Director appraisal with the Board Chair and Executive team appraisals with the Chief Executive

The Chair of the Board undertakes a bi-annual review of the performance and personal development of Non-Executive Directors. The Chief Executive does the same with the Executive team. The process of appraisal for both groups includes objective setting, a mid-year review, and an end of year review. The Chair also meets with each Executive Director to discuss their Board member role on an annual basis.

h) Board Secretary and Head of the Board Business Unit appraisal

The Chief Executive and Board Chair undertake an appraisal with the Board Secretary and Head of the Board Business Unit and includes objective setting, a mid-year review and an end of year review.

3.4.3 Protocol for Reserving Matters to Private Session

In accordance with the Public Health Wales Standing Orders, Public Health Wales holds its Board meetings in public, there will be occasions when some of the organisation's business is more appropriately considered in private session; to ensure that business considered is not prejudicial to the public interest - in other words that undue harm or influencing of the public unfairly does not take place.

In May 2021, the Board approved a [Protocol for the matters considered in private session](#), outlining the commitment of the Board to operate in as transparent, open and accountable a way as possible. The document was developed to help identify the reasons that are most likely to apply to material considered by the Board in private meetings.

A number of improvement actions were agreed and implemented to improve the transparency:

- ❖ That all private Board meetings would include the relevant rationales,
- ❖ That an annual review on the matters taken in private session would take place, for reflection and review purposes.
- ❖ From January 2022, a report was presented to each open Board session concerning the matters considered in the previous Board's private meeting.

3.5 Board and Executive Team Membership

The Board is constituted to comply with the *Public Health Wales National Health Service Trust (Membership and Procedure) Regulations 2009 (as amended)*. In addition to responsibilities and accountabilities set out in terms and conditions of appointment, Board members also fulfil a number of Champion roles where they act as ambassadors (see appendix 1). As previously indicated the Board is constituted with Non-Executive and Executive Directors.

In addition to the Executive Directors appointed in accordance with the *Regulations*, individuals have also been appointed to other Director positions. They, together, with Executive Directors, are members of the Executive Team. They have a standing invitation to Board meetings where they can contribute to discussions, although do not have voting rights.

3.5.1 Departure and appointment of Non-Executive Directors

Judi Rhys, Non-Executive Director (Third Sector) Non-Executive Director completed her second term of office on the 31 March 2022. Following a public recruitment exercise for a Non-Executive Director (Third Sector) in December 2021/January 2022, Kate Young was appointed to this role from 1 April 2022 to the 31 March 2026.

From 1 April 2021, Mohammed Mehmet has covered the vacancy left by Alison Ward's departure on the 31 March 2021, and has fulfilled the Local Authority Non-Executive Director on a full basis. Following a public recruitment exercise, Mohammed was appointed to a substantive full term post from 1 April 2022 to the 31 March 2026.

On the 1 April 2022, new regulations became law allowing NHS Trusts in Wales to appoint a standalone Vice Chair position. For Public Health Wales this also means an additional Executive and Non-Executive Director can be appointed moving the Board to eight Non-Executive Director and six Executive Directors.

3.5.2 Board Succession Planning

Succession planning has been actively considered during the year and following the review of Board skills, skills required for the future and appointment terms, relevant recruitment campaigns have successfully recruited additional Board members.

We have a clear timetable of appointment terms and actively monitor this on an ongoing basis to ensure the Board has the appropriate skills and appointments in place as required to meet the needs of the strategic

direction of the organisation as well as comply with our Standing Orders and Regulations.

3.5.3 Senior Staff Appointments and Departures

The current Executive Team structure has been in place since the 1 April 2019. The following changes have occurred in post holders during the year:

Executive Director of Health and Well-being

Jyoti Atri was appointed as Interim Executive Director of Health and Well-being from the 25 February 2019 and continued to fulfil this role since then on an interim basis. Jyoti left Public Health Wales on the 11 June 2021.

Sally Attwood was appointed as Transitional Director of Health and Well-being on the 1 July 2021.

From the 12 June 2021, the role of Director of Policy and International Health, WHO Collaborating Centre on Investment for Health and Well-being became an Executive Director role on the Board.

Transition Director of Knowledge

Sian Bolton was appointed Transition Director of Knowledge in April 2019 and continued to fulfil this role on an interim basis, until her departure on the 2 May 2021.

Iain Bell was appointed as the substantive National Director of Public Health Knowledge and Research on the 12 July 2021.

For the period of the 3 May 2021 until a substantive appointment was made on 12 July 2021, John Boulton, covered the roles and functions of the Transition Director of Knowledge.

Board Secretary and Head of Board Business Unit

Helen Bushell was on maternity leave from the 10 July 2021 to 12 September 2021. During this time Elizabeth Blayney was appointed as Acting Board Secretary and Head of Board Business Unit.

Director of People and Organisational Development

Neil Lewis was appointed Acting Director of People and Organisational Development on the 17 August 2020, pending the recruitment of a permanent replacement for the Director of People and Organisational Development. The role was advertised at the end of March 2021 and the interviews took place in April 2021. On the 31 April 2021, Neil Lewis

was appointed to the substantive post of Director of People and Organisational Development.

National Director Health Protection and Screening Services, Executive Medical Director

Quentin Sandifer retired as Executive Director Public Health Services and Medical Director on the 11 December 2020.

Andrew Jones was appointed Interim Executive Director of Public Health from the 1 December 2020 to the 31 May 2021, pending the recruitment of a permanent replacement.

Dr Eleri Davies was appointed Interim Medical Director from 1 December 2020 to the 31 May 2021, pending the recruitment of a permanent replacement.

The title of the directorate was amended to Health Protection and Screening Services and Dr Fu-Meng Khaw was appointed to the role National Director of Health Protection and Screening Services and Executive Medical Director the 1 June 2021.

3.5.4 Staff Representation at Board and Committee Meetings

Staff side representatives are invited to all Board, Board Development, and relevant Committee meetings throughout the year. They are encouraged to play a full and active role in Board discussions.

We have continued to engage with all Unions and representatives on the Staff Partnership Forum to encourage effective staff representation at Board and Board Committee meetings throughout the year.

3.5.5 Board Diversity and Inclusion

The Board recognises the importance of ensuring a diverse range of backgrounds, skills, and experiences to add value to the Board discussions and decisions.

For the 2021/2022 period, the Board had a gender balance of 56.3% (9) female, 43.75% (7) male, 12.5% (2) members were from a Black and Ethnic Minority background, 0% declared a disability.

One Board member is a fluent Welsh speaker and a further two are advanced learners.

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The Board is very committed to enhancing diversity and ensuring an appropriate range of skills and experiences to fulfil its role and has a range of initiatives in development for 2022/23.

4. The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risks. It can therefore only provide reasonable and not absolute assurances of effectiveness.

The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for the year ending 31 March 2022 and up to the date of approval of the annual report and accounts.

We use a Strategic Risk Register (SRR) system and process to monitor, seek assurance, and ensure shortfalls are addressed through the scrutiny of the Board and its committees.

Key controls are defined as those controls and systems in place to assist in securing the delivery of the Board's strategic objectives. Examples of key controls include:

- ❖ Schemes of delegation
- ❖ Policies and procedures
- ❖ Performance data
- ❖ Financial management information
- ❖ Quality and Safety processes.

The effectiveness of the system of internal control is assessed by our internal and external auditors.

4.1 Capacity to Handle Risk

As part of the planning process and development of the Long Term Strategy, which included full engagement with stakeholders, seven strategic risks were identified (an eighth strategic risk around data quality management was also identified and added to the Strategic Risk Register in December 2019). During 2021, these were reviewed and updated to four strategic risks and eight corporate risks.

In addition to the risk registers, given the substantial changes in the organisation during the COVID-19 pandemic, a significant piece of work was completed to reframe the system of risk management and introduce a Risk Management Development Plan. The plan consolidates the good work that has been done over the past five years including the reports received

from internal audit, to learn lessons from the way risk has been managed throughout the pandemic and to take Public Health Wales further along the journey to becoming a high performing organisation in terms of its risk management arrangements. The plan includes work on risk appetite, training and development at all levels, and the introduction of the Risk module from the Once for Wales Concerns Management System.

The Board approved the Risk Management Policy and the supporting Risk Management Procedure in November 2020, which includes the requirement for an Annual Statement of Risk Appetite.

The statement for risk appetite was reviewed by the Board in April 2021 with regards to the strategic theme '*protecting the public from infection and environmental threats to health*' on the basis our response to the COVID-19 pandemic was our organisational priority. Following the development of our Intermediate Medium Term Plan for 2022-25, the Board did a full review of the risk appetite for all strategic themes in April 2022, this was formally approved at the Board on [26 May 2022](#).

Strategic Risks are the highest level risks that could threaten the organisation's ability to deliver on the strategic priorities, as laid out in the Strategic Plan. Strategic Risks are identified at Board level during the annual planning process. . All strategic risks are assigned an Executive lead and this person will review their strategic risks and associated action plans on a regular basis and provide updates to both the Executive Team and Board.

The **Corporate Risks** are all of the operational risks that pose a direct risk to the day to day business of the organisation, or could lead to Directorates or Divisions failing to meet their objectives. This can include:

- ❖ Operational Risk
- ❖ Project / Programme Risk
- ❖ Clinical Risk
- ❖ Financial Risk
- ❖ Quality Risk

Figure 5 outlines the key strategic risks together with the assessed risk scores (once existing risk control measures have been taken into account) as of 31 March 2022.

Figure 5: Public Health Wales Key Strategic Risks 2021/22

Strategic Risk	Risk Score* Max Score 20
Inability to sustain the COVID-19 response	16
Fail to deliver effective and timely system leadership	20
Suffer a cyber-attack on IT systems.	16
Fail to support and protect the health, well-being, welfare, and resilience of our staff.	20

*Note: these risk were revised and updated in early 2022/23 (approved by the Board on [26 May 2022](#))

Figure 6: Outlines the key corporate risks together with the assessed risk scores (once existing risk control measures have been taken into account) as of 31 March 2022.

Corporate risk	Risk Score* Max Score 20
Failure in service delivery in Diabetic Eye Screening	20
Fail to recruit and retain workforce	16
Fail to implement an effective quality management system which reflects the requirements of the Quality and Engagement Act.	16
Failure to recruit and retain sufficient medical microbiologists	16
Fail to exploit data	15
Fail to adequately prepare for the forthcoming Public Inquiry	15

*Public Health Wales utilises a 5x5 matrix to calculate the risk score. This method is widely used within the NHS. Likelihood and Impact of the risk occurring are assessed on a scale of one to five, and then the two scores are multiplied to arrive at the final risk score (between one and 25 with one being the lowest). Further information can be found in the Public Health Wales [Risk Management Procedure](#).

The Board received updates on each risk and the respective actions at Board meetings during the year in the form of the Strategic Risk Register that forms part of the wider Board Assurance Framework (BAF). It approved any amendments to the SRR, including the extension of individual action due dates.

There are now in excess of 100 Risk Handlers trained across the organisation whose role is to support directors and other Risk Owners, and training is offered to all senior managers who are expected to take on the responsibilities of risk owners. Guidance documents, nominated Risk Handlers, and a submission form available on the web-based incident reporting and risk management software, Datix, all provide staff with

support for reporting risks across the organisation. This makes the identification, reporting, and management of risks more streamlined and effective.

At an operational level, Executive/Divisional directors are responsible for regularly reviewing their Directorate/Divisional Risk Registers, and for ensuring that effective controls and action plans are in place and monitoring progress.

The Executive Team reviews the Strategic Risk Register and the Corporate Risk Register at its regular business meeting.

Board Committees have a key role in seeking assurance against both the Corporate Risk Register and the Strategic Risk Register. These papers are published on our website with the relevant Committee papers.

The Strategic Risk Register is published on our website with the Board papers at relevant Board meetings.

5. Quality Governance Arrangements

The following arrangements are in place for assessing the quality of Public Health Wales' work.

5.1 Quality, Nursing and Allied Health Professionals Directorate

The Quality, Nursing, and Allied Health Professionals (AHP) Directorate is responsible for ensuring arrangements are in place for quality assurance and integrated governance. This includes clinical, information and corporate governance. The team works closely with the Board Secretary and Head of the Board Business Unit who has responsibility to support the Board and executive governance elements for the organisation.

The directorate is responsible for the following functions:

- ❖ Quality/Clinical governance and Health and Care Standards
- ❖ Risk Management and Information Governance
- ❖ Putting Things Right (incidents, complaints and claims)
- ❖ Organisational coordination for Quality and Clinical Audit
- ❖ Integrated governance
- ❖ Quality and Improvement Strategy development and approval
- ❖ 'Our Approach to Engagement' including Service User Engagement
- ❖ SIRO role and Data Protection Officer
- ❖ Legal advice coordination
- ❖ Infection, Prevention and Control (internal-facing)
- ❖ Safeguarding (internal facing)
- ❖ National Safeguarding Team (external-facing)
- ❖ Leadership and support to the all Wales NHS agenda for Equality and Human Rights (external facing)
- ❖ Professional standards and oversight for Nursing/Midwifery, Health Care Scientists, AHP's and Healthcare support workers
- ❖ Defence Employer Recognition Scheme

The Executive Director for Quality, Nursing, and Allied Health Professionals has the responsibility to lead, drive, and continuously improve our systems, processes, and arrangements for quality and elements of governance across the organisation. Also accountable for the professional oversight arrangements for nurses and midwives, Health Care Scientists, AHP's and Health Care Support Workers. The Executive Director is a member of the Executive Team, which is collectively accountable for the operational management of the organisation and the delivery of the corporate objectives.

The Executive Director for Quality, Nursing, and Allied Health Professionals has shared responsibility with the National Director of Health Protection and

Screening Services, Executive Medical Director for clinical governance arrangements across the organisation.

There are a number of existing corporate groups which support the work of the Business Executive and Board Committees in discharging its functions in meeting its responsibilities with regard to quality and safety. These include:

- ❖ Service User Experience and Learning Panel
- ❖ Safeguarding Group
- ❖ Infection, Prevention and Control Group
- ❖ Medical Devices Steering Group
- ❖ Information Governance Working Group
- ❖ Nursing and Midwifery Senedd
- ❖ Flu and COVID-19 internal vaccination campaign

(Further information on the Committees can be found in [section 3.2](#) of this report.)

In previous years, an Annual Quality Statement (AQS) has been produced for the public and provides information about the work, function, and progress of Public Health Wales. In recognition of the challenges faced by NHS Wales during 2021/22, the guidance in the Manual for Accounts has been amended (by Welsh Government) to seek to streamline annual reporting in Wales and reduce duplication of content whilst ensuring all regulatory requirements are met. For 2021/22, there was no requirement to prepare a separate Annual Quality Statement. The Introduction of the Health and Social Care (Quality and Engagement) (Wales) Act (2020) Quality Act requires NHS bodies to report on their Duty of Candour and Duty of Quality annually. This will be introduced for 2022-23.

We also acknowledge that the quality agenda is interdependent with our corporate governance, information governance and risk management arrangements and we are continuing to develop our integrated governance systems, processes, and culture within the organisation.

The introduction of an Integrated Governance Model supports the High Performing Board work which had commenced in 2019/20. *Integrated* governance provides a holistic and joined-up approach to our systems and procedures, reporting and outcomes. By piloting the model during 2021, we have translated it from concept to reality to establish a baseline assessment of integrated governance. An implementation plan has been developed to be taken forward in 2022-23.

5.2 Information Governance

We have well established arrangements for Information Governance to ensure that information is managed in line with relevant information governance law, regulations and Information Commissioner's Office guidance. The Knowledge, Research and Information Committee assumed responsibility on behalf of the Board for receiving assurances that the Information Governance system was operating effectively and having oversight of information governance issues. However, due to the ongoing pressures from the COVID-19 response that Committee was stood down in March 2020 and responsibility for oversight was transferred to the Audit and Corporate Governance Committee. The Committee began operating again in December 2021 and responsibility and oversight of information governance reverted back to the Knowledge, Research and Information Committee. The Information Governance Working Group supports the Committee in monitoring and providing oversight of Information Governance arrangements across the organisation.

The Senior Information Risk Officer (SIRO) is the Executive Director for Quality, Nursing and Allied Health Professionals. The role of the SIRO is that of the advocate for information risk on the Board. The SIRO is responsible for Information Governance management arrangements within the organisation, with the aim of having a consistent and comprehensive approach to information risk management.

The role of Chief Risk Officer and Head of Information Governance is combined and also holds the formal position of Data Protection Officer as required by the UK General Data Protection Regulation (UK-GDPR). This role has responsibility for supporting the SIRO in implementing the management system that delivers our Information Governance requirements, and for advising and informing on compliance with all relevant legislation and regulation.

Due to the All-Wales remit of Public Health Wales, along with the diverse services it provides, it is acknowledged that the Caldicott Guardian requires the support of appropriate delegates to enable the duties of the role, as set out above, to be fulfilled. Caldicott delegates have been identified and are required, along with the Caldicott Guardian, to have undertaken the agreed Caldicott Guardian training on an annual basis, as a requirement of the role.

The Caldicott Guardian is the responsible person for arrangements to protect the confidentiality of patient and service-user personal information and arrangements for appropriate information sharing. The National Director of Health Protection and Screening Services, Executive Medical Director performs this role.

Significant improvements have been made towards compliance with the requirements of the UK-GDPR as tailored by the Data Protection Act 2018.

5.3 Duty of Candour

The Duty of Candour comes into force in April 2023 with the expectation of being in Shadow from by October 2022. It builds on and strengthens the fundamental principles of 'Putting Things Right' frameworks, which have been in place for a number of years. This provides a robust process to support 'Being Open',

Key intention is to promote the ethos of openness, learning and improving, which must be owned at organisational level. The candour procedure and reporting framework encourages reflective learning and prevention of incidents occurring again. The duty applies when a person who is in receipt of health care suffers an adverse outcome (a person suffers an adverse outcome if they experience, or could experience, any unintended or unexpected harm that is more than minimal) and the health care provided was or may have been a factor.

The duty will apply to NHS bodies and to primary care providers in Wales (in respect of services they provide under arrangements with a Health Board).

The duty will mean that NHS bodies and primary care will be required to follow a procedure when the duty is triggered.

The key points within the Duty of Candour are that:

- ❖ It builds on the non-statutory duties of candour that apply to a range of healthcare professionals as part of their professional regulations
- ❖ Organisations with an open and transparent culture are more likely to have processes and systems in place to support staff when incidents occur and promote learning and improvement
- ❖ It requires NHS bodies, including primary care providers, to follow a procedure when a service user suffers an adverse outcome during the course of care or treatment and suffers harm that is "more than minimal"
- ❖ There is no element of fault or blame
- ❖ Candour incidents and all documentation relating to the investigation to be reported and stored via the Datix Cymru System
- ❖ Each organisation must publish an annual candour report - build on existing reporting structures (Putting Things Right)
- ❖ E-learning packages will be developed for the NHS to cascade training and ensure staff are fully prepared when the duty comes into force

Key work to date:

A series of Welsh Government Duty of Candour workshops were scheduled between October to November 2021, of which Public Health Wales have been represented in the process of establishing internal arrangements to support the implementation of Duty of Candour and some initial sessions have been commenced to inform and socialise the duty of candour within the organisation.

Duty of Candour link: <https://gov.wales/health-and-social-care-quality-and-engagement-wales-act-summary-html>

6. Health and Care Standards

The Health and Care Standards are core standards for the NHS in Wales and provide a consistent framework to support the NHS. Their application is mandatory for all providers of health services, in all settings, in NHS Wales. The Health and Care Standards describe “*the high-level outcome required to contribute to quality and safety underpinned by governance, leadership and accountability*” to support the NHS in Wales in improving the quality and safety of services and supports the principle of continuous improvement.

In 2020-21 we made the decision to frame the assessments for the Health and Care Standards around the six priority areas as outlined within the Operational Plan. This gave a broader view of the organisational arrangements at the time, and reflected that directorates were not operating as per normal arrangements during this period. However, in 2021-22 the priority areas were stood down, and it was agreed that self-assessments for the Health and Care Standards returned to being completed at a directorate level.

Directorates are required to develop and lead arrangements to cascade and embed the Health and Care Standards and to improve compliance against each of the standards (relevant to their area of work). To achieve this, Directorates were required to support their identified coordinator to ensure that the Health and Care Standards self-assessment was completed within the identified timeline. The Directorate coordinator had the responsibility for coordinating a Directorate response based on the evidence provided agreed by the Directorate Executive and to identify any areas for improvement.

There are 23 Health and Care Standards grouped around seven themes, some of which are not applicable at this time to Public Health Wales, such as Blood Management and Nutrition and Hydration. Furthermore, Pressure and Tissue Management and Falls Prevention were deemed non-applicable to all directorates except Health Protection and Screening, and Medicines Management was deemed non applicable to all directorates except Health Protection and Screening and Quality, Nursing and Allied Health Professionals. Hence, directorates reviewed a varied number of standards in their self-assessments.

In order to provide greater scrutiny of the self-assessments, a peer review day was held on the 27 January 2022. The reviewers comprised of staff from each Directorate who were either the nominated coordinators for that Directorate, or were familiar with the Health and Care Standards and have been previously involved in the self-assessment process. The peer review day involved representatives from each Directorate working in small teams to scrutinise selected Directorate’s self-assessment and associated

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supporting evidence. Feedback was provided to each Directorate on the findings of the peer review. Directorates were then given a period of time to make formal changes to their final self-assessment report, based on the feedback from the peer review day.

Organisational Scoring 2021-22

The scoring were determined by a self-assessment against the following scoring matrix:

1	2	3	4	5
We do not yet have a clear, agreed understanding of where we are (or how we are doing) and what / where we need to improve	We are aware of the improvements that need to be made and have prioritised them, but are not yet able to demonstrate meaningful action.	We are developing plans and processes and can demonstrate progress with some of our key areas for improvement	We have well developed plans and processes can demonstrate sustainable improvement throughout the organisation / business	We can demonstrate sustained good practice and innovation that is shared throughout the organisations / business, and which others can learn from

The overall scores for each directorate ranged from 3.26 to 4.64. The overall organisational score was 3.86.

Where directorates had an overall score of three (We are developing plans and processes and can demonstrate progress with some of key areas for improvement), the supporting narrative demonstrated that these scores reflected how the directorates had continued to be affected by the COVID-19 response, including staff mobilisation, in 2021-22. As a result, key pieces of work were delayed or the progress of this work impacted. All of these directorates demonstrated improvement objectives for 2022-23 that would overcome these issues and advance key programmes of work.

A report detailing the outcomes of this process will be reported to the Quality, Safety, and Improvement Committee in May 2022.

7. Health and Safety

The Health and Safety Group is a sub-group of the Quality, Safety and Improvement Committee.

The group provides advice and assurance to the Quality, Safety and Improvement Committee, the Board and the Accountable Officer. This assurance provided includes whether effective arrangements are in place to ensure organisational wide compliance with the Public Health Wales Health and Safety Policy, approving and monitoring delivery against the Health and Safety action plan and ensuring compliance with the relevant Health and Care Standards for Wales. The group receives a single Health and Safety report covering compliance, risks, incidents and health and safety issues. This enables the group to concentrate on key issues or challenges and to identify any organisational risks that require escalating to the Corporate Health and Safety Risk Register.

In order for the Health and Safety Group to discharge its responsibilities, it needs to receive assurance that the organisation is effectively managing health and safety. This includes details of any concerns, areas of non-compliance, outstanding actions from relevant health and safety action plans and controls and mitigations are in place.

It was recognised in March 2020, as a result of the response of the pandemic, the Health and Safety Group would need to convene more frequently. This ensured we could take timely action to ensure appropriate action was taken to ensure the safety of both our staff and service users in response to COVID-19. During the first half of 2021/22, the Health and Safety group met monthly. In September 2021, following a review of the frequency of the meetings, it was agreed that the Health and Safety Group will revert back to quarterly meetings. An informal meeting of Health and Safety leads continues on a monthly basis in between each formal meeting. The revised terms of reference was agreed in April 2021 and approved by the Quality, Safety and Improvement Committee in June 2021.

The organisation has a number of processes in place for maintaining and monitoring health and safety compliances so that assurance can be provided and any gaps identified with the appropriate actions required.

In light of the risks of COVID-19 transmission, we have taken independent health and safety advice, completed and reviewed risk assessments for our premises and addressed actions to ensure our workplaces are COVID-19 safe and continue to monitor compliance and adjust to ensure compliance with regulations. Regular spot checks are taking place and Health and Safety leads are regularly visiting buildings across the estate to address staff concerns and implement actions as necessary. Thorough

investigations of all COVID-19 related incidents have also been undertaken and reported as required.

Incidents and Reporting of Injuries, Diseases and Dangerous Occurrences (RIDDOR's) are actively managed, with lessons learned identified and shared. Audit schedules are in place, undertaken and results acted upon to ensure gaps in process are resolved. Risk registers have been reviewed with issues identified and actions outlined to mitigate risks.

Processes are in place to monitor policy and procedure reviews and/or development. There are also systems in place to action alerts and notifications as appropriate for the organisation.

All health and safety alerts and notifications received within the reporting period have been reviewed and addressed, with appropriate actions taken where required.

The Health and Safety Group receives this assurance via the quarterly Health and Safety Report and exception reports received from the various Directorates/Divisions through the respective Health and Safety leads.

