

**MINUTES OF EXTRAORDINARY PUBLIC TRUST BOARD MEETING
(ANNUAL ACCOUNTS / ANNUAL REPORT)
26th JUNE 2025 (10:00-11:00)
VUNHST TRUST HEADQUARTERS, NANTGARW / TEAMS WEBINAR**

<p>PRESENT</p> <p>Prof. Donna Mead OBE Lindsay Foyster Prof. Andrew Westwell Vicky Morris Gareth Jones David Donegan Carl James Lauren Fear Sarah Morley Matthew Bunce Nicola Williams</p> <p>Jacinta Abraham Anne Carey Carl Taylor Non Gwilym Kyle Page</p>	<p>VUNHST Chair (<i>Chair</i>) VUNHST Vice Chair and Independent Member Independent Member (<i>remotely</i>) Independent Member (<i>remotely</i>) Independent Member (<i>remotely</i>) Chief Executive Officer (<i>remotely</i>) Executive Director of Strategy & Planning / Interim Deputy CEO Interim Director of Transformation, Planning & Digital Executive Director of Organisational Development & Workforce Executive Director of Finance Executive Director of Nursing, Allied Health Professionals and Health Scientists Executive Medical Director Chief Operating Officer Chief Digital Officer Interim Director of Corporate Governance Business Support Manager (<i>Secretariat</i>)</p>
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1.0.0	PART 1 - STANDARD BUSINESS	
1.1.0	<p>Welcome and Apologies Led by Prof Donna Mead OBE, Chair</p> <p>The Chair welcomed attendees to the Extraordinary Public Trust Board meeting, which had been convened in order to approve the Trust's Annual Accounts, Accountability Report and Annual Performance Report. This meeting had been preceded by an Audit Committee held on the 24th June 2024, where papers presented at today's meeting had been robustly reviewed and discussed. The Chair acknowledged and expressed thanks for the significant effort that had contributed to today's papers.</p> <p>No apologies had been received, however it was noted that Prof. Andrew Westwell would join the meeting late due to a prior commitment.</p>	
1.2.0	<p>In Attendance: Led by Prof Donna Mead OBE, Chair</p> <p>The Chair extended a warm welcome to the following additional attendees:</p> <ul style="list-style-type: none"> • Tracy Hughes, Head of Financial Operations (<i>for item 2.2.0</i>) (<i>remotely</i>) • Stephen Chaney, Head of Internal Audit, NHS Wales Shared Services Partnership (<i>for item 4.1.0</i>) (<i>remotely</i>) • Richard Harries, Director Financial Audit, Audit Wales (<i>for item 5.1.0</i>) • Katrina Febry, Audit Lead, Audit Wales (<i>remotely</i>) • Bethan Davis, Welsh Translation Service (<i>HEIW</i>) 	
1.3.0	<p>Declarations of Interest Led by Prof Donna Mead OBE, Chair</p>	

	There were no declarations of interest pertinent to the items on today's agenda.	
2.0.0	ANNUAL REPORT AND ANNUAL ACCOUNTS 2024-2025	
2.1.0	<p>Cover Paper for the Annual Report and Accounts 2024-2025</p> <p>Led by Lauren Fear, Director of Transformation (interim), Matthew Bunce, Executive Director of Finance and Non Gwilym, Director of Corporate Governance (interim)</p> <p>Non Gwilym introduced the cover paper for the Annual Report and Account 2024-2025, noting that NHS Bodies are required to publish, as a single document, a three-part Annual Report and Accounts, to include a Performance Report, Accountability Report (to include the Corporate Governance Report, Directors' Report and Remuneration Report) and the Annual Accounts, in line with the structure stipulated in the Government Financial Reporting Manual 2024-2025. Non highlighted the significant amount of work involved in producing the report and accounts, expressing gratitude to colleagues across the Trust and those supporting from Audit Wales and Shared Services, given the complexities of the year, in particular the arrangements with hosted services.</p> <p>1. Performance Report – Lauren Fear provided the following overview:</p> <ul style="list-style-type: none"> • The report provides an overview of the Trust's performance for 2024-25, including detailed analysis for each area, focusing on delivery against commitments to patients and donors. • The report also covers staff wellbeing, the sustainability strategy, and includes detailed climate-related disclosures as required by legislation. • The report also addresses Welsh Language requirements and includes a forward look. • There is an overlap between the Performance Report and Annual Report and Accounts, with cross-referencing between sections. <p>Lauren Fear thanked internal audit and Audit Wales colleagues for their feedback on the Performance Report, stating that their comments had been worked through and included in the final version.</p> <p>Gareth Jones also advised the Board that the Annual Report and Accounts had been robustly reviewed at this week's Audit Committee, adding his thanks and acknowledging the significant amount of work involved.</p> <p>Lindsay Foyster welcomed sight of the full year's performance in one document, reflecting on the dedication of staff in both Divisions in achieving the reported outcomes and to those who presented the report.</p> <p>2. Accountability Report – No comments or queries were raised.</p> <p>3. The Annual Accounts – Matthew Bunce highlighted that the Financial Statements had been reviewed at this week's Audit Committee, identifying the following issues:</p> <ul style="list-style-type: none"> • A contingent liability relating to a supplier claim. • A classification issue regarding Welsh Risk Pool provisions. <p>It was confirmed that these had been addressed in the accounts. Matthew Bunce thanked the Finance Team for their efforts, noting the increasing complexity of the</p>	