Since the *Health Protection (Coronavirus Restrictions) (Wales) Regulations 2020* came into force in Wales on 7 April 2020, Public Health Wales has been working across its estate to both maintain the safety of staff and service users and ensure compliance. The Estates and Health and Safety Team, in conjunction with Infection Prevention and Control Leads and Health and Safety Managers, have continued to put in place measures in line with guidance to ensure the safety of our staff and service users.

The Estates and Health and Safety Division have also developed a suite of information for premises leads/building managers to support the development of updated risk assessments and the monitoring of compliance with regard to the COVID-19 measures and guidance. This was further supported by the provision of additional signage/ posters to ensure consistency across the estate.

Updates on the specific measures and actions that have been completed or are planned in relation to ensure our estate is compliant with the various legislation and regulations as a result of COVID-19 was provided throughout 2020/21, alongside the Health and Safety Report.

Internal webpages for the Estates and Health and Safety Team have been published which includes all the latest information for our estate and is regularly updated. As COVID-19 restrictions begin to be eased, regular communications have been issued to staff following announcements from Welsh Government and we are currently working to ensure the safe return

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of staff to the workplace, in line with Welsh Government guidance and our 'Work how it works best' pilot.

Executive oversight is the responsibility of the Deputy Chief Executive/Executive Director Operations and Finance. At an operational level, the Head of Estates (Facilities) and the Health and Safety Team continues to build a positive health and safety framework and culture.

8. Long Term Strategy: Working to Achieve a Healthier Future for Wales (2030)

Our existing Long Term Strategy, 'Working to Achieve a Healthier Future for Wales, 2018 - 2030', was launched in 2018 and was informed by engagement with a range of stakeholders and partners. It resulted in us agreeing seven strategic priorities.

A formal review of our long-term strategy was started in 2020/2021 to assess the validity and future relevance of our existing strategy, rather than presuppose the need for change. As part of this work, we intended to validate and agree the key public health outcomes we aim to address, which would draw on the previous work undertaken in early 2020.

To begin the process a Board workshop was held in June 2021, this provided an opportunity for the Board to discuss the strategic opportunities and challenges facing us as we continue through and beyond the pandemic and the potential impact these have on Wales and our existing strategy. This was further informed by a number of key drivers including a review of evidence, feedback from stakeholders and engagement with our staff.

As a result of the significant challenges that Wales has faced over the last two years, it was agreed by the Board in December 2021 that the timeline for our review of our long-term strategy be extended into be completed in Autumn 2022/23

This will see us develop a small number of new strategic priorities, which will also act as our well-being objectives. It will ensure that our Strategy is fit for purpose to meet future public health challenges and opportunities that Wales will face as we move from pandemic to endemic.

Our ambition to 'recover new', rather than return to a pre-COVID-19 position has highlighted the importance of identifying the learning and opportunities presented in in the last 18 months as enablers to future development and transformation.

Undertaking a strategy review will allow us to consider our strategic environment, understand the risks/opportunities that we face and help us to make informed decisions and choices, over our future direction.

The review will ensure that:

- ❖ Our strategy is fit for purpose to meet the future public health challenges and opportunities that Wales will face
- ❖ We are delivering maximum value and only what we can, including identifying new opportunities and innovative approaches
- ❖ We provide clarity to our staff and stakeholders on our future direction and commitment to long-term prevention

Alongside our strategy refresh, we will also complete the work to develop and agree a Public Health Wales Outcomes Framework. Aligned to the proposed whole system values set out in A Healthier Wales, this will ensure we measure the health and wellbeing outcomes, which matter to people and use that information to support improvement and better collaborative decision making. These will guide and inform our future activity and allow us to assess progress in the delivery of our strategy.

9. Our Strategic Plan (Integrated Medium Term Plan)

Work commenced in October 2021 to develop our Strategic Plan (Integrated Medium Term Plan – IMTP) for 2022/23. We have adopted an integrated planning approach. On the 31 March 2022, the Board approved the Strategic Plan 2022-25 that was subsequently submitted to the Minister for Health and Social Services in April 2022 for approval.

The purpose of this Strategic Plan) is to set out the key actions that Public Health Wales will deliver in 2022/23 against a five strategic themes that provide a targeted focus in underpinning the existing strategic priorities. In delivering our strategic themes, we will provide system leadership to support others where appropriate, work collaboratively to mobilise the collective efforts of partners, and aim to influence policy and legislation to achieve measurable improvements to population health.

In developing the Plan, we recognise that we are operating in a highly volatile and changing environment, which may require us to respond dynamically to changing or evolving challenges/opportunities. Therefore, the delivery of our Plan will need to be subject to regular review and we will establish robust arrangements to manage delivery and make decisions over potential in-year changes to this plan.

Over the last two years, Public Health Wales has mounted an unprecedented response to the Coronavirus pandemic. This has been part of a system-wide effort to respond effectively to the challenges we have faced as the pandemic has evolved. This Strategic Plan for 2022/23 is our response to these challenges and it aims to support Wales as we gradually move from pandemic to endemic, as set out in the recently published Welsh Government strategy, 'Together for a Safer Future'.

As the National Public Health Institute for Wales, we provide data and science-based leadership, expertise, coordination, advice and delivery of key public health services. We must consider our role in the key public health elements of Together for a Safer Future, particularly around our key system-leadership, policy advice, evidence provision and service delivery attributes, in order to support its successful implementation.

A number of key drivers have informed the specific focus of our Strategic Plan for 2022/23, including our ongoing response to COVID-19, tackling the burden of disease, the broader population harms, our need to focus on the recovery and transformation of our key public health services/functions and developments in our approaches and ways of working, particularly around digital transformation and data science.

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These drivers have informed the identification of five strategic themes that we will focus on during 2022/23 in delivering the current strategic priorities. These are:

Enabling better population health and reducing health inequalities through preventative and sustainable measures.
Delivering excellent services for population screening programmes, health protection and infection.
Supporting improvements in the quality and safety of health and care services.
Maximising the use of digital, data and evidence to improve population health.
Enabling the successful delivery of our Plan.

The development and coordination of the refreshed Strategic Plan was led by the Strategic Planning and Performance Division. In parallel with this work, appropriate control and assurance arrangements have been put in place to manage and monitor the delivery of the plan through the Performance and Assurance Dashboard from April 2021 onwards.

The nature of the pandemic means that the plan must remain flexible and adapted throughout the year. The Plan will act as a transitional plan for Public Health Wales as Wales begins to gradually transition from pandemic to endemic. This includes setting out our role in supporting the delivery of Welsh Government's 'Together for a Safer Wales Plan', and drawing on our learning from COVID-19 and an assessment of the population health challenges facing Wales.

During 2022/23, we will also undertake a review of our existing Long Term Strategy, which will come into effect from April 2023. This will allow us to formally assess our existing strategic priorities, including engaging with our key partners and stakeholders, to ensure that our future focus and action is having the biggest impact and delivering maximum value for the people of Wales.

10. Mandatory Disclosures

10.1 Equality, Diversity and Human Rights

We are fully committed to meeting the general and specific duties set out in the Public Sector Equality Duties (2011). Control measures are in place to ensure that all the organisation's obligations under equality, diversity, and human rights legislation are complied with.

We launched our Strategic Equality Plan for 2020–2024 in July 2020, following a consultation with members of staff and the public, and continue to work towards achieving the targets and objectives we set out in the plan.

In order to support the revised Strategic Equality Plan, an implementation plan has been developed. A Stakeholder Reference Group made up of external organisations who represent the different protected characteristics continues to monitor and oversee progress being made towards achieving the objectives. Corporately, the governance arrangements for equality are managed through the People and Organisation Development Committee. Progress against the actions in the Strategic Equality Plan will be reported to the People and Organisational Development Committee regularly.

In line with the Public Sector Equality Duties, we have recently published our [2020-2021 report](#) highlighting progress so far. We have also published a separate report on our [Gender Pay Gap](#), which has also been reported on the Government portal. We have also reported on our employment, training, and equality data.

We recognise that we need to continue to ensure that the services we deliver are inclusive and that the workforce we have is diverse. As equality is integral to every part of our business, services areas, departments and teams are being encouraged to consider the impacts of what they are doing in relation to equality. Work must also continue, to reduce inequalities. We are engaging more with people from protected communities to inform our work. In adopting this practice, we will develop strong partnerships with people from protected communities and learn from them and with them. We were awarded Silver status in the Diverse Cymru Cultural Competence Certification Scheme, following a robust assessment of our inclusion for Black, Asian and Minority Ethnic (BAME) staff. We are now striving to achieve Gold level in the scheme. We are also a member of the Stonewall Diversity Champion Scheme, and are proud to be placed 64th in the Top 100 UK Employers for LGBT+ inclusion, sixth in the Healthcare sector across the UK, and to be awarded Stonewall Gold Employer Status.

We have set up a Task and Finish Group to assist with the work to embed the requirements of the Socio-economic Duty into the work of the

organisation. This group continues to identify areas to influence, policies, and processes to update and to upskill our staff in this area.

By implementing our actions in line with the Strategic Equality Plan, this work will make a significant contribution to delivering our vision for Wales.

10.2 Welsh Language

Responsibility for the Welsh language within Public Health Wales rests with the Director of People and Organisational Development, and oversight of operational activity is delegated to the Equality, Diversity, and Inclusion Lead within the People and Organisational Development Directorate. Responsibility for Welsh language is also embedded in the responsibilities of every team across that Directorate. Each Directorate sends a representative to the Welsh Language Group, and this is the vehicle by which information is disseminated and exception reports received in order to inform statutory and organisational reporting. While all Board members demonstrate leadership and commitment towards the language, there is a Board-level Welsh-language champion, Dyfed Edwards.

Public Health Wales has statutory obligations towards the Welsh language under the Welsh Language Standards (No. 7) Regulations 2018. As a public body in Wales, we are also expected to demonstrate its contribution towards the Welsh-language goals included in the Well-being of Future Generations Act (2015), the More Than Just Words plan, the Health and Social Care Standards and the Welsh Government's Cymraeg 2050 strategy.

The People and Organisational Development Team provide regular reports for the People and Organisational Development Committee, via the Executive Team. This includes reporting against the Welsh Language Standards, as informed by exception reports from members of the Welsh Language Group as well as proactive monitoring carried out by People and Organisational Development staff. In addition, the team provides annual reports to Welsh Government against the More Than Just Words initiative and the Health and Social Care Standards, and produces an Annual Welsh Language Report to be published on the Public Health Wales website by the end of September each year, in accordance with Standard 120 of the Regulations.

10.3 Handling Complaints and Concerns

We have arrangements in place to enable us to manage and respond to complaints and concerns in order to meet the requirements of the [NHS](#)

[\(Concerns, Complaints and Redress Arrangements\) \(Wales\) Regulations 2011](#) and the [All Wales Policy Guidance for Putting Things Right](#). The Quality, Safety and Improvement Committee has oversight of complaints and concerns. *(Further information on the Committee's consideration of complaints can be found in [section 2.6.2](#) of this report.)*

In 2021/22, five Nationally Reportable Incidents and five No Surprises were reported to the Welsh Government. In addition, 80 formal complaints were received for the period, of which 81% (65) were responded to within 30 working days. It should be noted however as at the 31 March 2022, three formal complaints are not yet due for a response and are currently being investigated.

In addition, 110 informal complaints were received during the reporting period.

10.4 Freedom of Information Requests

The Freedom of Information Act (FOIA) 2000 gives the public right of access to a variety of records and information held by public bodies and provides commitment to greater openness and transparency in the public sector. In 2021/22, we received 314 requests for information which were handled under the FOIA. A slight decline from the previous year but still an increase in requests from 2019 of more than 200%. This was almost entirely made up of requests for COVID-19 related information.

274 of the total number received (87%) were answered within the 20-day target, with 40 being responded to outside of the deadline. 6 requests received in March 2022 are still being processed.

10.5 Subject Access Requests

In 2021/22, we received 34 subject access requests, 29 of these were answered within the target of one calendar month.

10.6 Sustainability and Carbon Reduction Delivery Plan

We are committed to embedding sustainable development as the central organising principle of public sector bodies in Wales by ensuring a clear focus on outcomes and that strategic decisions are informed by consideration of the wider determinants of health and well-being. We recognise that sustainable development and public health are intrinsically linked and that complementary and coordinated actions are necessary to address the key challenges facing Wales in relation to both.

Following the declaration of a Climate Emergency by Welsh Government in 2019, Public Health Wales has been working to reduce our carbon footprint year on year and following the launch of the NHS Wales Decarbonisation Strategic Delivery Plan, and commits to working towards achieving a carbon net zero position by 2030.

As part of our recovery from the pandemic, we recognise that more can be done to embed sustainability at the heart of our culture and the adoption of new ways of working will support this. We will continue to use the Well-being of Future Generations (Wales) Act 2015 and Environment (Wales) Act 2016 as drivers, ensuring that the climate and biodiversity are considered as part of everyday decision making and by reducing our carbon footprint and environmental impact will also make a significant contribution to achieving a resilient, healthier, and globally responsible Wales.

As set out in the NHS Wales Decarbonisation Strategic Delivery Plan, Public Health Wales has developed an implementation plan that will demonstrate how the organisation will contribute to the 46 initiatives. This plan will commence implementation in 2022/23.

We have already begun to undertake significant work across the organisation to reduce our carbon footprint and this will continue through the life of this Plan. We signed the Cardiff Public Service Board Healthy Travel Charter in April 2019. This commits the organisation, and 14 other Cardiff based public sector organisations, to both reduce unnecessary travel and promoting healthy travel. Through future ways of working we will be emphasising the use of sustainable transport and supporting staff to work flexibly, taking advantage of new and improved technology to support making these sustainable travel choices more appealing. This will support the Welsh Government's commitment to have 30% of public workforce working remotely and reducing the carbon emissions arising from commuting to offices.

We will also work towards the internationally recognised BS EN ISO 14001:2015 during 2022/23 which will help us build confidence and trust with stakeholders that we are compliant with our legal obligations, drive

sustainable development through the adoption of environmentally sound processes and contribute to our corporate social responsibility agenda.

The Health and Sustainability Hub has developed various e-guides and resources to support staff embedding sustainable behaviour to help reduce their emissions in work and at home, including the 'Be the Change - Sustainable Home and Agile Working' e-guide and the 'Well-being Goals Challenge'. We have also developed the 'SIFT Healthy Environment Workshop' to enable teams and individuals to identify their environmental impacts and plan to reduce them. We have established Green Advocates, an internal sustainable development network for staff to enable discussion, learning and action at an individual level.

As a result of COVID-19 pandemic response, the work of the Environmental Sustainability programme was put on hold for 2020/21. In 2021/22 a new group has been established to take forward this work. The Public Health Wales Decarbonisation, Environmental Sustainability and Climate Change Collaborative (DESCCC) aims to provide a mechanism for central teams to come together to share knowledge and work collaboratively to take forward our decarbonisation, environmental sustainability and climate change agendas. It will also provide a means to inform the Executive Team of the breadth of work happening across the organisation.

10.7 Emergency Planning/Civil Contingencies

As previously highlighted the need to plan and respond to the COVID-19 pandemic presented a number of challenges to the organisation. A number of new and emerging risks were identified. Whilst the organisation did have a major incident and business continuity plan in place, as required by the Civil Contingencies Act 2004, the scale and impact of the pandemic has been unprecedented. Significant action has been taken at a national and local level to prepare and respond to the likely impact on the organisation and population. This has also involved working in partnership on the multi-agency response as a key member of the Strategic Co-ordination Group. There does remain a level of uncertainty about the overall impact this will have on the immediate and longer term delivery of services by the organisation, although I am confident that all appropriate action is being taken.

The organisation continues to work closely with a wide range of partners, including the Welsh Government as it continues with its response, and planning into the recovery phase. It will be necessary to ensure this is underpinned by robust risk management arrangements and the ability to identify, assess and mitigate risks which may impact on the ability of the organisation to achieve their strategic objectives.

The Emergency Planning and Business Continuity (EPRR) Team are responsible for providing public health emergency preparedness, resilience and response leadership at all levels across the organisation, which includes working in partnership with other organisations and Local Resilience Forum's. The Civil Contingencies Act [2004] places a number of legal duties on Public Health Wales as a Category 1 responder, in respect of:

- ❖ Risk assessment
- ❖ Emergency plans
- ❖ Business continuity
- ❖ Warning and Informing
- ❖ Sharing of information
- ❖ Cooperation with local responders

In fulfilling these duties, Public Health Wales will:

- ❖ Assess the impact on population health to inform the multi-agency response
- ❖ Liaise with stakeholders to gather detailed information on the type of incident
- ❖ Liaise with other expert agencies, as appropriate, to ensure the provision of proportionate and timely evidence-based advice and support to partners
- ❖ Recommend measures to protect public health and mitigate the effects of an incident
- ❖ Attend Strategic, Tactical and Operational groups as required
- ❖ Provide representation at the Emergency Coordination Centre Wales (ECCW)
- ❖ Contribute to a range of multi-agency partnerships such as the Scientific and Technical Advice Cell (STAC), Air Quality Cell (AQC) and Media cell Advise on the effective communications of public health risks
- ❖ Analyse and evaluate the response proposed by other agencies in terms of the likely impact on public health
- ❖ Facilitate epidemiological follow-up of affected populations and communities as necessary
- ❖ Provide an integrated approach to the protection of public health in Wales and supporting partner agencies in the provision of scientific and technical advice in infectious disease and outbreak surveillance of Chemical, biological and radiation hazards.

Emergency Planning and Business Continuity Group

To ensure Public Health Wales fulfils its duties under the Civil Contingencies Act (2004), the Emergency Planning and Business Continuity Work Plan, adopts the principles of Integrated Emergency Management, to make certain lessons identified are learned and promoting multiagency collaboration. Progress is reported through the Emergency Planning and Business Continuity Group who are responsible for the coordination and delivery of Emergency Planning and Business Continuity activity across the organisation. The Group includes representation from all our services in Public Health Wales and reports to the Business Executive Team.

The Emergency Planning and Business Continuity Group has continued to meet quarterly throughout 2021/2022. Recent activity of the Group has given focus to improving organisational preparedness and business continuity response in the likely event of business disruption following the panic buying of fuel in September 2021, Storm Eunice in February 2022 and the Ukraine War in March 2022.

Emergency Response Plans and Procedures

The Public Health Wales Emergency Response Plan details the organisation's response arrangements to any emergency, incident, or outbreak that impacts on or requires the mobilisation of public health resources and capabilities beyond normal operations.

A working interim draft (Version 2a) of the Public Health Wales Emergency Response Plan was adopted in February 2022 to incorporate lessons and improvements from the COVID-19 response. Specifically the amendments added 'decision controls' as detailed in the Joint Doctrine: Interoperability Framework (2021) which have been adopted and used to assist Our decision makers in continuing the organisations COVID-19 response.

In 2022, a comprehensive review of the Emergency Response Plan will be undertaken, as a key objective of the organisations IMTP. Specific areas of focus will include review of Command and Control arrangements, recovery coordination, and staff mobilisation.

In February 2022, a Threat Response Procedure was developed and approved by the Emergency Planning and Business Continuity Group which details the specific arrangements for a considered and proportionate response by Public Health Wales following change to the UK threat level.

Further developments have included:

- ❖ Revision of the Emergency Response Telephone Directory in February 2022

- ❖ Revised activation arrangements for countermeasures (for use in the event of a deliberate or accidental release of chemical, biological, radioactive or nuclear materials)
- ❖ Development and implementation of a revised standard operating procedure for Major Incident Declaration following identified learning.

We will continue to review our emergency plans and procedures following the identification of learning from COVID-19, participation in exercises and the response to emergencies. To inform our learning the Emergency Planning and Business Continuity Team has undertaken a number of debriefs in relation to COVID-19 in 2021/2022 to capture identified learning, recommendations, and observations. Recommendations are monitored on the Emergency Planning and Business Continuity Database and progress reported through the Emergency Planning and Business Continuity Group.

A copy of the Public Health Wales Emergency Plan as well as additional information on Emergency Planning, Resilience and Response can be found [here](#).

10.8 Business Continuity

In 2021, a review of the Organisations Business Continuity Management System was undertaken aiming to build organisational resilience with the capability for an effective response to safeguard the organisations staff, stakeholder, reputation, and activities.

The Business Continuity Strategy seeks to promote a culture of Business Continuity Management across the organisation to:

- ❖ Enable the organisation to continue to perform its functions, particularly 'prioritised activities', in the event of an emergency or business disruption
- ❖ Effectively manage a response through to resolution and subsequent recovery
- ❖ Improve resilience
- ❖ Safeguard employees, service users and stakeholders
- ❖ Ensure the organisation can meet statutory obligations and policy objectives.

The Business Continuity Strategy sits alongside a Business Continuity Incident Management Process and is underpinned by individual Business Continuity Directorate/Divisional plans. These outline the specific actions and processes for invoking plans, roles and responsibilities and how the impact of the risks will be managed. This is to ensure that critical activities

can be recovered in appropriate time scales. The plans take direction from risk assessment to identify hazards and threats in which the organisation needs to plan, within the context of critical activities.

To support services to exercise their Business Continuity Plans, an 'off the shelf exercise' was developed in March 2022 designed to form the basis for a facilitated discussion on Business Continuity preparedness.

Training and Exercising

Public Health Wales continues to engage in training and exercises both internally and externally. The organisation continues to conduct a live exercise every three years, a table-top exercise and a test of communications cascades every six months as required by the NHS Wales Emergency Planning Public Core Guidance.

In 2021, we participated in seven communication exercises and six table-top exercises coordinated through the Emergency Planning and Business Continuity Team. Within the last three years the organisation has conducted two major live / simulated exercises alongside multi-agency partners.

In 2021/2022, the Emergency Planning and Business Continuity Team delivered Introduction to Emergencies Training to 217 staff in the organisation. The team has further been responsible for the development of the NHS Major Incident ELearning package on behalf of the Emergency Planning Advisory Group due for release in Quarter 1 of 2022.

To effectively deliver the duties (that need to be developed in a multi-agency environment), we have representation at all four Local Resilience Forums in Wales. This allows the establishment and maintenance of effective multi-agency arrangements to respond to an emergency. The organisation regularly collaborates with partner agencies to develop flexible plans to enable a joint effective response to an emergency.

Public Health Wales further provides representation on national groups including Wales Learning and Development Group, PREPARE Delivery Group, Emergency Planning Advisory Group and the Wales Risk Group. Under the directions of the Wales Risk Group in 2021, the Emergency Planning and Business Continuity Team supported the development of a Wales Risk Assessment for winter pressure as well as new and emerging risks in the context of the COVID-19, Brexit, and the National Security Risk Assessment.

The establishment of a 4 Nations Public Health Emergency Preparedness, Resilience and Response Group, chaired by Public Health Wales, in 2021 provides further opportunity to maintain strategic oversight of

arrangements relating to the planning for and response to emergencies across the 4 Nations.

Workforce

During 2021, the EPRR workforce has been reviewed, resulting in the advertisement and successful recruitment to a new 12 month fixed term post for Head of EPRR and a 12 month fixed term post for a senior Emergency Planning Officer (EPO), replacing the existing EPO post. The EPRR workforce for us will be further reviewed in 2022.

10.9 Data Breaches

Information governance incidents and 'near misses' are reported through the organisation's incident management system. Since May 2018, personal data breaches (as defined in GDPR) are required to be risk assessed and in the most serious cases reported to the Information Commissioner's Office (ICO). All data breaches are reported quarterly to the Audit and Corporate Governance Committee. Where appropriate they are reported to the Welsh Government and full incident investigations are undertaken.

During 2021/22, we recorded a total of six reportable data breaches, all of which were reported to both the Information Commissioner's Office (ICO) and Welsh Government. For all six, the ICO responded to say that they were satisfied with the action we had taken and that no further action was required on their part.

10.10 UK Corporate Governance Code

We are required to comply with the *UK Corporate Governance Code: Corporate Governance in Central Government Departments: Code of Good Practice 2017*.

The information provided in this governance statement provides an assessment of how we comply with the main principles of the Code as they relate to an NHS public sector organisation in Wales. This assessment has been informed by the organisation's self-assessment against the Governance, Leadership and Accountability Standard (as part of the Health and Care Standards), and supported by evidence from internal and external audits.

Public Health Wales is following the spirit of the Code to good effect and is conducting its business openly and in line with the Code. The Board recognises that not all reporting elements of the Code are outlined in this

governance statement but are reported more fully in the organisation's wider Annual Report.

A [report](#) was provided to the Audit and Corporate Governance Committee at its meeting on 16 March 2022 outlining how the organisation has complied with the code, the report noted that there have been no reported departures from the Corporate Governance Code.

10.11 NHS Pensions Scheme

As an employer with staff entitled to membership of the NHS Pension Scheme, control measures are in place to ensure all employer obligations contained within the Scheme regulations are complied with. This includes ensuring that deductions from salary, employer's contributions, and payments in to the Scheme are in accordance with the Scheme rules, and that member Pension Scheme records are accurately updated in accordance with the timescales detailed in the Regulations. Note 11 to the accounts provides details of the scheme, how it operates, and the entitlement of employees.

10.12 Ministerial Directions

Whilst Ministerial Directions are received by NHS Wales organisations, these are not always applicable to Public Health Wales. Ministerial Directions issued throughout the year are listed on the [Welsh Government website](#).

The following Ministerial Direction (Non-Statutory Instruments) issued by the Welsh Government were reviewed, one required action from Public Health Wales during 2021/22 as shown in the table below.

Ministerial Directions (MDs)	Date/Year of Adoption	Compliance
2021. No.41 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) Directions 2021	April 2021	Assessed and not applicable to PHW
2021. No.59 – The Directions to Local Health Boards and NHS Trusts in Wales on the Delivery of Autism Services 2021	July 2021	Assessed as applicable. Relevant actions being taken.
2021. No.65 –	July 2021	Assessed and not applicable to PHW

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The Primary Care (PfizerBioNTech Vaccine COVID-19 Immunisation Scheme) Directions 2021		
2021. No.70 – The Primary Care (Contracted Services: Immunisations) Directions 2021	August 2021	Assessed and not applicable to PHW
2021. No.75 – Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No. 2) Directions 2021	September 2021	Assessed and not applicable to PHW
2021. No.77 – The National Health Service (General Medical Services – Recurring Premises Costs during the COVID-19 Pandemic) (Wales) (Revocation) Directions 2021	September 2021	Assessed and not applicable to PHW
2021. No.83 – The Pharmaceutical Services (Fees for Applications) (Wales) Directions 2021	October 2021	Assessed and not applicable to PHW
2021. No.84 – The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) Directions 2021	October 2021	Assessed and not applicable to PHW
2021. No.85 – The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No.2) Directions 2021	October 2021	Assessed and not applicable to PHW
2021. No.88 – The Directions to Local Health Boards as to the General Dental Services Statement of Financial Entitlements (Amendment) (No. 3) Directions 2021	October 2021	Assessed and not applicable to PHW
2021. No.89 – The Directions to Local Health Boards as to the Personal Dental Services Statement of Financial Entitlements (Amendment) (No. 3) Directions 2021	October 2021	Assessed and not applicable to PHW
2021. No.90 – The Primary Medical Services (Influenza and Pneumococcal Immunisation Scheme) (Directed Enhanced Service) (Wales) (No. 2) (Amendment) Directions 2021	November 2021	Assessed and not applicable to PHW
2021. No.93 –	December 2021	Assessed and not applicable to PHW

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Directions to Local Health Boards as to the Statement of Financial Entitlements (Amendment) (No.3) Directions 2021		
2021. No.97 – The Primary Care (Contracted Services: Immunisations) (Amendment) Directions 2021	December 2021	Assessed and not applicable to PHW
2022. No.06 – The Pharmaceutical Services (Clinical Services) (Wales) Directions 2022	March 2022	Assessed and not applicable to PHW
2022. No.13 – The Wales Infected Blood Support Scheme (Amendment) Directions 2022	March 2022	Assessed and not applicable to PHW

Welsh Health Circulars (WHC's) issued by Welsh Government are logged by the Board Business Unit and the organisations compliance with these are reported to the Audit and Corporate Governance Committee on a bi-annual basis.

A list of WHC's issued by Welsh Government during 2021/22 is available at: <https://gov.wales/health-circulars>

We have acted upon, and responded to, all Welsh Health Circulars (WHCs) issued during 2021/2022 which were applicable to Public Health Wales.

Of the 24 issued, 13 of these were applicable to Public Health Wales. 11 required action, 1 was for information and 1 was were for compliance.

The following (13) WHCs were applicable to Public Health Wales:

WHC No.	Title	Status	Compliance
WHC 2021/012	Implementing the agreed approach to preventing Violence and Aggression towards NHS staff in Wales	Action	The WHC has been enacted. These will be reported for assurance through Health and Safety Report Quarterly Report, which is considered by our Quality, Safety and Improvement Committee on a quarterly basis.
WHC 2021/011	2021/22 LHB, SHA & Trust Monthly Financial Monitoring Return Guidance	Action	The WHC has been enacted. The guidance has been reviewed and internal timetable amended to take account for changes in deadlines.
WHC 2021/014	List of Welsh Health Circulars – 1 Feb 2020 to 30 April 2021	Information	The WHC has been enacted. List of WHCs was cross referenced with our records.
WHC 2021/015	NHS Pay Bonus for Primary Care	Action	The WHC has been enacted. All eligible staff have received the bonus.
WHC 2021/019	The National Influenza Vaccination Programme 2021-22	Action	The WHC has been enacted. We have been supporting implementation of the flu vaccination programme this winter and implemented the recommendations in the circular.
WHC 2021/024	NHS Wales' contribution towards a net-zero Public Sector by 2030: NHS Wales Decarbonisation Strategic Delivery Plan	Action	The WHC has been enacted. The Decarbonisation Strategic Delivery Plan has been shared within various networks and a consultancy organisation has been commissioned to support the development of a Public Health Wales action plan that will be finalised by the end of March 2022.
WHC 2021/010	Amendments to Model Standing Orders, Reservation and Delegation of Powers and	Action	The WHC has been enacted. The Organisations Standing Orders, Reservation and Delegation of Powers and Standing Financial Instructions (which form part of

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WHC No.	Title	Status	Compliance
	Model Standing Financial Instructions – NHS Wales		the Standing Orders) were amended and then approved by the Board on the 27 May 2021.
WHC 2021/022	Publication of the Quality and Safety Framework	Action	The WHC has been enacted. The Framework has been distributed to the Executive team with a request to disseminate to all staff in their Directorate, the Leadership Team and the Business Leads Team.
WHC 2021/031	NHS Wales Planning Framework 2022-2025	Action	The WHC has been enacted. The Intermediate Medium Term Plan was developed in line with this framework, and approved by the Board in March 2022.
WHC 2021/032	Role and Provision of Dental Public Health in Wales	Action	The WHC has been enacted. A review of our compliance against the 14 points covered within this WHC has taken place to ensure compliance.
WHC 2021/028	AMR & HCAI Improvement Goals for 2021-22	Action	The WHC has been enacted. The role of Public Health Wales is to deliver the surveillance of Healthcare associated Infections, antimicrobial resistance and usage and through this we provide the underpinning monitoring data against which the improvement goals are set. PHW also provides expert Infection Prevention & Control advice and Antimicrobial Stewardship / prescribing advice to assist NHS Wales and partners with their delivery of the improvement goals. Public Health Wales has continued to deliver these surveillance programmes and advice throughout the pandemic.
WHC/2022/005	Welsh Value in Health Centre – data requirements	Action	The WHC has been enacted. Relevant action has been incorporated in to the planning for the 2022/23 Flu Vaccine Programme, which is reported to

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WHC No.	Title	Status	Compliance
			our Quality, Safety and Improvement committee for assurance.
WHC/202 2/010	Reimbursable vaccines and eligible cohorts for the 2022/23 NHS Seasonal Influenza (flu) Vaccination Programme	Action	The requirements of this WHC are currently being reviewed and will be enacted this year. The requirements for the clinical audit/registry data will be incorporated into our quality and clinical Audit Plan for 2022/23, which is currently being developed. This will be reported to our Quality, Safety and Improvement committee for approval and assurance in July 2022.

11. Hosted Bodies

We have continued to host two bodies during 2021/22:

11.1 NHS Wales Health Collaborative

The NHS Wales Health Collaborative was established in 2015 at the request of NHS Wales Chief Executives to improve the level of joint working between NHS Wales' bodies, NHS Wales, and its stakeholders. The Collaborative's work supports improving the quality of care for patients and, ultimately, improving NHS services Wales-wide.

The Collaborative's core functions are the:

- ❖ Planning of services across organisational boundaries to support strategic goals
- ❖ Management of clinical networks, strategic programmes and projects across organisational boundaries
- ❖ Co-ordination of activities and teams across NHS Wales with a view to simplifying existing processes.

The Collaborative is hosted by Public Health Wales, on behalf of NHS Wales, under a formal hosting agreement, which is signed by the ten NHS Wales Chief Executives of Health Boards, NHS Trusts, and the Director of the Collaborative. The Collaborative has a clear reporting line upwards to the Collaborative Executive Group (Chief Executives meeting monthly) and, ultimately, to the Collaborative Leadership Forum (Chairs and Chief Executives meeting approximately quarterly). The Collaborative Executive Group and Collaborative Leadership Forum sign off the Collaborative's work plan annually.

A hosting agreement has been in place since 2015. The current agreement was extended by the Board in February 2021, and runs to 31 March 2022. The agreement provides details of the responsibilities of the Public Health Wales Board and the hosted body. The Board receives assurance on compliance with the terms of the agreement through the production of an Annual Compliance Statement and Report from the Collaborative. The [Report](#) for 2021/22 was received by the Audit and Corporate Governance Committee and Board in 16 March 2021.

The Collaborative has its own risk management process (that is compliant with the relevant Public Health Wales policy and procedures) and risks from their Corporate Risk Register are escalated to the Public Health Wales Board as appropriate.

11.2 Finance Delivery Unit

The Finance Delivery Unit (the Unit) was formally established in January 2018, following an announcement by the Cabinet Secretary for Health and Social Services.

The purpose of the Unit is to enhance the capacity to:

- ❖ Monitor and manage financial risk in NHS Wales and to respond at pace where organisations are demonstrating evidence of potential financial failure
- ❖ Accelerate the uptake across Wales of best practice in financial management and technical and allocative efficiency.

The Unit is hosted by Public Health Wales under a formal hosting agreement signed by Public Health Wales, the Director of the Finance Delivery Unit and the Director of Finance, Health, and Social Services Group, Welsh Government. The Unit is accountable to the Director of Finance, Health and Social Services Group at Welsh Government and the annual work programme is agreed and monitored through regular meetings with Welsh Government.

The Board receives assurance on compliance with the terms of the hosting agreement through the production of an Annual Assurance Statement and Report from the Unit. The [Report](#) for 2021/22 was received by the Audit and Corporate Governance Committee and Board on 5 May 2022.

12. Staff and Staff Engagement

We engage with our staff in a number of ways which are part of the checks and balances we undertake to support and enable good governance.

In support of the Board and Executive, we have a formal advisory group - the Local Partnership Forum, formally the Joint Negotiating Committee (JNC).

The Local Partnership Forum has met 9 times during 2021/22 and has considered the following matters:

- ❖ Wellbeing Survey
- ❖ Organisational Change
- ❖ Pay Progression
- ❖ Overtime/Toil
- ❖ Annual Leave Year
- ❖ Performance and Assurance Dashboards
- ❖ Organisation Response (COVID-19)
- ❖ Facilities Time
- ❖ National Contact Centre and National Health Protection Regional Response
- ❖ Gender Pay Gap
- ❖ Sickness Absence

The Group has also discussed Occupational Health, Sickness, and Facilities Time as standing agenda items at each meeting, and the Forum has commented on, and recommended, several policies for approval.

There is a well-established Joint Medical and Dental Negotiating Group. During 2021/22, weekly informal meetings with representatives from this group were established with effect from May 2020, in order to ensure that the organisation were engaging with its medical and dental employees.

The organisation's Nursing Senedd advises and provides updates on professional issues relating to Nursing and Midwifery professionals. These fora provide mechanisms which allow for feedback to senior management on organisational performance or any other issues that staff wish to raise, which aids transparency.

In addition to these formal partnering mechanisms, we have consulted with the trade unions on all urgent policy reviews and the introduction of new policies during the last year.

We also have a consultation process open to all staff for all new and revised organisational policies, staff Diversity Networks and engagement events, all of which are used to hold meaningful individual and group conversations

with our colleagues. These mechanisms are used in parallel with an open blog, a web forum, and other virtual ways for staff to share their work and opinions, including a Public Health Wales Staff Facebook group, whose membership now accounts for over half of the workforce.

We had planned to participate in the All-Wales NHS Staff Survey, but the decision was taken at national level to delay this until later in 2022.

We undertook an internal wellbeing survey, in order to gain further information on how staff are doing, what has worked well and where we need to improve.

The survey ran from the 8 November until the 10 December and drew 946 responses, equating to a 40.5% response rate. Colleagues in People and Organisational Development analysed the results, producing dashboards and thematic qualitative data and the Employee Experience team have been interrogating the data.

Directorate results were shared with the Wellbeing and Engagement Partnership Group and the Leadership Team, and a joint planning session was held between the two groups, to consider themes to be taken forward.

In 2021, we ran the Medical Engagement Scale survey, the purpose of which is to assess the level of engagement of medical staff with the goals of the organisation. Following the survey, we met with the British Medical Association (BMA) for an initial discussion about the results and are now considering next steps. This will include how we ensure collaborative working with all medical staff to improve our understanding of the findings, with a view to jointly developing a solution-focussed action plan.

13. Review of Effectiveness

As Chief Executive and Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. The review of the system of internal control is informed by the work of the internal auditors, the Executive Directors, and all Executive Team Directors, within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

The Board and Committees have reviewed the effectiveness of the system of internal control in respect of the assurances received. The Strategic Risk Register is the mechanism for close monitoring of strategic risks and is scrutinised by the Board and Committees. On reviewing the system of internal control, I can confirm that it is effective in providing the necessary assurance to the Board and Committees.

The three Committees in operation for the whole of the year undertook a self-assessment during 2021/22 via Committee Effectiveness questionnaire, and a workshop session to discuss the findings and outcomes of the survey. The outcomes of these discussions will feed into the wider review of Board effectiveness scheduled for Quarter 1 2021.

(Further information on the Effectiveness cycle can be found in [section 3.4.2](#) of this report.)


13.1 Internal Audit

Internal audit provides the Accountable Officer, and the Board through the Audit and Corporate Governance Committee, with a flow of assurance on the system of internal control. As Chief Executive, I have commissioned a programme of audit work which has been delivered in accordance with the Public Sector Internal Audit Standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit and Corporate Governance Committee and is focussed on significant risk areas and local improvement priorities.

The overall opinion by the Head of Internal Audit on governance, risk management, and control is a function of this risk based audit programme and contributes to the picture of assurance available to the Board in reviewing effectiveness and supporting our drive for continuous improvement.

The Head of Internal Audit has concluded (taken from Head Internal Audit Annual Opinion):

The overall opinion for 2021/22 is that:

Reasonable assurance		<p>The Board can take Reasonable Assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved.</p>
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Summary of Audits 2021/22

Review Title	Assurance Rating	Objective of Review
Operational plan	Substantial Assurance	<p>To evaluate and determine the adequacy of the systems and controls in place within the Organisation to deliver the Operational Plan. This review did not test the integrity of data as this was reviewed as part of the previous data audit in March 2021.</p> <p>The review considered:</p> <ul style="list-style-type: none"> • Governance arrangements; • Resources and scrutiny of changes to milestones; and • Risk management and reporting mechanisms.
Data breach	Substantial Assurance	To determine the adequacy of systems and controls in place in relation to dealing with the breach recorded in August 2020.
Recruitment	Substantial Assurance	The recruitment arising from the Health Protection business case, and specifically considered risks, monitoring and reporting, and the process followed.
Screening – reactivation of service plans	Substantial Assurance	The adequacy of the systems and controls in place with a focus on governance arrangements, risk, staffing levels, monitoring and reporting, and learning from events.

Annual Governance Statement 2021/22

Review Title	Assurance Rating	Objective of Review
Microbiology stock	Substantial Assurance	The procedures, management of stock and management information.
Staff wellbeing	Reasonable Assurance	The adequacy of the systems and controls in place within the organisation for staff wellbeing. Our particular focus was on the framework in place, engagement with staff, and monitoring and reporting.
New laboratory at IP5 (Imperial Park 5)	Reasonable Assurance	A post-completion review of the arrangements put in place to manage the delivery of Laboratory 2 at IP5. It determined the adequacy of the systems/controls in place and evaluated the overall delivery of the project.
Additional hours – follow up	Reasonable Assurance	Assessed the progress in implementing the recommendations arising from the 2020/21 limited assurance internal audit report.
Concerns and grievance	Reasonable Assurance	The systems and controls in place for training, capturing and investigating concerns and grievances, trends and themes, and reporting arrangements.
Welsh risk pool claim process	Reasonable Assurance	The reimbursement process and focused on: the completion of documents with the required timescales; evidence supporting the costs incurred; the authorisation process; and the accuracy of the information within Datix.
IG Toolkit [Draft]	Reasonable Assurance	To review the organisation's processes for completion of the Information Governance Toolkit and the collation and submission of appropriate evidence to support the assessed score.
NIS directive – cyber security [Draft]	Reasonable Assurance	The arrangements in place for the implementation of the NIS Directive in PHW, including the Cyber Assessment Framework (CAF), improvement plan and overarching governance.

Advisory/Non-Opinion
None
Limited Assurance
None
No Assurance
None

The audit work undertaken during 2021/2022, was reported to the Audit and Corporate Governance Committee. These detailed results have been aggregated to build a picture of assurance across the organisation.

The Head of Internal Audit is satisfied that there has been sufficient internal audit coverage during the reporting period in order to provide the Head of Internal Audit Annual Opinion. In forming the Opinion the Head of Internal Audit has considered the impact of the audits that have not been fully completed.

(Further information on the Internal Audit Reports received by the Audit and Corporate Governance Committee can be found in [section 3.2.1](#) of this report.)

13.2 Counter Fraud

From 1 April 2012, Public Health Wales has three accredited local counter fraud specialists to support the organisation developing a counter fraud culture by providing advice, awareness sessions, newsletters and if necessary conducting investigations.

The local counter fraud investigators regularly liaise with the Counter Fraud Service (Wales), Counter Fraud Authority and work with other agencies such as the police, and the Home Office Immigration and Enforcement teams regarding fraud investigations, and circulate any alerts in fraud methods. When it is necessary specialist fraud lawyers in the Crown Prosecution Service are consulted about appropriate criminal charges.

During 2021/22, there were two referrals from Public Health Wales that required further investigation:

- ❖ One case was referred in July 2021 and was closed following investigation in September 2021.
- ❖ One case is open and inquiries are continuing.

Counter Fraud reports and updates are provided to the [Audit and Corporate Governance Committee](#) throughout the year.

13.3 External Audit – Audit Wales

The Auditor General for Wales is the statutory external auditor for the NHS in Wales. Audit Wales (AW) undertakes the external auditor role for Public Health Wales, on behalf of the Auditor General.

Each year a Structured Assessment report ([Phase 1](#) and [Phase 2](#)) is completed, for 2021, AW reported:

'The Trust has strong operational planning arrangements, which continue to improve. Planning arrangements around the Trust's strategic priorities have improved integration and the performance and assurance dashboard is a useful tool for management and Board scrutiny.'

'The Trust's operational plans are based on financial and workforce modelling, effective engagement with stakeholders and input from its Board. The Trust has adapted its plans based on Welsh Government feedback and its own reviews of progress during the year. It adapted its Operational Plan 2020-22 to reflect its immediate and medium-term response to COVID-19 and similarly intends to review its long-term strategy. Planning structures and processes provide an integrated approach to operational planning. Good quality information and clear transparent reporting mechanisms ensure performance is reported effectively. In particular, the performance and assurance dashboard enables scrutiny by the Board and managers. Officers continue to give clear presentations explaining the context of performance information whilst Board members provide strong constructive challenge.'

'The Trust has good governance arrangements which adapted well to the pandemic. The Trust reviewed and adapted its approach regularly and has retained elements that worked well. Suspended committees are starting to reactivate and provide more detailed scrutiny of items previously postponed or remitted to other committees.'

Both Executives and non-Executives provide good scrutiny in meetings and the quality and presentation of information at Board and committees is good.

The Trust is working to improve its governance arrangements through its integrated governance model.

The Trust has good arrangements to manage its financial resources and continues year on year to meet its financial duties. Financial controls are effective and the Trust uses clear, timely financial information to monitor and report its performance'

The report outlined one recommendation to Public Health Wales relating to public access to Board meeting recordings, this action has been completed and the process strengthened.

'At the time of our review, one video recording of a Board meeting was missing from the Trust's website. The Trust should ensure that it strengthens the process for the timely publication of recordings of Board meetings'.

14. Conclusion

As Accountable Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review of the system of internal control is informed by the work of the internal auditors and the Executive officers (including the Executive Team Directors) within the organisation who have responsibility for the development and maintenance of the internal control framework, and comments made by external auditors in their audit letter and other reports.

This Annual Governance Statement confirms that Public Health Wales has continued to mature as an organisation and no significant internal control or governance issues have been identified. The organisation will continue to address key risks and embed good governance and appropriate controls throughout the organisation.

As indicated throughout this statement, the need to plan and respond to the COVID-19 pandemic has had a significant impact on the organisation, wider NHS, and society as a whole. It has required a dynamic response, which has presented a number of opportunities in addition to the risks. Our need to respond and recover from the pandemic has been reflected within this report, and will continue to impact in 2022/2023 and beyond. I will ensure our Governance Framework considers and responds to this need.

I can confirm that the Board and the Executive Team has had in place a sound and effective system of internal control, which provides regular assurance, aligned to the organisation's strategic objectives and strategic risks.

Annual Governance Statement 2021/22

Signed:

Date: 14 June 2022

Dr Tracey Cooper

Chief Executive and Accountable Officer, Public Health Wales

Annual Governance Statement 2021/22
Appendix 1 – Board and Committee Membership

NAME	POSITION	BOARD COMMITTEE MEMBERSHIP	ATTENDANCE AT MEETINGS 2021/22***
Rhiannon Beaumont-Wood	Executive Director of Quality, Nursing and Allied Health Professionals	<ul style="list-style-type: none"> • Board • Quality, Safety and Improvement Committee** • Audit and Corporate Governance Committee** • People and Organisational Development Committee ** • Knowledge, Research and Information Committee** 	10/10 5/6 5/5 2/4 2/2
Professor Mark Bellis OBE	Executive Director of Policy and International Health, WHO Collaborating Centre on Investment for Health & Well-being (Executive Director status effective from 12 June 2021)	<ul style="list-style-type: none"> • Board* • Knowledge, Research and Information Committee** 	5/10 1/2
Iain Bell	National Director of Public Health Knowledge and Research (from 12 July 2021)	<ul style="list-style-type: none"> • Board* • Knowledge, Research and Information Committee ** 	7/7 2/2
Sian Bolton	Transition Director of Knowledge (until 2 May 2021)	<ul style="list-style-type: none"> • Board* • Knowledge, Research and Information Committee ** 	0/0 0/0
Dr John Boulton	National Director of NHS Quality Improvement and Patient Safety/Director Improvement Cymru <i>(For the period 3 May 2021 until a substantive</i>	<ul style="list-style-type: none"> • Board* • Quality, Safety and Improvement Committee** • Knowledge, Research and Information Committee ** 	8/10 5/6 1/2

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Appendix 1 – Board and Committee Membership

NAME	POSITION	BOARD COMMITTEE MEMBERSHIP	ATTENDANCE AT MEETINGS 2021/22***
	<i>appointment was made on 12 July 2021, John Boulton, covered the roles and functions of the Transition Director of Knowledge.)</i>		
Helen Bushell	Board Secretary and Head of Board Business Unit <i>(on maternity leave between 10 July 2021 to 12 September 2021)</i>	<ul style="list-style-type: none"> • Board* • Remuneration and Terms of Service Committee** • Audit and Corporate Governance Committee** • Quality, Safety and Improvement Committee** • People and Organisational Development Committee ** • Knowledge, Research and Information Committee ** 	5/7 3/3 4/5 4/5 3/3 2/2
Elizabeth Blayney	Acting Board Secretary and Head of Board Business Unit <i>(between 10 July 2021 to 12 September 2021)</i>	<ul style="list-style-type: none"> • Board* • Remuneration and Terms of Service Committee** • Audit and Corporate Governance Committee** • Quality, Safety and Improvement Committee** • People and Organisational Development Committee ** • Knowledge, Research and Information Committee ** 	3/3 0/0 0/0 1/1 1/1 0/0
Kate Eden	Vice Chair and Non-Executive Director	<ul style="list-style-type: none"> • Board • Remuneration and Terms of Service Committee • (Chair)Quality, Safety and Improvement Committee • Knowledge, Research and Information Committee 	10/10 2/3 5/6 2/2
Dyfed Edwards	Non-Executive Director	<ul style="list-style-type: none"> • Board • (Chair) Audit and Corporate Governance Committee • Remuneration and Terms of Service Committee • People and Organisational Development Committee 	10/10 5/5 3/3 4/4
Mohammed Mehmet	Non-Executive Director (Local Authority)	<ul style="list-style-type: none"> • Board • Remuneration and Terms of Service Committee • Audit and Corporate Governance Committee • (Chair) People and Organisational Development Committee 	9/10 2/3 4/5 4/4

Annual Governance Statement 2021/22
Appendix 1 – Board and Committee Membership

NAME	POSITION	BOARD COMMITTEE MEMBERSHIP	ATTENDANCE AT MEETINGS 2021/22***
Professor Sian Griffiths	Non-Executive Director (Public Health)	<ul style="list-style-type: none"> • Board • Remuneration and Terms of Service Committee • Quality, Safety and Improvement Committee • (Chair) Knowledge, Research and Information Committee 	9/10 0/3 4/6 2/2
Professor Diane Crone	Non-Executive Director (University)	<ul style="list-style-type: none"> • Board • Audit and Corporate Governance Committee • Remuneration and Terms of Service Committee • Quality, Safety and Improvement Committee • Knowledge, Research and Information Committee 	8/10 4/5 3/3 5/6 2/2
Andrew Jones	Interim Executive Director of Public Health <i>(from 1 December 2020 to 31 May 2021)</i>	<ul style="list-style-type: none"> • Board • Quality, Safety and Improvement Committee** • People and Organisational Development Committee** • Knowledge, Research and Information Committee** 	1/1 2/2 0/1 0/0
Dr Eleri Davies	Interim Medical Director <i>(from 1 December 2020 to 31 May 2021)</i>	<ul style="list-style-type: none"> • Board* • Quality, Safety and Improvement Committee** • People and Organisational Development Committee** • Knowledge, Research and Information Committee** 	1/1 1/2 0/1 0/0
Huw George	Deputy Chief Executive and Executive Director of Operations and Finance	<ul style="list-style-type: none"> • Board • Remuneration and Terms of Service Committee** • Audit and Corporate Governance Committee** 	10/10 2/3 5/5
Neil Lewis	Director of People and Organisational Development <i>(Acting Director between 17 August 2020 to 30 April 2021, appointed to the Director role from 30 April 2021)</i>	<ul style="list-style-type: none"> • Board* • People and Organisational Development Committee** • Remuneration and Terms of Service Committee 	10/10 4/4 3/3

Annual Governance Statement 2021/22
Appendix 1 – Board and Committee Membership

NAME	POSITION	BOARD COMMITTEE MEMBERSHIP	ATTENDANCE AT MEETINGS 2021/22***
Judith Rhys MBE	Non-Executive Director (Third Sector)	<ul style="list-style-type: none"> • Board • Remuneration and Terms of Service Committee • Quality, Safety and Improvement Committee • People and Organisational Development Committee 	9/10 0/3 6/6 4/4
Dr Fu-Meng Khaw	National Director Health Protection Services and Screening, Executive Medical Director <i>(from 1 June 2021)</i>	<ul style="list-style-type: none"> • Board • Quality, Safety and Improvement Committee** • People and Organisational Development Committee** • Knowledge, Research and Information Committee ** 	9/9 3/4 1/3 2/2

* Attend Board meetings, but are not members of the Board and therefore do not have voting rights.