	<p>accounts due to service growth and hosting arrangements. The support received from internal audit and Audit Wales in navigating these complexities was also recognised.</p> <p>Lauren Fear wished to clarify that the overpayment of her salary noted within the document had been raised by her, and that the mechanism to facilitate repayment had not yet been provided by payroll. The Board acknowledged that this is a live issue and that repayment would be made as soon as possible.</p> <p>No issues were raised and the Trust Board APPROVED all three reports, noting that the organisation had met all its statutory financial duties.</p>	
<p>2.2.0</p>	<p>Appendix 1 – Letter of Representation 2024-2025 Led by Matthew Bunce, Executive Director of Finance</p> <p>Matthew Bunce introduced the Letter of Representation as an appendix to the Annual Report and Accounts; this standard document sets out and provides assurances in relation to financial statements, knowledge of fraud and associated risks. Information contained in the letter was subdivided as follows:</p> <p>Section one – Management representations (assurances from the Chief Executive / Accountable Officer relating to the financial statements and information provided).</p> <p>Section two – Financial representations, specifically the preparation of accounts and all supporting information relating to assets, liabilities and transactions.</p> <p>Section three – Board representations, where the Chief Executive and Chair sign on behalf of the Board collectively.</p> <p>Section four – Confirmation of access to relevant information, knowledge of fraud, related party transactions and compliance.</p> <p>It was NOTED that the Letter of Representation was covered by the recommendation above and detailed discussion was not proposed as it would form part of Audit Wales's overall package.</p>	
<p>3.0.0 INTERNAL AUDIT & ASSURANCE SERVICES</p>		
<p>3.1.0</p>	<p>Head of Internal Audit Opinion Led by Stephen Chaney, Head of Internal Audit, NHS Wales Shared Services Partnership</p> <p>The Chair advised that the purpose of the report is to contribute to the assurances available to the Chief Executive (as Accountable Officer) and the Board. The report had been based on 17 audits, reporting an overall assurance rating of 'Reasonable', indicating arrangements for governance, risk management and internal control are suitably designed and applied effectively.</p> <p>Stephen Chaney began by thanking Trust colleagues for their assistance throughout the year, which had facilitated an easier audit process. Stephen explained that the opinion had been based on a plan developed around key organisational risks, including capital and IT audit work, focusing on core Trust activities. It was noted that the opinion is a key element in providing assurance to the Accountable Officer and Board, and that overall risk exposure is currently considered to be low to moderate. Comments and questions were welcomed.</p> <p>David Donegan stated that, for the public record, the documents reflect that the internal control work by Stephen Chaney had been limited historically and in the</p>	