** Attend Committee meetings, but are not members of the Committee and therefore do not have voting rights.

The actual number of meetings attended/the number of meetings which it was possible to attend. This varies from individual to individual as some joined the Committee partway through the year.

+ *The allocation of champion roles is under review, awaiting confirmation from Welsh Government.*

Note – Executive Team Members may attend other Committees on request.

Board Champions

(As at August 2021)

Role	Champion Role Requirement	Executive Champion	Non-Executive Champion
Fire Safety	Exec	Deputy Chief Executive and Executive Director Finance and Operations (Huw George)	N/A
Emergency Planning	Exec	National Director Health Protection and Screening Services / Executive Medical Director (Meng Khaw)	N/A
Caldicott	Exec	National Director Health Protection and Screening Services / Executive Medical Director (Meng Khaw)	N/A
Violence and Aggression	Exec	Executive Director Quality, Nursing and Allied Health Professionals (Rhiannon Beaumont-Wood)	N/A
Infection Prevention and Control	Non-Exec	Executive Director Quality, Nursing and Allied Health Professionals (Rhiannon Beaumont-Wood)	Non-Executive Director (Sian Griffiths)
Armed Forces and Veterans	Non-Exec	Executive Director Quality, Nursing and Allied Health Professionals (Rhiannon Beaumont-Wood)	Chair (Jan Williams)
Mental Health	Vice Chair	N/A	Vice Chair (Kate Eden)
Equality	Non-Exec	N/A	Non-Executive Director - Local Authority (Mohammed Mehmet)
Children and Young People	Exec & Non-Exec	Executive Director Quality, Nursing and Allied Health Professionals (Rhiannon Beaumont-Wood)	Non-Executive Director - University (Diane Crone)
Putting Things Right	Exec & Non-Exec	Executive Director Quality, Nursing and Allied Health Professionals (Rhiannon Beaumont-Wood)	Vice Chair (Kate Eden)
Raising Concerns (Staff)	Exec & Non-Exec	Board Secretary and Head of Board Business Unit (Helen Bushell)	Chair (Jan Williams)
Welsh Language	Exec	Director of People and Organisational Development (Neil Lewis)	Non-Executive Director (Dyfed Edwards)*
Older Persons	Non-Exec	N/A	Non-Executive Director – Third Sector (Judi Rhys)

Annual Governance Statement 2021/22
Appendix 1 – Board and Committee Membership

Role	Champion Role Requirement	Executive Champion	Non-Executive Champion
Socio-Economic Duty	Exec	Executive Director of Policy and International Health, WHO Collaborating Centre on Investment for Health & Well-being (Mark Bellis) and Board Secretary and Head of Board Business Unit (Helen Bushell)	

Key - E = Executive / NE – Non-Executive

*NE also identified as Director of People and OD not a Board member



GIG
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NHS
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lechyd Cyhoeddus
Cymru
Public Health
Wales

Part B: Remuneration and Staff Report 2021/22

- 1.1 The information contained in this report relates to the remuneration of the senior managers employed by Public Health Wales and other people-related matters.
- 1.2 The Pay Policy Statement (Annex 3) relates to Public Health Wales' strategic stance on senior manager remuneration and provides a clear statement of the principles underpinning decisions on the use of public funds.
- 1.3 The definition of "Senior Manager" is:
'those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments.'
- 1.4 For Public Health Wales, the Senior Managers are considered to be the regular attendees of the Trust Board meetings, i.e. the Executive Directors, the Non-Executive Directors and the remaining Board-Level Directors. Collectively the Executive and Board-Level Directors are known as the Executive Team. Although not formally a member of the Executive Team, the Board Secretary and Head of the Board Business Unit is also included within the definition of Senior Manager.

2. Remuneration and Terms of Service Committee

- 2.1 The Public Health Wales Remuneration and Terms of Service Committee considers and approves salaries, pay awards and terms and conditions of employment for the Executive Team and other key senior staff.
- 2.2 The Remuneration and Terms of Service Committee also considers and approves applications relating to the Voluntary Early Release Scheme, redundancy payments and early retirements.
- 2.3 All Executive Directors' pay and terms and conditions have been, and will be, determined by the Remuneration and Terms of Service Committee within the Framework set by the Welsh Government.
- 2.4 During 2021/22 the Public Health Wales Remuneration and Terms of Service Committee consisted of the following Members:
 - ❖ Jan Williams OBE (Chair)
 - ❖ Dr Tracey Cooper (Chief Executive).
 - ❖ Judith Rhys MBE (Non-Executive Director)
 - ❖ Kate Eden (Vice Chair and Non-Executive Director)
 - ❖ Dyfed Edwards (Non-Executive Director)
 - ❖ Professor Diane Crone (Non-Executive Director)

- ❖ Professor Sian Griffiths (Non-Executive Director)
- ❖ Mohammed Mehmet (Non-Executive Director)

2.5 The performance of Executive Directors is assessed against individual objectives and the overall performance of Public Health Wales. Public Health Wales does not make bonus payments of any kind.

2.6 All payments are against the pay envelope in the annual letter from the Chief Executive of NHS Wales on this matter. The Senior Managers to receive pay-awards have been those remunerated on 'Medical and Dental' or 'Agenda for Change' pay scales and those in 'Executive and Senior Posts'.

2.7 During 2021/22, the Remuneration and Terms of Service Committee approved the following (in consultation with Welsh Government where appropriate):

- ❖ 12 February 2021 – Approved the appointment of Dr Fu Meng Khaw as National Director of Health Protection Services and Screening (start date 1 June 2021)
- ❖ 28 April 2021 – Approved the appointment of Neil Lewis as Director of People and Organisational Development (start date 30 April 2021)
- ❖ 28 May 2021 – Approved the appointment of Iain Bell as the National Director of Public Health Knowledge and Research (start date 12 July 2021)
- ❖ 02 June 2021 - Approved the appointment of Sally Attwood as Interim Transitional Director of Health & Wellbeing (start date 1 July 2021)
- ❖ 02 June 2021 – a final extension for Jyoti Atri as the Director of Health & Wellbeing covering the period 1 April 2021 until June 11 2021
- ❖ 02 June 2021 – approve Executive Director status for Mark Bellis, Director of Policy and International Health/World Health Organization Collaborating Centre (effective from 11 June 2021)
- ❖ The Chief Executive approved the appointment of Elizabeth Blayney as Acting Board Secretary and Head of Board Business Unit between 10 July 2021 to 12 September 2021.

Voluntary Early Release and Redundancy payments:

- ❖ Approval of four applications, totalling £159,513 under the Voluntary Early

Release Scheme.

3. Salary and Pension Disclosures

- 3.1 Details of salaries and pension benefits for Senior Managers captured within this report are given in Annexes 1 and 2.
- 3.2 The single figure of remuneration (**Annex 1**) is intended to be a comprehensive figure that includes all types of reward received by Senior Managers in the period being reported on, including fixed and variable elements as well as pension provision.
- 3.3 The single figure includes the following:
- ❖ Salary and fees both pensionable and non-pensionable elements.
 - ❖ benefits in kind (taxable, total to the nearest £100)
 - ❖ pension-related benefits - those benefits accruing to Senior Managers from membership of a participating defined benefit pension scheme.
- 3.4 There are no annual or long-term performance-related bonuses.
- 3.5 Annual salary figures are shown prior to any reduction as a result of any salary sacrifice scheme.
- 3.6 The value of pension-related benefits accrued during the year is calculated as the employee's real increase in pension multiplied by 20, plus any real increase in pension lump sum (for scheme members entitled to a lump sum), less the contributions made by the employee. The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.
- 3.7 **Annex 2** gives the total pension benefits for all Senior Managers. The inflationary rate applied to the 2020/21 figure is 0.5% as set out in the 2021/22 Greenbury guidance.

4. Remuneration Relationship

- 4.1 NHS bodies in Wales are required to disclose the relationship between the remuneration of the highest-paid Director in their organisation and the median remuneration of the organisation's workforce. This information is provided in note 10.6 to the Financial Statements.

5. 2021/22 Staff Report

5.1 Number of Senior Managers

As of 31 March 2022 there were 10 Senior Managers that made up the Executive Team (including the role of Board Secretary and Head of the Board Business Unit); they were also Board members or regular attendees. Their terms and conditions are broken down as follows:

Consultant (Medical and Dental): 0
 Executive and Senior Posts pay scale: 8
 Agenda for Change Wales: 2

5.2 Staff Numbers

The following table shows the average number of staff employed by Public Health Wales NHS Trust, by group as defined in the annual accounts.

	Permanently Employed (inc Fixed Term) WTE	Agency Staff WTE	Staff on inward secondment WTE	Specialist Trainee (SLE)	2021/22 Total WTE	2020/21 Total WTE
Administrative, clerical and board members	1,137	58	33	0	1,228	1,102
Ambulance Staff	0	0	0	0	0	0
Medical and Dental	97	3	15	1	116	116
Nursing, Midwifery registered	84	0	4	0	88	72
Professional, scientific and technical staff	12	0	1	0	13	10
Additional Clinical Services	342	0	0	0	342	343
Allied Health Professionals	68	7	1	0	76	66
Healthcare Scientists	371	28	0	0	399	344
Estates and Ancillary	1	0	0	0	1	1
Students	0	0	0	0	0	0
Total	2,112	96	54	1	2,263	2,054

NB. Average number of employees for 2020-21 has been re-categorised to correct an error in the categorisation of permanently employed staff. This does not change the overall total of average number of employees for 2020-21.

5.3 Staff Composition

The gender breakdown of the Senior Managers and other employees as of 31 March 2022 was as follows:

	Male	Female
Senior Managers	47%	53%
Other employees	25%	75%

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 came into force on 6 April 2017, which require employers in England and Wales with 250 or more employees to publish statutory calculations every year showing the pay gap between their male and female employees.

- mean gender pay gap in hourly pay;
- median gender pay gap in hourly pay;
- proportion of males and females in each pay quartile.

In Public Health Wales, the mean and median hourly rate by Gender as of 31 March 2021 was as follows:

Gender	Mean. Hourly Rate (£)	Median Hourly Rate (£)
Male	22.57	17.27
Female	18.95	15.81
Difference	3.62	1.46
Pay Gap %	16.05	8.45

The figures highlight a gap between the pay for men and women in the organisation. This is attributable to the high proportion of women in some of the lower grades, which can be as high as almost 90% which in turn brings the overall average down. Analysis of the staff data shows that from Band 8a, the number of women in the higher grades drops significantly.

The decrease in the Gender Pay Gap figures for this year can be explained in part by working practices during the pandemic. When analysing the data, it transpired that the pandemic has had a massive impact on our figures, both in terms of overtime and on-call enhancements. It is anticipated that once the Covid response lessens, there will be a reduction in overtime/on-call, next year.

The figure has also been impacted by the increase of 66 women – 3.5% in the highest Quartile (Q4), and the reduction of just over 3.5% of men in Quartile 4 since last year. The lowest quartile (Q1) has also seen a change; the percentage of women in has gone down by over 5%, and the number of men has increased by 5.7%. There has been a lot of recruitment activity

taking place as a result of the pandemic over this past year, which has given us an opportunity to tackle the gender balance.

5.4 Sickness Absence data

The following table provides information on the number of days lost due to sickness during 2020/21 and 2021/22:

	2021-2022 Number	2020-2021 Number
Days lost (long term)	21,144	17,707
Days lost (short term)	10,177	6,581
Total days lost	31,321	24,288
Total staff years	2,021	1,811
Average working days lost	966	723
Total staff employed in period (headcount)	2,233	2,009
Total staff employed in period with no absence (headcount)	1,176	1,086
Percentage staff with no sick leave	50.45%	61.63%

Sickness absence rates across Public Health Wales over 2021/2022 have seen an increase with number of days lost due to sickness absence up by 7033 days from 2020/2021. 30.3% of short term sickness absences were recorded as a Covid related absence.

The percentage of staff recording no sickness absence has fallen to 50.45% from 61.63%.

We have seen an increase in the number of days lost due to long term sickness absence. All long term sickness absence cases are supported by a People & OD Advisor.

It should also be noted that there has been an increase in the headcount over this period

The All Wales Managing Attendance at Work Policy is now being delivered remotely. The target set nationally to deliver training on the new policy to all Line Managers was December 2020 however, in May 2020, it was agreed to pause this requirement and the launch of the eLearning package due to Covid.

Despite this pause the People & OD team have continued to deliver regular training sessions to both existing and new Line Managers.

5.5 Staff policies applied during the financial year

The Trust's workforce policies cover all aspects of employment, from recruitment and selection, training and development to terms and conditions of service and termination of employment. They also set out the guiding principles that influence the way that Public Health Wales carries out its employment based activities and the expectations of all staff. Some of these policies are developed and reviewed with other NHS organisations on an "all Wales" basis and their adoption is mandatory. All other employment policies are developed and reviewed through policy workshops attended by various stakeholders from within the organisation.

Public Health Wales also has a range of policies which enable people with a protected characteristic (including disability) to gain employment with the Trust, and remain in employment where appropriate, should they become covered by a protected characteristic during their employment. We have flexible working arrangements for staff to enable them to accommodate their personal situations and requirements, as well as an Occupational Health service who can advise on reasonable adjustments for those who require them. Our Recruitment Policy and candidate information promotes the use of inclusive and welcoming language and ensures that we will make reasonable adjustments to the process as required. We also have guidance for staff who are Transitioning in the workplace, to help individuals and managers through the process.

Public Health Wales' Recruitment Policy makes reference to eliminating all forms of discrimination in accordance with the Equality Act 2010. Public Health Wales operates a guaranteed interview scheme whereby disabled applicants are guaranteed an interview if they meet the essential requirements of the person specification for the post they are applying for. When invited to interview, all applicants are asked if any adjustments are required to enable them to attend.

Where a disabled candidate is appointed, Public Health Wales is responsible for carrying out any reasonable adaptations to the workplace or supplying additional equipment to assist the new employee in their role. This usually follows assessment, advice and support from the Trust's Occupational Health Service.

In July 2019, we were assessed and awarded Disability Confident Leader Status; the second NHS Organisation in Wales to be awarded this. A lot of work was put into reviewing and improving processes, awareness and our environment to get us to this stage and the feedback from disabled staff has

been positive. This also builds on our reputation as an inclusive employer, building confidence for staff and prospective job applicants.

The All Wales Managing Attendance at Work Policy which was introduced in December 2018 has a focus on managers knowing and understanding their staff, and working in partnership to support individuals in the workplace. The policy has an emphasis on wellbeing rather than managing absence and is designed to support individuals to remain in the workplace. The policy retains mechanisms for phased return to work, with no loss of pay and makes enhancements in support of appointments linked to underlying health concerns. There is a greater emphasis on access to advice and support (Employee Assistance Programme), Occupational Health, GP, Physiotherapy, Counselling, etc. to enable the organisation to facilitate a more rapid return to the workplace, along with greater support to remain in work. Where a return to an individual's role is not possible, redeployment to a suitable alternative role is explored.

In response to the COVID-19 pandemic, a number of temporary amendments were made to the All Wales Managing Attendance at Work Policy, an example of this was the extension of full sick pay for a period of 12 months for those on sickness absence due to Covid. This arrangement has been extended until 30 June 2022.

There are also a number of policies, procedures and guidelines that support staff health and well-being such as the Flexible Working Policy and Toolkit, Career Break Scheme, Annual Leave Purchase Scheme, Prevention of Stress and Management of Mental Health and Well-Being Policy. Public Health Wales also runs a workplace mediation service for staff.

In July 2019, we were assessed and awarded the Gold level of the Corporate Health Standard Award, which required a multi-site, two-day assessment process, and usually requires a paper revalidation after two years. Owing to our ongoing phases of response to the pandemic, formal work to continue our journey through the Corporate Health Standard to the remaining Platinum level of award remains paused. However, we have continued to support organisational wellbeing and remain committed to ensuring that we continue to take the necessary actions to enable our aim of good wellbeing for all. We will continue to evaluate our staff wellbeing offer, in order to assess priorities for the future.

Public Health Wales is committed to providing a working environment free from harassment and bullying and to ensuring all staff are treated, and treat others, with dignity and respect. NHS Wales engaged widely with people across the service to develop a new approach entitled "Healthy Working Relationships", this was launched in June 2021. Whilst the approach includes a new Respect and Resolution Policy (which has replaced the previous Grievance Policy and Dignity at Work Procedure), most of the change requires

us to think and behave differently, encouraging us to deal with issues as soon as possible, taking action ourselves wherever we can, without the need to resort to formal process. To support this new approach we have established a network of trained Facilitators to help colleagues to deal with issues through conversation. We also have access to a national network of Mediators for those issues that may require further support to work through.

All staff have equal access to appraisal, via Public Health Wales' 'My Contribution' process, training opportunities and career development. They are expected to undertake statutory and mandatory training applicable to their post.

In relation to staff organisational change and restructuring of services, Public Health Wales has adopted the All Wales Organisational Change Policy and has in place a Redundancy Policy and Voluntary Early Release Scheme.

All workforce policies are reviewed and developed jointly with the recognised trade unions, in accordance with an agreed policy review and development schedule.

Policies are published on the Public Health Wales website at <https://phw.nhs.wales/about-us/policies-and-procedures/policies-and-procedures-documents/human-resources-policies/>

5.6 Other Employee Matters

Our Staff Diversity Networks continue to grow and embed themselves within the organisation. They have been particularly important for staff who have been working remotely over the past year, offering support and a sense of belonging to members. We have networks for Women, Carers, LGBT+, Disabled and BAME Staff. Members of these networks have been actively involved in developing the Strategic Equality Plan for 2020 – 2024, which was published in July 2020.

We have continued to hold various awareness raising events throughout the year, and supported the "Virtual" Pride event that Pride Cymru organised online. Once again we held "Diversity and Inclusion Week" in January, which involved a range of speakers, Intranet articles and opportunities for staff to celebrate difference. Many more staff were involved this year with events taking place via Teams, and were recorded and made available for those who were unable to attend at the time.

5.7 Expenditure on Consultancy

For the purposes of the statutory accounts, Consultancy is defined as time limited/ad-hoc assignments that are not considered to be related to the day-to-day activities of the Trust. This can include expenditure on services such as:

- ❖ General Management Consultancy
- ❖ Legal
- ❖ Human Resources
- ❖ Financial
- ❖ IT Consultancy
- ❖ Property Services/Estates
- ❖ Marketing and Communication
- ❖ Programme and Project Management

During 2021/22, Public Health Wales' expenditure on consultancy was £1.405m compared to £620k in 2020/21.

5.8 Tax Assurance for Off-Payroll Engagements

The Trust is required to disclose any arrangements it has whereby individuals are paid through their own companies or off-payroll. Where off-payroll payments have been made, the Trust has sought assurance from all relevant parties that the appropriate tax arrangements are in place. Full details of these arrangements are published on the Public Health Wales website at <https://phw.nhs.wales/about-us/publication-scheme/>

5.9 Exit Packages

The figures disclosed in this note relate to exit packages agreed in the year. The actual date of departure might be in a subsequent period, and the expense in relation to the departure costs may have been accrued in a previous period. The data are therefore presented on a different basis to other staff cost and expenditure notes in the accounts.

Table 1	2021-22	2021-22	2021-22	2021-22	2020-21
Exit packages cost band (including any special payment element)	Number of compulsory redundancies	Number of other departures	Total number of exit packages	Number of departures where special payments have been made	Total number of exit packages
less than £10,000	0	1	1	0	2
£10,000 to £25,000	0	1	1	0	1
£25,000 to £50,000	0	4	4	0	2
£50,000 to £100,000	0	1	1	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	7	7	0	5
	2021-22	2021-22	2021-22	2021-22	2020-21
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies	Cost of other departures	Total cost of exit packages	Cost of special element included in exit packages	Total cost of exit packages
	£'s	£'s	£'s	£'s	£'s
less than £10,000	0	3,020	3,020	0	9,259
£10,000 to £25,000	0	24,918	36,356	0	11,438
£25,000 to £50,000	0	159,513	159,513	0	66,534
£50,000 to £100,000	0	75,874	75,874	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	263,325	263,325	0	87,231

6. Statement of Assurance

- 6.1 I confirm that there is no relevant audit information in the Annual Report of which the Audit Wales is unaware. As Chief Executive, I have taken all the steps in order to make myself aware of any relevant information and ensure the Audit Wales is aware of that information.

Signed:

Date: 14 June 2022

Dr Tracey Cooper

Chief Executive and Accountable Officer, Public Health Wales

Annex 1a - Single Figure of Remuneration (2021/22) (Audited)

Name and Title	Salary (Bands of £5,000)	Other (bands of £5,000)	Benefits in kind (taxable) to nearest £100	Pension Benefit to nearest £1,000	Total to nearest (Bands of £5,000)
	£000	£000	£000	£000	£000
Dr Tracey Cooper, Chief Executive	165 - 170	0	0	44	205 - 210
Huw George, Deputy Chief Executive and Executive Director of Operations and Finance	135 - 140	0	0	56	190 - 195
Rhiannon Beaumont-Wood, Executive Director of Quality, Nursing and Allied Health Professionals	110 - 115	0	0	43	155 - 160
Jyoti Atri, Interim Executive Director of Health and Well-being ¹	30 - 35	0	0	62	95 - 100
Professor Mark Bellis OBE, Executive Director of Policy and International Health, WHO Collaborating Centre on Investment for Health and Well-being ²	135 - 140	0	1.5	0	135 - 140
Dr John Boulton, National Director of NHS Quality Improvement and Patient Safety/Director Improvement Cymru	135 - 140	0	0	32	165 - 170
Neil Lewis, Director of People and Organisational Development ³	100 - 105	0	0	91	195 - 200
Sian Bolton, Transition Director, Knowledge ⁴	5 - 10	0	0	0	5 - 10
Dr Fu-Meng Khaw, National Director for Health Protection and Screening Services and Executive Medical Director ^{5,14}	120 - 125	0	0	316	435 - 440
Iain Bell, National Director for Public Health Knowledge and Research ⁶	95 - 100	0	0	12	110 - 115
Sally Attwood, Transition Director for Health and Well-being ⁷	80 - 85	0	0	138	215 - 220

Andrew Jones, Interim Director of Public Health Services ⁸	20 – 25	0	0	9	25 – 30
Dr Eleri Davies, Interim Medical Director ⁹	25 – 30	0	0	22	45 – 50
Helen Bushell, Board Secretary and Head of Board Business Unit ¹⁰	90 – 95	0	0	22	110 – 115
Elizabeth Blayney, Acting Board Secretary and Head of Board Business Unit ¹¹	10 – 15	0	0	2	15 – 20
Non-Executive Directors:					
Jan Williams OBE	40 – 45	0	0	0	40 – 45
Kate Eden	15 – 20	0	0	0	15 – 20
Judith Rhys MBE ¹²	5 – 10	0	0	0	5 – 10
Dyfed Edwards	5 – 10	0	0	0	5 – 10
Professor Diane Crone	5 – 10	0	0	0	5 – 10
Professor Sian Griffiths	5 – 10	0	0	0	5 – 10
Mohammed Mehmet	5 – 10	0	0	0	5 – 10

1. Jyoti Atri left the organisation on 11/06/2021. Full year equivalent salary banding is £130,000 - £135,000.
2. Salary includes £2,755 sacrificed in respect of a personal lease car.
3. Neil Lewis was appointed as Director of People and Organisational Development on a permanent basis on 30/04/2021. This followed a period of acting up into the role covering 17/08/2020 – 29/04/2021.
4. Sian Bolton retired from Public Health Wales on 02/05/2021. Full year equivalent salary banding is £105,000 - £110,000.
5. Dr Fu-Meng Khaw was appointed on 01/06/2021 as National Director for Health Protection and Screening Services and Executive Medical Director. Full year equivalent salary banding is £145,000 - £150,000.
6. Iain Bell was appointed on 12/07/2021 as National Director for Public Health Knowledge and Research. Full year equivalent salary banding is £135,000 - £140,000.
7. Sally Attwood was appointed on 01/07/2021 as Transition Director for Health and Well-being. Full year equivalent salary banding is £105,000 - £110,000.
8. Andrew Jones was Interim Director of Public Health Services until 31/05/2021. Full year equivalent salary banding is £125,000 - £130,000.
9. Dr Eleri Davies was Interim Medical Director until 31/05/2021. Full year equivalent salary banding is £155,000 - £160,000.
10. Helen Bushell took parental leave from 12/07/2021 to 12/09/2021.
11. Elizabeth Blayney acted up from 12/07/2021 to 12/09/2021 as Board Secretary and Head of Board Business Unit. Full year equivalent salary banding is £75,000 - £80,000.
12. Judith Rhys left the organisation on 31/03/2022.
13. Mohammed Mehmet increased from a 0.5WTE appointment to a 1.0WTE appointment with effect from 01/04/2021.