	<p>current year to core elements of the Trust. David advised that as part of the ongoing review with Welsh Government, the internal audit programme for the coming year (25-26) would be amended to address any assurance gaps that may arise from the external review into the governance of hosted functions. This did, however, not change the support for the current Head of Internal Audit Opinion.</p> <p>Lindsay Foyster emphasised the importance of internal audit as a driver for continuous improvement, as opposed to simply for reassurance purposes. Lindsay also advised that the Audit Committee would monitor how Management implements recommendations from internal audit, expressing hope that the internal audit process had provided helpful prompts and pointers to enable continuous organisational improvement.</p> <p>The Chair indicated that the Audit Tracker is now being robustly implemented, allowing improvements highlighted by internal audit to be tracked and acted upon more comprehensively than at the beginning of her tenure.</p> <p>The Trust Board NOTED The content of the Head of Internal Audit Opinion, thanking Stephen Chaney for the approach taken by his team on this work.</p>	
<p>4.0.0 AUDIT WALES AUDIT OF FINANCIAL STATEMENTS 2024-2025</p>		
<p>4.1.0</p>	<p>Audit Wales ISA 260 Report 2024-2025</p> <p>Led by Richard Harries, Director Financial Audit, Audit Wales</p> <p>The ISA 260 Report had been prepared as part of work performed in accordance with statutory functions. Richard Harries advised the following:</p> <ul style="list-style-type: none"> • The report provided an unqualified (clean) opinion for the Trust, achieved by open conversations, a positive outcome. • The report had not been sighted at Audit Committee, rather an oral update had been provided. • A final review and sign off of the report remain outstanding. • No recommendations had been included in the report as none had been warranted. • Lessons learned from the process will be discussed with the Finance Team to improve timelines and quality next year. • The report included a substantive section to bring public attention to governance issues related to hosted bodies / Shared Services, reflecting concerns raised by the Trust and the ongoing Welsh Government review. It was advised that the opinion had not been altered by these issues, however the process for closing the accounts had been more challenging this year due to these complexities. <p>Stephen Harries queried whether the audit opinion for the ISA 260 report covers Shared Services as a hosted body, or whether a separate audit opinion exists for this. Richard Harries advised that the opinion covers the organisation in its entirety, including hosted services and associated transactions and audit work.</p> <p>Lindsay Foyster welcomed the clear setting out of the issues relating to governance and hosted bodies in the report, emphasising the importance of effective arrangements for both the Trust and Shared Services (and the significant public funds involved). Lindsay also queried whether the bringing forward of deadlines year on year would continue, expressing concern regarding potential impact on the Trust and quality of reporting. Richard Harries indicated that bringing</p>	

	<p>forward deadlines any earlier may affect the quality of work or become unfeasible; the current deadline would remain until next year at the very least.</p> <p>Lauren Fear added that deadlines be brought forward any earlier would create issues for performance reporting, as it is a requirement to report on the full year up to the end of March and sufficient time is then required to prepare robust reports for the May Trust Board. Additionally, Lauren highlighted a factual inaccuracy in the report regarding salary overpayment, clarifying that this had been identified by her and not Audit Wales. Richard Harries agreed to amend this.</p> <p>Returning to the query raised by Stephen Harries, David Donegan clarified that he was content that the financial auditing covered the organisation as an entity, including hosted bodies, and that both internal and external audit work around finances had been comprehensive. However, other external audit work around structured assessment and audits relating to governance and compliance had been limited to core Trust; therefore it had been flagged that if the Board is to remain accountable for the performance and governance of hosted bodies, strengthening the internal and external audit opinions to cover the whole entity, and not just core services, will be required.</p> <p>Stephen Harries noted that page 29 of the report referenced concerns regarding governance and accountability arrangements, which could be misinterpreted as being discovered by Audit Wales, when in fact, they had been raised by the Trust. Stephen Harries suggested that the wording should be amended to reflect this, to avoid misunderstanding by readers of this public document. Richard Harries agreed to amend this.</p> <p>The Trust Board APPROVED the ISA 260 Report, <u>subject to</u> the amendments discussed.</p>	
<p>5.0.0</p>	<p>Any other Business Led by Prof Donna Mead OBE, Chair</p> <p>No other business was raised.</p>	
<p>6.0.0</p>	<p>Date of next meeting Led by Prof Donna Mead OBE, Chair</p> <p>The next regular public meeting of the Trust Board will take place on Thursday 24th July 2025.</p>	
<p>7.0.0</p>	<p>CLOSE The Chair closed the meeting.</p>	