Annex 1b - Single Figure of Remuneration (2020/21) (Audited)

Name and Title	Salary (Bands of £5,000)	Other (bands of £5,000)	Benefits in kind (taxable) to nearest £100	Pension Benefit to nearest £1,000	Total to nearest (Bands of £5,000)
	£000	£000	£000	£000	£000
Dr Tracey Cooper, Chief Executive	160 - 165	0	0	41	200 - 205
Huw George, Deputy Chief Executive and Executive Director of Operations and Finance	130 - 135	0	0	39	170 - 175
Dr Quentin Sandifer, Executive Director of Public Health Services and Medical Director ¹	105 - 110	0	0	33	135 - 140
Rhiannon Beaumont-Wood, Executive Director of Quality, Nursing and Allied Health Professionals	110 - 115	0	0	28	135 - 140
Jyoti Atri, Interim Executive Director of Health and Well-being	120 - 125	0	0	27	150 - 155
Professor Mark Bellis OBE, Director of Policy and International Health, WHO Collaborating Centre on Investment for Health and Well-being ¹¹	130 - 135	0	0	79	210 - 215
Dr John Boulton, Director for NHS Quality Improvement and Patient Safety/Director 1000 Lives Improvement Service (Improvement Cymru)	130 - 135	0	0	19	150 - 155
Philip Bushby, Director of People and Organisational Development ²	35 - 40	0	1.3	10	50 - 55
Sian Bolton, Transition Director, Knowledge	105 - 110	0	0	19	125 - 130
Neil Lewis, Acting Director of People and Organisational Development ³	60 - 65	0	0	40	100 - 105
Andrew Jones, Interim Director of Public Health Services ⁴	40 - 45	0	0	8	45 - 50
Dr Eleri Davies, Interim Medical Director ⁵	50 - 55	0	0	22	70 - 75

Helen Bushell, Board Secretary and Head of Board Business Unit	85 - 90	0	0	21	105 - 110
Non-Executive Directors:					
Jan Williams OBE	40 - 45	0	0	0	40 - 45
Kate Eden	15 - 20	0	0	0	15 - 20
Judith Rhys MBE	5 - 10	0	0	0	5 - 10
Dyfed Edwards	5 - 10	0	0	0	5 - 10
Professor Stephen Palmer ⁶	0 - 5	0	0	0	0 - 5
Alison Ward CBE ⁷	5 - 10	0	0	0	5 - 10
Professor Diane Crone ⁸	5 - 10	0	0	0	5 - 10
Professor Sian Griffiths ⁹	5 - 10	0	0	0	5 - 10
Mohammed Mehmet ¹⁰	0 - 5	0	0	0	0 - 5

1. Dr Quentin Sandifer retired from Public Health Wales on 11/12/2020 and subsequently returned as a Consultant Advisor on Pandemic and International Health (non-Board role). Full year equivalent salary banding is £150,000 - £155,000.
2. Philip Bushby started a 6 month secondment with Health Education Improvement Wales on 17/08/2020 and subsequently left Public Health Wales NHS Trust employment on 03/01/2021. Salary includes £1,466 sacrificed in respect of a personal lease car. Full year equivalent salary banding is £100,000 - £105,000.
3. Neil Lewis was appointed on 17/08/2020 as Acting Director of People and Organisational Development. Full year equivalent salary banding is £100,000 - £105,000.
4. Andrew Jones was appointed on 01/12/2020 as Interim Executive Director of Public Health Services. Full year equivalent salary banding is £120,000 - £125,000.
5. Dr Eleri Davies was appointed on 01/12/2020 as Interim Medical Director. Full year equivalent salary banding is £150,000 - £155,000.
6. Professor Stephen Palmer left the Trust on 30/09/2020. Full year equivalent salary banding is £5,000 - £10,000.
7. Alison Ward CBE receives no direct benefit as the above costs are paid directly to her employer. Alison Ward left the Trust on 31/03/2021
8. Professor Diane Crone was appointed on 01/09/2020 as Non-Executive Director. Full year equivalent salary banding is £5,000 - £10,000.
9. Professor Sian Griffiths was appointed on 01/09/2020 as Non-Executive Director. Full year equivalent salary banding is £5,000 - £10,000.
10. Mohammed Mehmet was appointed on 21/09/2020 as Non-Executive Director (0.5 appointment). Full year equivalent salary banding is £0 - £5,000.
11. Professor Mark Bellis, NHS Pension Scheme figures as at 31 March 2021 restated to reflect 2020-21 back pay received in 2021-22

Annex 2 - Pension Benefits (Audited)

Name and Title	Real increase in pension at pension age, (bands of £2,500) £'000	Real increase in pension lump sum at pension age, (bands of £2,500) £'000	Total accrued pension at pension age at 31 March 2022 (bands of £5,000) £'000	Lump sum at pension age related to accrued pension at 31 March 2022 (bands of £5,000) £'000	Cash Equivalent Transfer Value at 31 March 2022 £'000	Cash Equivalent Transfer Value at 31 March 2021 £'000	Real increase in Cash Equivalent Transfer Value £'000	Employer's contribution to stakeholder pension £'000
Dr Tracey Cooper, Chief Executive	2.5 - 5	0 – 2.5	40 - 45	55 - 60	784	717	39	0
Huw George, Deputy Chief Executive and Executive Director of Operations and Finance	2.5 - 5	2.5 – 5	50 – 55	110 - 115	1,104	1,015	64	0
Rhiannon Beaumont-Wood, Executive Director Quality, Nursing and Allied Health	2.5 – 5	0 – 2.5	30 – 35	80 – 85	739	672	48	0
Jyoti Atri, Interim Executive Director of Health and Wellbeing	2.5 – 5	2.5 – 5	40 – 45	80 – 85	757	684	64	0
Professor Mark Bellis OBE, Executive Director of Policy and International Health, WHO Collaborating Centre and Investment for Health and Well-being ¹	0 – 2.5	0	20 – 25	0	316	304	0	0
Dr John Boulton, National Director of NHS Quality Improvement and Patient Safety/Director Improvement Cymru	2.5 – 5	0	5 - 10	0	82	51	11	0
Neil Lewis, Director of People and Organisational Development	5 – 7.5	0	45 - 50	0	551	480	55	0

Sian Bolton, Transition Director, Knowledge ²	(2.5) - 0	(2.5) - 0	40 - 45	130 - 135	0	957	0	0
Dr Fu-Meng Khaw, National Director for Health Protection and Screening Services and Executive Medical Director ^{3,4}	15 - 20	35 - 40	70 - 75	175 - 180	1,577	1,145	330	0
Iain Bell, National Director for Public Health Knowledge and Research	0 - 2.5	0	0 - 5	0	12	0	4	0
Sally Attwood, Transition Director for the Health and Well-being Directorate ^{2,3}	5 - 7.5	17.5 - 20	50 - 55	150 - 155	0	1,025	0	0
Andrew Jones, Interim Executive Director of Public Health Services ²	0 - 2.5	0 - 2.5	60 - 65	130 - 135	1,263	1,173	11	0
Dr Eleri Davies, Interim Medical Director ³	0 - 2.5	0 - 2.5	60 - 65	135 - 140	1,270	1,101	23	0
Helen Bushell, Board Secretary and Head of Board Business Unit ³	0 - 2.5	0	0 - 5	0	49	30	6	0
Elizabeth Blayney, Acting Board Secretary and Head of Board Business Unit ³	0 - 2.5	0	0 - 5	0	19	10	0	0

1. NHS Pension scheme figures as at 31 March 2021 restated to reflect 2020-21 back pay received in 2021-22.

2. No CETV reported for pensioners or senior managers over Normal Pension Age (NPA).

3. Real increases pro rata to reflect period of time in post.

Annex 3 – Pay Policy Statement 2021/22

1.0 Introduction and Purpose

- 1.1 The purpose of this policy statement is to clarify Public Health Wales' strategic stance on senior remuneration and to provide a clear statement of the principles underpinning decisions on the use of public funds.
- 1.2 The annual Pay Policy Statement (the “statement”) is produced for each financial year, in accordance with the Welsh Government’s principles and minimum standards as set out in the document “Transparency of Senior Remuneration in the Devolved Welsh Public Sector” which includes a set of high level principles regarding the reporting of senior pay. The document sets out arrangements and principles in a series of standards and non statutory requirements on organisations in the devolved Welsh public sector. It includes a requirement to publish annual reports as well as an annual pay policy statement
- 1.3 The purpose of the statement is to provide transparency with regard to Public Health Wales' approach to setting the pay of its senior employees (this excludes staff employed on nationally set terms and conditions of employment) by stating:
 - a) the definition of “senior posts” adopted by Public Health Wales for the purposes of the pay policy statement,
 - b) the definition of “lowest-paid employees” adopted by Public Health Wales for the purposes of the pay policy statement,
 - c) Public Health Wales' reasons for adopting those definitions, and
 - d) the relationship between the remuneration of senior posts and that of the lowest-paid employees.

2.0 Legislative Framework

In determining the pay and remuneration of all of its employees, Public Health Wales will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Employment) Regulations. With regard to the Equal Pay requirements contained within the Equality Act, the NHS Trust ensures there is no pay discrimination within its pay structures for employees covered by the NHS National Terms and Conditions (Agenda for Change), the Medical and Dental Staff (Wales) Handbook and the Executive and Senior Posts cohort and that all pay differentials can be objectively justified through the use of equality proofed Job Evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

3.0 Pay Structure

Senior posts are defined by Public Health Wales as all staff who are not covered by Agenda for Change or Medical and Dental contracts

This cohort of staff are referred to as “Executive and Senior Posts (ESPs)”

- a) In relation to this statement the ESP posts within the NHS Trust are:
- ❖ Chief Executive
 - ❖ Deputy Chief Executive / Executive Director of Operations and Finance
 - ❖ Executive Director Policy and International Health/World Health Organisation Collaborating Centre
 - ❖ Executive Director of Quality, Nursing and Allied Health Professionals
 - ❖ National Director of NHS Quality Improvement and Patient Safety/Director Improvement Cymru
 - ❖ Director of People and Organisational Development
 - ❖ National Director for Health Protection and Screening Services and Executive Medical Director
 - ❖ National Director for Public Health Knowledge and Research
- b) The “lowest-paid employees” within Public Health Wales are paid £20,330 per annum (£10.42 per hour) in accordance with the nationally set Pay Bands and pay points in Wales.
- c) The definitions for senior posts and the lowest paid employees are in accordance with the national provisions as determined and set by Welsh Government as noted in a) above.
- d) The remuneration of senior posts is determined by a job evaluation process (Job Evaluation for Senior Posts (JESP)) and all salaries are agreed by Welsh Government. The remuneration of the lowest-paid employees is set by reference to the national Job Evaluation system (Agenda for Change) and salaries for all Agenda for Change pay spine points (including the lowest) are set following receipt of recommendations from the Pay Review Body. From 1st January 2015, the lowest spine points were adjusted to incorporate the Living Wage.
- e) The annual process of submitting evidence to the pay review bodies (NHS Pay Review Body and Review Body on Doctors' and Dentists' Remuneration) enables an independent assessment to be made on NHS pay. The pay review bodies have regard to the following considerations in making their recommendations:
- ❖ the need to recruit, retain and motivate suitably able and qualified staff;

- ❖ regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- ❖ the funds available to the Health Departments, as set out in the Government's Departmental Expenditure Limits;
- ❖ the Government's inflation target;
- ❖ the principle of equal pay for work of equal value in the NHS;
- ❖ the overall strategy that the NHS should place patients at the heart of all it does and the mechanisms by which that is to be achieved.

f) Salary information relating to senior posts is provided in **Annex 1a** to the Remuneration and Staff report.

g) Public Health Wales' approach to internal talent management is to share all vacancies and opportunities internally to encourage career mobility and development of all our employees. In addition, through our workforce planning process, we undertake learning needs analysis and succession planning processes to identify developmental needs of all staff. Succession planning is the process of identifying critical positions, assessing current staff members who may be able to fill these positions within several timescales (ready now; 1-2 years and 2-5 years) and developing action plans for these individuals to assume those positions.

h) Public Health Wales does not use any system of performance related pay for senior posts.

i) Public Health Wales has a comprehensive approach to performance, development and review and the policies / processes to support this are:

Strategic Workforce Planning Toolkit
My Contribution Policy (Performance Appraisal)
Core Skills and Training Framework
Learning and Development Programme
Management and Leadership Development Programme
Induction Policy and Process

j) The highest and lowest Agenda for Change pay points set by Public Health Wales are:

Highest point - £108,075

Lowest point - £20,330

k) The severance policies which are operated by Public Health Wales are;

- ❖ set out in Section 16 of the nationally agreed NHS Terms and Conditions of Service Handbook for redundancy and these conditions can only be varied by national agreement between government, employers and trade unions;
- ❖ the Voluntary Early Release scheme which requires Welsh Government authorisation for any payment to be made over a certain threshold and;
- ❖ the NHS Wales Organisational Change Policy which provides for a consistent approach to the management of organisational change and provides for redeployment and protection of pay.
- ❖ the Public Health Wales Redundancy Policy which sets out an organisational approach to managing situations where redundancies (or the risk of redundancies) arise

4.0 Wider Reward and Recognition Package

l) Additional Benefits offered by Public Health Wales are;

- **Annual leave** - Staff receive an annual leave allowance of 28 days a year plus bank holidays, rising to 30 days after five years and 34 days after ten years.
- **Flexible working** –. The Trust offers a flexible working policy to help balance home and working life, including: working from home, part-time hours and job sharing options.
- **Pension** - We are signed up to the NHS pension scheme. If staff join the NHS pension scheme the Trust will contribute 20.6% towards their pension.
- **Childcare Vouchers** - We offer membership to the childcare vouchers scheme to all employees who have children
- **Cycle to work scheme** – The Trust participates in a [cycle to work scheme](#), which offers savings of up to 42% off the cost of a new bike.
- **Travel loans** - Interest free season ticket loans are available to staff (on an annual basis).
- **Health and well-being** - Health and well-being initiatives are available across the Trust, including discounted gym membership across Wales.
- **Occupational Health** - All employees have access to our Occupational Health services: the service can support staff with, stress management, confidential counselling and seasonal vaccinations.
- **Car Lease scheme** - The NHS Wales Shared services partnership scheme allows Public Health Wales staff to apply for a [lease car](#), for business and personal use.

5.0 Approach to Providing Support to lower paid staff

Public Health Wales, in keeping with the wider NHS, ensures that all of its employees are paid the living wage.

Parliamentary Accountability and Audit Report

Expenditure accounted for in 2021-22 includes expenditure (and associated Welsh Government funding) in respect of clinician's tax liabilities. The amounts are included following a Ministerial Direction issued on 18 December 2019 to the Permanent Secretary of the Welsh Government to proceed with plans to commit to making payments to clinical staff to restore the value of their pension benefits packages for additional work undertaken. This expenditure is deemed irregular because the payments are contrary to paragraph 5.6.1 of Managing Public Money and constitute a form of tax planning which will leave the Exchequer as a whole worse off. The Minister's Direction alone does not regularise the scheme. With exception of this item, all remaining expenditure is compliant with the relevant legislation. Charges for services provided by public sector organisations pass on the full cost of providing those services. We ensure public funds are used appropriately and to deliver the intended objectives.'

Where we undertake activities that are not funded directly by the Welsh Government we receive income to cover our costs. Further detail of income received is published in the annual accounts; within note 4 headed 'other operating revenue'.

We confirm we have complied with cost allocation and the charging requirements set out in HM Treasury guidance during the year.

We have been informed by our legal advisors that £1,318,000 of claims for alleged medical or employer negligence against us have been assessed as having a remote chance of succeeding. If the claims were to succeed against us, £878,000 of this figure would be recoverable from the Welsh Risk Pool. Therefore, the net liability to Public Health Wales NHS Trust is £440,000.

The Certificate and independent auditor's report of the Auditor General for Wales to the Senedd

Opinion on financial statements

I certify that I have audited the financial statements of Public Health Wales NHS Trust for the year ended 31st March 2022 under Section 61 of the Public Audit (Wales) Act 2004. These comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows and the Statement of Changes in Taxpayers' Equity 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 international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual.

In my opinion the financial statements:

- give a true and fair view of the state of affairs of Public Health Wales NHS Trust as at 31st March 2022 and of its surplus for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards as interpreted and adapted by HM Treasury's Financial Reporting Manual; and
- have been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

Opinion on regularity

In my opinion, except for the matter described in the *Basis for Qualified Regularity Opinion* section of my report, in all material respects, the expenditure and income in the financial statements have been applied to the purposes intended by the Senedd and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for Qualified Opinion on regularity

I have qualified my opinion on the regularity of the Public Health Wales NHS Trust's financial statements because those statements include a provision of £93,000 relating to the Trust's estimated liability arising from the Ministerial Direction dated 18 December 2019 on senior clinicians' pensions. In my view, this expenditure is irregular and material by its nature.

Further detail is set out in my attached report.

Basis of opinions

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 trust 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 opinions.

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 directors 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 Chief Executive 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

Opinion on other matters

In my opinion, the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with the National Health Service (Wales) Act 2006 and directions made there under by Welsh Ministers.

In my opinion, based on the work undertaken in the course of my audit:

- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with Welsh Ministers' guidance;
- the information given in the Performance Report and the Accountability Report for the financial year for which the financial statements are prepared are consistent with the financial statements and the Performance Report and Accountability Report have been prepared in accordance with Welsh Ministers' guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of the Trust and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report, Accountability Report or the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate 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 and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records and returns;
- information specified by HM Treasury or Welsh Ministers regarding remuneration and other transactions is not disclosed; or
- I have not received all the information and explanations I require for my audit.

Responsibilities

Responsibilities of Directors and the Chief Executive for the financial statements

As explained more fully in the Statements of Directors' and Chief Executive's Responsibilities, the Directors and the Chief Executive are responsible for the preparation of financial statements which give a true and fair view and for such internal control as the Directors and Chief Executive determine 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 Directors and Chief Executive are responsible for assessing the Trust'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

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 and those charged with governance, including obtaining and reviewing supporting documentation relating to Public Health Wales NHS Trust'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 management override (ie. posting of unusual journals);
- Obtaining an understanding of Public Health Wales NHS Trust's framework of authority as well as other legal and regulatory frameworks that the Public Health Wales NHS Trust 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 Public Health Wales NHS Trust.

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;
- enquiring of management, the Audit Committee and legal advisors about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Board; 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 Public Health Wales NHS Trust's 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.

Responsibilities for regularity

The Chief Executive is responsible for ensuring the regularity of financial transactions.

I am required to obtain sufficient evidence to give reasonable assurance that the expenditure and income have been applied to the purposes intended by the Senedd and the financial transactions conform to the authorities which govern them.

Report of the Auditor General to the Senedd

Please see my Report on pages (191 to 192)

Adrian Crompton
Auditor General for Wales
15 June 2022

24 Cathedral Road
Cardiff
CF11 9LJ

Report of the Auditor General to the Senedd

Introduction

Under the Public Audit Wales Act 2004, I am responsible for auditing, certifying and reporting on Public Health Wales NHS Trust's (the Trust's) financial statements. I am reporting on these financial statements for the year ended 31 March 2022 to draw attention to the qualification of my 'regularity' opinion relating to expenditure recognised as a result of the ministerial direction on senior clinicians' pensions. I have not qualified my 'true and fair' opinion in respect of any of these matters.

Ministerial direction on senior clinicians' pensions

The NHS Pension Scheme and pension tax legislation is not devolved to Wales. HM Treasury's changes to the tax arrangements on pension contributions in recent years included the reduction in the Annual Allowance limit from over £200k in 2011-12 to £40k in 2018-19. As a result, in cases where an individual's pension contributions exceed certain annual and / or lifetime pension contribution allowance limits, they are taxed at a higher rate on all their contributions, creating a sharp increase in tax liability.

In a Written Statement on 13 November 2019, the Minister for Health and Social Services noted that NHS Wales bodies were: 'regularly reporting that senior clinical staff are unwilling to take on additional work and sessions due to the potentially punitive tax liability'. In certain circumstances this could lead to additional tax charges in excess of any additional income earned.

On 18 December 2019, the First Minister (mirroring earlier action by the Secretary of State for Health and Social Care for England) issued a Ministerial Direction to the Permanent Secretary to proceed with plans to commit to making payments to clinical staff to restore the value of their pension benefits packages. If NHS clinicians opted to use the 'Scheme Pays' facility to settle annual allowance tax charges arising from their 2019-20 NHS pension savings (i.e. settling the charge by way of reduced annual pension, rather than by making an immediate one-off payment), then their NHS employers would meet the impact of those tax charges on their pension when they retire.

The Ministerial Direction was required because this solution could be viewed by HMRC to constitute tax planning and potentially tax avoidance, hence making the expenditure irregular. Managing Welsh Public Money (which mirrors its English equivalent) specifically states that 'public sector organisations should not engage in...tax evasion, tax avoidance or tax planning'.

A Ministerial Direction does not make regular what would otherwise be irregular, but it does move the accountability for such decisions from the Accounting Officer to the Minister issuing the direction.

The solution applies only to annual allowance tax charges arising from an increase in the benefits accrued in the NHS Pension Scheme during the tax year ended 5 April 2020. For the tax year ended 5 April 2021, the Chancellor increased the thresholds for the tapered annual allowance and, as a result, it is anticipated that the risk to the supply of clinical staff has been mitigated.

The Trust has received sufficient information during the year to calculate and recognise an estimate of the potential costs of compensating senior clinical staff for pension benefits that they would otherwise have lost, by using the 'Scheme Pays' arrangement. As a result, expenditure has been recognised as a provision as shown in Note 23 of the financial statements.

All NHS bodies will be held harmless for the impact of the Ministerial Direction however, in my opinion, the transactions included in the Trust's financial statements to recognise this liability are irregular and material by their nature. This is because the payments are contrary to paragraph 5.6.1 of Managing Public Money and constitute a

form of tax planning which will leave the Exchequer as a whole worse off. The Minister's direction alone does not regularise the scheme. Furthermore, the arrangements are novel and contentious and potentially precedent setting. As a result, I have qualified my 'regularity' opinion for 2021-22.

Adrian Crompton
Auditor General for Wales
15 June 2022



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Public Health
Wales

Annual Report 2021/22

Section 3: Financial Statements and Notes

Public Health Wales NHS Trust

Foreword

These accounts for the period ended 31 March 2022 have been prepared to comply with International Financial Reporting Standards (IFRS) adopted by the European Union, in accordance with HM Treasury's FReM by Public Health Wales NHS Trust under schedule 9 section 178 Para 3 (1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers, with the approval of the Treasury, directed.

Statutory background

The establishment of Public Health Wales NHS Trust in 2009, created for the first time, an independent NHS body with a clear and specific public health focus, and a remit to act across all the domains of public health practice. The Minister for Health and Social Services confirmed Public Health Wales NHS Trust would provide the national resource for the effective delivery of public health services at national, local and community level.

Public Health Wales NHS Trust originally incorporated the functions and services previously provided by the National Public Health Service (NPHS), Wales Centre for Health (WCfH), Welsh Cancer Intelligence Surveillance Unit (WCISU), Congenital Anomaly Register and Information Service (CARIS) and Screening Services Wales.

Since 2009, the organisation has continued to grow, taking on a range of additional functions and services from both the Welsh Government and NHS Wales, including several Health Improvement Programmes, Newborn Bloodspot Screening, Abdominal Aortic Aneurysm Screening and the Wrexham Microbiology Laboratory and the Diabetic Eye Screening Service for Wales (DESW). Public Health Wales has hosted the NHS Wales Health Collaborative since 2016-17, which expanded during 2020/21 to include the Implementation Groups. In February 2018, the NHS Wales Finance Delivery Unit was established, which is also hosted by Public Health Wales NHS Trust.

Performance Management and Financial Results

This Welsh Health Circular WHC/2016/054 replaces WHC/2015/014 'Statutory and Administrative Financial Duties of NHS Trusts and Local Health Boards' and further clarifies the statutory financial duties of NHS Wales bodies and is effective for 2021-2022. The annual financial duty has been revoked and the statutory breakeven duty has reverted to a three year duty, with the first assessment of this duty in 2016-2017.

Under the National Health Services (Wales) Act 2006 the financial obligations of the NHS Trust are contained within Schedules 4 2(1) and 4 2(2). Each NHS trust must ensure that its revenue is not less than sufficient, taking one financial year with another, to meet outgoings properly chargeable to the revenue account. The first assessment of performance against the 3-year statutory duty under Schedules 4 2(1) and 4 2(2) was at the end of 2016-2017, being the first three year period of assessment.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

	Note	2021-22 £000	2020-21 £000
Revenue from patient care activities	3	224,157	179,732
Other operating revenue	4	36,168	38,552
Operating expenses	5.1	(259,554)	(218,189)
Operating (deficit)/surplus		771	95
Investment revenue	6	16	0
Other gains and losses	7	7	(18)
Finance costs	8	0	0
Consolidated Total			
Retained surplus	2.1.1	794	77
Other Comprehensive Income			
Items that will not be reclassified to net operating costs:			
Net gain/(loss) on revaluation of property, plant and equipment		315	67
Net gain/(loss) on revaluation of intangible assets		0	0
Net gain/(loss) on revaluation of financial assets		0	0
Movements in other reserves		0	0
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale		0	0
Impairments and reversals		4	(4)
Transfers between reserves		0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0
Sub total		319	63
Items that may be reclassified subsequently to net operating costs			
Net gain/(loss) on revaluation of financial assets held for sale		0	0
Sub total		0	0
Total other comprehensive income for the year		319	63
Total comprehensive income for the year		1,113	140

The notes on pages 6 to 74 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Note	31 March 2022	31 March 2021
		£000	£000
Non-current assets			
Property, plant and equipment	13	26,530	20,930
Intangible assets	14	3,403	2,350
Trade and other receivables	17.1	327	240
Other financial assets	18	0	0
Total non-current assets		30,260	23,520
Current assets			
Inventories	16.1	2,995	8,835
Trade and other receivables	17.1	20,355	20,776
Other financial assets	18	0	0
Cash and cash equivalents	19	16,791	7,743
		40,141	37,354
Non-current assets held for sale	13.2	0	0
Total current assets		40,141	37,354
Total assets		70,401	60,874
Current liabilities			
Trade and other payables	20	(30,548)	(30,608)
Borrowings	21	0	0
Other financial liabilities	22	0	0
Provisions	23	(4,498)	(1,920)
Total current liabilities		(35,046)	(32,528)
Net current assets/(liabilities)		5,095	4,826
Total assets less current liabilities		35,355	28,346
Non-current liabilities			
Trade and other payables	20	(1,437)	(1,575)
Borrowings	21	0	0
Other financial liabilities	22	0	0
Provisions	23	(2,316)	(2,126)
Total non-current liabilities		(3,753)	(3,701)
Total assets employed		31,602	24,645
Financed by Taxpayers' equity:			
Public dividend capital		29,230	23,386
Retained earnings		1,481	686
Revaluation reserve		891	573
Other reserves		0	0
Total taxpayers' equity		31,602	24,645

The financial statements were approved by the Board on 14th June 2022 and signed on behalf of the Board by:

Dr Tracey Cooper,
Chief Executive and Accountable Officer

Date: 14th June 2022

The notes on pages 6 to 74 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2021-22	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000
Changes in taxpayers' equity for 2021-22				
Balance as at 31 March 2021	23,386	686	573	24,645
Adjustment	0	0	0	0
Balance at 1 April 2021	23,386	686	573	24,645
Retained surplus/(deficit) for the year		794		794
Net gain/(loss) on revaluation of property, plant and equipment		0	315	315
Net gain/(loss) on revaluation of intangible assets		0	0	0
Net gain/(loss) on revaluation of financial assets		0	0	0
Net gain/(loss) on revaluation of assets held for sale		0	0	0
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0
Impairments and reversals		0	4	4
Other reserve movement		1	(1)	0
Transfers between reserves		0	0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0
Reserves eliminated on dissolution	0			0
Total in year movement	0	795	318	1,113
New Public Dividend Capital received	5,844			5,844
Public Dividend Capital repaid in year	0			0
Public Dividend Capital extinguished/written off	0			0
Other movements in PDC in year	0			0
Balance at 31 March 2022	29,230	1,481	891	31,602

The notes on pages 6 to 74 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2020-21	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000
Changes in taxpayers' equity for 2020-21				
Balance at 31 March 2020	13,444	609	510	14,563
Adjustment	0	0	0	0
Balance at 1 April 2020	13,444	609	510	14,563
Retained surplus/(deficit) for the year		77		77
Net gain/(loss) on revaluation of property, plant and equipment		0	67	67
Net gain/(loss) on revaluation of intangible assets		0	0	0
Net gain/(loss) on revaluation of financial assets		0	0	0
Net gain/(loss) on revaluation of assets held for sale		0	0	0
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0
Impairments and reversals		0	(4)	(4)
Other reserve movement		0	0	0
Transfers between reserves		0	0	0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0
Reserves eliminated on dissolution	0			0
Total in year movement	0	77	63	140
New Public Dividend Capital received	9,942			9,942
Public Dividend Capital repaid in year	0			0
Public Dividend Capital extinguished/written off	0			0
Other movements in PDC in year	0			0
Balance at 31 March 2021	23,386	686	573	24,645

The notes on pages 6 to 74 form part of these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	2021-22	2020-21
Note	£000	£000
Operating surplus/(deficit)	SOCl 771	95
Movements in working capital	30 5,492	(3,059)
Other cash flow adjustments	31 6,944	4,882
Provisions utilised	(517)	(271)
Interest paid	0	0
Net cash inflow (outflow) from operating activities	12,690	1,647
Cash flows from investing activities		
Interest received	16	0
(Payments) for property, plant and equipment	(7,876)	(11,558)
Proceeds from disposal of property, plant and equipment	7	0
(Payments) for intangible assets	(1,633)	(1,152)
Proceeds from disposal of intangible assets	0	0
Payments for investments with Welsh Government	0	0
Proceeds from disposals with Welsh Government	0	0
(Payments) for financial assets.	0	0
Proceeds from disposal of financial assets.	0	0
Net cash inflow (outflow) from investing activities	(9,486)	(12,710)
Net cash inflow (outflow) before financing	3,204	(11,063)
Cash flows from financing activities		
Public Dividend Capital received	5,844	9,942
Public Dividend Capital repaid	0	0
Loans received from Welsh Government	0	0
Other loans received	0	0
Loans repaid to Welsh Government	0	0
Other loans repaid	0	0
Other capital receipts	0	45
Capital elements of finance leases and on-SOFP PFI	0	0
Cash transferred (to)/from other NHS Wales bodies	0	0
Net cash inflow (outflow) from financing activities	5,844	9,987
Net increase (decrease) in cash and cash equivalents	9,048	(1,076)
Cash [and] cash equivalents at the beginning of the financial year	19 7,743	8,819
Cash [and] cash equivalents at the end of the financial year	19 16,791	7,743

The notes on pages 6 to 74 form part of these accounts.

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of NHS Trusts (NHST) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2021-2022 Manual for Accounts. The accounting policies contained in that manual follow the 2021-2022 Financial Reporting Manual (FReM), in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 except for IFRS 16 Leases, which is deferred until 1 April 2022; to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the NHST Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the NHST for the purpose of giving a true and fair view has been selected. The particular policies adopted by the NHST are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2 Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3 Revenue

Revenue in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable.

From 2018-2019, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FRoM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income is received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred.

Only non-NHS income may be deferred.

1.4 Employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The latest NHS Pension Scheme valuation results indicated that an increase in benefit required a 6.3% increase (14.38% to 20.68%) which was implemented from 1 April 2019.

As an organisation within the full funding scope, the joint (in NHS England and NHS Wales) transitional arrangement operated from 2019-2020 where employers in the Scheme would continue to pay 14.38% employer contributions under their normal monthly payment process, and in Wales the additional 6.3% would be funded by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA, the NHS Pensions Agency).

However, NHS Wales organisations are required to account for **their staff** employer contributions of 20.68% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see Note 37 'Other Information' on page 72 of these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time Public Health Wales NHS Trust commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in Public Health Wales NHS Trust's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5 Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single

managerial control; or

- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. Public Health Wales NHS Trust have applied these new valuation requirements from 1 April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2017-2018 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Income (SoCI).

From 2015-2016, IFRS 13 Fair Value Measurement must be complied with in full. However IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on Public Health Wales NHS Trust or the asset which would prevent access to the market at the reporting date. If Public Health Wales NHS Trust could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCI. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This ensures that asset carrying values are not materially overstated.

For All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs so identified are then charged to operating expenses.

1.7 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, Public Health Wales NHS Trust; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to use the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the intangible asset and use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs

and technological advances.

1.8 Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which Public Health Wales NHS Trust expects to obtain economic benefits or service potential from the asset. This is specific to Public Health Wales NHS Trust and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, Public Health Wales NHS Trust checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCI. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCI. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings.

1.9 Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits therefrom can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCI on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCl. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

1.11.1 The NHS Wales organisation as lessee

Property, plant and equipment held under finance leases are initially recognised, at the inception of the lease, at fair value or, if lower, at the present value of the minimum lease payments, with a matching liability for the lease obligation to the lessor. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in calculating Public Health Wales NHS Trust's surplus/deficit charged.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability and subsequently as a reduction of rentals on a straight-line basis over the lease term. Contingent rentals are recognised as an expense in the period in which they are incurred.

Where a lease is for land and buildings, the land and building components are separated and individually assessed as to whether they are operating or finance leases.

1.11.2 The NHS Wales organisation as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of Public Health Wales NHS Trust's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on Public Health Wales NHS Trust's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

1.12 Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14 Provisions

Provisions are recognised when Public Health Wales NHS Trust has a present legal or constructive obligation as a result of a past event, it is probable Public Health Wales NHS Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where Public Health Wales NHS Trust has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when Public Health Wales NHS Trust has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1 Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operate a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participating NHS Wales bodies. The risk sharing option was implemented in both 2020-21 and 2019-2020. The WRPS is hosted by the Trust.

1.14.2 Future Liability Scheme (FLS)

General Medical Practice Indemnity (GMPI)

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GP services in Wales.

In March 2019, the Minister issued a Direction to Velindre University NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1 April 2019.

1.15 Financial Instruments

From 2018-2019 IFRS 9 Financial Instruments is applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by Public Health Wales NHS Trust is a change to the calculation basis for bad debt provisions: changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

1.16 Financial assets

Financial assets are recognised on the SoFP when Public Health Wales NHS Trust becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses.

All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1 Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value' through SoCI; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2 Financial assets at fair value through SoCI

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCI. They are held at fair value, with any resultant gain or loss recognised in the SoCI. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4 Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCI on de-recognition.

1.16.5 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, Public Health Wales NHS Trust assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in the expenditure and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.16.6 Other financial assets

Listed investments are stated at market value. Unlisted investments are included at cost as an approximation to market value. Quoted stocks are included in the balance sheet at mid-market price, and where holdings are subject to bid / offer pricing their valuations are shown on a bid price. The shares are not held for trading and accordingly are classified as available for sale. Other financial assets are classified as available for sale investments carried at fair value within the financial statements.

1.17 Financial liabilities

Financial liabilities are recognised on the SOFP when Public Health Wales NHS Trust becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired. Loans from Welsh Government are recognised at historical cost.

1.17.1 Financial liabilities are initially recognised at fair value through SoCI

Financial liabilities are classified as either financial liabilities at fair value through the SoCI or other financial liabilities.

1.17.2 Financial liabilities at fair value through the SoCI

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCI. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3 Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18 Value Added Tax (VAT)

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output VAT does not apply and input VAT on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19 Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCI. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since Public Health Wales NHS Trust has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21 Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCI on an accruals basis, including losses which would have been made good through insurance cover had Public Health Wales NHS Trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

Public Health Wales NHS Trust accounts for all losses and special payments gross (including assistance from the WRPS).

Public Health Wales NHS Trust accrues or provides for the best estimate of future payouts for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for, where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5-50%, the liability is disclosed as a contingent liability.

1.22 Pooled budget

Public Health Wales NHS Trust has not entered into pooled budgets with Local Authorities.

1.23 Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.24 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these claims would be recoverable through the WRPS.

1.25 Provisions for legal or constructive obligations for clinical negligence, personal injury & defence costs

Public Health Wales NHS Trust provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the WRPS which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by Public Health Wales NHS Trust, the full cost is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement:

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Contingent Liability
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision* Contingent Liability for all other estimated expenditure
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

* *Personal injury cases - Defence fee costs are provided for at 100%.*

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of -0.25%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%-94% respectively are held as a provision on the Trust's balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

1.26 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities to be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined to be included.

1.27 Private Finance Initiative (PFI) transactions

The Trust has no PFI arrangements.

1.28 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Public Health Wales NHS Trust, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Public Health Wales NHS Trust. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.29 Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting, dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

For transfers of functions involving NHS Wales Trusts in receipt of PDC the double entry for the fixed asset NBV value and the net movement in assets is PDC.

1.30 Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM:

IFRS14 Regulatory Deferral Accounts - Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 16 Leases is to be effective from 1 April 2022.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2021, but not yet adopted by the FReM: early adoption is not therefore permitted.

1.31 Accounting standards issued that have been adopted early

During 2021-2022 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.32 Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the Trust has established that as it is not the corporate trustee of Charitable Funds, it is considered for accounting standards compliance to not have control any Charitable Funds as a subsidiary, and therefore is not required to consolidate the results of any Charitable Funds within the statutory accounts of the Trust.

1.33 Subsidiaries

Material entities over which the NHS Wales organisation has the power to exercise control so as to obtain economic or other benefits are classified as subsidiaries and are consolidated. Their income and expenses; gains and losses; assets, liabilities and reserves; and cash flows are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the NHS Wales organisation or where the subsidiary's accounting date is before 1 January or after 30 June.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

1.34 Borrowing costs

Borrowing costs are recognised as expenses as they are incurred.

1.35 Public Dividend Capital (PDC) and PDC dividend

PDC represents taxpayers' equity in Public Health Wales NHS Trust. At any time the Minister for Health and Social Services with the approval of HM Treasury can issue new PDC to, and require repayments of, PDC from Public Health Wales NHS Trust. PDC is recorded at the value received. As PDC is issued under legislation rather than under contract, it is not treated as an equity financial instrument.

From 1 April 2010 the requirement to pay a public dividend over to the Welsh Government ceased.

2. Financial Performance

2.1 STATUTORY FINANCIAL DUTIES

Under the National Health Services (Wales) Act 2006 the financial obligations of the NHS Trust are contained within Schedules 4 2(1) and 4(2).

The Trust is required to achieve financial breakeven over a rolling 3 year period.

Welsh Health Circular WHC/2016/054 replaced WHC/2015/014 'Statutory and Financial Duties of Local Health Boards and NHS Trusts' and further clarifies the statutory financial duties of NHS Wales bodies.

2.1.1 Financial Duty

	Annual financial performance			2019-20 to
	2019-20	2020-21	2021-22	2021-22
	£000	£000	£000	Financial duty £000
Retained surplus	42	77	794	913
Less Donated asset / grant funded revenue adjustment	0	(45)	(651)	(696)
Adjusted surplus/ (Deficit)	42	32	143	217

Public Health Wales NHS Trust has met its financial duty to break even over the 3 years 2019-2020 to 2021-2022.

2.1.2 Integrated Medium Term Plan (IMTP)

Due to the pandemic, the process for the 2020-23 integrated plan was paused in spring 2020 temporary planning arrangements were implemented

As a result the extant planning duty for 2021-22 remains the requirement to submit and have approved a 2019-22 integrated plan, as set out in the NHS Wales Planning Framework 2019-22.

Public Health Wales NHS Trust submitted a 2019-22 integrated plan in accordance with the planning framework.

The Minister for Health and Social Services extant approval.

Status
Date 26/03/2019

Public Health Wales NHS Trust has therefore met its statutory duty to have an approved financial plan.

2. Financial Performance (cont)

2.2 ADMINISTRATIVE REQUIREMENTS

2.2.1. External financing

Due to circumstances that arose as a result of the COVID-19 pandemic, the requirement to achieve the External Financing Target has been suspended for 2021-22. It is expected to be reintroduced for 2022-23.

2.3. Creditor payment

The Trust is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The Trust has achieved the following results:

	2021-22	2020-21
Total number of non-NHS bills paid	26,250	21,847
Total number of non-NHS bills paid within target	25,351	21,014
Percentage of non-NHS bills paid within target	96.6%	96.2%

The Trust has met the target.

3. Revenue from patient care activities	2021-22	2020-21
	£000	£000
Local health boards	0	0
Services Committees (WHSSC & EASC)	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Foundation Trusts	0	0
Other NHS England bodies	0	0
Other NHS Bodies	0	0
Local Authorities	0	0
Welsh Government	199,885	160,202
Welsh Government - Hosted Bodies	24,272	19,530
Non NHS:		
Private patient income	0	0
Overseas patients (non-reciprocal)	0	0
Injury Costs Recovery (ICR) Scheme	0	0
Other revenue from activities	0	0
Total	224,157	179,732

Injury Cost Recovery (ICR) Scheme income:

	2021-22	2020-21
	%	%
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	0.00	0.00

4. Other operating revenue

	2021-22	2020-21
	£000	£000
Income generation	266	389
Patient transport services	0	0
Education, training and research	1,756	1,667
Charitable and other contributions to expenditure	0	0
Receipt of Covid Items free of charge from other NHS Wales Organisations	0	117
Receipt of Covid Items free of charge from other organisations	1,724	2,577
Receipt of donations for capital acquisitions	651	0
Receipt of government grants for capital acquisitions	0	45
Non-patient care services to other bodies	0	0
Rental revenue from finance leases	0	0
Rental revenue from operating leases	0	0
Other revenue:		
Provision of pathology/microbiology services	18,115	18,493
Accommodation and catering charges	0	0
Mortuary fees	0	0
Staff payments for use of cars	0	0
Business unit	0	0
Scheme Pays Reimbursement Notional	93	0
Other	13,563	15,264
Total	36,168	38,552
Total Patient Care and Operating Revenue	260,325	218,284

Other revenue comprises:

Excellence Awards	0	0
Grants - LA	502	548
Grants - Other	312	843
LHB & Trusts - Non Core Income	4,203	2,795
WG - Non Core Income	4,911	6,177
Staff Recharge	3,535	3,644
Other	100	1,257
Total	13,563	15,264

Covid 19 testing kits were received from the Department of Health and Social Care during the year at nil consideration. Notional income (and expenditure) has been recognised at a value of £1.724m to reflect the Trust's consumption of this equipment.

5. Operating expenses	2021-22	2020-21
5.1 Operating expenses	£000	£000
Local Health Boards	23,447	19,171
Welsh NHS Trusts	2,410	3,452
Welsh Special Health Authorities	1,032	0
Goods and services from other non Welsh NHS bodies	0	0
WHSSC/EASC	1	0
Local Authorities	4,375	3,976
Purchase of healthcare from non-NHS bodies	0	0
Welsh Government	0	7
Other NHS Trusts	70	94
Directors' costs	1,714	1,836
Operational Staff costs	119,864	109,097
Single lead employer Staff Trainee Cost	60	0
Collaborative Bank Staff Cost	0	0
Supplies and services - clinical	75,110	54,831
Supplies and services - general	2,780	2,734
Consultancy Services	1,405	620
Establishment	9,877	6,240
Transport	638	446
Premises	9,020	8,791
Impairments and Reversals of Receivables	0	0
Depreciation	3,909	2,692
Amortisation	412	305
Impairments and reversals of property, plant and equipment	(4)	110
Impairments and reversals of intangible assets	0	0
Impairments and reversals of financial assets	0	0
Impairments and reversals of non current assets held for sale	0	0
Audit fees	167	151
Other auditors' remuneration	0	0
Losses, special payments and irrecoverable debts	20	334
Research and development	0	0
Other operating expenses	3,247	3,302
Total	259,554	218,189

On 1st April 2019 employer pension contributions increased by 6.3%. Welsh Government funded this by making payment directly to the NHS Pensions Agency on the Trust's behalf. Further detail is provided in note 37.1.

5. Operating expenses (continued)

5.2 Losses, special payments and irrecoverable debts:

Charges to operating expenses	2021-22 £000	2020-21 £000
Increase/(decrease) in provision for future payments:		
Clinical negligence;-		
Secondary care	3,192	783
Primary care	0	0
Redress Secondary Care	(5)	5
Redress Primary Care	0	0
Personal injury	9	70
All other losses and special payments	0	65
Defence legal fees and other administrative costs	67	95
Structured Settlements Welsh Risk Pool	0	0
Gross increase/(decrease) in provision for future payments	3,263	1,018
Contribution to Welsh Risk Pool	0	0
Premium for other insurance arrangements	0	0
Irrecoverable debts	(71)	77
Less: income received/ due from Welsh Risk Pool	(3,172)	(761)
Total charge	20	334

	2021-22 £	2020-21 £
Permanent injury included within personal injury:	8,874	70,266

6. Investment revenue	2021-22	2020-21
Rental revenue :	£000	£000
PFI finance lease revenue:		
Planned	0	0
Contingent	0	0
Other finance lease revenue	0	0
Interest revenue:		
Bank accounts	16	0
Other loans and receivables	0	0
Impaired financial assets	0	0
Other financial assets	0	0
Total	16	0

7. Other gains and losses	2021-22	2020-21
	£000	£000
Gain/(loss) on disposal of property, plant and equipment	7	(18)
Gain/(loss) on disposal of intangible assets	0	0
Gain/(loss) on disposal of assets held for sale	0	0
Gain/(loss) on disposal of financial assets	0	0
Gains/(loss) on foreign exchange	0	0
Change in fair value of financial assets at fair value through income statement	0	0
Change in fair value of financial liabilities at fair value through income statement	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0
Total	7	(18)

8. Finance costs	2021-22	2020-21
	£000	£000
Interest on loans and overdrafts	0	0
Interest on obligations under finance leases	0	0
Interest on obligations under PFI contracts:		
Main finance cost	0	0
Contingent finance cost	0	0
Interest on late payment of commercial debt	0	0
Other interest expense	0	0
Total interest expense	0	0
Provisions unwinding of discount	0	0
Periodical Payment Order unwinding of discount	0	0
Other finance costs	0	0
Total	0	0

9. Operating leases

9.1 Trust as lessee

Operating lease payments represent rentals payable by Public Health Wales NHS Trust for properties and equipment.

Payments recognised as an expense	2021-22	2020-21
	£000	£000
Minimum lease payments	2,038	1,161
Contingent rents	0	0
Sub-lease payments	0	0
Total	2,038	1,161

Total future minimum lease payments	2021-22	2020-21
	£000	£000
Payable:		
Not later than one year	1,902	1,518
Between one and five years	6,397	6,448
After 5 years	1,693	3,519
Total	9,992	11,485

Total future sublease payments expected to be received	0	0
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9. Operating leases (continued)

9.2 Trust as lessor

There are no significant leasing arrangements where the Trust is the lessor.

Rental Revenue

Receipts recognised as income	2021-22 £000	2020-21 £000
Rent	0	0
Contingent rent	0	0
Other	0	0
Total rental revenue	0	0

Total future minimum lease payments Receivable:	2021-22 £000	2020-21 £000
Not later than one year	0	0
Between one and five years	0	0
After 5 years	0	0
Total	0	0

10. Employee costs and numbers

10.1 Employee costs Operational Staff	Permanently employed staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	2021-22	2020-21
						£000	£000
						£000	£000
Salaries and wages	86,559	4,683	5,112	45	0	96,399	89,148
Social security costs	9,161	0	0	6	0	9,167	8,138
Employer contributions to NHS Pensions Scheme	16,025	0	0	9	0	16,034	14,313
Other pension costs	375	0	0	0	0	375	182
Other post-employment benefits	0	0	0	0	0	0	0
Termination benefits	0	0	0	0	0	0	0
Total	112,120	4,683	5,112	60	0	121,975	111,781

Of the total above:

Charged to capital	455	961
Charged to revenue	121,520	110,820
Total	121,975	111,781

Net movement in accrued employee benefits (untaken staff leave total accrual included in note above)	(158)	1,258
The net movement in accrued employee benefits footnote above includes Covid 19 Net movement in accrued employee benef	(158)	1,258

10.2 Average number of employees

	Permanently Employed	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	2021-22	2020-21
						Total	Total
						Number	Number
Administrative, clerical and board members	1,137	33	58	0	0	1,228	1,102
Medical and dental	97	15	3	1	0	116	116
Nursing, midwifery registered	84	4	0	0	0	88	72
Professional, scientific and technical staff	12	1	0	0	0	13	10
Additional Clinical Services	342	0	0	0	0	342	343
Allied Health Professions	68	1	7	0	0	76	66
Healthcare scientists	371	0	28	0	0	399	344
Estates and Ancillary	1	0	0	0	0	1	1
Students	0	0	0	0	0	0	0
Total	2,112	54	96	1	0	2,263	2,054

The average number is calculated using the full time equivalent (FTE) of employees.

Average number of employees for 2020-21 has been re-categorised to correct an error in the categorisation of permanently employed staff. This does not change the overall total of average number of employees for 2020-21.

10.3. Retirements due to ill-health

	2021-22	2020-21
Number	1	1
Estimated additional pension costs £	28,627	29,516

The estimated additional pension costs of these ill-health retirements have been calculated on an average basis and are borne by the NHS Pension Scheme.

10.4 Employee benefits

Public Health Wales NHS Trust offers three salary sacrifice schemes (childcare vouchers, Cycle to Work and lease cars). In addition, the Trust offers a purchase of annual leave scheme.

10.5 Reporting of other compensation schemes - exit packages

	2021-22	2021-22	2021-22	2021-22	2020-21
Exit packages cost band (including any special payment element)	Number of compulsory redundancies Whole numbers only	Number of other departures Whole numbers only	Total number of exit packages Whole numbers only	Number of departures where special payments have been made Whole numbers only	Total number of exit packages Whole numbers only
less than £10,000	0	1	1	0	2
£10,000 to £25,000	0	1	1	0	1
£25,000 to £50,000	0	4	4	0	2
£50,000 to £100,000	0	1	1	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	7	7	0	5

	2021-22	2021-22	2021-22	2021-22	2020-21
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies £	Cost of other departures £	Total cost of exit packages £	Cost of special element included in exit packages £	Total cost of exit packages £
less than £10,000	0	3,020	3,020	0	9,259
£10,000 to £25,000	0	24,918	24,918	0	11,438
£25,000 to £50,000	0	159,513	159,513	0	66,534
£50,000 to £100,000	0	75,874	75,874	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	263,325	263,325	0	87,231

Exit costs paid in year of departure	Total paid in year 2021-22 £	Total paid in year 2020-21 £
Exit costs paid in year	129,072	9,259
Total	129,072	9,259

Redundancy and other departure costs have been paid in accordance with the provisions of the NHS Voluntary Early Release Scheme (VERS). Where the LHB has agreed early retirements, the additional costs are met by the LHB and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table.

10.6 Fair Pay disclosures**10.6.1 Remuneration Relationship**

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director /employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce. The 2021-22 financial year is the first year disclosures in respect of the 25th percentile pay ratio and 75th percentile pay ratio are required.

	2021-22 £000	2021-22 £000	2021-22 £000	2020-21 £000	2020-21 £000	2020-21 £000
	Chief			Chief		
	Executive	Employee	Ratio	Executive	Employee	Ratio
Total pay and benefits						
25th percentile pay ratio	168	25	6.65	0	0	0
Median pay	168	34	4.87	0	0	0
75th percentile pay ratio	168	48	3.53	0	0	0
Salary component of total pay and benefits						
25th percentile pay ratio	168	25	6.73	0	0	0
Median pay	168	34	4.90	0	0	0
75th percentile pay ratio	168	46	3.60	0	0	0

	Highest Paid	Employee	Ratio	Highest Paid	Employee	Ratio
	Director			Director		
Total pay and benefits						
25th percentile pay ratio	0	0	0	0	0	0
Median pay	0	0	0	0	0	0
75th percentile pay ratio	0	0	0	0	0	0
Salary component of total pay and benefits						
25th percentile pay ratio	0	0	0	0	0	0
Median pay	0	0	0	0	0	0
75th percentile pay ratio	0	0	0	0	0	0

In 2021-22, 3 (2020-21, 9) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £18,546 to £455,246 (2020-21, £18,118 to £454,927).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees.

The Chief Executive is the highest-paid director and so only the top section of the table above has been completed.

The decrease in number of employees who are remunerated in excess of the highest-paid director is due to the decrease in levels of overtime worked in clinical roles due to the Covid-19 response.

Financial year summary

Prior year figures have not been reported in this note except for the first two categories in note 10.6.2. This is because the report used in the prior year to calculate this note does not provide the necessary breakdown of information to calculate the new requirements. There is no requirement to provide prior year figures for this note per the Financial Reporting Manual.

The banded remuneration of the highest-paid director in Public Health Wales NHS Trust in the financial year 2020-21 was £160,000 to £165,000. This was 4.4 times the median remuneration of the workforce, which was £36,957.

The median pay ratio is consistent with the pay, reward and progression policies for the Trust's employees taken as a whole. All pay is in accordance with Welsh Government and NHS frameworks including Agenda for Change, which is a fair and transparent pay system.

10.6.2 Percentage Changes

	2020-21 to 2021-22	2019-20 to 2020-21
	%	%
% Change from previous financial year in respect of Chief Executive		
Salary and allowances	3	3
Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances	0	0
Performance pay and bonuses	0	0
Average % Change from previous financial year in respect of employees takes as a whole		
Salary and allowances	1	1
Performance pay and bonuses	0	0

The Chief Executive was the highest-paid director in 2020-21 and 2021-22 and so only the top section of the table above has been completed in relation to these disclosures.

Public Health Wales NHS Trust does not pay performance pay and bonuses so there is no disclosure against these categories.

The NHS and social care financial recognition scheme bonus of £735 payment to reward eligible NHS staff has not been included in the NHS Remuneration Report calculations. This bonus payment is not a contractual payment, but a one off payment to reward eligible staff for their commitment and tireless efforts in the most challenging circumstances

11. Pensions

PENSION COSTS

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2022, is based on valuation data as 31 March 2021, updated to 31 March 2022 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay.

The 2016 funding valuation also tested the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. There was initially a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

HMT published valuation directions dated 7 October 2021 (see [Amending Directions 2021](#)) that set out the technical detail of how the costs of remedy are included in the 2016 valuation process. Following these directions, the scheme actuary has completed the cost control element of the 2016 valuation for the NHS Pension Scheme, which concludes no changes to benefits or member contributions are required. The 2016 valuation reports can be found on the NHS Pensions website at <https://www.nhsbsa.nhs.uk/nhs-pension-scheme-accounts-and-valuation-reports>.

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,000 for the 2021-2022 tax year (2020-2021 £6,240 and £50,000).

Restrictions on the annual contribution limits were removed on 1st April 2017.

12. Public Sector Payment Policy

12.1 Prompt payment code - measure of compliance

The Welsh Government requires that trusts pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the trust financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery or receipt of a valid invoice, whichever is the later.

	2021-22 Number	2021-22 £000	2020-21 Number	2020-21 £000
NHS				
Total bills paid in year	2,823	38,427	2,426	30,632
Total bills paid within target	2,544	33,244	2,090	24,185
Percentage of bills paid within target	90.1%	86.5%	86.2%	79.0%
Non-NHS				
Total bills paid in year	26,250	134,569	21,847	120,713
Total bills paid within target	25,351	128,452	21,014	116,391
Percentage of bills paid within target	96.6%	95.5%	96.2%	96.4%
Total				
Total bills paid in year	29,073	172,996	24,273	151,345
Total bills paid within target	27,895	161,696	23,104	140,576
Percentage of bills paid within target	95.9%	93.5%	95.2%	92.9%

12.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2021-22 £	2020-21 £
Amounts included within finance costs from claims made under legislation	0	0
Compensation paid to cover debt recovery costs under legislation	0	0
Total	0	0

13. Property, plant and equipment :

2021-22

	Land	Buildings, excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport Equipment	Information Technology	Furniture and fittings	Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2021	552	9,424	0	0	20,913	2,891	8,324	1,975	44,079
Indexation	7	350	0	0	0	0	0	0	357
Additions - purchased	0	417	0	0	6,592	140	1,353	45	8,547
Additions - donated	0	0	0	0	651	0	0	0	651
Additions - government granted	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	0	(7)	0	0	0	0	0	0	(7)
Reversal of impairments	4	0	0	0	0	0	0	0	4
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	(244)	(21)	(250)	(11)	(526)
At 31 March 2022	563	10,184	0	0	27,912	3,010	9,427	2,009	53,105
Depreciation									
At 1 April 2021	0	2,728	0	0	12,006	2,320	4,939	1,156	23,149
Indexation	0	35	0	0	0	0	0	0	35
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	51	(51)	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	(241)	(21)	(247)	(9)	(518)
Charged during the year	0	627	0	0	1,709	258	1,112	203	3,909
At 31 March 2022	0	3,390	0	0	13,525	2,506	5,804	1,350	26,575
Net book value									
At 1 April 2021	552	6,696	0	0	8,907	571	3,385	819	20,930
Net book value									
At 31 March 2022	563	6,794	0	0	14,387	504	3,623	659	26,530
Net book value at 31 March 2022 comprises :									
Purchased	563	6,794	0	0	13,699	504	3,623	659	25,842
Donated	0	0	0	0	651	0	0	0	651
Government Granted	0	0	0	0	37	0	0	0	37
At 31 March 2022	563	6,794	0	0	14,387	504	3,623	659	26,530
Asset Financing:									
Owned	563	6,794	0	0	14,387	504	3,623	659	26,530
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SoFP PFI contract	0	0	0	0	0	0	0	0	0
PFI residual interest	0	0	0	0	0	0	0	0	0
At 31 March 2022	563	6,794	0	0	14,387	504	3,623	659	26,530

The net book value of land, buildings and dwellings at 31 March 2022 comprises :

	£000
Freehold	7,357
Long Leasehold	0
Short Leasehold	0
Total	7,357

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHBs are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

13. Property, plant and equipment :

2020-21	Land	Buildings, excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport Equipment	Information Technology	Furniture and fittings	Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 April 2020	560	4,996	0	0	15,456	2,857	7,785	1,838	33,492
Indexation	(4)	87	0	0	0	0	0	0	83
Additions - purchased	0	4,341	0	0	6,098	58	1,045	158	11,700
Additions - donated	0	0	0	0	0	0	0	0	0
Additions - government granted	0	0	0	0	45	0	0	0	45
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	(4)	0	0	0	(200)	0	0	0	(204)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	(486)	(24)	(506)	(21)	(1,037)
At 31 March 2021	552	9,424	0	0	20,913	2,891	8,324	1,975	44,079
Depreciation									
At 1 April 2020	0	2,547	0	0	11,467	1,999	4,546	992	21,551
Indexation	0	16	0	0	0	0	0	0	16
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	(94)	0	0	0	(94)
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	(480)	(9)	(506)	(21)	(1,016)
Charged during the year	0	165	0	0	1,113	330	899	185	2,692
At 31 March 2021	0	2,728	0	0	12,006	2,320	4,939	1,156	23,149
Net book value									
At 1 April 2020	560	2,449	0	0	3,989	858	3,239	846	11,941
At 31 March 2021	552	6,696	0	0	8,907	571	3,385	819	20,930
Net book value at 31 March 2021 comprises :									
Purchased	552	6,696	0	0	8,862	571	3,385	819	20,885
Donated	0	0	0	0	0	0	0	0	0
Government Granted	0	0	0	0	45	0	0	0	45
At 31 March 2021	552	6,696	0	0	8,907	571	3,385	819	20,930
Asset Financing:									
Owned	552	6,696	0	0	8,907	571	3,385	819	20,930
Held on finance lease	0	0	0	0	0	0	0	0	0
On-SoFP PFI contract	0	0	0	0	0	0	0	0	0
PFI residual interest	0	0	0	0	0	0	0	0	0
At 31 March 2021	552	6,696	0	0	8,907	571	3,385	819	20,930

The net book value of land, buildings and dwellings at 31 March 2021 comprises :

	£000
Freehold	7,248
Long Leasehold	0
Short Leasehold	0
Total	7,248

The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. LHB s are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.

13. Property, plant and equipment :**Disclosures:****i) Donated Assets**

Public Health Wales NHS Trust received the following donated asset during the year:

Asset	Description	Donated by	Value
P001679	COBAS 8800	DHSC	£651,240

ii) Valuations

The Trust's land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

The Trust is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

iii) Asset Lives

Depreciated as follows:

- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency.
- Equipment 5-15 years.

iv) Compensation

There has been no compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs

There have been no write downs during the year.

vi) The Trust does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or sold in the period

Public Health Wales NHS Trust sold the following assets during the period:

Gain/(Loss) on Sale

Asset description	Reason for sale	Gain/(Loss) on sale £000
P000075 Ultrasound Machine	Replacement programme	6
P000473 Renault Kangoo Van	End of useful life	1
		7

13.2 Non-current assets held for sale

	Land	Buildings, including dwellings	Other property plant and equipment	Intangible assets	Other assets	Total
	£000	£000	£000	£000	£000	£000
Balance b/f 1 April 2021	0	0	0	0	0	0
Plus assets classified as held for sale in year	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in year	0	0	0	0	0	0
Plus reversal of impairments	0	0	0	0	0	0
Less impairment for assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale for reasons other than disposal by sale	0	0	0	0	0	0
Balance c/f 31 March 2022	0	0	0	0	0	0
Balance b/f 1 April 2020	0	0	0	0	0	0
Plus assets classified as held for sale in year	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0
Less assets sold in year	0	0	0	0	0	0
Plus reversal of impairments	0	0	0	0	0	0
Less impairment for assets held for sale	0	0	0	0	0	0
Less assets no longer classified as held for sale for reasons other than disposal by sale	0	0	0	0	0	0
Balance c/f 31 March 2021	0	0	0	0	0	0

14. Intangible assets

	Computer software purchased	Computer software internally developed	Licenses and trade-marks	Patents	Development expenditure internally generated	Total
Cost or valuation	£000	£000	£000	£000	£000	£000
At 1 April 2021	711	998	611	0	915	3,235
Revaluation		0			0	0
Reclassifications	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Additions						
- purchased	67	0	107	0	1,291	1,465
- internally generated	0	0	0	0	0	0
- donated	0	0	0	0	0	0
- government granted	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0
Disposals other than by sale	(27)	0	(10)	0	0	(37)
At 31 March 2022	751	998	708	0	2,206	4,663
Amortisation						
At 1 April 2021	325	280	280	0	0	885
Revaluation		0			0	0
Reclassifications	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Charged during the year	90	200	122	0	0	412
Reclassified as held for sale	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0
Disposals other than by sale	(27)	0	(10)	0	0	(37)
Accumulated amortisation at 31 March 2022	388	480	392	0	0	1,260
Net book value At 1 April 2021	386	718	331	0	915	2,350
Net book value At 31 March 2022	363	518	316	0	2,206	3,403
Net book value						
Purchased	363	518	316	0	2,206	3,403
Donated	0	0	0	0	0	0
Government granted	0	0	0	0	0	0
Internally Generated	0	0	0	0	0	0
At 31 March 2022	363	518	316	0	2,206	3,403

14. Intangible assets

	Computer software purchased	Computer software internally developed	Licenses and trademarks	Patents	Development expenditure internally generated	Total
Cost or valuation	£000	£000	£000	£000	£000	£000
At 1 April 2020	396	723	578	0	229	1,926
Revaluation		0			0	0
Reclassifications	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Additions						
- purchased	315	275	45	0	686	1,321
- internally generated	0	0	0	0	0	0
- donated	0	0	0	0	0	0
- government granted	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0
Disposals other than by sale	0	0	(12)	0	0	(12)
At 31 March 2021	711	998	611	0	915	3,235
Amortisation						
At 1 April 2020	276	135	181	0	0	592
Revaluation		0			0	0
Reclassifications	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Charged during the year	49	145	111	0	0	305
Reclassified as held for sale	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0
Disposals other than by sale	0	0	(12)	0	0	(12)
Accumulated amortisation at 31 March 2021	325	280	280	0	0	885
Net book value						
At 1 April 2020	120	588	397	0	229	1,334
Net book value						
At 31 March 2021	386	718	331	0	915	2,350
Net book value						
Purchased	386	718	331	0	915	2,350
Donated	0	0	0	0	0	0
Government granted	0	0	0	0	0	0
Internally Generated	0	0	0	0	0	0
At 31 March 2021	386	718	331	0	915	2,350

14. Intangible assets

Disclosures:

i) Donated Assets

Public Health Wales NHS Trust has not received any donated intangible assets during the year.

ii) Recognition

Intangible assets acquired separately are initially recognised at fair value. The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred to date when the criteria for recognising internally generated assets has been met (see accounting policy 1.7 for criteria).

iii) Asset Lives

The useful economic life of Intangible non-current assets are assigned on an individual asset basis. Software is generally assigned a 5 year UEL and the UEL of internally generated software is based on the professional judgement of Trust professionals and Finance staff.

iv) Additions during the period

Additions during 2021-22 consisted of a number of software licences purchases to be used alongside new systems.

Costs were incurred to develop bespoke computer system; Laboratory Information Network Cymru (LINC) and Radiology Information System Programme (RISP). Both systems are currently in the development stage and not yet in use. They have been classified as Development expenditure internally generated. Ammortisation will commence when the system is brought into use.

v) Disposals during the period

There have been two intangible asset disposals during the period.

15. Impairments

Impairments in the period arose from:	2021-22		2020-21	
	Property, plant & equipment	Intangible assets	Property, plant & equipment	Intangible assets
	£000	£000	£000	£000
Loss or damage from normal operations	0	0	0	0
Abandonment of assets in the course of construction	0	0	0	0
Over specification of assets (Gold Plating)	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0
Unforeseen obsolescence	0	0	106	0
Changes in market price	0	0	0	0
Other	0	0	4	0
Reversal of impairment	(4)	0	0	0
Impairments charged to operating expenses	(4)	0	110	0

Analysis of impairments :

Operating expenses in Statement of Comprehensive Income	(4)	0	110	0
Revaluation reserve	(4)	0	4	0
Total	(8)	0	114	0

There have been no impairments during the year ended 31st March 2022.

Included within the above total of -£0.004m is the following item:

- the 2021-22 indexation for Land resulted in a reversal of an impairment of £0.008m. Of this amount, £0.004m was charged to operating expenses.

16. Inventories

16.1 Inventories

	31 March	31 March
	2022	2021
	£000	£000
Drugs	0	0
Consumables	2,995	8,835
Energy	0	0
Work in progress	0	0
Other	0	0
Total	2,995	8,835
Of which held at net realisable value:	0	0

16.2 Inventories recognised in expenses

	31 March	31 March
	2022	2021
	£000	£000
Inventories recognised as an expense in the period	0	0
Write-down of inventories (including losses)	0	0
Reversal of write-downs that reduced the expense	0	0
Total	0	0

Inventory held in respect of Covid testing consumables totals £2.182m (2020-21 £8.367m).

17. Trade and other receivables

17.1 Trade and other receivables

	31 March 2022 £000	31 March 2021 £000
Current		
Welsh Government	8,816	10,824
WHSCC & EASC	0	22
Welsh Health Boards	3,910	2,391
Welsh NHS Trusts	63	226
Welsh Special Health Authorities	84	42
Non - Welsh Trusts	79	82
Other NHS	16	31
2019-20 Scheme Pays - Welsh Government Reimbursement	6	0
Welsh Risk Pool Claim reimbursement:-	0	0
NHS Wales Secondary Health Sector	4,383	1,665
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	40	41
Local Authorities	36	152
Capital debtors- Tangible	0	0
Capital debtors- Intangible	0	0
Other debtors	1,308	2,631
Provision for impairment of trade receivables	(20)	(89)
Pension Prepayments		
NHS Pensions Agency	0	0
NEST	0	0
Other prepayments	1,545	1,782
Accrued income	89	976
Sub-total	<u>20,355</u>	<u>20,776</u>
Non-current		
Welsh Government	0	0
WHSCC & EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Non - Welsh Trusts	0	0
Other NHS	0	0
2019-20 Scheme Pays - Welsh Government Reimbursement	87	0
Welsh Risk Pool Claim reimbursement	0	0
NHS Wales Secondary Health Sector	240	240
NHS Wales Primary Sector FLS Reimbursement	0	0
NHS Wales Redress	0	0
Other	0	0
Local Authorities	0	0
Capital debtors- Tangible	0	0
Capital debtors- Intangible	0	0
Other debtors	0	0
Provision for impairment of trade receivables	0	0
Pension Prepayments		
NHS Pensions Agency	0	0
NEST	0	0
Other prepayments	0	0
Accrued income	0	0
Sub-total	<u>327</u>	<u>240</u>
Total trade and other receivables	<u><u>20,682</u></u>	<u><u>21,016</u></u>

The great majority of trade is with other NHS bodies. As NHS bodies are funded by Welsh Government, no credit scoring of them is considered necessary.

The value of trade receivables that are past their payment date but not impaired is £1.666m (£2.057m in 2020-21).

17.2 Receivables past their due date but not impaired

	31 March	31 March
	2022	2021
	£000	£000
By up to 3 months	1,603	1,961
By 3 to 6 months	37	51
By more than 6 months	26	45
Balance at end of financial year	<u>1,666</u>	<u>2,057</u>

17.3 Expected Credit Losses (ECL) Allowance for bad and doubtful debts

	31 March	31 March
	2022	2021
	£000	£000
Balance at 1 April	(89)	(9)
Transfer to other NHS Wales body	0	0
Provision utilised (Amount written off during the year)	1	1
Provision written back during the year no longer required	0	0
(Increase)/Decrease in provision during year	(2)	(81)
ECL/Bad debts recovered during year	70	0
Balance at end of financial year	<u>(20)</u>	<u>(89)</u>

17.4 Receivables VAT

	31 March	31 March
	2022	2021
	£000	£000
Trade receivables	682	355
Other	0	0
Total	<u>682</u>	<u>355</u>

18. Other financial assets

	31 March 2022 £000	31 March 2021 £000
Current		
Shares and equity type investments		
Held to maturity investments at amortised costs	0	0
At fair value through SOCI	0	0
Available for sale at FV	0	0
Deposits	0	0
Loans	0	0
Derivatives	0	0
Other (Specify)		
Held to maturity investments at amortised costs	0	0
At fair value through SOCI	0	0
Available for sale at FV	0	0
Total	0	0
Non-Current		
Shares and equity type investments		
Held to maturity investments at amortised costs	0	0
At fair value through SOCI	0	0
Available for sale at FV	0	0
Deposits	0	0
Loans	0	0
Derivatives	0	0
Other (Specify)		
Held to maturity investments at amortised costs	0	0
At fair value through SOCI	0	0
Available for sale at FV	0	0
Total	0	0

19. Cash and cash equivalents

	31 March 2022 £000	31 March 2021 £000
Opening Balance	7,743	8,819
Net change in year	9,048	(1,076)
Closing Balance	16,791	7,743
Made up of:		
Cash with Government Banking Service (GBS)	16,791	7,743
Cash with Commercial banks	0	0
Cash in hand	0	0
Total cash	16,791	7,743
Current investments	0	0
Cash and cash equivalents as in SoFP	16,791	7,743
Bank overdraft - GBS	0	0
Bank overdraft - Commercial banks	0	0
Cash & cash equivalents as in Statement of Cash Flows	16,791	7,743

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are:

Lease Liabilities £2,038,000

PFI liabilities: nil

The movement relates to cash, no comparative information is required by IAS 7 in 2021-22.

20. Trade and other payables at the SoFP Date	31 March 2022 £000	31 March 2021 £000
Current		
Welsh Government	10	189
WHSSC & EASC	17	16
Welsh Health Boards	4,072	4,232
Welsh NHS Trusts	501	1,017
Welsh Special Health Authorities	166	6
Other NHS	134	175
Taxation and social security payable / refunds:		
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	14	1
National Insurance contributions payable to HMRC	0	10
Non-NHS trade payables - revenue	7,870	8,115
Local Authorities	1,665	1,784
Capital payables-Tangible	2,354	1,683
Capital payables- Intangible	54	222
Overdraft	0	0
Rentals due under operating leases	259	183
Obligations due under finance leases and HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
Pensions: staff	111	1,495
Non NHS Accruals	12,432	11,015
Deferred Income:		
Deferred income brought forward	465	583
Deferred income additions	585	161
Transfer to/from current/non current deferred income	0	0
Released to the Income Statement	(161)	(279)
Other liabilities - all other payables	0	0
PFI assets – deferred credits	0	0
PFI - Payments on account	0	0
Sub-total	30,548	30,608

The Trust aims to pay all invoices within the 30 day period directed by the Welsh Government.

20. Trade and other payables at the SoFP Date (cont)

	31 March 2022 £000	31 March 2021 £000
Non-current		
Welsh Government	0	0
WHSSC & EASC	0	0
Welsh Health Boards	0	0
Welsh NHS Trusts	0	0
Welsh Special Health Authorities	0	0
Other NHS	0	0
Taxation and social security payable / refunds:		
Refunds of taxation by HMRC	0	0
VAT payable to HMRC	0	0
Other taxes payable to HMRC	0	0
National Insurance contributions payable to HMRC	0	0
Non-NHS trade payables - revenue	0	0
Local Authorities	0	0
Capital payables- Tangible	0	0
Capital payables- Intangible	0	0
Overdraft	0	0
Rentals due under operating leases	1,437	1,575
Obligations due under finance leases and HP contracts	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0
Pensions: staff	0	0
Non NHS Accruals	0	0
Deferred Income:		
Deferred income brought forward	0	0
Deferred income additions	0	0
Transfer to/from current/non current deferred income	0	0
Released to the Income Statement	0	0
Other liabilities - all other payables	0	0
PFI assets –deferred credits	0	0
Payments on account	0	0
Sub-total	<u>1,437</u>	<u>1,575</u>
Total	<u>31,985</u>	<u>32,183</u>

21. Borrowings	31 March	31 March
Current	2022	2021
	£000	£000
Bank overdraft - Government Banking Service (GBS)	0	0
Bank overdraft - Commercial bank	0	0
Loans from:		
Welsh Government	0	0
Other entities	0	0
PFI liabilities:		
Main liability	0	0
Lifecycle replacement received in advance	0	0
Finance lease liabilities	0	0
Other	0	0
Total	0	0

Non-current		
Bank overdraft - GBS	0	0
Bank overdraft - Commercial bank	0	0
Loans from:		
Welsh Government	0	0
Other entities	0	0
PFI liabilities:		
Main liability	0	0
Lifecycle replacement received in advance	0	0
Finance lease liabilities	0	0
Other	0	0
Total	0	0

21.2 Loan advance/strategic assistance funding

	31 March	31 March
	2022	2021
	£000	£000
Amounts falling due:		
In one year or less	0	0
Between one and two years	0	0
Between two and five years	0	0
In five years or more	0	0
Sub-total	<u>0</u>	<u>0</u>
Wholly repayable within five years	0	0
Wholly repayable after five years, not by instalments	0	0
Wholly or partially repayable after five years by instalments	0	0
Sub-total	<u>0</u>	<u>0</u>
Total repayable after five years by instalments	0	0

The Trust has not received a loan advance or strategic funding from the Welsh Government.

22. Other financial liabilities

	31 March	31 March
	2022	2021
	£000	£000
Current		
Financial Guarantees		
At amortised cost	0	0
At fair value through SoCI	0	0
Derivatives at fair value through SoCI	0	0
Other		
At amortised cost	0	0
At fair value through SoCI	0	0
Total	0	0

	31 March	31 March
	2022	2021
	£000	£000
Non-current		
Financial Guarantees		
At amortised cost	0	0
At fair value through SoCI	0	0
Derivatives at fair value through SoCI	0	0
Other		
At amortised cost	0	0
At fair value through SoCI	0	0
Total	0	0

23. Provisions

2021-22

	At 1 April 2021	Structured settlement cases transferr-ed to Risk Pool	Transfers to creditors	Transfers between current and non current	Transfers (to)/from other NHS body	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2022
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current										
Clinical negligence:-										
Secondary Care	1,149	0	(466)	0	0	3,436	(173)	(244)	0	3,702
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	5	0	0	0	0	0	0	(5)	0	0
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	84	0	0	84	0	0	(84)	0	0	84
All other losses and special payments	165	0	0	0	0	0	(65)	0	0	100
Defence legal fees and other administration	82	0	0	0	0	103	(33)	(35)	0	117
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	0		0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	6	0	0	0	6
Restructurings	0		0	0	0	0	0	0		0
Other	435		0	23	0	228	(162)	(35)		489
Total	1,920	0	(466)	107	0	3,773	(517)	(319)	0	4,498

Non Current

Clinical negligence:-										
Secondary Care	230	0	0	0	0	0	0	0	0	230
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	0	0	0	0	0	0	0
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	1,277	0	0	(84)	0	9	0	0	0	1,202
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	15	0	0	0	0	(1)	0	0	0	14
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	0		0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	87	0	0	0	87
Restructurings	0		0	0	0	0	0	0		0
Other	604		0	(23)	0	202	0	0		783
Total	2,126	0	0	(107)	0	297	0	0	0	2,316

TOTAL

Clinical negligence:-										
Secondary Care	1,379	0	(466)	0	0	3,436	(173)	(244)	0	3,932
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	5	0	0	0	0	0	0	(5)	0	0
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	1,361	0	0	0	0	9	(84)	0	0	1,286
All other losses and special payments	165	0	0	0	0	0	(65)	0	0	100
Defence legal fees and other administration	97	0	0	0	0	102	(33)	(35)	0	131
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	0		0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	93	0	0	0	93
Restructurings	0		0	0	0	0	0	0		0
Other	1,039		0	0	0	430	(162)	(35)		1,272
Total	4,046	0	(466)	0	0	4,070	(517)	(319)	0	6,814

Expected timing of cash flows:

	In year to 31 March 2023	Between 01-Apr-23 to 31 March 2027	Thereafter	Totals
	£000	£000	£000	£000
Clinical negligence:-				
Secondary Care	3,702	230	0	3,932
Primary Care	0	0	0	0
Redress Secondary Care	0	0	0	0
Redress Primary Care	0	0	0	0
Personal injury	84	349	853	1,286
All other losses and special payments	100	0	0	100
Defence legal fees and other administration	117	14	0	131
Structured Settlements - WRPS	0	0	0	0
Pensions - former directors	0	0	0	0
Pensions - other staff	0	0	0	0
2019-20 Scheme Pays - Reimbursement	6	6	81	93
Restructuring	0	0	0	0
Other	489	157	626	1,272
Total	4,498	756	1,560	6,814

23. Provisions (continued)
2020-21

	At 1 April 2020	Structured settlement cases transferred to Risk Pool	Transfers to creditors	Transfers between current and non current	Transfers (to)/from other NHS body	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2021
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current										
Clinical negligence:-										
Secondary Care	994	0	(237)	0	0	645	(141)	(112)	0	1,149
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	0	0	5	0	0	0	5
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	82	0	0	84	0	0	(82)	0	0	84
All other losses and special payments	100	0	0	0	0	65	0	0	0	165
Defence legal fees and other administration	30	0	0	0	0	88	(28)	(8)	0	82
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	0		0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	0		0	0	0	435	0	0		435
Total	1,206	0	(237)	84	0	1,238	(251)	(120)	0	1,920
Non Current										
Clinical negligence:-										
Secondary Care	0	0	0	0	0	250	(20)	0	0	230
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	0	0	0	0	0	0	0
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	1,291	0	0	(84)	0	70	0	0	0	1,277
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	15	0	0	0	15
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	0		0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	0		0	0	0	604	0	0		604
Total	1,291	0	0	(84)	0	939	(20)	0	0	2,126
TOTAL										
Clinical negligence:-										
Secondary Care	994	0	(237)	0	0	895	(161)	(112)	0	1,379
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	0	0	5	0	0	0	5
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	1,373	0	0	0	0	70	(82)	0	0	1,361
All other losses and special payments	100	0	0	0	0	65	0	0	0	165
Defence legal fees and other administration	30	0	0	0	0	103	(28)	(8)	0	97
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0		0	0	0	0	0	0	0	0
Pensions relating to: other staff	0		0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0		0	0	0	0	0	0	0	0
Restructurings	0		0	0	0	0	0	0		0
Other	0		0	0	0	1,039	0	0		1,039
Total	2,497	0	(237)	0	0	2,177	(271)	(120)	0	4,046

24 Contingencies**24.1 Contingent liabilities**

Provision has not been made in these accounts for the following amounts:

	31 March 2022 £000	31 March 2021 £000
Legal claims for alleged medical or employer negligence;		
Secondary care	1,116	3,915
Primary Care	0	0
Secondary care - Redress	0	0
Primary Care - Redress	0	0
Doubtful debts	0	0
Equal pay cases	0	0
Defence costs	67	87
Other	135	135
Total value of disputed claims	1,318	4,137
Amount recovered under insurance arrangements in the event of these claims being successful	(878)	(3,957)
Net contingent liability	440	180

Contingent liabilities includes claims relating to alleged clinical negligence, personal injury and permanent injury benefits under the NHS Injury Benefits Scheme.

24.2. Remote contingent liabilities

	31 March 2022 £000	31 March 2021 £000
Guarantees	0	0
Indemnities	0	0
Letters of comfort	0	0
Total	0	0

24.3 Contingent assets

	31 March 2022 £000	31 March 2021 £000
Please detail	0	0
	0	0
	0	0
	0	0

25. Capital commitments

Commitments under capital expenditure contracts at the statement of financial position sheet date were:

	31 March	31 March
	2022	2021
	NHS Trust	
	£000	£000
Property, plant and equipment	3,125	0
Intangible assets	0	0
Total	3,125	0

26. Losses and special payments

Losses and special payments are charged to the Income statement in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore this note is prepared on a cash basis.

Gross loss to the Exchequer

Number of cases and associated amounts paid out during the financial year

	Amounts paid out during year to 31 March 2022	
	Number	£
Clinical negligence	15	442,550
Personal injury	0	0
All other losses and special payments	10	2,607,138
Total	25	3,049,688
FHoT losses and special payments	0	0
Consolidated Total	25	3,049,688

Analysis of cases in excess of £300,000

Case Type	In year claims in excess of £300,000		Cumulative claims in excess of £300,000		
	Number	£	Number	£	
Cases in excess of £300,000:					
Stock write-offs	Other	1	2,148,670	1	2,148,670

Sub-total	1	2,148,670	1	2,148,670
All other cases	24	901,018	24	764,330
Total cases	25	3,049,688	25	2,913,000

27. Finance leases

27.1 Finance leases obligations (as lessee)

The NHS Trust has no finance leases receivable as a lessee.

Amounts payable under finance leases:

LAND	31 March 2022 £000	31 March 2021 £000
Minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Minimum lease payments	0	0
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0
Present value of minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Total present value of minimum lease payments	0	0
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0

27.1 Finance leases obligations (as lessee) continued

Amounts payable under finance leases:

BUILDINGS

	31 March 2022 £000	31 March 2021 £000
Minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Minimum lease payments	0	0
Included in: Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0
Present value of minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Total present value of minimum lease payments	0	0
Included in: Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0

OTHER

	31 March 2022 £000	31 March 2021 £000
Minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Minimum lease payments	0	0
Included in: Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0
Present value of minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Total present value of minimum lease payments	0	0
Included in: Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0

27.2 Finance lease receivables (as lessor)

The Trust has no finance lease receivables.

Amounts receivable under finance leases:

	31 March 2022 £000	31 March 2021 £000
Gross investment in leases		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Present value of minimum lease payments	0	0
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0
Present value of minimum lease payments		
Within one year	0	0
Between one and five years	0	0
After five years	0	0
Less finance charges allocated to future periods	0	0
Total present value of minimum lease payments	0	0
Included in:		
Current borrowings	0	0
Non-current borrowings	0	0
Total	0	0

27.3 Finance Lease Commitment

The Trust does not have any commitments becoming operational in a future period.

28. Private finance transactions

Private Finance Initiatives (PFI) / Public Private Partnerships (PPP)

The Trust has no PFI or PPP Schemes.

29. Financial Risk Management

IFRS 7, Derivatives and Other Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities.

NHS Trusts are not exposed to the degree of financial risk faced by business entities. Financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. NHS Trusts have limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day to day operational activities rather than being held to change the risks facing NHS Trusts in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. The Trust treasury activity is subject to review by the Trust's internal auditors.

Liquidity risk

The Trust's net operating costs are incurred under annual service agreements with various Health bodies, which are financed from resources voted annually by parliament. NHS Trusts also largely finance their capital expenditure from funds made available from the Welsh Government under agreed borrowing limits. NHS Trusts are not, therefore, exposed to significant liquidity risks.

Interest-rate risks

The great majority of NHS Trust's financial assets and financial liabilities carry nil or fixed rates of interest. NHS Trusts are not, therefore, exposed to significant interest-rate risk.

Foreign currency risk

NHS Trusts have no or negligible foreign currency income or expenditure and therefore are not exposed to significant foreign currency risk.

Credit Risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures are in receivables from customers as disclosed in the trade and other receivables note.

General

The powers of the Trust to invest and borrow are limited. The Board has determined that in order to maximise income from cash balances held, any balance of cash which is not required will be invested. The Trust does not borrow from the private sector. All other financial instruments are held for the sole purpose of managing the cash flow of the Trust on a day to day basis or arise from the operating activities of the Trust. The management of risks around these financial instruments therefore relates primarily to the Trust's overall arrangements for managing risks to their financial position, rather than the Trust's treasury management procedures.

30. Movements in working capital

	31 March 2022 £000	31 March 2021 £000
(Increase) / decrease in inventories	5,840	(7,969)
(Increase) / decrease in trade and other receivables - non-current	(87)	(240)
(Increase) / decrease in trade and other receivables - current	421	(6,397)
Increase / (decrease) in trade and other payables - non-current	(138)	194
Increase / (decrease) in trade and other payables - current	(60)	11,710
Total	5,976	(2,702)
Adjustment for accrual movements in fixed assets - creditors	(503)	(356)
Adjustment for accrual movements in fixed assets - debtors	0	0
Other adjustments	19	(1)
Total	5,492	(3,059)

31. Other cash flow adjustments

	31 March 2022 £000	31 March 2021 £000
Other cash flow adjustments		
Depreciation	3,909	2,692
Amortisation	412	305
(Gains)/Loss on Disposal	(7)	0
Impairments and reversals	(4)	110
Release of PFI deferred credits	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0
NWSSP Covid assets received credited to revenue but non-cash	0	0
Donated assets received credited to revenue but non-cash	(651)	0
Government Grant assets received credited to revenue but non-cash	0	(45)
Non-cash movements in provisions	3,285	1,820
Total	6,944	4,882

32. Events after reporting period

Public Health Wales NHS Trust had no events after the reporting period.

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on the date they were certified by the Auditor General for Wales.

33. Related Party transactions

The Trust is a body corporate established by order of the Welsh Minister for Health and Social Services.

The Welsh Government is regarded as a related party. During the year, the Trust has had a significant number of material transactions with the Welsh Government and with other entities for which the Welsh Government is regarded as the parent body, namely:

Related Party	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Please list all related party transactions to include;				
Welsh Government	122	230,672	10	8,816
Welsh LHBS				
Aneurin Bevan University Health Board	4,705	1,624	918	312
Betsi Cadwaladr University Health Board	5,012	5,576	693	968
Cardiff and Vale University Health Board	7,106	7,178	982	1,300
Cwm Taf Morgannwg University Health Board	3,726	2,309	837	437
Hywel Dda University Health Board	3,180	2,361	232	86
Powys Teaching Health Board	871	480	181	137
Swansea Bay University Health Board	4,803	4,100	226	669
WHSC/EASC	65	1	17	0
Welsh NHS Trusts				
Velindre University NHS Trust	3,652	379	491	808
Welsh Ambulance Service NHS Trust	108	52	11	0
Welsh Special Health Authorities				
DHCW	2,301	323	72	60
HEIW	158	1,519	95	24
NHS Wales Charities:				
Velindre University NHS Trust Charitable Funds	0	(15)	0	0
Local Authorities	6,758	273	1,665	36
Related Party Transactions where Board members have declared an interest (see notes below for details of relationships):				
Florence Nightingale Foundation	1	0	1	0
Hafren Dyfrdwy	1	0	0	0
Macmillan Cancer Support	0	506	0	3
Tenovus	1	0	5	0
The Health Foundation	0	531	368	0
UK Public Health Register	12	0	8	0
	42,582	257,869	6,812	13,656

Rhiannon Beaumont-Wood, Executive Director of Quality, Nursing and Allied Health Professionals, is a Trustee of the Florence Nightingale Foundation.

Mohammed Mehmet, Non-Executive Director, is a Non-Executive Director for Hafren Dyfrdwy.

Mohammed Mehmet, Non-Executive Director, is a Trustee of Macmillan Cancer Support.

Judi Rhys, Non-Executive Director, is Chief Executive Officer of Tenovus Cancer Care.

Huw George, Deputy Chief Executive and Executive Director of Operations and Finance is a Trustee of Tenovus.

Dr John Boulton, National Director of NHS Quality Improvement and Patient Safety/Director of Improvement Cymru, is a Board member of Q Network (sponsored by the Health Foundation).

Andrew Jones, Interim Executive Director of Public Health Services, is Chair for UK Public Health Register.

34. Third party assets

The Trust held £nil cash at bank and in hand at 31 March 2022 (31 March 2021, £nil) which relates to monies held by the Trust on behalf of patients. Cash held in Patient's Investment Accounts amounted to £nil at 31 March 2022 (31 March 2021, £nil).

35. Pooled budgets

Public Health Wales NHS Trust has no pooled budgets.

36. Operating Segments

IFRS 8 requires organisations to report information about each of its operating segments.

	PHW NHS Trust		NHS Collaboratives		Finance Delivery Unit		TOTAL		ELIMINATIONS		TOTAL	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Operating Revenue												
Segmental Income	230,457	192,701	28,793	24,292	1,379	1,657	260,629	218,650	(304)	(366)	260,325	218,284
	230,457	192,701	28,793	24,292	1,379	1,657	260,629	218,650	(304)	(366)	260,325	218,284
Operating expenses	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Local Health Boards	13,777	11,287	9,974	8,230	0	20	23,751	19,537	(304)	(366)	23,447	19,171
Welsh NHS Trusts	556	862	1,839	2,574	15	16	2,410	3,452	0	0	2,410	3,452
Welsh Special Health Authorities	192	0	840	0	0	0	1,032	0	0	0	1,032	0
Goods and services from other non Welsh NHS bodies	0	0	0	0	0	0	0	0	0	0	0	0
WHSSC & EASC	1	0	0	0	0	0	1	0	0	0	1	0
Local Authorities	4,375	3,976	0	0	0	0	4,375	3,976	0	0	4,375	3,976
Purchase of healthcare from non-NHS bodies	0	0	0	0	0	0	0	0	0	0	0	0
Welsh Government	0	7	0	0	0	0	0	7	0	0	0	7
Other NHS Trusts	70	64	0	30	0	0	70	94	0	0	70	94
Directors' costs	1,714	1,836	0	0	0	0	1,714	1,836	0	0	1,714	1,836
Operational Staff costs	108,081	98,863	10,622	8,784	1,161	1,450	119,864	109,097	0	0	119,864	109,097
Single lead employer Staff Trainee Cost	60	0	0	0	0	0	60	0	0	0	60	0
Supplies and services - clinical	74,892	54,828	218	3	0	0	75,110	54,831	0	0	75,110	54,831
Supplies and services - general	1,342	1,249	1,437	1,484	1	1	2,780	2,734	0	0	2,780	2,734
Consultancy Services	1,114	488	270	84	21	48	1,405	620	0	0	1,405	620
Establishment	8,948	5,405	877	825	52	10	9,877	6,240	0	0	9,877	6,240
Transport	629	437	9	9	0	0	638	446	0	0	638	446
Premises	7,227	7,430	1,677	1,249	116	112	9,020	8,791	0	0	9,020	8,791
Impairments and Reversals of Receivables	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation	3,909	2,692	0	0	0	0	3,909	2,692	0	0	3,909	2,692
Amortisation	412	305	0	0	0	0	412	305	0	0	412	305
Impairments and reversals of property, plant and equipment	(4)	110	0	0	0	0	(4)	110	0	0	(4)	110
Impairments and reversals of intangible assets	0	0	0	0	0	0	0	0	0	0	0	0
Impairments and reversals of financial assets	0	0	0	0	0	0	0	0	0	0	0	0
Impairments and reversals of non current assets held for sale	0	0	0	0	0	0	0	0	0	0	0	0
Audit fees	167	151	0	0	0	0	167	151	0	0	167	151
Other auditors' remuneration	0	0	0	0	0	0	0	0	0	0	0	0
Losses, special payments and irrecoverable debts	20	334	0	0	0	0	20	334	0	0	20	334
Research and development	0	0	0	0	0	0	0	0	0	0	0	0
Other operating expenses	2,204	2,282	1,030	1,020	13	0	3,247	3,302	0	0	3,247	3,302
Total	229,686	192,606	28,793	24,292	1,379	1,657	259,858	218,555	(304)	(366)	259,554	218,189
Investment Revenue	16	0	0	0	0	0	16	0	0	0	16	0
Other Gains and Losses	7	(18)	0	0	0	0	7	(18)	0	0	7	(18)
Finance Costs	0	0	0	0	0	0	0	0	0	0	0	0
Total	23	(18)	0	0	0	0	23	(18)	0	0	23	(18)
Retained surplus	794	77	0	0	0	0	794	77	0	0	794	77

37. Other Information

37.1. 6.3% Staff Employer Pension Contributions - Notional Element

The value of notional transactions is based on estimated costs for the twelve month period 1 April 2021 to 31 March 2022. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2021 and February 2022 alongside Trust data for March 2022.

Transactions include notional expenditure in relation to the 6.3% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows:

	2021-22	2020-21
STATEMENT OF COMPREHENSIVE INCOME		
FOR THE YEAR ENDED 31 MARCH 2022	£000	£000
Revenue from patient care activities	4,886	4,297
Operating expenses	4,886	4,297
3. Analysis of gross operating costs		
3. Revenue from patient care activities		
Welsh Government	4,520	4,001
Welsh Government - Hosted Bodies	366	296
5.1 Operating expenses		
Directors' costs	78	84
Staff costs	4,808	4,213

37. Other Information (continued)

37.2 Other (continued)

Welsh Government Covid 19 Funding

Details of Covid 19 Pandemic Welsh Government funding amounts provided to NHS Wales

	Total 2021-22 £000	Total 2020-21 £000	
Capital			
Capital Funding Field Hospitals	-	0	
Capital Funding Equipment & Works	0	10738	
Capital Funding other (Specify)	0	0	
Welsh Government Covid 19 Capital Funding	-	10,738	
			As previously reported in 2020-21 £000
Revenue			
Sustainability Funding	-	-	1016
C-19 Pay Costs Q1 (Future Quarters covered by SF)	-	-	1314
Field Hospital (Set Up Costs, Decommissioning & Consequential losses)	-	-	0
Bonus Payment	-	-	1876
Independent Health Sector	-	-	0
Stability Funding	0	4206	
Covid Recovery	1100	0	
Cleaning Standards	0	0	
PPE (including All Wales Equipment via NWSSP)	0	95	
Testing / TTP- Testing & Sampling - Pay & Non Pay	61257	39170	
Tracing / TTP - NHS & LA Tracing - Pay & Non Pay	1554	0	
Extended Flu Vaccination / Vaccination - Extended Flu Programme	0	179	
Mass Covid-19 Vaccination / Vaccination - COVID-19	1410	216	
Annual Leave Accrual - Increase due to Covid	0	1258	
Urgent & Emergency Care	0	0	
Private Providers Adult Care / Support for Adult Social Care Providers	0	0	
Hospices	0	0	
Other Mental Health / Mental Health	0	0	
Other Primary Care	0	0	
Other	2836	1994	
Welsh Government Covid 19 Revenue Funding	68,157	47,118	

37. Other Information (continued)

37.3 Changes to accounting standards not yet effective - IFRS 16 Impact

IFRS 16 Leases supersedes IAS 17 Leases and is effective in the public sector from 1 April 2022. IFRS 16 provides a single lessee accounting model and requires a lessee to recognise right-of-use assets and liabilities for leases with a term more than 12 months unless the underlying value is of low value. The FReM makes two public sector adaptations

- The definition of a contract is expanded to include intra UK government agreements that are not legally enforceable;
- The definition of a contract is expanded to included agreements that have nil consideration.

IFRS 16 gives a narrower definition of a lease than IAS 17 and IFRIC 4 by requiring that assets and liabilities will be recognised initially at the discounted value of minimum lease payments. After initial recognition, right of use assets will be depreciated on a straight line basis and interest recognised on the liabilities. Except where modified for revaluation where material, the cost model will be applied to assets other than peppercorn leases which will be measured on a depreciated replacement cost basis. The right of use asset in a peppercorn lease is accounted for similarly to a donated asset.

As required by the FReM IFRS 16 will be implemented using the accumulated catch up method.

The right of use assets and leasing obligation have been calculated and indicated that the total discounted value of right of use assets and liabilities under IFRS 16 is higher than the value of minimum lease commitments under IAS 17. This is predominantly due to the depreciation costs for right of use assets for peppercorn property leases. Under IAS 17, these leases do not attract operating expenditure. The impact of implementation is an

- increase in expenditure £632k
- increase in assets of £13,378k and liabilities of £15,074k. These values are not equal as rent incentives for some property leases have been offset against the right of use asset value.

These figures are calculated before intercompany eliminations are made, these will have a material impact on the figures.

Right of Use (RoU) Assets Impact

	Property £000	Non Property £000	Total £000
Statement of financial Position			
RoU Asset Recognition			
+ Transitioning Adjust	12,090	1,288	13,378
+ As at 1 April 2022	12,090	1,288	13,378
+ Renewal / New RoU Assets 2022-23	853	1,596	2,449
- Less (Depreciation)	-1,930	-586	-2,516
+ As at 31 March	11,013	2,298	13,311
RoU Asset Liability			
- Transitioning Adjust	-13,786	-1,288	-15,074
- As at 1 April 2022	-13,786	-1,288	-15,074
- Renewal / New RoU Liability 2022-23	-957	-1,596	-2,553
+ Working Capital	1,534	598	2,132
- Interest	-82	-21	-103
- As at 31 March	-13,291	-2,307	-15,598
Charges			
Expenditure	£000	£000	£000
RoU Asset DEL depreciation ⁽¹⁾	1,212	586	1,798
RoU Asset AME depreciation ⁽¹⁾	718	0	718
Interest on obligations under RoU Asset leases ⁽²⁾	82	21	103
	2,012	607	2,619

NHST

- 1 Operating Expenses
- 2 Finance Costs

THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE APPROVAL OF TREASURY

NHS TRUSTS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2010 and subsequent financial years in respect of the NHS Wales Trusts in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the NHS Wales Trusts shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FReM), which is in force for the financial year for which the accounts are being prepared, as detailed in the NHS Wales Trust Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the Trust for the year ended 31 March 2010 and subsequent years shall comprise a foreword, an income statement, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FReM and applied to the NHS Wales Manual for Accounts, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2010 and subsequent years, the account of the Trust shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst

Dated : 17.06.2010

1 Please see regulation 3 of the 2009 No 1558(W.153); NATIONAL HEALTH SERVICE, WALES; The National Health Service Trusts (Transfer of Staff, Property Rights and Liabilities) (Wales)